



2022-2023

Qualified Allocation Plan

2022 Technical Revisions

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I. GENERAL OVERVIEW & REQUIREMENTS

The Housing Tax Credit (HTC) program is governed by [Section 42 of the Internal Revenue Code](#) (IRC). The Ohio Housing Finance Agency (OHFA) has developed a Qualified Allocation Plan (QAP) for the distribution of HTC.

A. MODIFICATION AND INTERPRETATION

OHFA's actions, determinations, decisions, or other rulings pursuant to this QAP are not a representation or warranty by OHFA as to a development's compliance with applicable legal requirements, the feasibility or viability of any development, or of any other matter whatsoever.

The QAP is subject to modification pending developments in federal, state, and OHFA policy. OHFA makes no representation that underwriting or competitive decisions from a prior year will be determinative in future application rounds. Identical year-over-year submissions may receive differing treatment, with or without notice to an applicant, due to new insights gained during prior review periods, shifts in policy, the need for consistent in-year interpretation, increased applicant competition, or any other reason OHFA deems necessary.

OHFA will clarify and issue responses to commonly posed questions regarding the QAP through a Frequently Asked Questions (FAQ) document that will be posted on the [OHFA website](#). The FAQ, as well as the OHFA Multifamily Underwriting Guidelines, Design and Architectural Standards, and Affordable Housing Funding Application (AHFA) are specifically incorporated herein and binding on all applicants. Notwithstanding the foregoing, errors and omissions in the AHFA are not binding on OHFA and do not modify the QAP.

The allocation of HTCs is made at the sole discretion of OHFA. OHFA will resolve all conflicts, inconsistencies, or ambiguities, if any, in this QAP or which may arise in administering, operating, or managing the reservation and allocation of tax credits. This includes the interpretation of requirements and guidelines and the determination of a development meeting the intent of those requirements and guidelines. OHFA may modify or waive, on a case-by-case basis, any provision of this QAP that is not required by law. All such modifications or waivers are subject to written approval by the Executive Director, Chief Operating Officer, or Director of Multifamily Housing.

B. APPLICATION PROCESS – COMPETITIVE HTC

- 1. Pre-Application Meeting (optional).** Applicant may request a pre-application meeting with OHFA according to the dates listed in the [Program Calendar](#) in the following circumstances:
 - a. Developer has not worked with OHFA in the past; or
 - b. The proposed project is unique and the development team needs specific guidance on submitting the application.
- 2. Development Team Pre-Approval Process.** Applicant submits an Experience & Capacity pre-approval form to OHFA as outlined in the Document Submission Requirements for [Development Team Experience & Capacity Review](#) by the date listed in the [Program Calendar](#).
- 3. Development Team Pre-Approval Review.** OHFA reviews pre-approval submissions and notifies applicants of their ability to move forward with the development team as proposed or of any deficiencies to be resolved.
- 4. Proposal Application Submission.** Applicant submits a proposal application in

accordance with the document submission requirements by the date listed in the [Program Calendar](#).

5. **Proposal Review.** OHFA notifies applicants of deficiencies during the review process and provides one week to clarify. Apart from this clarification period or in response to specific request for information from OHFA, applicants may not communicate with OHFA Office of Multifamily Housing staff regarding their application during this time.
6. **Pre- or Post-Award Site Visit.** OHFA may conduct a site review and may remove the application from further consideration.
7. **Announcement of HTC Awards.** OHFA announces award recipients on its website and by phone and/or in writing.
8. **Final Application Submission.** Applicants must submit a final and complete application, including all supporting documentation, by the deadline shown in the [Program Calendar](#).

C. CONTACT INFORMATION

Questions regarding the QAP or HTC application process may be directed to QAP@ohiohome.org. General contact information for OHFA is as follows:

Ohio Housing Finance Agency
 Office of Multifamily Housing, Development Division
 57 E. Main Street
 Columbus, Ohio 43215
 888.362.6432
www.ohiohome.org

D. 20222023 PROGRAM CALENDAR: COMPETITIVE HTC

Deadlines reflected in the following program calendar are subject to change based on the quantity of applications received and other conditions outside OHFA’s control.

Dates	Applicant	OHFA
Oct. 29, 20212022	Deadline for submission of CHDO Certification Pre-Application	
Nov. 20212022		Application materials posted to the OHFA website
Nov. 20212022		HTC training – details will be posted on the OHFA website
Dec. 1, 20212022	Last day to request a pre-application meeting	
Dec. 3, 20212022	Deadline to request approval for a Part 1 from the State Historic Preservation Office for historic tax credits (applicants seeking a Preliminary Determination the Part 1 utilizing the Checklist provided in Appendix E)	
Dec. 10, 20212022		Decisions issued for CHDO Certification Pre-Application

Dec. 17, 2021	Last day pre-application meetings will be held	Last day pre-application meetings will be held
Jan. 7, 2022	Last day Development Team Pre-Approval forms may be submitted	
Jan. 14, 2022	Deadline to submit FAQ	
	Recommended deadline to commission market studies	
	Deadline to submit Exception Requests (program exceptions only)	
Jan. 21, 2022		Last date by which Development Team Pre-Approvals will be issued
Feb. 4, 2022		Decisions issued for Exception Requests
Feb. 10, 2022	Deadline to submit proposal applications, due no later than 5:00 p.m. ET	Consideration of public comments begins
Feb. 22, 2022		Proposal summaries posted to the OHFA website
		Competitive scoring, underwriting, and select site visits begin
April 1, 2022		Site visits conclude
Apr. 4, 2022		Notice of preliminary scores and underwriting issues sent to applicants
		Consideration of public comments ends
Apr. 11, 2022	Deadline to respond to preliminary scores and underwriting issues	
May 18, 2022		Final results of competitive scoring released and presented to the OHFA Board of Directors
May 20, 2022		Binding reservation agreements and notice of threshold deficiencies issued
May 25, 2022	Development Next Steps meetings begin	Development Next Steps meetings begin; Site visits begin
June 10, 2022	Deadline to return binding reservation agreements	OHFA begins scheduling Debrief Meetings
	Deadline to submit all cures for threshold deficiencies	
July 29, 2022	Development Next Steps and debrief meetings conclude	Development Next Steps and debrief meetings conclude
Sept. 23, 2022	Deadline to submit final applications, due no later than 5:00 p.m. ET	

Dec. 9, 20222023	Final date for issuance of carryover agreements
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2022-2023 PROGRAM CALENDAR: NON-COMPETITIVE (4%) HTC

Application windows reflected in the following program calendar apply to the [Non-Competitive HTC application process](#) (for projects seeking 4% HTC *without* OHFA gap financing only) and are subject to change based on the quantity of applications received. Applicants submitting an application for a reservation of Non-Competitive HTCs must also refer to the [Multifamily Bond program guidelines](#) for other requirements, where applicable.

