

Memorandum



From: Sean Thomas, Director
Office of Planning, Preservation, & Development

Date: May 1, 2009

Re: ARRA Application Instructions

This Memorandum is a supplement to OHFA's Implementation Plan for the American Recovery and Reinvestment Act (ARRA) funds. The plan can be accessed on OHFA's website (www.ohiohome.org).

As of May 1, 2009, OHFA has not received authority from HUD or IRS to allocate the ARRA funds. Therefore, OHFA cannot accept formal applications for funding at this time. As soon as the application date is determined, OHFA will send an announcement to potential applicants and post the information on our website. The review timelines listed in the ARRA Implementation Plan will be adjusted accordingly.

Potential applicants (2007/2008 Competitive Projects that have not closed with credit investors or 2007/2008/2009 Multifamily Bond projects that have not closed with credit investors) should begin preparing the following information to be submitted on a CD (compact disc) by the application deadline:

1. Updated AHFA. Applicants must use the AHFA format from the year of the credit award. For example, an owner for a 2007 project must use a 2007 AHFA. All sections of the AHFA should be updated, if needed, including the Schedule of Development. The contractor profit, overhead, and general requirements may need to be adjusted to meet the fee limits in the ARRA Implementation Plan.
2. Updated Project Narrative. Narrative must include the following:
 - a. The specific amount of ARRA funds requested and the requested structure (i.e. grant or loan) and terms (i.e. rate, term, pay-in schedule, etc.), and provide detailed reasons as to how the request was determined and structured. Also, indicate the specific date that the development team can commit to begin construction. OHFA reserves the right to modify the funding request and project budget, and there is no guarantee for approval of any ARRA funding.
 - b. A description of any significant changes to the project or development team and reasons for the changes.
 - c. A description of any environmental and/or site issues that have been identified since application and proposed plans to mitigate these issues.
 - d. A description of changes, if any, to each construction or permanent funding source listed in the original application and the reason for the changes.
 - e. A description of changes, if any, to each line item of the project budget listed in the original application and the reason for the changes.
 - f. Information regarding the status of local zoning and planning requirements, infrastructure needs, and ability to acquire building permits (unless not needed – for example, a rehabilitation project).
 - g. Any other information regarding the ability of the development team to begin construction within six months of ARRA funding approval.

3. Updated financing commitments for all construction and permanent financing sources. All letters should be dated within 30 days of application for ARRA funds and include the estimated closing dates. If there is no syndicator and/or investor at a reasonable price, then owner must provide letters dated within the last 30 days from three syndicators or investors that have evaluated the project.

OHFA reserves the right to request additional information at anytime. Meetings between the development teams and OHFA's ARRA Underwriting Team will be scheduled after OHFA receives the application materials.

Again, please do not submit application materials for ARRA funding until instructed by OHFA.

If you have any questions, please contact me at 614-466-0400 or sthomas@ohiohome.org.