



qualified allocation plan (qap)

public hearing • July 22 & 25, 2022



what is a qap?

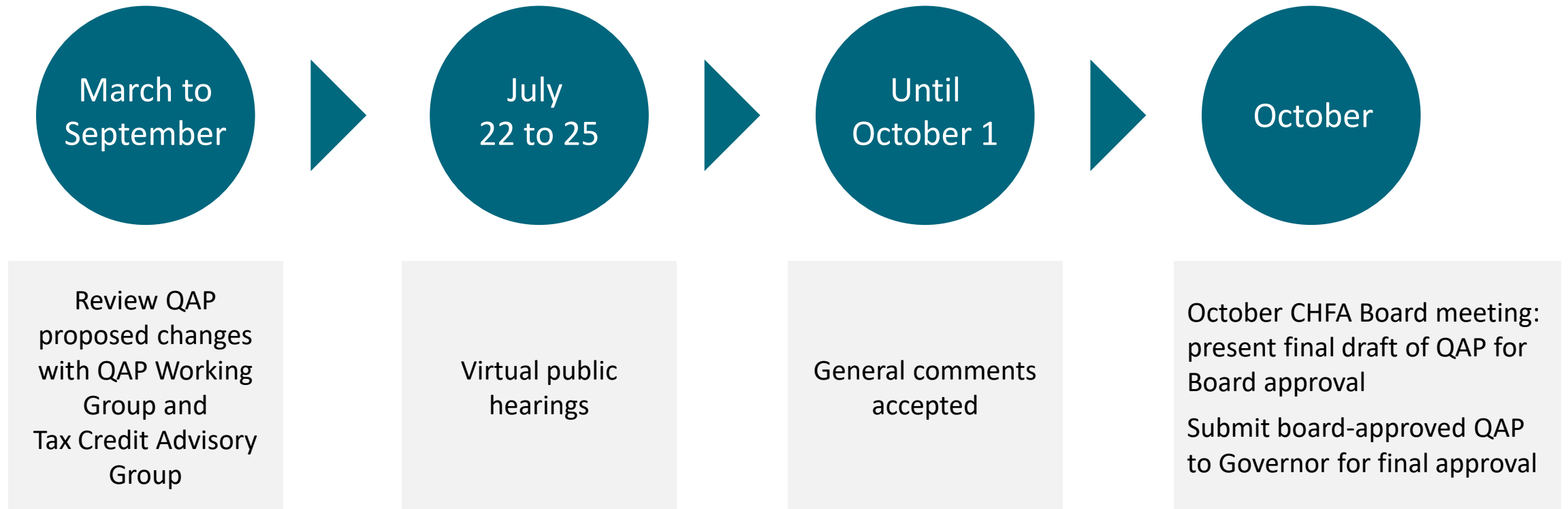
Written plan that provides guidance on how to apply for housing tax credits and how projects are selected for awards of credits.



CHFA develops the QAP after considering public comment from:

- Public hearings
- Tax Credit Advisory Group and QAP Working Group
- Competitive applicant surveys
- Input received throughout the year from interested parties

