

**Request for Action  
By  
Board of Commissioners**

**Approval of Proposed 2026 Qualified Allocation Plan (QAP)**

**A. SUMMARY OF ISSUES**

Pursuant to the Revenue Reconciliation Act of 1989, each low-income housing tax credit (“LIHTC”) allocating agency must adopt a Qualified Allocation Plan (the “Plan” or “QAP”) that establishes the priorities and criteria for both allocating and monitoring LIHTCs. The allocating agency must conduct a public hearing and a subsequent public comment period on the Plan prior to the Plan being finalized and presented to the Governor for approval.

Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) has administered the LIHTC program in Rhode Island under a Plan that was first adopted in January 1990. The Plan was last amended in August 2024. The 2026 Plan is being adopted as a guidance document in accordance with the Rhode Island Administrative Procedures Act. Rather than being filed with the Office of the Secretary of State, the Plan will be immediately available on the RIHousing website.

Staff has proposed the changes summarized below to the following sections of the Plan. These changes seek to amplify and explain our goals and procedures.

<b>SECTION</b>	<b>CHANGE</b>	<b>REASON</b>
Throughout Plan	Ministerial changes	Updates for current year
Section I(B) (Page 8)	Revised small state minimum	Update for current year
Section I (C)(2) (Page 10)	Modify state criteria to include draft Housing 2030 plan goals	Align QAP with state policy
Section I (C)(3) (Page 11)	Modify state criteria to include draft Housing 2030 plan goals and updated National Low-Income Housing Coalition report results	Align QAP with state policy and update based on newer data
Section I (H) (Page 18)	Update terminology for people experiencing homelessness	Modernization
Section I(J) (Page 18)	Clarify MBE/WBE participation provision	Align with regulation
Section II (B) (Page 24)	Update reference to the current RI Consolidated Plan and add reference to the Housing 2030 plan	Align QAP with state policy
Section III (Page 26)	Modify priority to align with Housing 2030 plan	Align QAP with state policy
Section III (Page 27)	Correct reference to extremely low-income households	Correct reference to households with incomes at or below 30% area median income

Section III (Page 27)	Modify “reasonable cost” to “cost effectively” and remove \$450,000 “upper limit.”	Opens up the opportunity to introduce cost caps
Section III (Page 27)	Adds a total development cost cap among the Threshold Criteria	Increase focus on cost containment
Section III(A)(2) (Page 29)	Add feasibility of capital stack to financial feasibility criteria	Gives reviewer the ability to better evaluate proposed transaction based on existing resources
Section III(B) (Page 32)	Updates scoring and point allocation summary	Update of the summary based on changes in the overall scoring and scoring categories
Section III(B) (Page 36)	Updates to the list of extraordinary conditions to the TDC calculation	Expands the list of extraordinary conditions based on current environment
Section III(B) (Page 37)	Adds reference to RIH-ELI program	Expands the list of examples
Section III(B) (Page 37)	Changes General Points to <b>Incomes/Populations Served</b>	Better identification of policy goal
Section III(B) (Page 37)	Clarifies that only newly constructed units are eligible for the 3+ bedroom points	Clarification
Section III(B) (Page 39)	Adds points for additional accessible units above minimum required	Incentivizes creation of additional accessible units
Section III(B) (Page 39)	Moves the incentive for mixed income units into the “Incomes/Populations Served” category	Better identification of policy goal
Section III(B) (Page 39)	Moves the incentive for provision of resident services into the “Incomes/Populations Served” category	Better identification of policy goal
Section III(B) (Page 40)	Creates a distinct “Promoting RI Workforce/Permitting” category	Better identification of policy goal
Section III(B) (Page 41)	Moves the points and criteria for community-based nonprofits	Better identification of policy goal
Section III(B) (Page 42)	Elimination of the Comprehensive Community Development Section	Retained criteria moved into newly named categories
Section III(B) (Page 42)	Deletion of stand-alone transit points for development located near bike paths, transit or with high walk scores	Proximity to transit is included in Housing 2030 geographic priorities, and is now incorporated in the Community point section
Section III(B) (Page 44)	Deletion of points for developments in a Qualified Census Tract	Removed to balance the urban/suburban scoring metric under proposed revisions

