

**SUMMARY OF CITIZEN PARTICIPATION PROCESS AND PROPOSED CHANGES
2020 HOME Action Plan Substantial Amendment, 2021 HOUSING CREDIT QUALIFIED
ALLOCATION PLAN, 2021 HOME ACTION PLAN, AND 2021 NATIONAL HOUSING TRUST
ALLOCATION PLAN**

In accordance with Section 42 of the Internal Revenue Code and the HOME and National Housing Trust Fund Regulations, notices of the Public Hearing and the 30-day public commenting period for the 2020 HOME Action Plan Substantial Amendment, draft 2021 Housing Credit Qualified Allocation Plan, draft 2021 HOME Action Plan and draft 2021 National Housing Trust Fund Allocation Plan (Plans) were published in the Birmingham, Huntsville, Mobile, and Montgomery newspapers and on the Alabama Housing Finance Authority (AHFA) website. AHFA emailed 1,493 notices of the draft Plan's availability to interested parties, requesting that they submit oral comments at the Public Hearing or written comments regarding the proposed Plans by 5:00 p.m. CST on August 20, 2020. During the designated commenting period, AHFA received 91 written comments from 28 individuals and organizations for all of the Plans except for the 2020 HOME Action Plan Substantial Amendment and the 2021 National Housing Trust Allocation Plan. The comments are attached and available for review at the following AHFA website link: <https://www.ahfa.com/multifamily/allocation-application-information/current-year-allocation-plans>

AHFA reviewed the comments received and revised the Plans based on certain comments submitted. A summary of the proposed changes to the Plans are attached. Once the final Plans have been formally approved, we strongly encourage each reader to review the final Plans completely to view any changes made by AHFA in their full context. When revisions have been finalized and approved, the Plans will be available for review in their entirety at the following AHFA website link: <https://www.ahfa.com/multifamily/allocation-application-information/current-year-allocation-plans>

AHFA wishes to thank the many individuals and organizations who provided comments during the commenting period. While all comments were carefully reviewed and considered, only the most equitable comments pertaining to the process for the entire state and the variety of program participants resulted in changes being made to the final Plans. As the administrator of the Plans, AHFA's goal is to develop written criteria for the Plans that will provide equal access to all types of affordable housing developments, which include but are not limited to: various construction types (new construction, acquisition, rehabilitation, and adaptive reuse, etc.); diverse target populations (families, seniors, persons with mental and physical disabilities, Veterans, and homeless populations, etc.); and geographical characteristics (rural, metropolitan, qualified census tracts, distressed areas, etc.). In attempting to reach varied needs and population types across the state, our greatest challenge is to develop a fair and balanced allocation methodology with the intent to ensure that all applications, regardless of the targeted population and construction type, will have a fair chance of competing during each Application Cycle.

To that end, please keep in mind that certain perceived scoring impediments for a particular type of organization can be offset by other incentives in the Plans, which may not be necessarily applicable to other types of organizations. In addition, please consider that the Plans are not intended to serve as a replacement for other discontinued housing programs, which may have had different standards, costs, or otherwise. This is especially true as it relates to construction design standards. Any applicant that proposes to include design standards that significantly exceed AHFA standards or to include other design standards mandated by other programs must obtain additional funding sources to offset any additional costs, assuming the project's costs exceed AHFA's definition of reasonable costs. As an alternative and when feasible, applicants should consider submitting an application for Multifamily Housing Revenue Bonds, which are subject to availability, provided on a first-come, first-served basis, and subject to the criteria and requirements of the applicable Plan.

