CONNECTICUT HOUSING FINANCE AUTHORITY

Unlocking Solutions, Building Strong Communities.

2026 9% Low-Income Housing Tax Credit Round (LIHTC)

Frequently Asked Questions

Q1. *Is it too late to submit a preliminary application to indicate interest in applying in the 2026 9% LIHTC round since the Developer Engagement Process is closed?*

A1. Yes. The last day to submit pre-applications was Wednesday January 14, 2026.

Q2. *The QAP limits credit awards to $30,000 credits per qualified unit and/or 20% of the population component of the annual credit ceiling. What is that 20% amount?*

A2. 2026 population numbers for us with the LIHTC program have not been released yet. Based on the 2025 population number, 20% of the credit ceiling is approximately $2.5 million.

Q3. *For scoring item 5c, Developer LIHTC Program Performance, will 9% LIHTC awards from other states be considered? What about 4% LIHTC deals?*

A3. No. This item is intended to incentivize and reward performance on 9% awards made by CHFA. It will be scored by CHFA based on the last 9% LIHTC award a developer received in Connecticut, and the last 9% cost certification that CHFA accepted. 4% LIHTC transactions and deals in other states will not qualify for points. Please note, a reasonableness test will be used for awards and/or cost certifications that were completed many years ago.

Q4. *If a hybrid 9% / 4% LIHTC transaction is proposed, do I need to submit a separate 4% application? Do I need to pay separate application fees for the 4%?*

A4. Hybrid transactions require two separate and distinct applications, one for the 9% and one for the 4%. The full 4% application submission must be made with a separate SharePoint site at the time of the 9% submission. Application fees for the 4% will be collected if a 9% award is made and the transaction is moving forward.

Q5. *Have the funding parameters for DOH funding requests for 9% LIHTC applications been published?*

A5. Yes. The document can be found on CHFA's website here: https://www.chfa.org/assets/1/19/DOH_Funding_Parameters_2026.pdf?14602

Q6. *Points item 3c provides points for a "clean site" delivered by a municipality or comparable jurisdiction. How should a "clean site" be evidenced?*

A6. A "clean site" can be documented in a few different ways; 1.) by a contract with the municipality that states the municipality will turn over a "clean" site to the developer and the municipality will be responsible for all environmental clean-up costs and remediation and abatement required at the site, 2.) it can be documented by the Phase I report which states the site has been recently cleaned up with all environmental hazards and issues remediated and abated, and the site now meets all relevant criteria for a clean site, 3.) close-out reports authored by the LEP that oversaw the remediation can be provided which state the site is now clean and no further hazardous environmental concerns exist, or 4.) evidence from the Department of Energy and Environmental Protection can be submitted to show the site no longer belongs on the Brownfields list.

Q7. *What happens if my proposal needs more soft funding than the DOH published parameters allow?*

A7. If the proposed amount of soft funding from DOH exceeds the published per unit parameters, the application will not have a credible financing plan and will be eliminated from the round, unless there is evidence in writing from DOH that the request was discussed prior to the 9% application due date and DOH agrees to provide additional resources beyond the published parameters. Please send an email to rivera.miguel@ct.gov and DOH-DevelEngage@ct.gov documenting the factors that are contributing to the higher funding request to begin the discussion.

Q8. *If I am seeking taxable bond financing from CHFA, what rates should I use for underwriting my proposal?*

A8. CHFA will be using the following rates to underwrite all proposals (based on the 10-Year Treasury and One Month SOFR on January 23, 2026 and a 50 basis point rate cushion):

Construction-to-Permanent Taxable Bond loans:
Construction interest rate: 6.20%
35-year term/35-year amortization Permanent interest rate: 6.75%
35-year term/40-year amortization Permanent interest rate: 6.80%

Permanent-Only Taxable Bond loans:
35-year term/35-year amortization Permanent interest rate: 7.25%
35-year term/40-year amortization Permanent interest rate: 7.30%

Construction-Only Taxable Bond loans: 6.20%

Q9. *For scoring item 5c, Developer LIHTC Program Performance, can you clarify whose previous performance with CHFA qualifies?*

A9. Any Developer and/or Managing Member/Manager/General Partner of the ownership entity of the most recent CHFA 9% awarded development qualifies. They must have been a participating member in the partnership or a guarantor to the investor.

Q10. *For scoring item 5c, what constitutes the "proposed development budget approved by the Authority"?*

A10. For 2026, CHFA will be using the development budget approved as of the initial closing of the last 9% development that was cost-certified. CHFA anticipates using the budget proposed in the application received as of the due date of the round going forward.

Q11. *For the Broadband point under Sustainable Design Measures, one of the requirements says to "Provide evidence of engagement with Internet Service Providers (ISPs) to provide subsidized monthly subscription plans for residents". For "subsidized" plans, what is the level of subsidy required (free to residents, below market pricing, etc)? Does it matter where this subsidy comes from, the Internet Service Provider or the Owner? If the subsidy comes from the Owner can it be a pre-funded reserve funded by the development budget, or does it need to be a budgeted operating expense?*

A11: For the subsidy, we would be looking for applicants to provide the highest level of subsidy possible given the transaction parameters. But the minimum would be providing residents with below market pricing for internet service. The service should be available for the full compliance period. The source does not matter, but again it should be available for the full compliance period. The subsidy can be from a pre-funded reserve in the development budget. Evidence of how the amount was calculated will be required.

Q12. *What do I need to provide to claim points for filling units with "Moving-On Households" as described in item 1a?*

A12. To qualify for points, developers need to commit in writing to accepting Moving-On Households. These are households that currently reside in deeply service-supported apartments but no longer have the need for that level of care and are ready to move-on. The assessment of readiness to move-on is determined by the individual's or family's case management team working with the Department of Mental Health and Addiction Services through an acuity index and consideration of service needs. Individuals who no longer need a deep level of services are determined to be eligible and are offered an available unit in the community. If there are no eligible Moving-On Households for the development's location, the State will refer other individuals with minimal or "light touch" service needs. The development's owner or property manager must notify CHFA within six months of unit availability to begin the referral process. Contact information for DMHAS and/or DOH will be provided to successful awardees.

Q13. *Can I access a recording of the CHFA LIHTC Overview Session that was held in October?*

A13. Yes. The recording also includes presentations from other agency partners including DOH, DDS, SHPO and DSS. The recording is found here: https://www.youtube.com/watch?v=lewRsm0gC2o