



# **2020 Qualified Allocation Plan (QAP)**

## **Project Plan**

**March 28, 2019**

**IMPORTANT DISCLAIMER: THIS PROCESS IS INTENDED TO ENABLE STAKEHOLDERS AND STAFF TO PROPOSE AND DEVELOP IDEAS AND CONCERNS TO BE CONSIDERED IN THE DEVELOPMENT OF THE QAP AND OTHER APPLICABLE RULES FOR 2020. THE OFFICIAL PUBLICATION OF A BOARD APPROVED DRAFT FOR PUBLIC COMMENT WILL OCCUR IN ACCORDANCE WITH THE STATUTORILY ESTABLISHED CALENDAR IN FALL 2019.**

## **INTRODUCTION**

The purpose of this project is to solicit and discuss ideas to be considered for inclusion in the 2020 QAP and the Rules. The ultimate deliverables for this project are a QAP and other multifamily rules that clearly articulate TDHCA housing policy as established by the Governing Board through threshold and scoring criteria and also addresses state and federal requirements. TDHCA staff welcomes an open discussion with stakeholders in affordable housing across the state of Texas.

The process will include several meetings on the day before Board meetings, outreach efforts so that stakeholders who are not able to attend meetings will have an opportunity for input, and focused meetings with stakeholders that have specific needs and insights. Staff may involve local and regional experts in affordable housing to present findings at meetings, and staff may conduct and contribute their own research on select issues.

## **PROJECT GOALS AND PURPOSE**

The Multifamily Finance Division (Division) staff will lead the project, including scheduling meetings, accessing necessary resources, facilitating conversations, and compiling results. The Division will provide periodic reporting to the Board so they are regularly updated on the progress of the monthly meetings and have an opportunity for input throughout the process. Staff from other TDHCA divisions may be asked to participate as needed.

Stakeholders, including the development community, advocates for various interest groups served by affordable housing, residents of TDHCA properties, and various subject matter experts will be invited to participate in meetings, surveys, or other forms of public comment and discussion so that a clear assessment of varying needs and priorities may be compiled. That assessment, along with applicable statutory and regulatory requirements, will be used to draft amendments and changes to develop the proposed 2020 QAP. Because many stakeholders cannot travel to Austin for these periodic QAP meetings, staff will solicit feedback through more flexible means. Possible media include online polls, website forums, and focus groups. TDHCA staff also may hold regional stakeholder meetings outside of Austin.

It is anticipated that the process will continue through July 2019, and that a staff draft of the 2020 QAP will be available in late summer/early fall 2019. Specific sections of the QAP may be drafted and made available for informal comment throughout the process, in order to provide for the most effective possible feedback on those items.

## PROJECT SCOPE

The scope of the project will include the planning and development of specific topics to be considered for amendment in the 2020 QAP and Rules, and potentially later editions. While it is anticipated that the process will be completed prior to publication of the staff draft and presentation of the QAP to the Board in September 2019, this is an ever-evolving process and there may be items that will be continued into subsequent years. The chief focus of the project is the 2020 QAP, but other parts of the Rules may be included in the project as needed.

The project will, in certain matters, rely heavily on data gathered from external sources. Sources may include (but will not be limited to) Census and American Community Survey data, reputable research centers, and best practices from other organizations or states. Internal data may include TDHCA's Compliance Monitoring and Tracking System (CMTS), data from cost certifications compiled by the Asset Management Division, and data gathered from previous application rounds.

During this process, Division staff will be evaluating related topics to the QAP. This research and staff's experiences with and/or knowledge of evaluation, scoring criteria, and tenant needs will be incorporated into the project.

It is staff's intent to address those ideas that will require the most time to develop in the earlier meeting discussions so that they can adequately be considered for possible inclusion in the 2020 QAP and/or Rules.

Based on previous conversations, staff's research, and policy directions from the Governing Board, staff proposes the following topics as the initial points of departure as the Division and stakeholders begin composing the 2020 QAP and Rules:

1. Proximity to Urban Core
2. Proximity to Employment Centers/Jobs
3. Underserved Area scoring options
4. Preservation Policy, including ROFR and QC
5. Green Building and Sustainability
6. Development Amenities
7. Development Costs, including Rehabilitation Costs and PCAs
8. Eligibility and Threshold Requirements
9. To the extent that statutory provisions are enacted by the 86<sup>th</sup> Texas Legislature that impact the QAP, those issues may also be discussed.

## SCHEDULE BASELINE

The initial schedule currently proposes **three meetings in Austin the day before TDHCA Governing Board meetings**. Specific topics to be discussed at each meeting have been mapped out, based on input from stakeholders and staff priorities, but are subject to change. Additional meetings may be scheduled in order to accommodate specific topics, or in locations other than Austin.

