

## Washington State - 2013 - 9% Housing Tax Credit Program Advisories

The purpose of the program advisory is to provide program updates, program policy or process clarifications, changes in important dates or other pertinent program information. All Program Advisories shall be posted to the WSHFC website and sent via email to our stakeholder mailing list.

### Program Advisory #2: (12-26-2012)

**Available Per Capita Annual Credit** – The per capita credit authority is based on the most recent population estimate released by the U.S. Census Bureau before the beginning of the credit year. According to the Census Bureau’s population estimates released on December 20, 2012, the new state population is 6,897,012. To calculate the state’s available per capita annual authority, the population is multiplied by the credit rate of \$2.25 per capita and the 2012 forward commitment of \$113,569 is subtracted out. The available per capita annual authority for 2013 will be **\$15,404,708**.

**Maximum Annual Credit per Project (Policies, Section 3.6)** – Based on the available credit authority above, the maximum annual credit that may be requested per Project is **\$1,540,471**.

**Maximum Annual Credit per Applicant (Policies, Section 3.5)** – Based on the available credit authority above, the maximum annual credit that may be requested per Applicant is **\$2,310,706**.

### Program Advisory #1: (11-15-2012)

**Housing Credit Percentage, Policies Section 2.7** – According to the recently released Program Policies the Commission determined that beginning in 2013 it would, “use the credit percentages averaged over the 6 months prior to annual publishing of the Program Policies.” The resulting credit percentages, as published in the Policies are:

- 7.38% for the 70% Present Value Credit (9% credit)
- 3.16% for the 30% Present Value Credit (4% credit)

It has been brought to our attention that this change did not provide adequate notice to Applicants potentially creating a number of unintended consequences including: (1) negatively affecting a project’s ability to demonstrate being Fully Funded without time to respond to any resulting gap in capital, and (2) exposure to having insufficient eligible basis to support the anticipated credit request. The effect of which is potentially compounded by the fact that only 2 business days remain before the deadline to request additional basis through a State Designated Basis Boost for their project. .

Therefore, in acknowledgement of the potential consequences caused by this change in credit allocation methodology, the Commission rescinds the new approach of allocating credit at averaged 6 month credit percentage and instead for the 2013 round will allocate credit as it traditionally has using the 9% and 4% credit rates.

**Questions? Please contact Program Staff at 206.464.7139 or 1.800.767.HOME (4667)**