



October 10, 2019

Massachusetts Department of Housing and Community Development  
Director, Low Income Housing Tax Credit Program  
100 Cambridge Street, 3<sup>rd</sup> Floor  
Boston, MA 02114

**RE: MACDC Comments on 2020-2021 Draft Qualified Allocation Plan**

Dear Madam or Sir:

I am pleased to offer these comments on the 2020-2021 Draft Qualified Allocation Plan.

We believe that the Draft 2020-2021 QAP continues DHCD's approach of maintaining the continuity of the QAP while addressing emerging issues, such as an increased emphasis on environmental sustainability. We offer the following comments.

1. We appreciate DHCD calling out Climate Change as an urgent community development issue. We commend the changes in scoring to reward sponsors whose applications address this head on, and the new requirement for a one-page narrative prepared by the project architect, describing the development team's approach to green, sustainable, and climate resilient design. We recognize that these efforts can involve sophisticated and complex equipment that can pose challenges on the operating and maintenance side. LISC Boston and the City of Boston are partnering with the Mel King Institute and others to provide training on Building Operator Certification for multifamily affordable housing maintenance professionals. We encourage DHCD to identify, promote, and support ongoing training to ensure that the energy efficiency initiatives during project development are fully realized during project operations.
2. We support DHCD's increasing focus on housing affordable to extremely low-income households. These households struggle with the lowest incomes and highest rent burdens. We support increasing the minimum ELI % from 10% to 13%, provided there is sufficient project-based rental assistance for these additional ELI units.
3. We support DHCD's new criteria on the sponsor's track record in MBE/WBE utilization, including its reflection in the scoring criteria. For the last several years, MACDC has partnered with the Massachusetts Minority Contractors' Association in the creation and implementation of the Boston Pilot Program. Now in its second phase, we are working with ten CDCs in Greater Boston to achieve higher rates of minority and women business participation in CDC-sponsored construction projects. We also recognize that the availability of MBE/WBE contractors can vary by region. We hope that DHCD will consider these regional differences in evaluating applications, and work with the development and contracting communities to facilitate more opportunities for MBE/WBE contractors in DHCD-funded projects statewide.

4. We appreciate the importance of incorporating the design features in housing for seniors that are detailed in the Appendix K Checklist. However, smaller-scale senior housing projects may not be able to bear the financial costs of all of the items in the checklist, during construction and operations. We propose that the Draft 2020-2021 QAP be amended to provide gradations in requirements, based on the size of the project, particularly for developments intended for seniors who live independently. If such changes are not feasible, we suggest that the QAP be amended to formally allow DHCD discretion in terms of how the guidelines are applied based on the project size. We also ask that DHCD exercise discretion in grandfathering senior housing projects where project design preceded the publication of these new design guidelines.
  
5. We recommend that the 2020-21 QAP be amended to incentivize owners to preserve affordability in their existing affordable housing. We suggest that DHCD do this by penalizing or disqualifying owners from funding rounds unless they take all reasonable and diligent actions to preserve the affordability of existing housing they control. In “Threshold #8: Good Standing with Respect to Other State Housing Programs”, DHCD provides examples of what would constitute not being in good standing. We recommend that DHCD add the following sentence to this section: “As another example, the Department may decline to accept a 2020-2021 tax credit application unless the sponsor has taken all reasonable and diligent actions to preserve the affordability of existing housing they control.”

Please feel free to contact me at 617-379-5922, or MACDC Senior Policy Advocate Don Bianchi at 617-379-5926, if you have questions about these comments or would like additional information. Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Kriesberg". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Joe Kriesberg, President and CEO

Cc: Kate Racer, DHCD  
Don Bianchi, MACDC