

2027 LIHTC INNOVATION SET-ASIDE QUESTIONS AND ANSWERS

New Q&A in red.

QAP Section	Question	IFA Answer
1.2.A – Innovation Set-Aside		
	The dates referenced in the current round materials point to dates that have already passed. Is there information available about the 2027 Innovation Set-Aside dates?	A webinar will be held on February 18, 2026 with more information, and IFA anticipates the pre-application for the Innovation Set-Aside will be available around that time in TAC. A recording of the webinar is available on the Housing Tax Credit Resource Page. The Innovation Set-Aside pre-application must be submitted no later than May 1, 2026 at 4:30 pm Central Time.
	If a project is successful and awarded under the Innovation Set-Aside, is the award a one-time award of up to \$1 million in Federal Tax Credits, or is it a standard LIHTC award of up to \$1 million per year for 10 years?	It is a standard LIHTC award. Under the Second Amended 2026-27 9% QAP which was approved by the IFA Board on February 4, 2026, the 2027 Innovation Set-Aside project is eligible for up to a \$1.4 million LIHTC award as well as up to a 30% Basis Boost as well.
	How many Innovation Set-Aside pre-applications does IFA typically receive in a year?	It has varied depending on year; historically anywhere between 5-12 pre-applications have been submitted.
4.2 – Project Funding Sources		
	Can HOME-ARP be used by the 2027 Innovation Set-Aside applicant?	HOME-ARP does not have a combined funding application option with 9% Projects. If the Innovation Set-Aside applicant is planning to apply for and use HOME-ARP

Posted 02.27.2026

2027 LIHTC INNOVATION SET-ASIDE QUESTIONS AND ANSWERS

		dollars, these must be secured before submitting their full 9% Application.
F. National Housing Trust Fund (NHTF)	Can NHTF be used by the 2027 Innovation Set-Aside applicant?	IFA is not yet sure if NHTF dollars will be available at the time of the 2027 9% Application cycle. If NHTF dollars are available, the Innovation Set-Aside applicant may apply for these as well in their full 9% Application.

Posted 02.27.2026