

**2022 Housing Tax Credit Program
QAP Modification #3
Updated: September 2022**

1. Innovative Housing Set-Aside (IHSA)

The Innovative Housing Set-Aside (10% of the State housing per-capita Credit) will be redistributed to support financing gaps by providing additional credits to the projects that received awards of 9% Housing Tax Credits (HTCs) in the 2022 Cycle.

2. Allocation of Additional Credit to Awarded Projects

Recipients of allocations of competitive HTCs in the 2022 Cycle will have the opportunity to request additional credits to help fill financing gaps. Additional credits will be applied for and allocated through the Application 2 (Carryover/Tier 1) process. Applicants can request an increase up to a maximum percentage of the original amount of credits awarded:

- Up to 12% increase for allocations of State HTCs
- Up to 13% increase for allocations of 9% HTCs

Projects that received an original award of credits in the 2021 Cycle and received a competitive award of additional credits in the 2022 Cycle will not be eligible to receive a further increase to their award of credits.

3. Max Credit Amount per Development:

The maximum 9% or State Credit that will be awarded to a single project will be increased to accommodate the percentage increase allowed under item #2 above.

4. Developer Fees:

Projects that elect to receive an increased award of HTCs will have the developer fee locked at the amount submitted in the Initial Application unless otherwise permitted under the QAP.

5. Maximum Cost per unit

Maximum project cost reviews completed after the date of this modification will be required conform to the updated Maximum Cost Model, which will be updated in conjunction with the updated materials for the 2023 competitive application cycle.

6. Construction Start Deadline

2022 Construction start deadline (applies to 2021 9% and State Credit Allocations)

- The QAP establishes a construction start deadline of July 31, 2022 with one 30-day extension available for a fee of 1% of the annual credit allocation.
- In July 2022, WHEDA provided a blanket 60-day extension to all projects at no cost, moving the deadline to September 30, 2022 and preserving the option for a 30-day extension for a 1% fee.
- Projects with an award of 9% HTC that are unable to start construction by October 31, 2022 must submit an application for the Credit Refresh to carry the allocation of credits forward to the following year's cycle and receive a 12-month extension.
- Projects with an award of State HTCs that are unable to start construction by September 30, 2022 and pay the fee of 1% will receive an additional 90 days to start construction by December 31, 2022. If any State credit projects are unable to start construction by this date, they may receive up to three additional extensions of 30 days for a fee of 1% for each extension.

Revised 2022 Construction Start Deadlines and Extension Policies:

Credit Type	Deadline	Extension Policy
2021 9% Allocation	September 30, 2022	1 30-day extension available for a fee of 1% of annual credit allocation. Credit Refresh option for additional time needed.
2021 State Allocation	September 30, 2022	1 90-day extension available for a fee of 1% of annual credit allocation. Three additional 30-day extensions available for a fee of 1% of annual credit allocation.