

INITIAL POLICY PROPOSALS
DRAFT 2026 QUALIFIED ALLOCATION PLAN
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
POSTED JANUARY 24, 2025

The purpose of this memorandum is to circulate proposed changes for the Draft 2026 Qualified Allocation Plan (QAP). This document includes a flowchart of the QAP review/approval process. HHFDC is seeking comments on these proposed changes and any additional feedback you may have. Written testimony can be submitted via email at: DBEDT.HHFDC.QAP@HAWAII.GOV. We ask that submittals be sent in no later than February 15, 2025.

HHFDC is also planning to convene a kickoff meeting with a working group of stakeholders and the public to receive more feedback on the Draft 2026 QAP on February 21, 2025. More specifics will be published to our website in the weeks leading up to this meeting.

Summary of Proposed Changes:

Design Requirements

Hawaii is unique in not setting minimum standards for the design of LIHTC properties. HHFDC proposed the attached criteria for the draft 2025 QAP but acknowledged the feedback of applicants not having enough time to respond.

Development Cost Limits

The draft 2025 also proposed new policies to replace the current QAP's approach to limiting development costs. HHFDC continues to seek new approaches, including the 2025 draft provisions, creating a review committee, and/or contracting with third parties.

Incorporating Daycares

Some LIHTC properties could benefit from including an on-site daycare.

Increased Readiness Expectations

Too many properties continue to face challenges with completing development in a timely manner. The QAP could provide even more incentives to be further along in the process.

Integrated Permanent Supportive Housing

Like every state, Hawaii has a tremendous unmet need for housing for persons with disabilities and the homeless. Other allocating agencies have responded by successfully integrated small percentages of permanent supportive housing units into LIHTC properties.

Electric Vehicles Charging Stations

The need for electric vehicle charging is growing rapidly.

Application Submission Limits

Some allocating agencies restrict the number of applications submitted by the same or related parties.

Developer Award Limits

HHFDC has an interest in established participants remaining active in the LIHTC program. One way to accomplish it is limiting the concentration of awards among a few developers. Another consideration is limiting awards to those who are having difficulty completing their recently awarded developments.

Cost Certification Deadlines

The QAP could set a deadline for when owners must submit cost certifications.

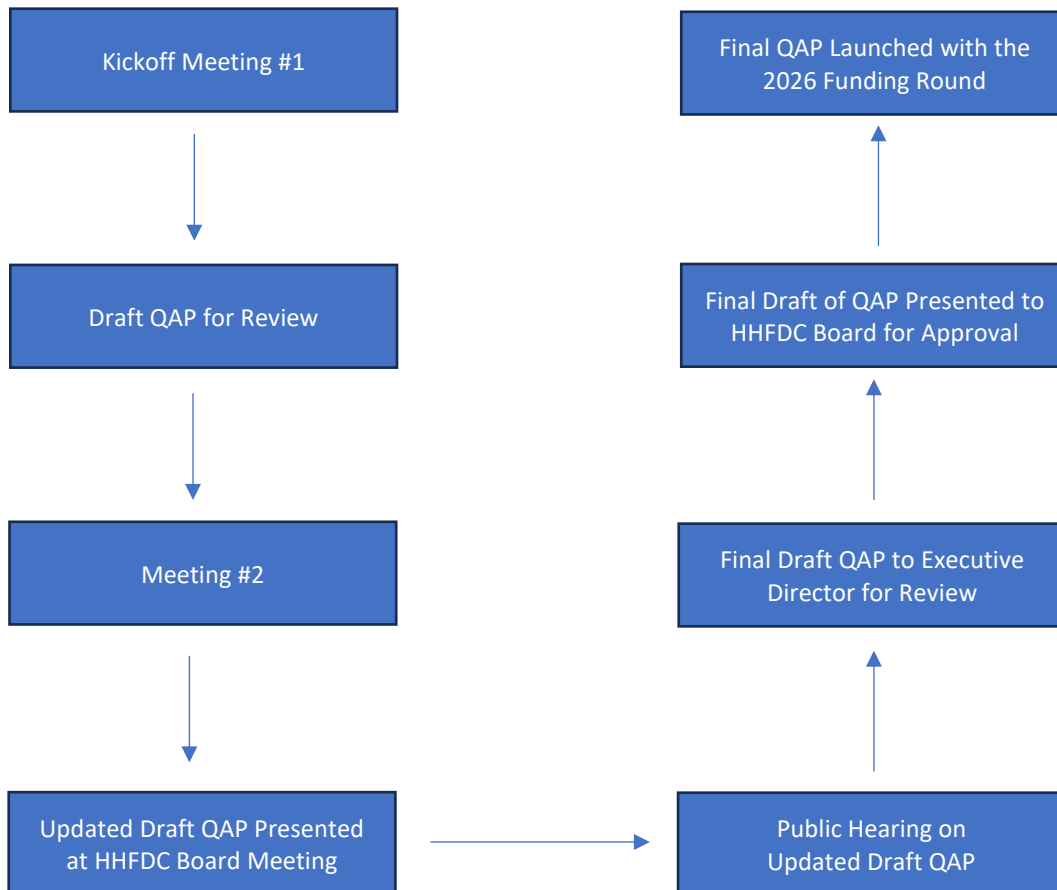
Establish Deadline to Close Funding Round

HHFDC wishes to create a predictable funding round by creating a deadline of the year’s October HHFDC Board meeting being the last meeting a project can be awarded.

Perpetual Affordability

This has been suggested by several community stakeholders; HHFDC is interested in additional perspectives.

2026 QAP Review Process:



2026 QAP Proposed Schedule and Timeline

Events	Dates*
Circulate Memo on 2026 QAP Proposed Changes	January 24, 2025
Kickoff Meeting #1	February 21, 2025
Initial Draft QAP Prepared by HHFDC for Review	March 2025
Meeting #2	March 2025
Updated Draft QAP Prepared by HHFDC	April 2025
Updated Draft QAP Presented to HHFDC Board	May 8, 2025 (Board Meeting)
Publish 2026 QAP Public Hearing Notice <ul style="list-style-type: none"> - HHFDC Website - State of Hawaii Website - Star Advertiser, Maui News, The Garden Island, West Hawaii Today, Hawaii Tribute Herald 	Minimum (30) days prior to Public Hearing
Public Hearing (Hybrid)	June 2025
Proposed 2026 QAP to HHFDC Executive Director for Review/Comment/Approval	July 2025
Final 2026 QAP to HHFDC Board for Approval	August 14, 2025 (Board Meeting)
Final QAP Launched with the 2026 Funding Round	December 2025

**Subject to change*