

2020 Housing Tax Credit Programs

QAP Modification #1

Updated: July 8, 2019

The following modifications will be effective in the 2020 Housing Tax Credit Application Cycle. An updated Sample Application will be available on the website at a later date. While other administrative revisions will be made to the application materials, WHEDA does not anticipate any further changes to the 2020 cycle that will impact scoring or deal structuring.

Modification Item A: Housing Tax Credit Application - Scoring Category 3. Mixed Income Incentive

To qualify for points in the Mixed Income Incentive category, market rate unit rents as shown in the Unit Mix page must be at least 5% greater than the 60% CMI rents of the comparable unit sizes. Market rate rents must be supported by the market study. Market rate units may not carry any income restrictions or rental assistance.

Modification Item B: Housing Tax Credit Application - Scoring Category 4. Serves Large Families

New construction/adaptive reuse units must:

- be 50% CMI or below or have committed project based vouchers or other rental subsidies
- have ground floor private entrances (include architect's certification with initial application)

Units with project based vouchers or other rental subsidies must be reflected as 60% CMI units on the Unit Mix page.

Modification Item C: Housing Tax Credit Application - Scoring Category 9. Financial Leverage

- A 4-point deduction will be applied to projects financed in part with Historic Tax Credit equity.
- On 4% State of Wisconsin Housing Tax Credit projects, the equity generated by the State Tax Credits will be included in the numerator of the calculation.



- The scoring tier structure will be revised as follows:

Percentage	Points
50.1-53.0%	36
53.1-56.0%	32
56.1-59.0%	28
59.1-62.0%	24
62.1-65.0%	20
65.1-68.0%	16
68.1-75%	12
75.1-100%	0

Modification Item D: Housing Tax Credit Application - Instructions/Scoring Summary Page

In the General, Preservation and Supportive Housing set-asides, the credit limit will continue to be \$1,550,000 per application. In the Non-Profit and Rural set-asides, the credit will be limited to \$800,000 per application.

Modification Item E: 4% State of Wisconsin Housing Tax Credit Program Cure Period

WHEDA is introducing a “cure period” for State HTC applications that fail threshold. This is intended to be used in instances where there are unused annual 4% State of Wisconsin Housing Tax Credits, but no remaining eligible projects to receive the unused credits. Use of the cure period will be exercised at WHEDA’s sole discretion including the decision as to whether the application is curable and whether it can proceed within the required timeline of the State HTC cycle.

Modification Item F: 9% Housing Tax Credits – Maximum Awards Per Developer

A developer may receive up to \$2,500,000 of HTCs in any year, in no more than two awards as lead developer and one award as co-developer. If there is a developer and a co-developer, the total amount credits awarded to a project will count toward this cap for both the primary developer and co-developer. WHEDA will no longer allocate the credits considered for the maximum award limit based on the percentage of developer fee received by each entity. Projects that include a co-developer will still be required to submit a development agreement or Memorandum of Understanding which describes the payment of developer fees and development duties to be performed by each party. Developers, co-developers, and consultants having an Identity of Interest or otherwise may be treated as a single developer at WHEDA’s discretion.