Bullet Point Summary of 2027 QAP proposed revisions

10/29/26

1. **Throughout document: Update 2026 to 2027 and Update references to appropriate sections**
2. **Section 2:**

   Update dates to reflect current year

   Add in clarifying language

3. **Table 2.**

   Update $ amounts for current year; clarify how the waterfall is enacted in the table;

4. **Update Section Number Accordingly**
5. **Section 2.4.1**

   Switch Tribal and Additional Set Aside order (Tribal now c. and Additional now d. to follow the table)

6. **Move current Section 3: Tax Exempt Bonds to new location (Section 11)**
7. **Section 3.10 Add in clarifying rehab only language**
   Rehabilitation-only projects are eligible under this section and will receive funding preference. Projects that focus exclusively on the repair, restoration, or improvement of existing structures or facilities will be prioritized during evaluation. Applicants proposing rehabilitation-only activities are encouraged to clearly identify these components to ensure appropriate consideration.

8. **Section 5.9** "Any permits necessary will not impact project readiness in this section.
9. **Section 5.10 remove** "and that no discretionary permits are necessary (only requires an administrative review for building permits)."

10. **6.8 Accuracy of Application Submissions**
    All information submitted in the application must be accurate, complete, and truthful at the time of scoring. Any intentional or negligent misrepresentation, omission, inflation of project features, or provision of inaccurate details that results in a higher score constitutes grounds for denial of modification requests, enforcement action, loss of eligibility, or rescission of the award.

    Applicants found to have misrepresented project information in a manner that impacted scoring or eligibility shall be ineligible to apply for tax credits for a period of three (3) years from the date of the rescission or determination of misrepresentation.

11. **6.9 Prohibition on Using Modifications to Circumvent Scoring Requirements**
    Post-award modifications may not be used to alter, remove, or revise project elements that were required to achieve the awarded score if those elements were inaccurately represented or did not exist at the time of scoring. Modifications may not be used to retain or obtain a scoring advantage that would not have been allowable at the time of application.

12. **6.10 Effect of Material Changes**

    If a proposed Material Change affects the project's eligibility for Tax credits, the request will be denied, or the credits may be rescinded if eligibility can no longer be maintained. Applicants whose awards are rescinded due to loss of eligibility resulting from a Material Change shall be ineligible to apply for program funds for a period of two (2) years from the date of rescission.

13. **6.11 Material Changes Impacting Original Scoring Tier**

    If an applicant submits a Material Change request that would have altered the project's original point score in a way that would have placed it below the threshold for the awarded tier—regardless of applicant intent—the project will retain its previously awarded credits; however, the applicant shall be ineligible to apply for tax credits for a period of two (2) years from the date the Material Change request is submitted.

    This provision applies even when the change request is made in good faith, reflects normal project evolution, or is not associated with any misrepresentation. This requirement ensures that applicants do not obtain a scoring position in one round and subsequently alter the project in ways that would have affected competitive placement without incurring an eligibility consequence in future funding rounds.

    If the proposed Material Change does not affect eligibility and does not alter the project's original scoring tier, the awarded credits will remain in place without re-scoring and without any waiting-period consequence.

14. **Add in Section 7.2.8.b**

    Preference points will be awarded to projects that are rehabilitation only, or re-syndication projects with no acquisition costs per Sec. 4.10. This entails no expenditures for land/or buildings/improvements. The rehab project with the lowest total development cost (TDC), will receive 10 points, the next lowest will receive 5 points.

15. **Remove extra rows in tables in Section 7**
16. **Remove Section 8 and combine it with the new Section 10**
17. **Tax Exempt Bonds (Section 10):**

    Remove reference to Section 8; update Table 3; add in clarification under 10.2 by adding the word threshold; Adjust scoring table—BLM Land or other public land donation—5pts; Nonprofit/Housing Authority—5pts; Leveraging of other public or private resources—17 points; Federal tax pricing adjusted accordingly;

18. **Section 11 Recycled Bonds**

    Add in new section

19. **Section 12; clarify 9%**
20. **12.2.b Credit Retention After Award**

    Credits are awarded based on the project characteristics documented at the time of scoring. Once awarded, credits will be retained even if the project undergoes subsequent modification, cancellation, or reallocation, so long as the project continues to meet all eligibility requirements and no misrepresentation occurred in the original application. Post-award modifications do not

trigger re-scoring, and credits will not be reduced or rescinded due to changes that would have resulted in a lower score at the time of the initial award.