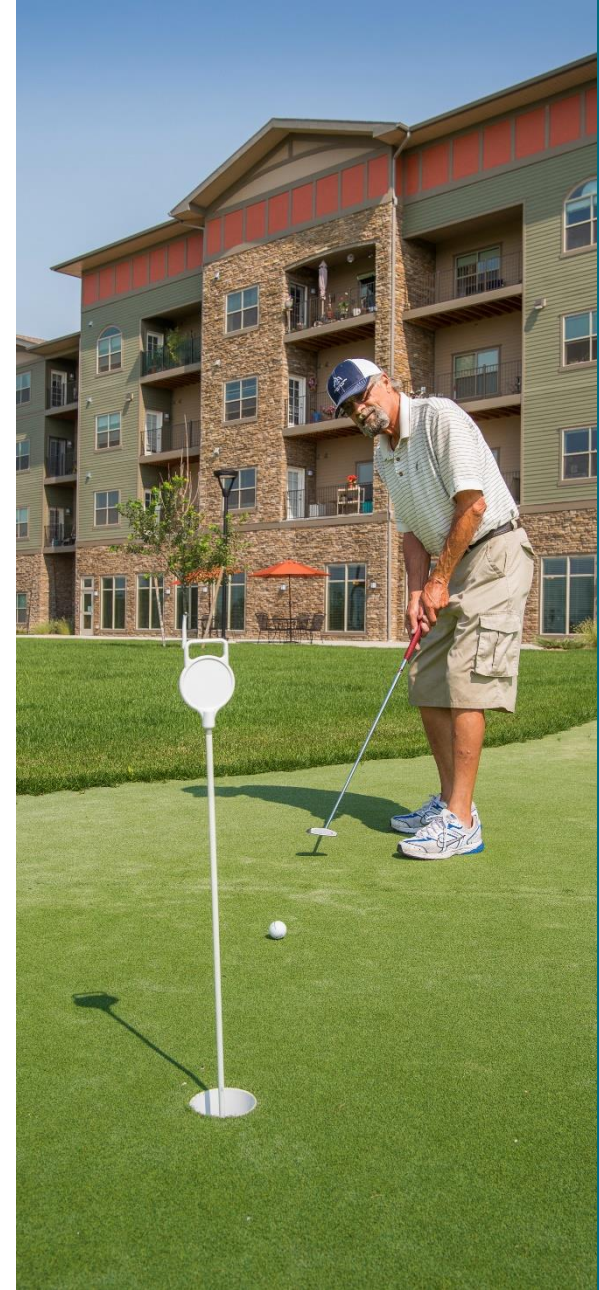
2023-2024 qap timeline and process



proposed changes – 2023-2024 gap

Overview

- Updates hyperlinks and dates throughout
- Removes duplications
- Removes elements that are no longer applicable



proposed changes – 2023-2024 qap

Application submittal dates

Round One 2023: 9 Percent Federal Credits

- Letter of Intent Deadline December 1, 2022, by 5:00pm MT
- Application Deadline February 1, 2023, by 5:00pm MT

Round Two 2023: State Credit Applications with noncompetitive 4 Percent Federal Credit

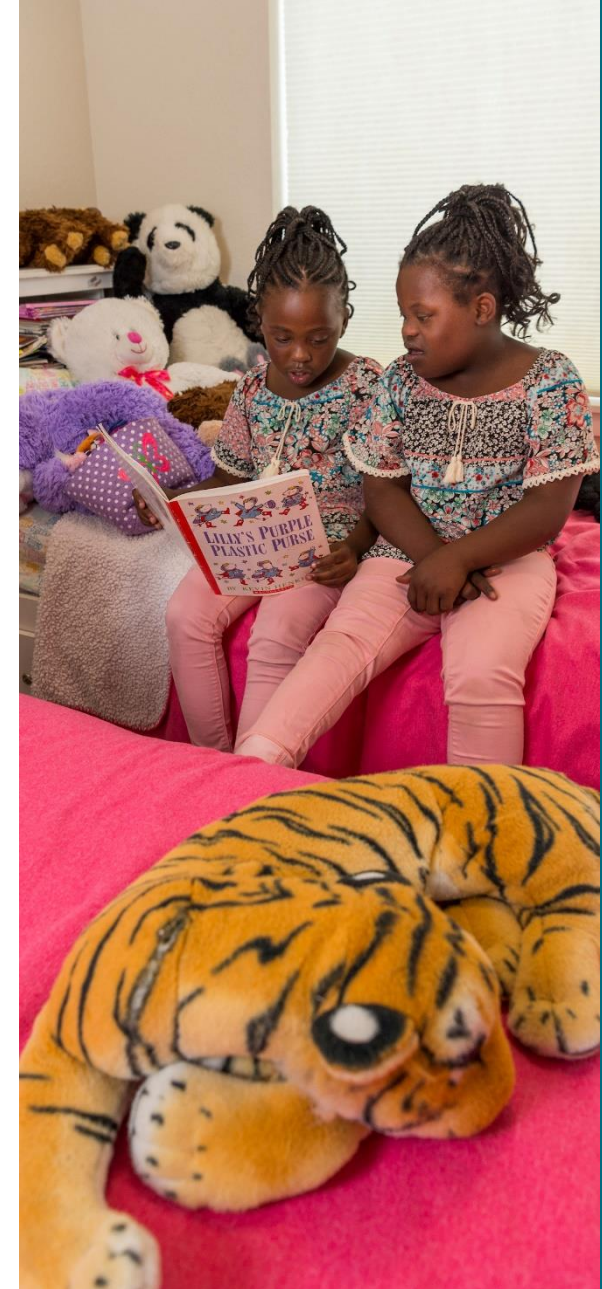
- Letter of Intent Deadline June 1, 2023, by 5:00pm MT
- Application Deadline August 1, 2023, by 5:00pm MT