2020 QAP Planning Process - Tentative Schedule		
Title	Date	Description
1 <sup>st</sup> 2020 QAP Meeting	12/6/18	Initial planning for the 2020 QAP periodic meetings; identifying topics of interest
TDHCA Board Meeting	2/21/19	TDHCA Governing Board meeting
2 <sup>nd</sup> 2020 QAP Meeting	4/24/19	Location: Stephen F. Austin Building, Room 170 Time: 2:00 – 5:00 PM Subject: Proximity to Urban Core; Proximity to Jobs; Underserved Area; other topics TBD
TDHCA Board Meeting	4/25/19	Presentation to the TDHCA Governing Board regarding progress on planning and discussion.
3 <sup>rd</sup> 2020 QAP Meeting	05/22/19	Location: Stephen F. Austin Building, Room 170 Time: 2:00 – 5:00 PM Subject: Preservation Policy, including ROFR and QC; Green Building and Sustainability; Development Amenities; other topics TBD
TDHCA Board Meeting	5/23/19	Presentation to the TDHCA Governing Board regarding progress on planning and discussion.
4 <sup>th</sup> 2020 QAP Meeting	6/26/19	Location: William B. Travis Building, Room 1-100 Time: 2:00 – 5:00 PM Subject: Statutory Changes to the QAP; Development Costs, including Rehabilitation Costs and PCAs; Eligibility & Threshold; other topics TBD
TDHCA Board Meeting	6/27/19	Presentation to the TDHCA Governing Board regarding progress on planning and discussion.
Staff Draft of QAP	8/2019	In August, staff will post a draft of the QAP for input from stakeholders. That input will be considered as staff prepares the QAP for presentation to the Board in September.
TDHCA Board Meeting	9/5/19	Presentation and possible approval by the TDHCA Governing Board of the draft 2020 QAP
Public Comment Period	TBD	Following the September TDHCA Board Meeting, the public comment period for Chapter 11 and Subchapter E of Chapter 10 (Post Award and Asset

		Management Requirements) will begin on 9/20/19 and end on 10/11/19
TDHCA Board Meeting	11/07/19	Presentation and possible approval by the TDHCA Governing Board of the final 2020 QAP
Transmittal to the Governor	By 11/15/19	On or before 11/15/19, staff will send the 2020 QAP to the Governor for his approval
Governor Approval	12/1/19	The Governor will approval, modify or reject the 2020 QAP by 12/1/19

As much as practically possible, rule changes contemplated for proposal to the Board will be presented to stakeholders after they have been thoroughly reviewed by TDHCA staff, including Legal Services, for compliance with statutory and regulatory requirements and compliance with TDHCA Board housing policy.

In the case of proposed changes that will significantly impact the development process, TDHCA staff may suggest a phased approach to implementation so that stakeholders are able to effectively plan for implementation.

This Project Plan will change over the course of 2019, as needs or priorities are identified and addressed. Schedules regarding individual topics may expand or contract as necessary to accommodate stakeholder input and staff priorities.

## COMMUNICATIONS MANAGEMENT PLAN

The Communications Management Plan sets the communications framework for this project. It will serve as a guide for communications throughout the life of the project and will be updated as communication requirements change. This plan identifies and defines the roles of stakeholders, staff and the Board as they pertain to communications. It also includes a communications matrix which maps the communication requirements of this project.

Communication Type	Description	Format	Participants/Distribution	Deliverable
Project Meetings	Meeting to discuss scheduled topic	In Person	All	Meeting Summary
Status Report to Governing Board	Report on Project progress	In Board Materials	TDHCA staff and Board	Board report or Action Request as needed
Website	Posting of Meetings and Materials	Website	Multifamily Finance	Resource for Project participants
Online Forum	Method for gathering stakeholder input	Website	All	Input regarding specific topics to be integrated into rule making process

Online Polls	Method for gathering stakeholder input	Website	ALL	Input regarding specific topics to be integrated into rule making process
Focus Groups	Subjected-oriented meeting to discuss scheduled topic	In Person or Conference Call	Subject Stakeholders	Meeting Summary

While informal communication is a part of every project and is necessary for successful project completion, any issues, concerns, or updates that arise from informal discussion between TDHCA staff and stakeholders will be communicated to the larger group so that the appropriate action may be taken.

**COST MANAGEMENT PLAN AND OUTREACH**

TDHCA has minimal resources available to rent meeting space, provide hard copy materials, or travel to areas outside Austin. Wherever possible, meeting spaces that are available without charge will be utilized. Meeting participants will be requested to provide their own copies of materials.

As described in the Communications section, the project will provide opportunities for stakeholders that are not able to attend meetings to provide input. Division staff plan to conduct meetings in geographic areas outside of Austin as travel schedules and budgets allow.

**SCHEDULE MANAGEMENT PLAN**

Meeting schedules and topics will be regularly posted to the TDHCA website, via the listerv, calendar and through social media. Once the initial schedule has been established, necessary resources will be developed, reviewed and approved prior to posting. Schedules will be updated as the project evolves, and updates will be posted to the TDHCA website.