



Appendix 24 – QUALIFIED CENSUS TRACTS AND DIFFICULT DEVELOPMENT AREAS

As part of the Omnibus Reconciliation Act of 1989, Congress added provisions to the LIHTC program designed to increase production of LIHTC units in hard-to-serve areas. Specifically, the Act permits projects located in Difficult Development Areas (DDAs) or Qualified Census Tracts (QCTs) to claim a higher eligible basis (130 percent of the standard basis) for the purposes of calculating the amount of tax credit that can be received. Designated by HUD, DDAs are metropolitan areas or non-metropolitan counties in which construction, land, and utility costs are high relative to incomes, and QCTs are tracts in which at least 50 percent of the households have incomes less than 60 percent of the area median income. The data are based on DDA designations for the year placed in service. The QCT designations are from Fiscal Year 2000.

For a list of Qualified Census Tracts, click on the link below:

<http://qct.huduser.org/tables/1statetable.odt?statefp=9.0&DDAYEAR=2011>

The following counties are Difficult Development Areas:

Connecticut currently has no Difficult Development Areas

A higher eligible basis (130% of the standard basis) may also be applicable to develop proposals located on former industrial, commercial buildings if the proposal is for a residential adaptive reuse with environmental remediation and is not located in a QCT. The proposal must be financially feasible.