Applicants must contact OHFA 45 days in advance of submitting an application to schedule a pre-application meeting. OHFA may choose to waive the meeting.

Dates	Applicant
January 3-7, 20222023	Applications due no later than 5:00 p.m. ET on January 8
April 4-8, 20222023	Applications due no later than 5:00 p.m. ET on April 9
July 4-8, 20222023	Applications due no later than 5:00 p.m. ET on July 9
October 3-7, 20222023	Applications due no later than 5:00 p.m. ET on October 8

2022-2023 FEE SCHEDULE

OHFA will assess fees as described in in [Appendix A](#). Fees may change without QAP amendment.

II. HTC REQUIREMENTS

The following requirements apply to all projects utilizing Competitive or Non-Competitive HTC, alone or in conjunction with other OHFA funding, unless otherwise specified. OHFA will consider exceptions only where specifically noted.

A. DOCUMENT SUBMISSION REQUIREMENTS

All proposal and final application submissions must include a completed AHFA and all supporting documentation required on a compact disc according to the specified instructions and index.

The AHFA must include supporting documentation for all competitive scoring criteria up to a maximum of 25 pages per competitive criterion section, (excluding Revitalization Plan, Tenant Selection Plan, and Supportive Services Plan) with relevant portions of the supporting documents highlighted and annotated.

The documentation below is also required at one or more of the following development stages:

- P = Proposal Application
- F = Final Application
- S = Application Submission
- 8609 = Request for IRS Form 8609

1. Appraisal

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Applications must include an as-is appraisal for all development site(s) which complies with all Appraisal Requirements in the OHFA Multifamily Underwriting Guidelines. An appraisal is not required if the applicant is not seeking HDAP funds and is not including any acquisition costs in eligible basis.

2. Architectural Plans and Design & Construction Features Form

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Applications must include architectural plans for all development site(s) in accordance with Design & Architectural Standards and a completed Design & Construction Features Form (DCFF), including Construction Certification.

Non-Competitive HTC only: OHFA may allow additional time for Non-Competitive HTC developments to submit 80% complete architectural plans and specifications. A review period of at least 60 days is necessary between the submission of 80% plans and the issuance of a 42m Letter of Eligibility.

3. Authorization to Release Tax Information

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Applications must include a completed [Authorization to Release Tax Information Form](#) for the parent company of each member of the ownership entity, and if applicable, the parent company of the HDAP recipient.

4. Community Outreach Plan

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Applications must include a community outreach plan, documentation or other evidence that it was completed prior to submission, its exhibits, and the following components:

- **List of Stakeholders Notified.** May include but are not limited to residents, businesses, local elected officials, police and fire departments, community development corporations, and/or nonprofit community organizations.
- **Stakeholders Notification Method.** May include posting notices in libraries or other public spaces where residents or potential residents may frequent, public meetings, design charrettes, and/or notices in local papers and social media. Outreach notifications need not identify the population proposed to be served.
- **Copies of all Materials** placed or published, presentations or meeting materials, including any sign-in sheets from any public meetings, and support or opposition letters from community groups or contacts established through the outreach process.
- **Description of Stakeholder Feedback & Developer Response.**

5. Conditional Financial Commitments

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Applications must include financial commitment documentation for all non-OHFA permanent and construction sources of debt and equity plus any project-based rental subsidies.

Proposal Application: Financial commitments must be evidenced by a conditional commitment, letter of interest for construction and/or permanent financing, or term sheet specific to the project indicating the following:

- loan or grant amount;
- loan term; and
- interest rate.

Conditional equity commitment letters are not required at proposal application.

For any sources from a competitive or contingent source (e.g. city or county HOME funds, Federal Home Loan Bank), the applicant must provide either

- a letter or other documentation from the funder detailing when the funding round will be open, the maximum awards available, and when funding decisions will be released, or

- a conditional commitment letter from the funding entity the minimum amount of funding it will provide to the project upon successful completion of regulatory reviews and funding availability.

Applicants must provide evidence of an alternative plan to fill the funding gap if unsuccessful.

Final Application: Financial commitments must be evidenced by a commitment letter indicating the following:

- loan or grant amount;
- loan term and amortization schedule/term (and/or payment requirements);
- interest rate;
- fees associated with the loan or grant;
- reserve requirements; and
- lien position of the loan.;

Conditional equity commitment letters are required.

The applicant must provide supporting documentation detailing the terms and conditions of any assumed or restructured debt including the current outstanding balance.

OHFA may request additional information to support any credit or equity pricing and may underwrite to the pool equity pricing average.

6. Condominimized Space Description

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

If any portion of the development will be condominimized, the application must include a brief description of the governing agreement (costs and maintenance of common space, parking availability, air rights, default remedies, commercial uses, and tenant selection).

7. Development Team Consultant Statement

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

The application must include a statement regarding any development consultant(s) describing:

- their role in the project;
- scope of their authority to negotiate for and bind the development team; and
- a summary of all projects they are currently advising and the scope of those agreements.

For the purposes of this section, development consultants include any person or entity providing professional advice or assistance with the preparation of an application to the HTC program, but do not include syndicators.

OHFA may consider consultants co-developers and hold them responsible for the overall success of the development.

8. Development Team Experience and Capacity Review

Competitive HTC			Non-Comp. HTC		BGF			
P	F	8609	S	8609	P	F	8609	

OHFA will evaluate the experience and capacity of the development team, including General Partners, developers, and development consultants at proposal application for Competitive HTC and BGF projects, and at final application for Non-Competitive HTC projects. OHFA will evaluate [management companies at final application](#) for all project types.

[Appendix C: Experience & Capacity Characteristics](#) outlines the minimum eligibility and evaluation criteria. Consultants may not be the only source of team experience.

