

Multifamily Housing Notice 23-10

September 22, 2023

To: Developers, Sponsors and Local Housing Contacts

From: Alvin Lawson, Director, Multifamily Operations

Re: *2023 Qualified Allocation Plan (QAP) and Multifamily Rental Financing Program Guide (Guide) – Effective 9/21/23*
2023 Community of Opportunity (COO) Designations – Effective 9/21/23
2023 Competition for LIHTCs and Rental Housing Funds: Round Deadline Pre-Round Information Session
Updated Application Submission Package and Electronic Submission Process
LIHTC Equity Raise-Up Rate
Interest Rate
Round Resources
Updated Fee Schedule
Updated Construction Cost Limits

2023 Maryland Qualified Allocation Plan (QAP) and Multifamily Rental Financing Program Guide (Guide) – Effective 9/21/23

Governor Wes Moore has signed the 2023 Qualified Allocation Plan (QAP) and the Multifamily Rental Financing Program Guide (the “Guide”). The new QAP and Guide are effective as of September 21, 2023 and will govern all applications received on or after this date. The 2023 QAP may be accessed at the Department’s website at <http://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>.

The new QAP and Guide reflect changes made in response to the comments received from a large number of stakeholders. We thank all of you for your participation throughout the process.

2023 Community of Opportunity (COO) Designations – Effective 9/21/23

The 2023 Community of Opportunity (COO) Designations are effective as of September 21, 2023. Competitive family projects in COOs that were awarded under the previous designations will maintain their State Basis Boost. A link to the map can be found below: <https://portal.dhcd.state.md.us/GIS/multifamily/index.html>

2023 Competition for LIHTCs and Rental Housing Funds: Round Deadline

Applications for the 2023 Competitive Funding Round are due by Friday, December 15, 2023 at 2:00 PM. DHCD requires one (1) electronic and one (1) hard copy of the application. Hard copy applications must be delivered to the mailroom on the ground floor of 7800 Harkins Road, Lanham, Maryland 20706. The 2023 Competitive Funding Round will be governed by the 2023 QAP and Guide, both of which are dated September 21, 2023 and available on the DHCD website.

Pre-Round Information Session

DHCD will hold a virtual Pre-Round Information Session on October 23, 2023 from 10 am – 12 pm via video conference. At this session, DHCD will discuss resources available for the Round, explain changes to the QAP and Guide or process, and provide an opportunity for questions and answers. Please email dhcd.qap@maryland.gov if you have any questions you would like addressed during the Information Session presentation.

Dial-In Information:

LINK: <https://meet.google.com/hub-oivb-wie>

PHONE: +1 260-488-6003

PIN: 992 711 961#

Updated Submission Packages and Electronic Submission Process

The Application, Viability, Commitment, and Combined Viability/Commitment Submission Packages have been updated to reflect the new 2023 QAP and Guide has been posted to the DHCD website at <http://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>.

This application package must be used for requests for financing for all competitive and noncompetitive funding sources, including Rental Housing Program Funds (RHPF), Multifamily Bond Program (MBP), Federal Low Income Housing Tax Credits (4% and 9%), Rental Housing Works (RHW), and the Partnership Rental Housing Program (PRHP).

Applicants for the 9% Competitive Round must submit one (1) hard copy and one (1) electronic copy of the Application Submission Package. Non-Competitive Applications and all Viability, Commitment, and Combined Viability/Commitment Package submissions only need to be submitted electronically. Additionally, Subsidy Layering Reviews only require electronic submissions. DHCD reserves the right to request hard copies as needed.

All electronic submissions will be uploaded through DropBox. To streamline the submission process, DHCD has created the Electronic Submission Package Request form to request a DropBox folder for each project. In the form, you will select the type of submission (Competitive Application, Non-Competitive Application, Viability, Commitment, Combined Viability/Commitment, or Subsidy Layering Review) and DHCD will share a corresponding folder with you to upload the necessary documents. The form can be found at <https://dhcd.maryland.gov/HousingDevelopment/Pages/MF/ApplicationRequest.aspx>.

The electronic copy should be clearly tabbed so that a reviewer may easily find the necessary materials, and the files should not be scanned versions of the printed materials. CDA Form 202 must always be uploaded as an excel document.

Note: All applications for DHCD multifamily financing must be submitted using the on-line version of the CDA Form 202 accessible via the DHCD Portal at www.dhcd.maryland.gov. To receive an account username and password for accessing the DHCD Portal, please email your request to dhcd.rentalhousing@maryland.gov.

LIHTC Equity Raise-Up Rate

The Tax Credit raise-up rate to be used in scoring the Leveraging Category (Section 4.5.1) will be \$0.91 cents.

Interest Rate

For the 2023 Competitive Round, applicants are still required to submit letters of intent, per section 3.6 of the Guide, but applications should assume a 6.5% interest rate for first-lien debt calculations, regardless of any quoted interest rate that may be indicated in the letter of intent.

Round Resources

Applicants may request up to \$2.5 million in RHFP loan per project.



MULTIFAMILY HOUSING UPDATES

Updated Fee Schedule

The Department released a new Fee Schedule for our multifamily rental financing programs. The new schedule is effective September 21, 2023.

A copy of the Fee Schedule is posted to the website at:
<https://dhcd.maryland.gov/HousingDevelopment/Pages/Fees.aspx>.

Updated Construction Cost Limits

Per Section 4.5.3 of the Guide, Construction or Rehabilitation Costs, the applicable Maximum Construction Costs per Square Foot have been reviewed and remain the same. They are as follows:

Maximum Construction Cost per Gross Square Foot (September 2023)

Type of Building	New Construction	Rehabilitation
Cottage, Single Family, Semi-detached Dwellings, and Townhomes	\$263	\$269
Garden Apartments	\$220	\$168
Non-elevator Stacked Units and Elevator Buildings with 4 stories or less	\$239	\$196
Elevator Buildings of 5 or more stories	\$263	\$204

If you have any questions, please email at alvin.lawson@maryland.gov.

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IMPORTANT NOTICE REGARDING EMAILING OF MULTIFAMILY NOTICES

Multifamily Housing issues periodic notices (such as the one above) to announce new initiatives, provide important news, announce funding round deadlines, significant application changes, bond program amendments, and other key dates and facts on our website and by email only. You can subscribe to receive Multifamily Housing Notices at the following link:

<http://dhcd.maryland.gov/HousingDevelopment/Pages/About.aspx>



7800 Harkins Road • Lanham, MD • 20706
dhcd.maryland.gov

Wes Moore, Governor
Aruna Miller, Lt. Governor



MULTIFAMILY HOUSING UPDATES

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