

Summary of Changes for 2025 Qualified Allocation Plan *1st Draft*

Minor formatting, wording, grammatical changes, and clarifications are not identified in this list.

Section 2: IHCD's Housing Goals

- 2.2 Housing Goals: Added "Specific to this one year-QAP, IHCD is prioritizing the creation of new units in rural areas and small cities that have been underserved by the 9% RHTC program"

Section 3: Private Activity Tax-Exempt Bond Financing

- Tax-exempt bonds and 4% RHTC in conjunction with state Affordable and Workforce Housing Tax Credits will be awarded through a competitive funding round
- Tax-exempt bonds and 4% RHTC without AWHTC will be awarded through a non-competitive rolling round

Section 4: Set-Aside Categories

- Removed Large City set-aside. Applications proposing developments in a Large City may still compete in the 9% round, but must apply under another set-aside. IHCD proposes to restore the Large City set-aside in the 2026-2027 QAP.
- Increase Small City, Rural, and Housing First set-asides each by 5%
- 4.2: Community Integration- minor clarifications on community integration referrals and requirements
- 4.3: Development Location- removed Large City set-aside
- 4.3: Development Location- changed Small City definition from population of 10,000-69,999 to 10,000-49,999
- 4.4: Preservation- previous RHTC projects where the extended use period expired may compete in the preservation set-aside

Section 5: Threshold Requirements

- 5.1(C) Nonprofit Participation- clarifications on resolution and documentation requirements
- 5.1(F) Multiple Applications Prior to 8609 Issuance- simplified policy
- 5.1(G) Capabilities of Development Team- updated language on required documentation to prove financial capacity
- 5.1(H)(3) Development Site Information- must include a narrative listing the location and page number of all required site plan items listed in the QAP
- 5.1(H)(4) Ability to obtain funding- removed requirements for certain language in lender letters
- 5.1(H)(4) Ability to obtain funding- if development will utilize income from operations as a source to fund construction, must include a flow of funds spreadsheet
- 5.1(U) Threshold Requirements for Supportive Housing- clarified all PSH units must be covered by project-based rental assistance and must have owner-paid utilities. This was existing policy through the Institute RFPs and compliance manual. Codified in the QAP.
- 5.2(A) Total Operating Expenses- increased minimum operating expenses underwriting standard from \$4500 per unit per year to \$5000 per unit per year
- 5.2(J) Taxes and Insurance- clarified required documentation
- 5.3(A) Development Limitations- increased max annual credit request from \$1.2M to \$1.3M

- 5.3(A) Development Limitations- deferred developer fee may not be listed as a construction source
- 5.4(A) Minimum Equipment and Accessibility Requirements- clarified language on smoke and CO detectors
- 5.4(B) NSPIRE Affirmative Habitability Requirements- new section
- 5.4(C) Other Minimum Design Requirements- added requirement all exterior outlets must be GFCI protected
- 5.4(C) Other Minimum Design Requirements- added requirement electric water heaters must have an emergency shut off or electric panel in sight of the water heater
- 5.4(C) Other Minimum Design Requirements- added requirement expansion tanks must be installed on closed system water heaters up to 60 gallons
- 5.4(C) Other Minimum Design Requirements- added requirement all toilets must be either ultra-low flush or dual flush (this was previously a scoring category for water conservation)
- 5.4(F) Universal Design Features- clarified certain items, removed duplicative items
- 5.4(F) Smart Use Training- removed smart use training requirement
- 5.4(G) Visitability Mandate- expanded visitability definition with specific requirements
- 5.4(I) Internet infrastructure- new threshold requirement, this previously counted towards internet points
- 5.8 Threshold Deficiencies- rewrote section to better explain the threshold review and correction process

Section 6: Scoring Criteria

- Maximum points increased from 159 to 176
- Minimum score for 9% increased from 80 to 85
- Minimum score for 4% increased from 42 to 50
- 6.2(A) Development Characteristics- to receive two points must select six amenities from Chart 2 (previously required five amenities)
- 6.2(A) Development Characteristics- added and removed items from Charts 1, 2, and 3
- 6.2(B) Accessible or adaptable units- for new construction, slight increase in % to maximize points
- 6.2(E) Preservation of Existing Affordable Housing- previous RHTC projects where the extended use period expired may receive points in this scoring category
- 6.2(H) Foreclosed and Disaster-Affected Properties- removed abandoned definition/category
- 6.2(J) Federally Assisted Revitalization Award- cut scoring category
- 6.2(K) Offsite Improvement, Amenity, and Facility Investment- cut scoring category
- 6.2(K) Internet Access- the one-point option was removed from scoring and moved into threshold section 5.4(I)
- 6.3(A) Building Certification- LEED Silver and Silver NGBS moved to gold
- 6.3(B) Water Conservation- removed from scoring and moved into threshold section 5.4(C)
- 6.3(C) Desirable Sites- for stores with fresh produce added food pantries to excluded list but removed dollar stores from excluded list
- 6.3(C) Opportunity Index- updated data for life expectancy category

- 6.3(C) Desirable Sites required documentation- reiterated/reworded requirement that the applicant must submit a separate map for each site. IHEDA will enforce this requirement.
- 6.3(C) Desirable Sites required documentation- if maps are contained in market study, must provide a narrative in Tab Q indicating the pages of the market study
- 6.4(B) Non-IHEDA Rental Assistance- clarified language for projects with existing project-based rental assistance contracts in place
- 6.4(C) Previous 9% Tax Credit Funding within a Local Unit of Government- replaced category
- 6.4(C) Unit Production in Areas Underserved by the 9% RHTC Program- new scoring category
- 6.4(E) Housing Need Index- added three new categories and increased max points from 4 to 7
- 6.5(A) Certified Tax Credit Compliance Specialist- removed reference to SCS, NCP, and NCP-E as those certifications are no longer offered
- 6.5(C) Emerging XBE Developers- new scoring category modeled after the 2023 General Set-aside
- 6.5(D) Unique Features- reduced from 4 points to 3 and changed scoring mechanism. Also added note IHEDA will create a standard unique features form instead of asking for a narrative.
- 6.5(E) Resident Services- added new subcategory for provision of onsite day care, before & after school care, or onsite adult day center
- 6.5(G) Eviction Prevention Plan- clarified language and separated from low-barrier tenant screening scoring category
- 6.5(H) Low-barrier Tenant Screening- added new options for additional points and separated from eviction prevention plan scoring category

Section 7: Miscellaneous

- 7.1 Application Dates- updated application due dates
- 7.2(C) Additional Fees- changed threshold resubmission fee to a flat \$500 instead of \$500 per technical deficiency
- 7.4 Progress Inspections- added note “the developer must notify IHEDA’s inspector as the development moves into the next phase of construction”
- 7.6 Modifications- added more specific language about penalties for failing to maintain score and/or reducing the number of RHTC units produced
- 7.11 Requesting Additional IHEDA Resources after a Credit Reservation- added more specific language about penalties

Schedules

- IHEDA is releasing the following schedules for comments with the 1st Draft QAP:
 - Schedule D- noncompetitive tax-exempt bonds/4% RHTC without AWHTC
 - Schedule D1- competitive tax-exempt bonds/4% RHTC with AWHTC
 - Schedule D2- 501(c)(3) bonds
- The following schedules will be released for comment with the 2nd Draft QAP:
 - Schedule E- HOME funds
 - Schedule J – Development Fund Loans