For Competitive HTC only, all development teams must receive pre-approval from OHFA to submit a proposal application. OHFA will accept completed forms on or before January 4, 2022 issue and issue approvals no later than January 24, 2022.

Submission Requirements:

- Completed Experience and Capacity tab in the AHFA.
- Resumes for all staff members of the development team.
- Organizational charts that show the structure of the ownership entity, General Partners, development team, and consultants and the relationships and ranks of all relevant positions.
- Narratives describing development experience and work performed for each staff member of the development team.
- Any changes to the developer’s staff that have occurred since the last HTC application round in which they competed.
- For General Partners that haven’t placed into service a project in Ohio within the last five years, the previous four years of
 - independently-prepared audited financial statements (if available);
 - internally-prepared annual balance sheets including changes in owners’ capital and statement of cash flow ending on the last day of each year;
 - internally-prepared annual income statements ending on the last day of each year; and
 - a current Internally-prepared accounts payable aging report.

The above will be for the parent companies if the General Partners are new entities.

Applicants must disclose changes to any development team between the proposal and final application. OHFA may disqualify applications that do not maintain the core competency and experience necessary to successfully develop and manage a project.

CHDOs only: Any member intending to become certified as a CHDO during the initial application phase must submit documentation indicating the CHDO will maintain effective development control: is the sole General Partner of the development and make the key decisions regarding the selection, financing, improvement, management, and disposition of the development.

OHFA may request additional information to evaluate experience and capacity.

9. Evidence of Site Control

Competitive HTC			Non-Comp. HTC		BGF			
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P	F	8609	S	8609	P	F	8609		
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The application (proposal for Competitive HTC) must include:

- If the General Partner or limited partner owns the real estate, copies of the executed and recorded deed(s); or
- If the current owner is not a General Partner or limited partner, then:
 - a purchase contract or option;
 - a ground lease contract or option; or
 - documentation from the local government/land bank regarding the transfer of property.
 - If parcels will be acquired from a city land bank a copy of the final city council resolution, city council ordinance, letter from a board of control or designated official, or contingent purchase agreement approving the legal description and transfer of all applicable sites.
 - If parcels will be acquired from a county land bank a letter from the board of control or a designated official approving the transfer of all applicable sites.

Option agreements must include evidence of the agreement to purchase the property within a specified time period.

Any ground lease must be for a minimum term of 35 years. Evidence of site control may not expire until a reasonable period following the scheduled announcement date for Competitive HTC awards, or for Non-Competitive HTCs, at least 180 days from the date the application is submitted.

Any updates to site control documents must be submitted with the final application.

Scattered Site Developments: Competitive HTC scattered site developments must have at least 35 percent of the sites under control at the time of proposal application. OHFA may reduce eligible basis when issuing a Carryover Allocation Agreement if the minimum site control percentage required at proposal application is not maintained. Non-Competitive HTC scattered site developments must have 100 percent of the sites under control at the time of application, including those seeking BGF.

10. Exception Requests

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

OHFA will consider exceptions only for those items specifically allowed under this QAP and represented in the Exception Request Form. Any response issued applies exclusively to the year in which the application was submitted and cannot be used for future applications.

For Competitive HTC, applicants must submit requests for exceptions to specific program requirements referenced in the QAP in advance of the proposal application. All other requests are due with the application.

11. Federal Tax Identification Number

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

The application must include the ownership entity's Federal Tax Identification Number.

12. Green Certification

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

All multifamily developments must obtain one of the energy efficiency or green building certifications as set forth in the Design & Architectural Standards.

The request for IRS Form 8609 must include evidence of final certification from a HERS rater, green building certification organization, or otherwise qualified and licensed professional as approved by OHFA.

13. Housing Credit Gap Financing Application

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Competitive HTC developments that will request Housing Credit Gap Financing (HCGF) must include a request in both the proposal and final applications that is consistent with the requirements outlined in the [Housing Credit Gap Financing](#) section.

14. Legal Description

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

The application must include a legal description, street address, and permanent parcel number in Word format of each parcel that will be included in the development.

15. LIHTC Lease Addendum

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

The application must include a written statement from the owner certifying use of the [LIHTC Lease Addendum](#) (other than units under a HUD model or USDA model lease).

16. Limited Partnership Agreement

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Applicants must submit a copy of the Limited Partnership Agreement detailing the roles and

responsibilities of each partner or entity at request for IRS Form 8609.

17. List of Changes from Proposal Application

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

The final application must include a description of any substantive changes made to the development represented in the proposal, including but are not limited to changes in ownership or development team, design, construction or configuration, site(s) excluding scattered site developments, targeted populations including special needs populations, and any items affecting competitive scoring. OHFA must approve any changes.

18. Management Company Capacity Review

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

The application (final for Competitive HTC and BGF) must include a completed Management Company Capacity Review. Competitive HTC and BGF applicants will identify only the management company at proposal application.

19. Market Study

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Applications must include a market study conducted by an OHFA-approved market study professional updated or approved within 12 months of the application submission date.

All multi-site developments must be within the boundaries of a single Primary Market Area (PMA) other than the following exceptions:

- The market analyst determined that an entire county constitutes a single PMA.
- Scattered site Service Enriched developments that span multiple submarket areas if the Primary or Secondary Expert Recommendation Letter specifies how supportive services will be provided in a manner that is accessible to all residents despite being geographically dispersed.
- Proposals seeking to combine multiple existing developments into one project for financing purposes with an explanation of the Sponsor and Management Agent’s capacity to continue operating these properties under a single financing structure (may include documentation from other government entities giving permission to combine projects).

20. Multifamily Bond Financing Information

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Application must include a letter from the bond underwriter detailing

- the bond financing structure,
- cost of bond issuance and terms,
- calendar outlining anticipated actions,
- responsible parties for closing the transaction, and
- the timeframe for approving OHFA-issued bonds (dates for inducement and final approval), or
- for non-OHFA issued bonds, a preliminary or final bond resolution from the issuer and a letter from the bond underwriter identifying the anticipated interest rate, term, and amortization.

OHFA may require a legal opinion stating that the development is eligible to receive an allocation of HTCs pursuant to IRC Section 42(h)(4).