Round One 2024: 9 Percent Federal Credits

- Letter of Intent Deadline December 1, 2023, by 5:00pm MT
- Application Deadline February 1, 2024, by 5:00pm MT

Round Two 2024: State Credit Applications with noncompetitive 4 Percent Federal Credit

- Letter of Intent Deadline June 3, 2024, by 5:00pm MT
- Application Deadline August 1, 2024, by 5:00pm MT

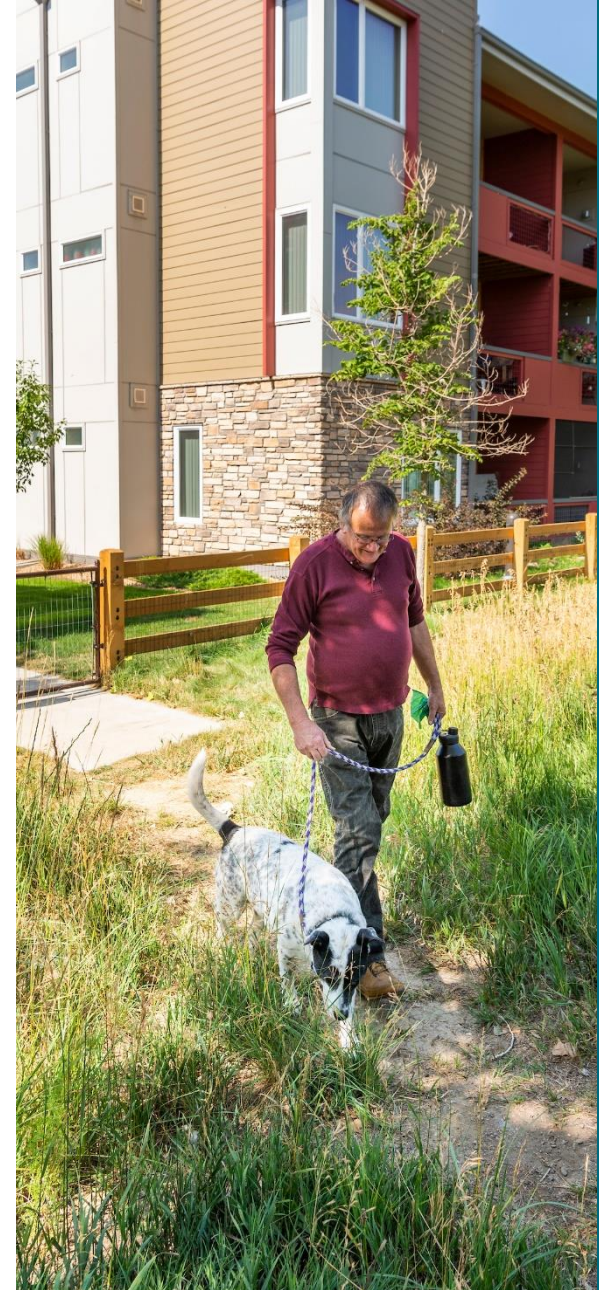


proposed changes – 2023-2024 gap

Definition, moved from Section 3

Consultant services

Consultant services provided by a person with experience on a strictly fee-for-service basis and not for a share of revenues, ownership interest, or other incentive compensation



proposed changes – 2023-2024 gap

Criteria for approval

Adds presence of existing utilities and power lines to Site Suitability as a consideration.



proposed changes – 2023-2024 qap

Thresholds

- #3 Market study – adds requirement for parking information in study to match Application
- #7 Readiness-to-proceed – changes header, and requires parking requirements for proposed project from local jurisdiction
- #9 Cost estimate and/or Property Conditions Assessments – adds summary table on schematic drawings



proposed changes – 2023-2024 qap

Thresholds - #10 Successful Project Team Experience

The Applicant must provide evidence of experience developing new construction and/or rehabilitating multifamily rental housing and Housing Credit experience.

