

2026 Housing Tax Credit Program

Guidance on Project Concept Process

Updated: August 15, 2025



Project Concept Submissions

- Project Concept submissions should include all items on the Project Concept Application Checklist. The checklists of Threshold and Scoring items in the Multifamily Application (MFA) is only required for the Full Application for those Project Concepts invited to submit a Full Application in March 2026. Please note that WHEDA has added two new Threshold Requirements for 2026 Project Concept submissions:
 - All Project Concept submissions must demonstrate that they have at least 70% of financing committed using the definitions of committed sources located in Appendix D – Underwriting Criteria.
 - Nonprofit-led applications are required to submit supporting documentation to verify nonprofit status.
- There is no limit on the number of Project Concepts that individual applicants can submit. No more than two projects from each developer will be invited to submit a Full Application in accordance with the limit of awards per developer established in the QAP.

Project Concept Reviews

- Review of Threshold Requirements
 - WHEDA will review all items from the Project Concept Application Checklist to verify satisfactory compliance with the requirements as defined in the Qualified Allocation Plan and Project Concept Application Checklist.
 - WHEDA will confirm that all underwriting and feasibility requirements are met. Applications that do not conform to all stated Underwriting Criteria as published in Appendix D will be deemed ineligible. WHEDA will not re-underwrite applications to correct deficiencies.
 - WHEDA will evaluate all applicants for prior instances of noncompliance or unsatisfactory performance in the Housing Tax Credit Program. For the 2026 cycle, applicants with compliance or performance issues will be notified that they are at risk of negative points or not being eligible to apply in future cycles. WHEDA may elect to assess negative points or deny participation for noncompliance or unsatisfactory performers in the Housing Tax Credit Program in accordance with the section “Noncompliance and Nonperformance” in the 2025-26 QAP.
- Scoring Categories
 - The only scoring category that will be considered for application selection at the Project Concept stage is Category D.1. Credit Efficiency.

- Several other scoring categories are auto populated in the MFA based on other inputs in the MFA but these categories will not be considered in selecting Project Concepts that will be invited to submit a Full Application.

Project Concept Determinations

- WHEDA will rank all applications meeting Threshold Requirements within each Set-Asides by Credit Efficiency Score.
 - The first tiebreaker will be based on the Credit Leverage number in Scoring Category D.1. Credit Efficiency stating the amount of Credit per Weighted Unit, which will be re-weighted to balance the different ranges of Credit Efficiency scoring for Rural and Nonrural projects and New Construction and Rehab projects. These are ranked from low to high values.
 - The second tiebreaker will be the total number of units in the project. These are ranked from high to low values.
- WHEDA will review the top-ranking applications for the following conditions:
 - Ensure nonprofit-led applications for 9% Credits will result in minimum allocation of 10% of available 9% credits.
 - Ensure applications for projects that consist of the rehabilitation of existing rental housing will result in minimum 10% and a maximum of 15% of available Credits on both 9% and State Credit programs.
 - No overconcentration of applications exists within any individual market area.
 - Requests for each credit type (9% and State Credit) do not exceed available Credit in each Set-Aside.
- If any of the conditions listed above are not met, WHEDA will either add or remove applications from the top-ranking application pool based on the highest credit efficiency score and distribution of applications meeting these conditions within each Set-Aside subject to WHEDA discretion.
 - If Credit requests for the specific Credit types exceed 150% of the available Credit within each Set-Aside, WHEDA may elect to invite projects to submit a Full Application for the other credit types under the set-asides that are not fully subscribed. See Example Scenarios for further explanation of this process.
- Applications for up to 150% of the available credits within each Set-Aside will be invited to proceed with submitting a Full Application.
- Invited projects will receive a Letter of Invitation in the Procorem Workcenter. Applicants must confirm acceptance of the invitation by countersigning the Letter of Invitation and uploading it to the Procorem Workcenter by the deadline stated in the letter or the invitation may be revoked at WHEDA's discretion.
 - If the Letter of Invitation includes Conditions, these items must be addressed or resolved in the Full Application Submission.
- WHEDA will use the assumptions below to establish the basis for estimating availability of Credits for the purposes of establishing the number of Project Concepts to be selected. Note that actual availability of Credits may deviate from these numbers based on variables such as the establishment of the 2026 Credit Ceiling for the 9% Credit, returned Credit from previously allocated projects, etc.

Set-Aside	9% Credits	150% Buffer	State Credits	150% Buffer	Total Credits	Total 150% Buffer
General	\$10,000,000	\$15,000,000	\$3,500,000	\$5,250,000	\$13,500,000	\$20,250,000
Small Urban	\$5,000,000	\$7,500,000	\$1,750,000	\$2,625,000	\$6,750,000	\$10,125,000
Rural	\$5,000,000	\$7,500,000	\$1,750,000	\$2,625,000	\$6,750,000	\$10,125,000
Total	\$20,000,000	\$30,000,000	\$7,000,000	\$10,500,000	\$27,000,000	\$40,500,000

Example Scenarios of Project Concept Determinations:

- WHEDA receives Project Concepts in the Rural Set Aside requesting a total of \$12,000,000 in 9% credits (relative to the \$7,500,000 150% Buffer per the table above) and \$1,000,000 in State Credits (relative to the \$1,750,000 150% Buffer per the table above).
 - After accounting for all required conditions, WHEDA will select the top applications requesting 9% Rural Credits up to the 150% Buffer amount. The next highest-ranking project(s) that applied for 9% Rural Credit will be offered a Project Concept Designation of Accepted with Conditions with a condition that the Full Application is made for an amount of State Credits that achieves the equivalent Credit Efficiency score as the initial application for 9% credit, thereby ensuring that the State Credit 150% Buffer is filled.
- WHEDA determines that among the top-ranking Project Concepts, less than 10% of the 9% Credits are Nonprofit-led projects.
 - WHEDA will select the next-highest ranking Project Concepts led by Nonprofits among all three Set-Asides and move them into the top-ranking application pool in place of the lowest-ranking Project Concepts within the respective Set-Asides.

Changes after Project Concept phase

After the Project Concept phase, projects will be restricted from changing the following elements of the project:

- Credit Amount: The Credit Amount is not permitted to increase above the amount stated in the Project Concept Determination for any reason.
- Location: The selected site may not change.
- Credit efficiency: The Credit Efficiency score may not decrease.
- Unit mix: Applicants are encouraged to perform their initial due diligence, market, and design analysis to ensure unit features, composition and affordability will be in line with the final submission beyond the concept submission. Minor changes to unit composition will be permitted at the final submission; however, the development must maintain the credit efficiency score submitted at the concept stage. A decrease in total number of units from the concept stage will not be allowed.
- Set Aside: Applicants may not self-select another set-aside or Credit type should they be invited to proceed with the final submission.
- Development team: The development team may not change.