21. Notification to Accessibility Groups (newly affordable units only)

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Applicants proposing newly affordable units must notify all accessibility groups in the county of the proposal.

Applicants agree to accept referrals for prospective residents and consider design recommendations for the property. The application shall include copies of all correspondence between the applicant and accessibility groups.

If requested by an accessibility group, the applicant will provide the most current copy of the development’s architectural plans prior to submitting the final application.

22. Ohio Housing Locator

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Owners must list properties on the [Ohio Housing Locator](#) (or other equivalent substitute at OHFA’s direction) and new construction on the [Lead-Safe Rental Registry](#). Owners are responsible for keeping the property listings current.

23. Phase I and II Environmental Site Assessments

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Application must include a Phase I Environmental Site Assessment (ESA) dated within 6 months prior to the application deadline for all sites completed in accordance with the most current ASTM Standard and include the following non-scope considerations: Asbestos-containing building materials; Radon; Lead-based paint; Lead-in-drinking-water; Wetlands; and Mold.

For scattered site projects not seeking HDAP funding, applicants may submit an [Environmental Questionnaire for Scattered Site Projects](#) for each site at proposal application. The Phase I ESA for each site is due at final application.

Competitive HTC and BGF only: Applicants may submit a Phase I ESA dated between 6 months and one year prior to the application deadline but must submit an update at final application.

Owners must complete a Phase II ESA and/or additional testing if recommended in the Phase I ESA and submit the Phase II ESA at final application.

OHFA may reject any sites indicated to have environmental problems or hazards.

24. Physical Capital Needs Assessment and Scope of Work (rehabilitation or adaptive reuse only)

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Applications for the rehabilitation of existing housing units and adaptive reuse must include a Physical Capital Needs Assessment (PCNA) and Scope of Work for all buildings. The PCNA must reflect current building conditions and conform to the standards in the Multifamily Underwriting Guidelines. OHFA will use the PCNA to determine if the project meets the threshold requirement of substantial rehabilitation, and whether the costs indicated in the application are appropriate.

25. Proposal Summary (.PDF format)

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

The application shall include a copy of the Proposal Summary tab.

26. Public Notification (newly affordable units only)

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Applications must include evidence of completing the public notification process before OHFA approves any funds, including executing a Carryover Agreement.

An applicant requesting funds must provide the notice to any/all of the following that apply:

- The chief executive officer and the clerk of the legislative body of any municipal corporation where the project would be constructed or that is within one-half mile of the project's boundaries.
- The clerk of any township where the project would be constructed or that is within one-half mile of the project's boundaries.
- The clerk of the board of county commissioners of any county where the project would be constructed or that is within one-half mile of the project's boundaries.

The applicant must use the [OHFA letter template](#), include all information requested be in writing and sent via certified mail, return receipt requested. Applicants must submit a copy of the stamped post office receipt, return receipt not required, for certified mail and copies of notification letters with the proposal application.

OHFA will accept public comments about proposal applications at any time and will consider public comments during the review process until the deadline indicated in the [Program Calendar](#).

Scattered Site Developments: Scattered site developments must complete the public notification process for all sites. Public Notifications for any new sites must be sent to the applicable officials prior to submitting the final application.

27. Related Party Transaction Questionnaire

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Applications must include the [Related Party Transaction Questionnaire](#) for any transactions between related parties.

28. Relocation Plan (existing rental units only)

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Any development involving rehabilitation of occupied units that will result in permanent displacement must submit a complete [Acquisition, Relocation, and Demolition Questionnaire](#) and the Relocation Assistance Plan. OHFA may prohibit, limit, or mitigate any permanent displacement.

If a development will result in resident relocation during the construction period, the application must include a narrative detailing the tenant relocation plan addressing the method(s) for relocating residents, provide a breakdown of any associated costs, and identify if tenants will be permanently displaced.

If the development includes HDAP funding, applicants must refer to the [Housing Credit Gap Financing](#) section.

29. Rental Subsidy Contract

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

If the development currently receives a rental subsidy, the application must include a copy of the current contract. OHFA may request a letter from the Metropolitan Housing Authority (MHA) / Public Housing Authority (PHA) with updated rental payment information.

If the development is seeking a rental subsidy, the application must include a letter or other evidence from the subsidy provider describing the process and timeline and verifying the project is eligible.

For non-HUD and non- USDA subsidies, the letter must address the following:

- Whether the subsidy is project-based or tenant-based.
- What entity is providing the funding, under what program, and whether there are any pass-through entities.
- How likely it is for the subsidy to be guaranteed for fifteen years, the length of the contract, how often funding must be renewed, source of renewal (local levy, state budget appropriation, etc.), contingencies that are in place in the event of non-renewal, a past history of renewal attempts including how often a full appropriation has been approved, and any recent increases in program funding.
- Eligibility requirements for residents, their typical income sources (SSI, work, other benefits) and amounts, the current tenant pipeline and/or waitlist, including the number of individuals currently waiting to participate, and the referral process.
- Whether subsidy recipients must contribute a portion of their income to housing expenses (for example, does the program require tenants to pay 30 percent of their income towards rent and/or utilities).
- Any guarantees in place and how the project will be sustainable should the subsidy not be renewed.

Developments receiving a rental subsidy must provide an executed commitment to enter into a binding agreement at final application.

30. Revitalization Plan

Competitive HTC			Non-Comp. HTC		BGF			
P	F	8609	S	8609	P	F	8609	

To qualify for a set-aside or point category related to a revitalization plan, applicants must provide a copy of the concerted community revitalization plan (Revitalization Plan) and proof that the proposed development is located within its target area and consistent with the plan. Revitalization Plans must satisfy the substance of the components below.