Consultants, individuals providing Turn-key Project Services, the management company, legal firm, and the accounting firm engaged for the project must have experience with Housing Credit projects. Resumes must be provided for the entire project team. In addition, the management company must have experience related to the resident population applicable to the proposed project.

If the Applicant has no multifamily rental development experience, or no Housing Credit experience, partnering or contracting with experienced consultants, or experienced individuals providing Turn-key Project Services is required.

An Application not meeting the required experience will be rejected.



proposed changes – 2023-2024 gap

Thresholds - #11 Minimum Amenities for All Units

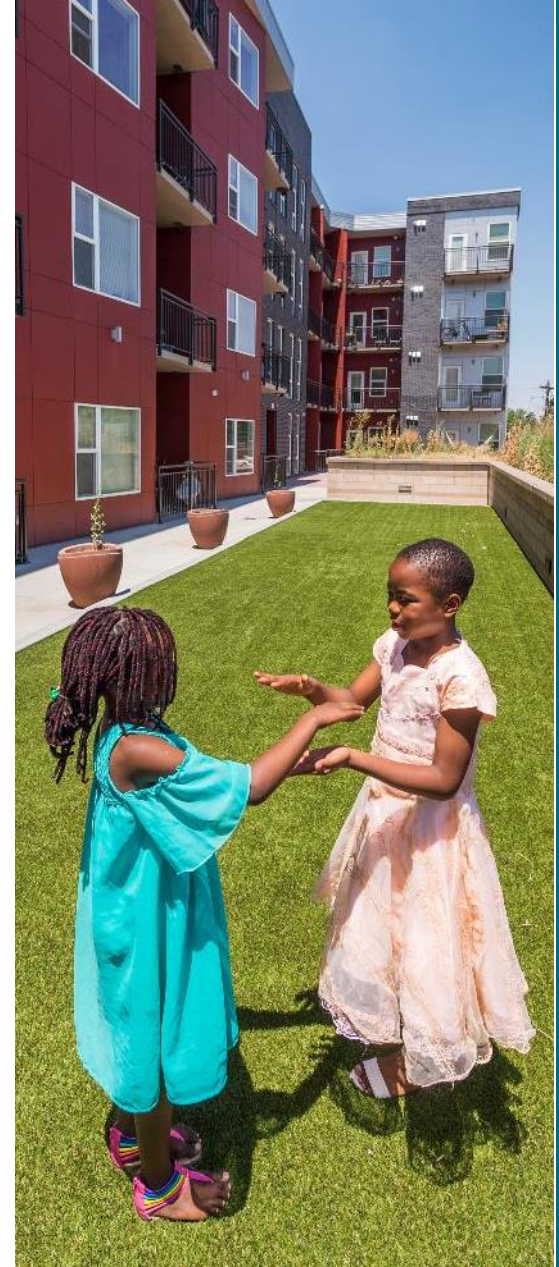
- Stove, oven, vent hood
- Dishwasher (exempt in studio and 1-bedroom units in 100-percent Homeless/Special Needs Housing)
- Elevator requirement for projects that are four floors or more, and for age-restricted projects that are two floors or more