21. **Glossary: Add the following terms:**

"Application Fee" A non-refundable fee submitted with an initial LIHTC or Bond application to cover the Division's review and processing costs.
"Annual Compliance Monitoring" Ongoing review of unit files, rents, tenant income certifications, and physical inspections to ensure LIHTC program compliance.
"Bond Issuance (Tax-Exempt Bond Financing)" Financing mechanism where the Division issues private activity bonds to support affordable housing development.
"Good Faith Deposit" A security deposit demonstrating financial readiness to proceed with bond closing.
"Income Averaging" A LIHTC set-aside option allowing units to serve tenants at varying income levels averaging up to 60% AMI, requiring additional compliance monitoring.
"Material Changes" means any significant changes in project characteristics, ownership, financing, or design that could impact underwriting, compliance, or eligibility for tax credits. Material Changes do not include revisions that solely affect the project's point score after the award is issued, provided the project remains eligible for tax credits.
"Reservation Fee" A fee required once the Division reserves LIHTCs for a project; maintains the project's claim to credits in the allocation year.
"Subsidy Layering Review (SLR)" A federally required analysis to ensure affordable housing projects do not receive excessive subsidies across multiple federal programs.
"8609 (IRS Form)" Official form issued for each LIHTC building, certifying the tax credit allocation and placed-in-service details.

22. **Add in Appendix D: Growing Affordable Housing Program**

The Growing Affordable Housing Program (GAHP) is established under the authority of the Agency to support the development, preservation, and long-term affordability of multifamily rental housing. This Appendix defines the scoring and award methodology used to evaluate and rank applications submitted for GAHP loan consideration. The methodology is designed to ensure that scarce financial resources are allocated to projects demonstrating the highest readiness, feasibility, and impact on statewide housing goals.

Not all projects applying for GAHP funding will receive an award. Projects must clearly demonstrate a documented financial need and show that all reasonable efforts to secure alternative funding sources have been pursued.

Awards for the GAHP program will utilize a combination of the score received for the Tax-Exempt Bond Application (up to 100 points) and the number of restricted units in a project.
GAHP Loan Amounts will be awarded based upon the table below. The table establishes the maximum loan award; final awards may be reduced based on underwriting, feasibility, duplication of benefit tests, or program budget constraints.

Table D.1 GAHP Maximum Loan Amounts

The project's placement within the scoring and unit table
- Underwriting review and gap analysis
- Reasonableness of development costs
- Availability of GAHP funds within the program year

The Agency reserves the right to adjust award amounts downward to ensure fiscal responsibility and

portfolio diversification.

In the event of conflict between this Appendix and any other section of the QAP, the Agency's interpretation shall govern. The Agency may amend or clarify this Appendix through published guidance

Add in Appendix E: Fee Schedule

Multifamily Bonds and 4%/9% LIHTC Fee Schedule

Fee Category	Fee Amount	Triggers / Examples
Application Fees	9% LIHTC: $4,000 4% LIHTC / TEB: $5,000 Final Allocation (TEB): $5,000 Reapplication BOF: $10,000	Submitting initial LIHTC application BOF renewal after expiration or restructuring Moving from inducement to final allocation
Reservation Fee	10% of credit reservation amount 5% for eligible nonprofits	Receiving reservation letter Applies to 9% and 4% Bond projects Example: $1.5M credit = $150,000 fee
Carryover Allocation Fee	$4,000 per Carryover Allocation	Project not placed in service during allocation year Carryover required to retain credits
Cancellation / Reallocation Fee	$6,500	Voluntary cancellation Project restructuring requiring reissued credits Inability to proceed with financing
Revised IRS Form 8609s	$1,300	Corrected building info submitted by owner Errors not caused by Division
Compliance Monitoring Fees	$60 per unit annually $80 per unit for Income Averaging	First fee due when placed in service Annual fee due Jan 31 Used for inspections and file reviews
Compliance Training Fee	$130 per person	Attendance at annual LIHTC Training Required for staff and management
Second Audit Fee	Equal to unit monitoring fee ($60 or $80)	Unit or file requires second audit due to unresolved findings
Legal Fees	Up to $400/hr Full recovery of legal costs	Legal review of applications QAP disputes Project-level compliance issues
Extension Fee	$4,000	Requesting 45-day extension to 270-day closing requirement
Resubmission Fee	75% of initial application fee	Prior application rejected Material changes requiring resubmittal
Project Change Fee	$1,300 per request	Loss of site control >5% cost change ≥10% financing changes Subsidy changes Design or unit mix updates Participant changes
Subsidy Layering Review Fee	$2,500	Multiple federal subsidies (LIHTC + HOME + PBRA) Required to ensure no over subsidization
Bond Issuance Fees	Good Faith Deposit: $75,000 Ongoing Trustee Fees: varies	Initiation of bond closing process Annual trustee reporting and monitoring