Brian P. Kemp
Governor

Christopher Nunn
Commissioner

GEORGIA DEPARTMENT *of* COMMUNITY AFFAIRS

Memorandum: 2026-2027 QAP Amendment Proposal

Summary of the 2026-2027 QAP Amendment Proposal

The Housing Finance and Development Division (HFDD) is proposing amendments to the 2026-2027 Qualified Allocation Plan (QAP). The amendments are proposed in response to the passage of Georgia House Bill 1199, which amended O.C.G.A. § 48-7-29.6 to limit the aggregate annual amount of 9% and 4% Georgia Housing Tax Credits awarded to no more than $100 million per year for taxable years 2026 through 2028. The proposed amendments are intended to reflect the state tax credit limitation and produce broader geographic distribution in the following ways:

- Limit the resources allocated to Applications in the city of Atlanta by reserving all bond capacity outside the Urban Housing Reservation, and all credit capacity remaining after the Urban Residential Finance Authority (URFA) selections, for applications outside of the city of Atlanta.
- Place stricter statewide geographic limitations on awards to ensure sufficient geographic distribution.

Proposed Amendments

Proposed amendments are described below with QAP provisions italicized and added language in red, underlined font.

Material Amendments

Amendment 1:

Core Plan, Competitive Rounds, B. Set Asides and Allocation Targets, 3. 4% Credits/Bonds, ii. DCA Allocation, Non-Set Aside Allocation Strategy:

> *"Applications selected under the Urban Residential Finance Authority Allocation are not considered under this strategy."*

Purpose of material amendment in *Remaining Bond Allocation and Credit Capacity:*

- Exclude Applications selected in the city of Atlanta under the Urban Residential Finance Authority Allocation from the count of Applications; awarded under *Broad Geographic Distribution*, *Balancing New Affordability and Preservation,* and *Geographic Allocation Limitations,* meaning the following: 60 Executive Park South, NE | Atlanta, GA 30329-2231 | 404-679-4940 | dca.georgia.gov

- Applications awarded under the Urban Residential Finance Authority Allocation are not counted in the balance of New Affordability and Preservation Application selections, allowing DCA to balance the selections of New Affordability and Preservation Applications across the state independently of the balance of Applications selected by URFA in the city of Atlanta.
- Applications awarded under the Urban Residential Finance Authority Allocation are not counted for purposes of the Area or county limitations described under *Broad Geographic Distribution* and *Geographic Allocation Limitations.*

Amendment 2: *Core Plan, Competitive Rounds, B. Set Asides and Allocation Targets, 3. 4% Credits/Bonds, ii. DCA Allocation, b. Non-Set Aside Allocation Strategy, 3. Geographic Limitations:*

- *"Applications in the city of Atlanta are ineligible for selection.*
- *Unless necessary to maintain balance between the number of selected New Affordability and Preservation Applications, DCA will select no more than two Applications in each Area.*
- *Unless necessary to ensure one selected Application in each Area and maintain balance between the number of selected New Affordability and Preservation Applications under this strategy, DCA will select no more than:*
  - *Two Applications in each county with a population of 400,000 or greater*
  - *One Application in each county with a population less than 400,000"*

Purpose of material amendment creating subsection *Geographic Allocation Limitations*:

1. Restrict Applications in the city of Atlanta to selection under the Urban Housing Reservation only, reserving all other bond and credit capacity for Applications outside the city of Atlanta.
2. Ensure greater geographic distribution by creating limits applicable to DCA Application selections overall by Area and county.
   a. Maximum two awards per Area.
   b. Maximum one or two awards per county, dependent on population.

Amendment 3: *Core Plan, Competitive Rounds, B. Set Asides and Allocation Targets, 3. 4% Credits/Bonds, ii. DCA Allocation, c. Final Selected Application:*

"DCA will expend Bond Allocation and Credit capacity following the Non-Set Aside Allocation Strategy to the greatest extent possible. If Bond Allocation and Credit capacity remain after selections under the Non-Set Aside Allocation Strategy, allowing DCA to select one additional Application, DCA may select the highest scoring non-selected Application with Bond and Credit requests at or below the amounts remaining. In such situations, the following geographic limitations and balancing criteria apply. Applications selected under the Urban Residential Finance Authority Allocation are not considered in these limitations and balancing criteria.