proposed changes – 2023-2024 gap

Thresholds - #12 Energy Efficiency and Sustainability Requirements

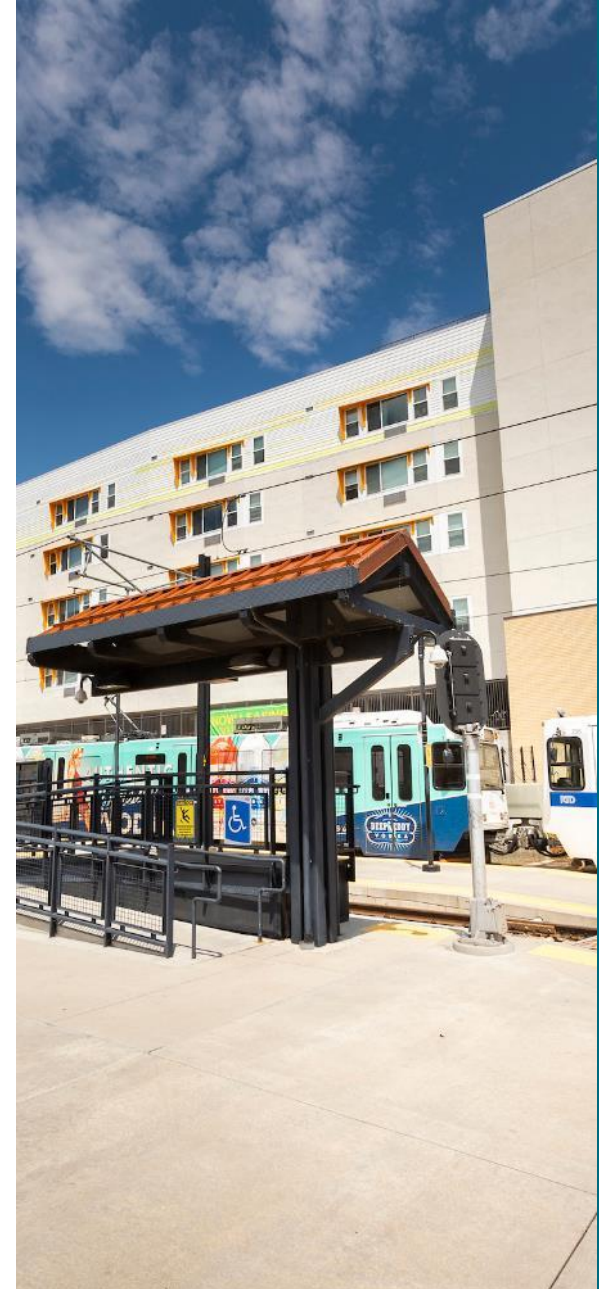
- Moves requirement to provide a narrative to describe construction and/or renovation measures demonstrating an Electrification-Ready project from threshold #9
- Adds the narrative requirement also for All-Electric project



proposed changes – 2023-2024 gap

Section 8 – Energy Efficiency & Sustainability Requirements

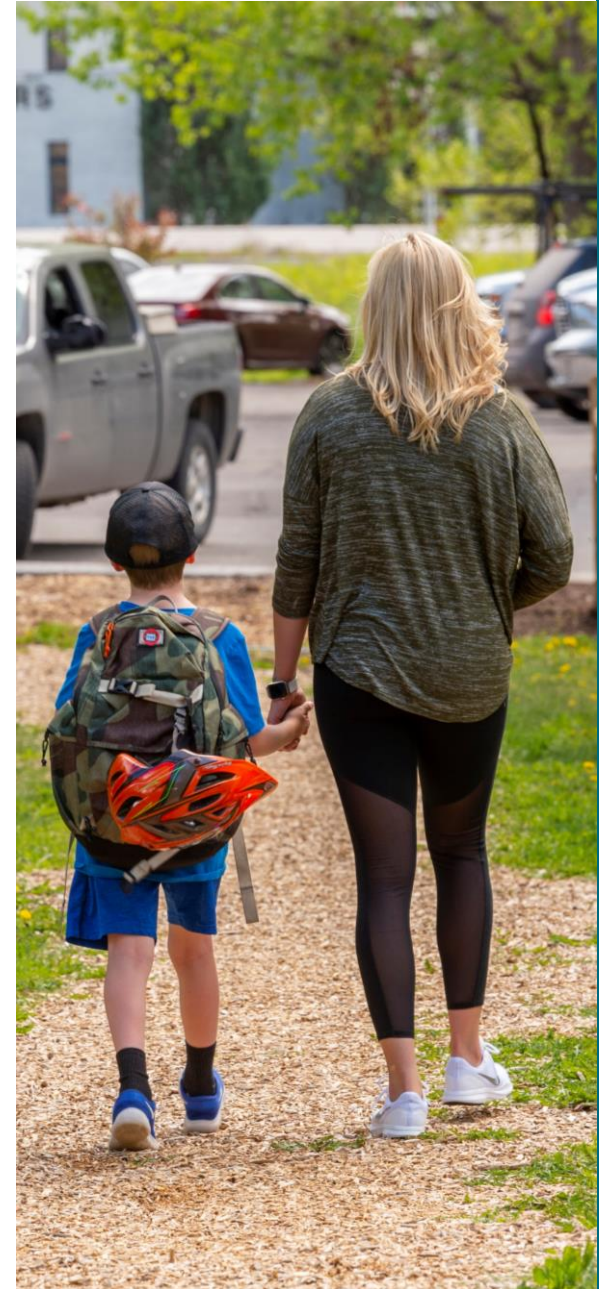
- Highlights that constructing to be Electrification-Ready along with achieving higher level energy certification is considered to be more competitive
- Supports applications that are constructed to be Highly Efficient, All-Electric and certifying as net zero carbon emission or net zero carbon emission ready
- More information ‘HTC Building Electrification Report’