The following are not eligible: draft plans, short-term work plans, consolidated plans, municipal zoning plans, planned unit developments, or plans OHFA determines were created in bad faith exclusively for the purposes of satisfying QAP criteria.

a. Scope

The Revitalization Plan must include a delineated target area and an assessment of the conditions existing in the community. If the Revitalization Plan is more than ten years old, the Applicant must also provide a supplemental letter or other evidence from the administrator describing progress made and confirming that the proposal continues to meet target area needs.

b. Community Input & Ownership

The Revitalization Plan must have been developed through a public process as evidenced by any of the following:

- creation of the Revitalization Plan by a Community Development Corporation; or
- adoption or endorsement of the Revitalization Plan by the local government; or

- proof of solicitation of public and stakeholder input.

c. Housing Policy

The Revitalization Plan must include:

- The incorporation and integration of affordable and other housing throughout the geographic area, including but not necessarily limited to the use of existing housing.
- The plans designed to accomplish the above.

d. Other Policy

The Revitalization Plan (or specifically referenced collateral plan) must address at least two of the following non-housing goals and the plans designed to accomplish them:

- expansion or preservation of economic activity and/or employment opportunities;
- expansion or preservation of access to public transit;
- improvement of schools that are accessible to residents of the target area; or
- mitigation or avoidance of adverse health conditions (such as lead-based paint hazards, environmental justice issues, and crime prevention).

e. Implementation Measures

The Revitalization Plan must include implementation measures which may include but are not limited to: general timeframes to achieve the above policies, potential funding sources, and entities responsible for execution. A final plan need not be fully implemented or have funding sources committed.

31. Scattered Site Development Map

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Proposals meeting the [Scattered Site Definition & Requirements](#) section criteria must provide a detailed map clearly identifying the location of all buildings and parcels considered for the application.

32. Site Visit Documents

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

Unless required at an earlier stage, OHFA may conduct a site review prior to final application submission and may deem the site unsuitable.

Applications must include:

- a detailed aerial map clearly depicting the physical location of the site, the nearest intersection, and all roads leading to the site; and
- photos of the site and surrounding properties.

33. Supportive Services Plan & Providers

Competitive HTC			Non-Comp. HTC		BGF				
P*	F	8609	S	8609	P	F	8609		

- a. Supportive Services Plans (SSP) are due no later than the request for IRS Form 8609 for all projects except the following which are due with the proposal application:
- Service Enriched developments;
 - Senior developments seeking points for Experienced Service Provider; or
 - Single family lease purchase developments.
- b. Applications or requests for Form 8609 must include evidence of salaried or in-kind service coordination on-site, contiguous, or accessible to the development and linkages to information and resources appropriate to the population. All service coordinators must have a history of serving the targeted area or population.
- c. The SSP must be unique to the development, identify the population served, be customized to that population and include the following:
- performance period and, if different, length of service coordinator’s contract term;
 - project service coordination funding amount and funding sources;
 - methods to provide residents with information and referrals to all appropriate resources; and
 - specific services to be provided, including
 - identification of partnerships with qualified service-provider agencies
 - methods to assess resident needs and develop a plan for service delivery
 - how transit will be provided to off-site services and referral entities
 - memorandum of understanding with all applicable local service providers
 - methods to monitor and evaluate service delivery and outcomes
- d. Service Enriched developments may submit a plan accepted by the local Continuum of Care or HUD in place of the items specified above. The SSP is due at proposal application but local service provider agreements may be submitted upon request for IRS Form 8609. All SSPs for Service Enriched developments must address the following:
- Population(s) to be served and the experience that the supportive services provider(s) have serving the target population(s).
 - Formal and informal methods that will be used to evaluate the success of the supportive services plan in meeting the individual needs of the residents, addressing overall issues of homelessness, and how this information will be conveyed to OHFA and other organizations.
 - Methods to provide assistance in applying for Medicaid and other benefits to ensure the needs of residents are met.
 - Methods to link residents to services not offered on-site.
 - Physical characteristics of the site, design and/or location that will enhance the lives of residents.
 - Sources of funding for all supportive services and how the supportive services will be sustained over the 30-year extended use period.

34. Utility Allowance Information

Competitive HTC			Non-Comp. HTC		BGF			
P	F	8609	S	8609	P	F	8609	

- a. **Competitive HTC at Proposal / Non-Competitive at Submission:** Applications must include a utility allowance projection determined using any permissible or reliable calculation method.

b. Final Application: Applications must include utility allowance information consistent with IRS Regulation 1.42-10 and [OHFA's Utility Allowance Policy](#).

Properties with OHFA-awarded HOME funds cannot use the PHA estimate or other estimates that are not project-specific. HCGF applicants must follow those program requirements. OHFA will accept the and must approve the following:

- Utility Company Estimates
- HUD Utility Schedule Model
- Engineer's Energy Consumption Model, calculated by a properly licensed engineer or qualified professional

35. Zoning

Competitive HTC			Non-Comp. HTC		BGF				
P	F	8609	S	8609	P	F	8609		

- a.** Applications must include either
- a valid building permit
 - a letter from the local municipality stating that either the current zoning will permit the proposed development or no zoning regulations are in effect.

Evidence must be dated within one year of the application due date.

b. For scattered site developments only, any sites added to the project after proposal application must be identified in the final AHFA and applicable zoning documentation provided at final application.

c. OHFA may waive or modify zoning requirements for projects involving new construction that encounter an extreme and unforeseeable delay where the applicant can demonstrate

- correctly following the local zoning process,
- providing all necessary documents for local review, and
- giving adequate time for local consideration and
- not receiving approval due to circumstances beyond the applicant's control.

The exception request form must include a narrative describing the circumstances and a letter from the unaffiliated entity responsible for the delay describing the situation and the timeline for obtaining the appropriate approval. OHFA may require zoning either with the final application or prior to the release of funding decisions.

B. HTC PROGRAMMATIC REQUIREMENTS & OVERSIGHT

The following requirements apply to all HTC applicants unless otherwise specified.

1. Assisted Living

Competitive HTC	Non-Comp. HTC	BGF		
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Affordable Assisted Living proposals are only eligible for the Non-Competitive HTC (non-BGF) program and must meet the requirements in the Multifamily Underwriting Guidelines.

2. Average Income Minimum Set-Aside

Competitive HTC	Non-Comp. HTC	BGF	
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Applicants planning to elect the Average Income minimum set-aside must comply with the [Average Income Policy](#).