1. *Balancing Criteria*
   - *If the number of Applications selected under the Non-Set Aside Allocation Strategy is evenly distributed between the New Affordability and Preservation competitions, DCA may select from either competition.*
   - *If the number of Applications selected under the Non-Set Aside Allocation Strategy is not evenly distributed between the New Affordability and Preservation competitions, DCA will select from the competition with fewer selected Applications.*
     - *If no non-selected Application from the competition has Bond and Credit requests below the amounts remaining, DCA may select from the other competition.*

2. *Geographic Limitations*
   - *DCA will not award a third Application in an Area that received two selected Applications under*

the Non-Set Aside Allocation Strategy, unless the Area is the only Area with a non-selected Application that has Bond and Credit requests at or below the amounts remaining, and qualifies per the balancing criteria described in this subsection.

- *DCA will not award a third Application to a county with a population of 400,000 or more, or a second Application to a county with a population less than 400,000, unless the county is the only county with an Application that has Bond and Credit requests at or below the amounts remaining, and qualifies per the criteria described in this subsection.*

DCA will not select an Application in the city of Atlanta unless there is no other non-selected Application with Bond and Credit requests at or below the amounts remaining, that qualifies under the geographic limitations and balancing criteria. If no Application qualifies under the geographic limitations and balancing criteria, DCA reserves the right to select the highest scoring non-selected Application with Bond and Credit requests at or below the amounts remaining, regardless of geographic limitations and balancing criteria."

Purpose of creation of *c. Final Selected Application:*

- Create criteria for determining the final selected Application in situations in which funds remaining are not sufficient to award the next Application in line per the Non-Set Aside Allocation Strategy.
  - DCA will select the Application that maintains the 1-to-1 balance between New Affordability and Preservation, if applicable.
    - If no such Application is available to select, DCA may select from either competition.
  - DCA will maintain geographic limitations consistent with those in the Non-Set Aside Allocation Strategy.
    - If not possible, DCA may exceed those limitations as laid out in this subsection.
  - If no Application fits all of the subsection criteria, DCA may award any Application with Bond and Credit requests at or below the remaining amounts.
  - If no Application has Bond and Credit requests below the remaining amounts, DCA may award an Application in the city of Atlanta with Bond and Credit requests below the remaining amounts.

Substantive Amendment Effects

- DCA will not select any Applications in the city of Atlanta unless no other Application has a low enough Bond and Credit request. Applications in the city of Atlanta may be selected under the Urban Housing Reservation.
  - Area 5 award, which normally goes to Atlanta, will go to the metro area outside of Atlanta city limits.
- DCA will select New Affordability and Preservation Applications on a one-to-one basis but exclude Applications selected under the URFA set aside from the balance.
  - Allows DCA to balance New Affordability and Preservation across the state without impact from URFA selections.
- DCA will select no more than two Applications per Area and either one or two Applications per county, depending on population, producing greater geographic distribution.
- When remaining resources are not sufficient to select the next Application in line per the Non-Set Aside Allocation Strategy, DCA will attempt to maintain geographic limitations and balancing but may exceed limitations as laid out in the Final Selection Application subsesction.

The above amendments have been reviewed and approved by DCA's legal counsel and the Deputy Commissioner for Housing Development.

Authority for Amendment

According to the **Modification/Waiver of Plan** section of the 2026-2027 QAP (Core Plan, p. 26), the Commissioner and DCA Board have the authority to approve Material Amendments. The QAP states:

"This QAP is intended to apply to 9% Credits and 4% Credits/Bonds Competitive Rounds held during calendar years 2026 and 2027. If during this timeframe program staff must amend the QAP subsequent to Governor approval and such amendment does not constitute a change due to federal regulatory compliance or a minor modification as described above, DCA will implement the amendment through the following procedures:

- *DCA will publish the proposed amendment(s) for a thirty-day public comment period;*
- *DCA will hold a public hearing; and*
- *following both of the above, staff will submit the amended QAP to the DCA Board for approval."*

As the proposed amendments include changes beyond what constitutes minor modifications, Commissioner and DCA Board approval, as well as public comment and a public hearing are required. Upon Board approval, HFDD will publish the amended QAP and public announcement memo containing details of the amendments, the public comment period, and the public hearing. HFDD will hold a virtual public hearing during the 30-day public comment period. Following the end of the 30-day public comment period, HFDD will submit the final amended QAP to the DCA Board for approval.

Attachments: Amended 2026-2027 QAP

Redlined Amended 2026-2027 QAP

Public Amendment Announcement Memo