proposed changes – 2023-2024 gap

Thresholds - #13 Narrative

- Adds requirement to provide a description of outreach to the community and how the application contributes to promoting equity and economic mobility for residents



proposed changes – 2023-2024 gap

Thresholds - #18 Projects Financed with Tax-exempt Bonds applying for 4 Percent Federal Credits

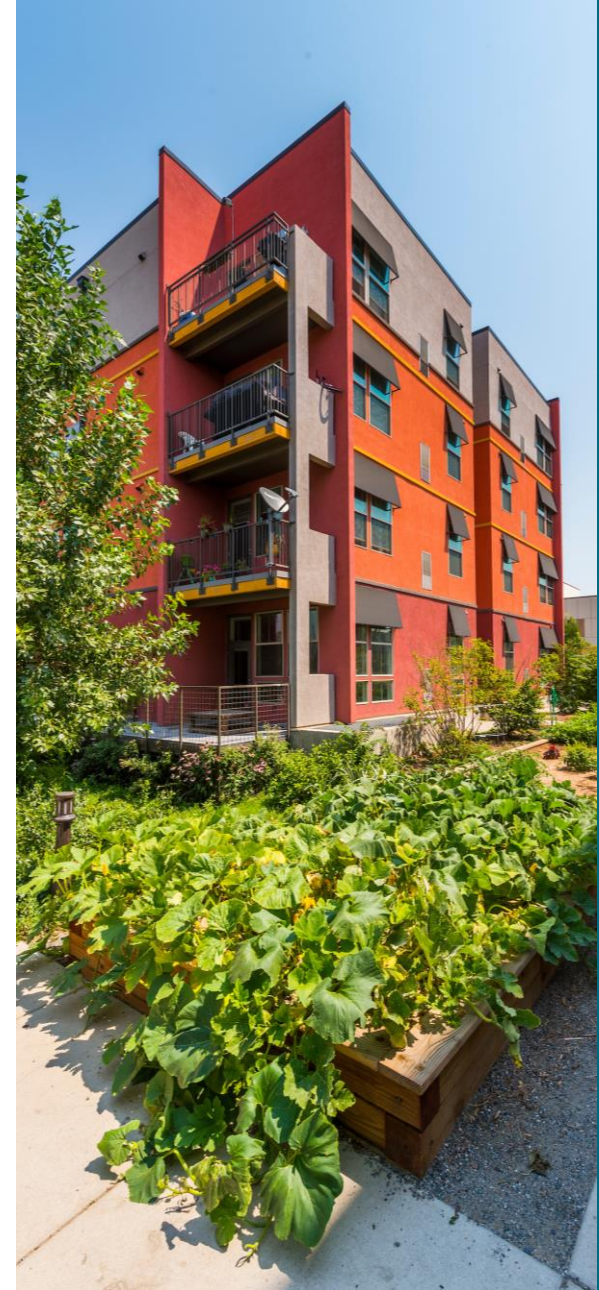
- New threshold
- If applicable, requires fully executed inducement resolution from non-CHFA issuer sufficient to support the project and meet the 50% test



proposed changes – 2023-2024 gap

Maximum Credit Award

- Increases the annual federal 9 Percent maximum application to \$1,450,000
- Increases the annual state credit maximum application to \$1,100,000



proposed changes – 2023-2024 qap

3.L.1 Maximum Credit Award Exemptions

For the purposes of this section only, a person who provides Turn-key Project Services to an applicant who is a 501c3 or Housing Authority who does not meet Threshold #10 for experience generally will not be considered an affiliate.