3. Competitive Application and Developer Award Limitations

Competitive HTC	Non-Comp. HTC	BGF	
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a. Applicants and their related and affiliated entities may submit the following number of Competitive HTC applications and receive the following number of Competitive HTC allocations each year:

Type of Previous Experience	Number of Applications	Number of Awards
Applicant has never received Ohio 9% HTCs but meets the minimum eligibility requirements in Appendix C .	1	1
Applicant has received Ohio 9% HTCs and received Form(s) 8609 for at least one project in the past 10 years.	2	1
Applicant has received Ohio 9% HTCs and received Form(s) 8609 for at least two projects in the past 10 years.	3	2 (total credit allocation per applicant may not exceed \$2.5 million)
- Applicant has received Ohio 9% HTCs and received 8609s for at least three projects in the past 10 years.	4	2 (total credit allocation per applicant may not exceed \$2.5 million)
- Applicant has received Ohio HTCs and received 8609s for at least 5 projects in the last 10 years.	5	3 (total credit allocation per applicant may not exceed \$2,500,000)

The above application and award limits are inclusive of any projects on which an entity or individual is serving in a role of Development Consultant, Co-Developer, or other member of a development team.

OHFA will utilize information provided as part of the [Experience and Capacity](#) submission to determine eligibility and may request additional information.

b. Applicants submitting multiple proposals may provide a letter indicating their preferred rank. The ranking does not guarantee the highest ranked proposal(s) will be selected. If the applicant elects not to rank their proposals, OHFA will determine which will be awarded (if any).

4. Community Housing Development Organization (CHDO) Certification

Competitive HTC	Non-Comp. HTC	BGF	
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An applicant seeking to participate in a development as a state-certified CHDO (will apply for the CHDO set-aside HOME funds from OHFA) must submit the CHDO Certification Application by the deadline indicated in the [Program Calendar](#). OHFA will notify applicants of deficiencies prior to the proposal application deadline. The application must include a letter from the syndicator confirming that the CHDO has the financial capacity to provide the requisite project guarantees.

All CHDO requirements can be found on OHFA's [CHDO webpage](#). Questions and correspondence regarding CHDO certification may be directed to CHDOcertification@ohiohome.org.

5. Competitive Scoring

Competitive HTC	Non-Comp. HTC	BGF	
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Applicants may not use the competitive review period to finish an application that was incomplete at the time of submission. OHFA will permit threshold cures for administrative errors only and may require proof the cure documentation existed on or before the application deadline. Applications selected for an award of HTCs will continue to the final application stage.

If a development has multiple sites and crosses scoring boundaries, regardless of whether it meets the definition of scattered site, the scoring category will be applied to the development area with the most affordable units unless otherwise stated.

6. Compliance with Multifamily Underwriting Guidelines

Competitive HTC	Non-Comp. HTC	BGF	
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Developments will be subject to the following financial evaluations:

- a. **Competitive HTC.** An underwriting analysis at final application prior to issuing a Carryover Allocation Agreement and when the owner requests IRS Form(s) 8609.
- b. **Non-Competitive HTC.** An underwriting analysis upon receipt of a complete application prior to issuing a 42m Letter of Eligibility and when the owner requests IRS Form(s) 8609.

7. Cost Containment

Competitive HTC	Non-Comp. HTC	BGF	
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OHFA will set the maximums according to the criteria below.

- a. No later than one month prior to the application deadline, OHFA will post the maximum amounts per unit and/or per square foot for new affordability vertical construction line items (hard construction costs, general requirements, builder's overhead, builder's profit, and

contingency).

OHFA will determine the limits based on public input, recently submitted cost certifications, and third-party data. The posted limits will be higher for the following proposals:

- detached single family houses;
- within a central business district;
- public housing redevelopment; or
- four or more stories using steel and concrete;

OHFA may approve other limits prior to posting.

- b. The PCNA will determine costs for rehabilitation work.
- c. OHFA will evaluate construction costs for adaptive re-use projects on a case by case basis.
- d. OHFA will evaluate the appropriate amounts for other line-items (e.g., soft costs) based on:
 - comparisons with other applications,
 - recently submitted cost certifications,
 - input from third parties, and
 - staff's professional judgment.

Amounts outside the standard deviation may result in a requirement for the applicant to provide an explanation and/or the application being ineligible.

8. Design & Architectural Standards

Competitive HTC	Non-Comp. HTC	BGF	
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All requirements in the Design & Architectural Standards are specifically incorporated herein.

9. Detrimental Land Uses

Competitive HTC	Non-Comp. HTC	BGF	
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OHFA will not select New Affordability or Permanent Supportive Housing applications for developments sited adjacent to any detrimental land use or sufficiently close to impair residents' use. Detrimental land uses include:

- significant numbers of uncontrolled Blighted parcels
- high levels of noise and/or noxious odors
- land uses incompatible with residential occupancy (e.g. landfills, factory farming, etc.)
- others as determined by OHFA

Blighted has the same definition as in Ohio Revised Code §1.08.

Applicants may submit the following supplemental information to negate a finding of detrimental land use with the proposal application and/or following the site visit:

- A narrative explaining plans or strategies to mitigate or eliminate the adjacent conditions prior to the property being placed into service.
- If the site(s) are under third party control, documentation from the owner confirming the remedial plans and estimated completion time.
- If the site(s) are under land bank control and scheduled for demolition or renovation, documentation from the land bank proving their ownership confirmation of its corrective plan.

10.DevCo

Competitive HTC	Non-Comp. HTC	BGF	
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OHFA may require HTC recipients to enter information into the DevCo reporting system.

11.Extended Use Agreement

Competitive HTC	Non-Comp. HTC	BGF	
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All HTC developments will file a Restrictive Covenant provided by OHFA which waives the right of the owner to petition OHFA to have the extended use period terminated as described in Section 42 of the IRC.

12.Fraud, Waste, and Abuse

Competitive HTC	Non-Comp. HTC	BGF	
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Documented instances of fraud, waste, or abuse may result in any action listed in the [Penalties](#) section and/or any other action OHFA deems necessary.

13.Non-Competitive HTC Requirements (additional)

Competitive HTC	Non-Comp. HTC	BGF	
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Specific requirements of the Multifamily Bond Financing program are provided in the most current [guidelines](#).

a. Application Submission: OHFA accepts applications for Non-Competitive HTC (non-BGF) on a quarterly basis in accordance with dates in the [Program Calendar](#). Applicants must contact OHFA at least 45 days prior to the submission date to schedule a meeting with staff.

b. Application Review: OHFA will notify applicants of any underwriting or threshold deficiencies and will allow two calendar weeks to correct the items. After the applicant has responded to any deficiencies, OHFA will continue to communicate with the applicant to resolve any outstanding issues for two additional weeks. After the second two-week period OHFA may reject the application.

c. HTC Reservation: OHFA will determine the amount of Non-Competitive HTCs and conditions for final award. OHFA will not evaluate any subsequent changes to the project until the request for Form(s) 8609.

