



2026-2027 QAP FAQ – 2027 Edition v.4 February 26, 2026

APPLICATION SUBMISSION

- IHCD will be utilizing an online application submission process for the July competitive rounds. Please see [RED Notice 25-22](#) for additional information.
- Please see [RED Notice 25-29](#) for the latest information.

CLARIFICATION & UPDATES

- **QAP Forms O1 and O2 have been revised and the February 2026 versions should be used for this year's applications.**
- 2026-2027 Schedule N v.4
 - Schedule updated based on most recent data available as of 7/28/25.
- Section 5.2(I): Stabilized Debt Coverage Ratio
 - If a Development has Project Based Vouchers but does not have debt, the expense ratio of Effective Gross Income to Total Annual Expenses (including replacement reserve contributions) may not exceed 1.45 for all years.
- Section 6.5(A): Certified Tax Credit Compliance Specialist
 - "TaCCs" has been rebranded to "LIHTC Compliance Specialist."
- On 4/26/24 HUD published the "adoption of energy efficiency standards for new construction of HUD and USDA-financed housing" in the federal register. That rule was effective 5/28/24 and applies to programs including but not limited to HOME, Housing Trust Fund (HTF), and Project Based Vouchers (PBV). The applicable energy standards for new construction are as follows: 2021 IECC and ASHRAE 90.1-2019.
 - New single family and low-rise multifamily housing (1-3 stories) must meet the standards under 2021 IECC
 - High-rise multifamily (4+ stories) must meet the standards under ASHRAE 90.1-2019.

For HOME and HTF, the standards are applicable to new construction projects for which HOME or HTF funds are committed 180 days or more after the effective date of the 5/28/24.

For PBV, HUD released a notice on 2/3/26 extending the compliance date to 12/31/26. The notice states that HUD will issue additional guidance on implementation and applicability to PBV, including determining the "initiation event" that will trigger applicability of the standards for a particular PBV project. In the original notice dated 4/26/24, HUD defined the initiating event for PBV as selection of a PBV proposal. IHCD currently assumes that PBV proposals selected prior to 12/31/26 will not be subject to the standards.

If a project has HOME or HTF and PBV, the 2/3/26 HUD notice specifically states that the later extended PBV compliance date applies instead of the HOME or HTF compliance date.

THRESHOLD REQUIREMENTS

- **Q: *When submitting financial statements, can I submit those directly to IHCD via email?***
- A: No, these must be uploaded through the online application. If there are confidentiality concerns, they should be uploaded as password protected documents and the password can be emailed to IHCD at RHTC@IHCD.in.gov.
- **Q: *Under 5.1(P): Appraisal, will IHCD accept a waiver to submit the appraisal after the tax credit funding decision is made if the Applicant is requesting PBVs from IHCD? The project is not requesting acquisition credits.***
- A: If a project does not request acquisition credits, IHCD will allow the Applicant to submit the appraisal at the time of PBV subsidy layering review after the award has been approved. A waiver request is not required.
- **Q: *My project has a current HAP contract for project-based rental assistance. Do I have to underwrite using the current approved HAP contract rents or can I use projected rent increases?***
- A: You may underwrite using a projected rent increase but must submit a narrative explaining the justification and how the proposed rent was determined. IHCD must receive HUD approval of the new rents prior to closing of any IHCD financing.
- **Q: *Is there an updated link in Section 5.4 (I): Smoke Free Housing?***
- A: Here is the updated link: <https://www.smokefreehousingindiana.com/toolkit>
- **Q: *For meeting the 6-month date requirement, what is the applicable date for the CNA?***
- A: It's the date of site reconnaissance, which may differ from the date of the report.

EVALUATION CRITERIA

- **Q: *Under 6.2(H) Foreclosed and Condemned Properties, would a letter from the local unit of government stating the property is condemned suffice?***
- A: No, you would need to submit applicable condemnation documents from the appropriate authority, signifying that the government authority acquired the property through the exercise of eminent domain. This is covered in IC 32-24.
- **Q: *Under 6.3(G) Five Year Actual Job Growth by County, are the points based on "Total Employment" or "Total Private Employment"?***
- A: The points are based on Total Private Employment.
- **Q: *For Sections 6.3(E), 6.3(F), 6.3(G), 6.3(H), what date applies?***

- A: It's as of the application due date.

- 6.3(I): Community Revitalization Plan (clarifications in blue font).
 - Per Section 42(m) and IRS Notice 16-77, allocating agencies must give preference to a proposed development located within a Qualified Census Tract (QCT) if that development is part of a concerted community revitalization plan. Therefore, an application will receive two points if the plan meets all the requirements below and the site is located within a QCT (as determined by HUD in the current or most recent previous year listing). To be considered a Development located within a QCT at least 50% of the total units must be located within a QCT (as defined above).

- **Q: Under 6.5(I) Readiness to Proceed, can both of these points be claimed?**
 - ***The Phase I Environmental Site Assessment does not identify any Recognized Environmental Conditions. (1 point)***
 - ***A Phase II Environmental Site Assessment has already been completed and is submitted with the application. (1 point)***

A: No, IHCD views these as mutually exclusive.