Addenda:

- A. Summary of Proposed Changes to the 2020 HOME Action Plan Substantial Amendment (no comments were made/received)
- B. Summary of Proposed Changes to the 2021 Housing Credit Qualified Allocation Plan
- C. Summary of Proposed Changes to the 2021 HOME Action Plan
- D. Summary of Proposed Changes to the 2021 National Housing Trust Allocation Plan (no comments were made/received).
- E. Written Comments Submitted to AHFA

AHFA Multifamily Division

Summary of Proposed Changes to the 2020 HOME Action Plan Amendment

	Section Page Reference	Section Name	Description of Change(s)
HOME Action Plan Amendment (Addendum E)	E-2	Section I.C. Public Comment Process for this Addendum to the 2020 HOME Action Plan	No comments were submitted during the Public Hearing or the 30-day commenting period. The public commenting period was extended from 5 to 30 days and the Citizen Participation process was further clarified.

AHFA Multifamily Division

Summary of Proposed Changes to the 2021 Housing Credit Qualified Allocation Plan

	Section Page Reference*	Section Name	Description of Change(s)
Housing Credit QAP	18 -19	C. Application Threshold Requirements 13(vi) Site Location 16) Multifamily Housing Revenue Bonds	<p>For the AHFA Multifamily Housing Revenue Bond (MRB) applications, applicants may now submit, at the same time, an application for MRB and a competitive application provided both are 1) submitted during the Competitive Application Cycle, 2) have the same Responsible Owners, and 3) the sites must be located within 1/4 mile of each other.</p> <p>The above-referenced applications are exempt from the 2-mile radius requirement. However, the exception does not apply to an application for MRB whose related competitive application is unsuccessful.</p> <p>An applicant may not submit a competitive application unless their first time AHFA-funded MBR Project is 100% complete, at least 90% occupied and the AHFA-engaged construction consultant has performed the on-site inspection and cleared any findings.</p>
Housing Credit QAP	21	D. 15) Negative Actions	Added a satisfactory completion requirement for a single (first time applicant) before the submission of a new application(s). Any new application approval is contingent upon 100% (construction/rehabilitation) completion based on quarterly status reports submitted, and satisfactory evidence that the prior AHFA-funded Project has reached 90% occupancy.
Addendum A: Point Scoring System	A9	V. Project Type	Points were increased from 1 to 2 for rehabilitation (preservation) or replacement of existing or previously existing multifamily rental housing.
Addendum A: Point Scoring System	A10 – A11	(vi)(b)(3) Negative Neighborhood Services	Separately classified and reduced point deductions for an AHFA prior funded project that is at least 85% occupied at the time of application that is located adjacent to or within .3 miles of incompatible uses.

* Referenced pages were based upon draft versions of the Plans presented on the AHFA website in advance of the public commenting period. Page references in final versions of the Plans may not coincide with those versions of the Plans presented during the public commenting period.

AHFA Multifamily Division

Summary of Proposed Changes to the 2021 HOME Action Plan

	Section Page Reference*	Section Name	Description of Change(s)
HOME Action Plan	22	D.15) Negative Actions	Added a satisfactory completion requirement for a single (first time applicant) before the submission of a new application(s). Any new application approval is contingent upon, (i) 100% (construction/rehabilitation) completion based on quarterly status reports submitted, and (ii) satisfactory evidence that the prior AHFA-funded Project has reached 90% occupancy.
Addendum A: Point Scoring System	A-7	(v.) Project Type	Increased points from 1 to 2 for rehabilitation (preservation) or replacement of existing or previously existing multifamily rental housing.

* Referenced pages were based upon draft versions of the Plans presented on the AHFA website in advance of the public commenting period. Page references in final versions of the Plans may not coincide with those versions of the Plans presented during the public commenting period.

AHFA Multifamily Division
Summary of Proposed Changes to the
Draft 2021 National Housing Trust Fund Allocation Plan

	Section Page Reference*	Section Name	Description of Change(s)
National Housing Trust Fund Allocation Plan			No comments were submitted during the Public Hearing or the 30-day commenting period for the 2021 Draft National Housing Trust Allocation Plan (HTF Plan). However, AHFA received a request after the commenting period deadline for the HTF to be structured as either a loan or a grant. AHFA revised the Draft 2021 HTF Plan to include this change. AHFA will conduct a public hearing and will accept written comments for 30-days on the revised 2021 Draft HTF Plan.