14.Penalties

Competitive HTC	Non-Comp. HTC	BGF	
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Violations of QAP, missed deadlines, failure to honor commitments made in the application process, or other instances of noncompliance with OHFA requirements may result in any or all

of the following non-exhaustive sanctions:

- Reduction in the number of applications an entity may submit or awards an entity may receive in future funding cycles
- Removal from application consideration (if during current application round)
- Cancellation or reduction of an award
- Prohibition from participation in OHFA funding programs
- Permanent or temporary prohibition from participation in one or more OHFA programs
- Removal from a position of Good Standing for a period of one year or more, resulting in permanent or temporary prohibition from participation in all OHFA programs
- Monetary fee in an amount to be determined by OHFA
- Reduction in the developer fee in an amount to be determined by OHFA
- Referral for independent cost audit (commissioned by OHFA but paid for by the owner/developer)
- Referral to internal staff for additional physical inspection/site visit

15. Resyndication

Competitive HTC	Non-Comp. HTC	BGF	
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a. Developments with a previous allocation of Competitive HTC may not compete for another allocation of Competitive HTC until ten (10) years after the end of the Compliance Period.

b. Developments with a previous allocation of Competitive HTC may seek Non-Competitive HTCs

- five (5) years after the end of the Compliance Period, if the application demonstrates a need for replacement of major building components which exceed the available resources in the replacement reserve accounts, or
- for extreme circumstances beyond the development’s control that require recapitalization.

c. Developments that received a previous allocation of Non-Competitive HTC may apply for Competitive or Non-Competitive HTC at the end of the compliance period.

16. Scattered Site Definition & Requirements

Competitive HTC	Non-Comp. HTC	BGF	
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A development qualifies as scattered site if there are 10 or more sites and 50 percent or fewer of those sites are contiguous. Scattered site developments cannot include non-HTC/market rate units.

Applicants must adhere to requirements in the [Architectural Plans](#), [Market Study](#), [Public Notification](#), [Site Visit Documents](#), and [Scattered Site Development Map](#) sections.

17. Scoring Reassessments

Competitive HTC	Non-Comp. HTC	BGF	
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OHFA will reassess applications with a reservation of Competitive HTCs at final application and again upon request for IRS Form 8609. Applications must maintain all elements and features of the proposal application regardless of whether elimination would affect scoring or ranking, including cost increases and unit configuration changes. OHFA may assess any sanction listed in the [Penalties](#) section for failure to conform to the preceding.

18. Substantial Rehabilitation

Competitive HTC	Non-Comp. HTC	BGF	
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The definition and requirements for substantial rehabilitation are in the Design & Architectural Standards.

19. Broadband Infrastructure

All developments must install broadband infrastructure in compliance with Federal Register 81 FR 31181 “Narrowing the Digital Divide through Installation of Broadband Infrastructure”.

Installation must result in speeds in each unit (living or dining room and each bedroom) and all common areas meeting the Federal Communications Commission's (FCC's) definition in effect at the time of generating the pre-construction estimates. Residents must have access to multiple internet providers. Owners are not required to pay for tenants' service but must provide free access in all common areas through the Extended Use Period (does not apply to developments in areas that lack broadband service).

20. HUD 811

Applicants will commit at least 10 units in the proposed development to participation in the Section 811 Project Rental Assistance Program upon OHFA request. (The applicable requirements may result in fewer units.) OHFA will select developments based on need and demand. This commitment does not guarantee selection.

21. Tenant Protections

The ownership entity and management agent will:

- expressly include reasonable accommodations in the application for tenancy;
- not ask applicants/residents for medical or other protected information unless and only to the extent legally necessary (e.g., processing reasonable accommodations);
- use standard leases with the same rights available to, and responsibilities expected of, all households, including duration of tenancy (cannot be transitional);
- ensure participation in any supportive services is entirely voluntary (not a formal or implied condition of occupancy); and
- not give a preference based on either disability type (actual or perceived) or being a client of a particular provider.

The ownership entity's members/partners, the management agent, and affiliates thereof may not engage in medical, therapeutic, or other activities regulated by the U.S. Centers for Medicare & Medicaid Services with respect to the residents.

C. DEVELOPER COSTS AND FEES

1. Development Support Budget

The “Development Support Budget” is defined as the developer fee, as calculated below, plus the total of all application or development consultant fees, construction management fees, guarantee fees, developer asset management fee and any financing fees charged by the developer. OHFA may add other fees to the calculation as appropriate.

For Competitive HTC projects, the maximum Development Support Budget is \$1,750,000.

2. Competitive HTC Developer Fee Calculation

The base developer fee plus the developer fee supplement represent the maximum amount.

The base developer fee for all Competitive HTC applications is calculated as follows:

Pool	Developer Fee
New Affordability	\$30,000 per affordable unit
Preserved Affordability	30% of rehabilitation hard costs
Single Family Development	\$25,000 per affordable unit

The following activities will supplement the base developer fee as specified, however they will not count toward the \$1,750,000 maximum Development Support Budget.

Activity	Fee Supplement
New Affordability developments with at least 25% extremely low income (ELI) units	\$75,000
State-certified CHDO	\$75,000
Development required by law to pay prevailing wage rates (the application must contain proof)	\$75,000
Developments leveraging State or Federal Historic Tax Credits	\$75,000

Developer fees for Competitive HTC applications will be locked in at proposal application and may not increase.

Applicants must show that any deferred developer fee can be paid in full from development cash flow within the first 15 years.

3. Non-Competitive HTC Developer Fee Calculation

Developer fee shall be no more than 25 percent of the total acquisition, rehabilitation, and new construction eligible basis. The developer fee itself is not included in this calculation. Developer fees in excess of 20 percent must be deferred or a capital contribution (included in the sources of permanent financing either way). All cost containment must be satisfied inclusive of developer fee.

