



Summary of Changes for 2026-2027 Qualified Allocation Plan *1st Draft*

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

Section 2: Goals

- 2.2: Housing Goals- removed language that the 2025 QAP was a one-year QAP with specific goals related to creating new units in rural areas and small cities underserved by the 9% LIHTC program

Section 4: Set-Aside Categories

- Changed percentages allocated to each set-aside
- 4.1: Qualified Nonprofit- added 501(c)(4) as eligibility entity
- 4.1: Qualified Nonprofit- added language about required capacity, independence, and activities of the nonprofit organization
- 4.2: Community Integration- MOU referral provider definition updated to state the organization must specifically serve people with IDD and its service area must include the location of the proposed development
- 4.3: Development Location- restored the Large City set-aside which was removed as part of a one-year special rural/small city focus in the 2025 QAP
- 4.3: Development Location- updated population definitions for Large City vs. Small City
- 4.4: Preservation- rehab hard costs must exceed \$50,000 per unit (previously \$35,000)
- 4.6: IHEDA General- removed the General set-aside

Section 5: Threshold

- 5.1(B): Notification of Intent to Apply- for noncompetitive bonds, if Applicant has not submitted a full application within 60 days after submitting Form C, they must submit a new Form C
- 5.1(F): Multiple Applications Prior to 8609 Issuance- clarified language, including clarification of applicability to Co-developers
- 5.1(G): Capabilities of Development Team- if an entity has not previously developed, owned, or managed a housing development, a resume must still be submitted and must demonstrate other relevant experience
- 5.1(H)(3) Development Site Information- accessible and adaptable units must be highlighted on site plans
- 5.1(H)(4): Demonstrated Ability to Obtain Funding- signature blocks on lender letters of interest must be executed

- 5.1(H)(4): Demonstrated Ability to Obtain Funding- an application will fail threshold if 15% or more of the non-IHCDA sources are not yet awarded
- 5.1(H)(4): Demonstrated Ability to Obtain Funding- clarified required documents for applications claiming other types of tax credits (e.g., historic credits, solar credits) as a source
- 5.1(K): Phase I Environmental Site Assessment- if Phase I identifies Recognized Environmental Conditions, the narrative must include a timeline for mitigation including the anticipated date of receipt of the No Further Action letter
- 5.1(K): Phase I Environmental Site Assessment- misc. clarifications including inclusion of 500-year floodplain language and applicability to HTF and PBV funding
- 5.1(R): Rehabilitation Costs- rehab hard costs must exceed \$35,000 per unit (previously \$25,000) or \$50,000 per unit if in the preservation set-aside (previously \$35,000)
- 5.1(R): Rehabilitation Costs- required documentation includes a detailed rehabilitation budget
- 5.1(V): Minimum 35-Year Extended Use Period- now a threshold requirement, was formerly scoring
- 5.2(F): Replacement Reserves- clarified language on rehab of existing housing vs. adaptive reuse
- 5.3(H): Related Party Fees- Co-Developer must disclose related parties
- 5.4(A): Minimum Equipment Requirements- clarified language on required stoves for SROs and assisted living units
- 5.4(B): NSPIRE Affirmative Habitability Requirements- updated NSPIRE language based on HUD standards and clarifications.
- 5.4(B): NSPIRE Affirmative Habitability Requirements- added sections on smoke alarm and CO detector placement requirements
- 5.4(E): Minimum Accessibility Requirements for Age-Restricted Developments- reduced requirements for rehabilitation of existing housing with elevators in place to 25% of units must be Type A or Type B (previously 100%)
- 5.4(F): Minimum Unit Sizes- removed requirement
- 5.7: Waiver Requests- clarified process and timing for noncompetitive bond/4% applications
- 5.8: Threshold Deficiencies- clarified language on payment of correction fee and reimbursement for overturned deficiencies
- 5.8: Threshold Deficiencies- clarified language on corrupted files

Section 6: Scoring Criteria

- Total number of points possible reduced from 177 to 150
- 6.1(C): Additional Years of Affordability- removed two-point option for electing 35 years
- 6.2(B): Accessible or Adaptable Units- updated scoring chart
- 6.2(D): Vacant Structure- reworked scoring category
- 6.2(E): Preservation- if the development contains multiple buildings or construction types, at least 50% of units must qualify as preservation units
- 6.2(E): Preservation- added bonus points for number of units preserved
- 6.2(F): Infill New Construction- reworked scoring category
- 6.2(H): Foreclosed and Disaster Affected Properties- changed to Foreclosed and Condemned Properties
- 6.2(I): Community Revitalization Plan- reduced points and made category specific to revitalization in Qualified Census Tracts. Removed bonus point.

- 6.3(C): Desirable Sites- updated chart for positive land uses
- 6.3(C): Desirable Sites- expanded requirements and required documentation for point-to-point transit service for small city and rural developments
- 6.3(C): Opportunity Index- reduced from 7 points to 4 by removing life expectancy, access to post-secondary education, and access to employment categories.
- 6.4(A): Leveraging Capital Resources- required documentation now includes a narrative identifying all sources being counted as leveraging and showing the applicant's calculation of points
- 6.4(C): Unit Production in Areas Underserved by 9% LIHTC Program- reduced from 14 points to 6
- 6.4(E): Housing Need Index- increased from 7 points to 8 by adding age-restricted rental housing desert category
- 6.4(E): Housing Need Index- clarified how applications with scattered site projects will be scored
- 6.4(G): Leveraging the READI or HELP Programs- removed HELP
- 6.5(A): Certified Tax Credit Compliance Specialist- removed SCS and NCP option
- 6.5(B): MBE/WBE/DBE/VOSB/SDVOSB- removed scoring category
- 6.5(C): Emerging XBE Developers- removed scoring category
- 6.5(E): Resident Services- removed CORES certification points

Section 7: Miscellaneous

- 7.1: Application Dates- updated chart with application due dates for various rounds. This proposes that noncompetitive bond applications will be accepted during certain open application windows.
- 7.9: Dissemination of Information- copies of all application forms will be posted on IHCD's webpage upon completion of the round
- 7.10: Exchange of Credits- clarified language on credit exchange policy

Schedules

- Schedule D- Noncompetitive Process for Tax-Exempt Bonds and 4% LIHTC without AWHTC
 - Requests are accepted during open application windows defined in Part 7.1 of the QAP
 - Part B- clarified 50% test language
 - Part C- clarified 50% test language
 - Part D- updated language on extension fees
- Schedule D1- Competitive Process for Tax-Exempt Bonds, 4% LIHTC, and AWHTC
 - Part A- updated application due date language to refer to QAP chart
 - Part B- clarified 50% test language
 - Part D- clarified 50% test language
 - Part G- updated language on extension fees
- Schedule D2- 502(c)(3) Tax-Exempt Bond Financing
 - Part D- clarified compliance requirements
 - Part E- updated language on extension fees
- Schedule J- Procedures for Access Development Fund Loans
 - Part E- construction loan term can be up to 36 months. The borrower may propose a term of 24, 30, or 36 months.

- Part E- permanent loan term language updated for subordination to HUD, Fannie, and Freddie loans
- Part N- clarified IHEDA will issue an LOI with terms after LIHTC application is approved
- Part P- added language on Development Fund match requirement- existing policy but was not clear in QAP Schedule J