Section III(B) (Page 42)	Deletion of points for Health Equity Zone Partnerships	Hard to enforce once a development is approved; does not seem to be a priority
Section III(B) (Page 43)	Deletion of points for Crime Prevention through Environmental Design	CPTED design criteria are now standard
Section III(B) (Page 44)	Deletion of points for additional public engagement over and above municipally mandated	Difficult to measure and overly burdensome for the developer
Section III(B) (Page 44)	Deletion of points for low-cost broadband	State broadband access is improving overall with federal investments; Hard to enforce once a development is approved
Section III(B) (Page 45)	Modifies the Community scoring criteria to align with Housing 2030 plan to encourage development in “Modest Growth or Strategic Growth communities”	Align QAP with state policy
Section III(B) (Page 46)	Deletion of points for rehabilitation of vacant foreclosed property	No longer a pressing issue
Section III(B) (Page 46)	Move the points for Graduation Rates into the Community Section	Better identification of policy goal
Section III(B) (Page 46-48)	Change the section title from Efficiency to Sustainability and update criteria based on current programs	Better identification of policy goal and general updates
Section III(B) (Page 49)	Add negative points for developers who receive points for specific QAP incentives but do not include these items in their final scope of work	Penalize developers on future projects when not able to deliver what they promised to undertake in order to achieve a high application score
Section III(C) (Pages 50-54)	Elaboration on the updated criteria and point categories	Additional explanation and detail to assist applicants understanding of Plan priorities

Staff held three meetings with stakeholders to discuss, among other things, continued challenges with the cost of construction and cost drivers, incentivizing more accessible units, MBE/WBE flexibility, better alignment of the Plan with state priorities, community needs, and scoring categories and point allocation. In general, total development costs, fluctuating interest rates, and continued increases in construction costs continue to be a challenge for developers. Staff also requested comments on the proposed changes directly from the Rhode Island Department of Housing.

A blacklined copy of the proposed Plan is attached as [Attachment B](#).

The 2026 Plan will become final upon (i) the expiration of the public comment period; (ii) final approval by the Board of Commissioners of the 2026 Plan (including any changes reflective of public

comments received and/or comments from the Credit Committee); (iii) approval by the Governor; and (iv) posting to the RIHousing website.

The public comment period will begin on or about June 20, 2025. A public hearing will be held following the publication of the proposed 2026 Plan, with final submission to the Board of Commissioners expected in August 2025.

## **B. RECOMMENDATION**

Staff recommends that the Board of Commissioners approve the attached resolution authorizing publication of RIHousing's notice of its intent to approve and adopt the Plan substantially as set forth in Attachment B.

## **C. ATTACHMENTS**

- A. Resolution
- B. Proposed 2026 Qualified Allocation Plan (Blackline)

**Attachment A**

**Resolution of the Board of Commissioners  
of  
Rhode Island Housing and Mortgage Finance Corporation**

- Whereas,** Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) has been designated by the Governor as the principal housing finance agency and tax credit allocating agency for the State of Rhode Island (the “State”);
- Whereas,** the Revenue Reconciliation Act of 1989 requires low-income housing tax credit allocating agencies to allocate low-income housing tax credits according to a Qualified Allocation Plan (the “Plan”);
- Whereas,** the Plan must establish priorities and criteria for allocating low-income housing tax credits that best meet the housing needs of the State and must be adopted pursuant to a public hearing and comment period; and
- Whereas,** the housing needs for the State have been established pursuant to the proposed Rhode Island Consolidated Plan: 2025-2029 and the proposed Housing 2030 Plan.

**NOW, THEREFORE, BE IT:**

- Resolved:** that RIHousing be, and hereby is, authorized to publish notice of its intent to approve and adopt the proposed 2026 Qualified Allocation Plan, substantially in the form attached hereto as Attachment B; and
- Resolved:** that the Executive Director, Deputy Executive Director, and Director of Real Estate Development, each acting singly, are hereby empowered and directed to take any and all actions they deem necessary to carry out the foregoing resolutions.

**Attachment B**

**Proposed 2026 Qualified Allocation Plan  
(Blacklined)**