This exemption is limited to two applications per competitive tax credit round when the person does not have an application subject to maximum credit, or is limited to one application per competitive tax credit round with the person has an application subject to maximum credit either because of an active application or a new application.



proposed changes – 2023-2024 qap

Section 3

- Determination of Housing Credit amount – revises language pertaining to calculation of homeless/special needs housing boost for services
- Applicant elections – updates language to reflect the established 4% floor APR



proposed changes – 2023-2024 qap

Section 4 - PUPA

- Increases minimum PUPA to \$4,500

Section 5 – Scoring Criteria

- Aligns points for mixed-income projects
- Provides further guidance on eligibility for participation in the non-profit set aside



proposed changes – 2023-2024 qap

Section 11 – Section 42 Compliance Monitoring Process

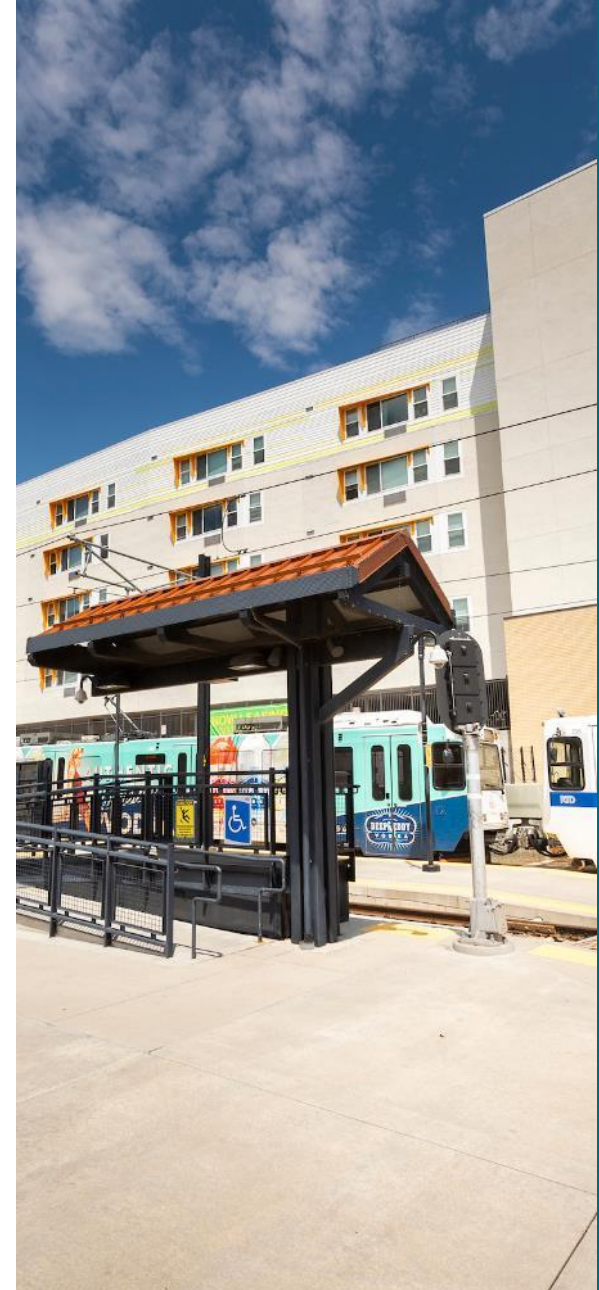
- Updates to align with the language in CHFA's Program Compliance manual
- Updates rent increases may only be applied at lease renewal in accordance with Colorado state and local law
- Adds guidance for ownership changes



proposed changes – 2023-2024 gap

Appendix A – Market Study Guide

- Adds questions about parking utilization under comparability analysis, project description





thank you

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