D. 6-2-6: CONTRACTOR COST LIMITS

The maximum amount of the contractor’s fee is locked in at either (a) final application or (b) execution of the signed general contractor agreement by delivering a copy of that agreement and a lock-in request to OHFA within 30 days of execution. This amount cannot increase. There

is no obligation to decrease the amount if final hard construction costs are lower.

E. BASIS BOOST POLICY

1. Codified Basis Boost

Developments located in a [Difficult Development Area](#) (DDA) or [Qualified Census Tract](#) (QCT) are eligible for an increase of up to 130 percent of the eligible basis.

2. Discretionary Basis Boost

The following development types are eligible for a **130 percent** basis boost:

- competing in the Service Enriched Housing pool;
- located in a High or Very High Opportunity census tract as designated by the [USR Opportunity Index](#); or
- located in Moderate USR Opportunity Index areas that also have a Strong Growth or higher [Community Change Index](#) rating.

The following development types are eligible for a 115 percent basis boost:

- competing in the Non-Urban Housing and Preservation pools; or
- New Affordability in which 25 percent or more of units are affordable to ELI households.

H. LIMITS ON HOUSING CREDIT GAP FINANCING FUNDS

Competitive HTC applicants may seek one [HCG](#) source at the time of proposal application:

1. Ohio Housing Trust Funds (OHTF)

- Service Enriched developments may request up to \$300,000.
- New Affordability family housing developments located in a High or Very-high Opportunity census tract may request up to \$300,000.

2. HOME Funds

Applications in any pool may request up to \$600,000 in HOME funds if “sponsored” by a state-certified CHDO.

OHFA will consider projects with a prior HDAP award on a case-by-case basis following the submission of an Exception Request Form.

III. HOUSING POLICY POOLS AND COUNTY LIMITS – COMPETITIVE HTC

OHFA will distribute the annual per capita amount among the following allocation pools. The New Affordability and Preserved Affordability pools refer to the affordability of the units being funded – not the type of construction.

Pool	Allocation Amount
New Affordability: Urban	21% (32% of 65% for New)
New Affordability: Suburban	27% (42% of 65% for New)
New Affordability: Rural	17% (26% of 65% for New)
Preserved Affordability	20%
Service Enriched Housing: Permanent Supportive Housing	15%

If no applications receive an award through the competitive selection process, OHFA may allocate to the next highest scoring application in the pool.

A. NEW AFFORDABILITY

Applications in which the majority of units propose new construction or renovation of existing structures creating units that are newly affordable, meaning not previously rent- or income-restricted or occupied, may compete in one of the New Affordability pools. Renovation of existing structures must be in the form of either:

- adaptive reuse of a building not originally designed or built for residential purposes, or
- renovation of a building which may have been previously used for residential purposes but has been 100% vacant for at least three years.

1. Set-Aside: Non-R/ECAP Area

For each of the three Pools OHFA will award one housing development outside of a [HUD-defined Racially- or Ethnically-Concentrated Area of Poverty \(R/ECAP\) area meeting all of the following criteria:](#)

- The proposed development is located in an High or Very High Opportunity or Moderate Opportunity Census tract (the latter must also have a Community Change Index rating of Strong Growth or Strongest Growth).
- The proposed development will not be restricted to occupancy by persons 55 years of age or older.
- No more than 35% of affordable units may be one-bedroom and/or efficiencies.
- 5% of all affordable units must be three-bedroom or larger and also be affordable to those earning 60 percent AMI or less.

2. Set-Aside: Revitalization Area (1)

For each of the three Pools OHFA will award one housing development in a QCT meeting all of the following criteria:

- In an area subject to a Revitalization Plan as defined in the [Revitalization Plan](#) section.
- The proposed development is not located in an High or Very High Opportunity Census tract.
- The proposed development will not be restricted to occupancy by persons 55 years of age or older.
- No more than 35% of affordable units may be one-bedroom and/or efficiencies.

- 10% of all affordable units must be three-bedroom or larger and also be affordable to those earning 60 percent AMI or less.

3. Single Family Development

OHFA will award one development in the Urban Pool involving the new construction of single family homes or townhomes, including but not limited to those intended for eventual resident ownership.

B. PRESERVED AFFORDABILITY

Includes applications in which the majority of units preserve existing affordability by maintaining project-based subsidies and all developments undergoing a Rental Assistance Demonstration (RAD) conversion.

1. Set-Aside: RAD Conversion (1)

OHFA will award one housing development that is approved by HUD to proceed with a RAD conversion as demonstrated by a Commitment to enter into a Housing Assistance Payment (CHAP). A majority of units must maintain existing project-based subsidies through a program administered by HUD.

2. USDA Subsidy Preservation (1)

OHFA will award one housing development designated as a priority by the State of Ohio USDA Rural Development Office.

A majority of units in the proposed development must maintain existing project-based subsidies through a program administered by USDA.

C. SERVICE ENRICHED HOUSING

Proposed developments must meet the State of Ohio [Permanent Supportive Housing definition](#) and meet all of the following criteria:

- Serve target populations at or below 30% AMI, with a disability, as defined in the Interagency Council on Homelessness and Affordable Housing [Permanent Supportive Housing Policy Framework](#) and, as evidenced by one of the following factors set forth in [HUD Coordinated Entry Notice CPD-17-01: Section II.B.3](#):
 - significant challenges or functional impairments, including physical, mental, developmental, or behavioral health challenges, which require a significant level of support in order to maintain permanent housing;
 - high utilization of crisis or emergency services to meet basic needs, including but not limited to emergency rooms, jails, and psychiatric facilities;
 - vulnerability to illness or death;
 - high risk of homelessness; and/or
 - vulnerability to victimization, including physical assault, trafficking, or sex work.
- A minimum of 50% of the total affordable units in the development must have a commitment for rental subsidy.
- The majority General Partner(s) must be a nonprofit organization with experience developing, owning, or managing permanent supportive housing.

- Has support from the applicable Continuum of Care (CoC) through either a primary or secondary priority letter.
 - demonstrating that the CoC believes the project can prevent homelessness
 - summarizing what, if any, relationship the development will have with the CoC regarding the coordinated entry system, referral services, and data sharing; and
 - confirming that there is sufficient market demand for the project in its defined market area.

The applicable CoC shall designate a primary and may designate a secondary priority by indicating the rank of each. CoCs have explicit authority to

- prioritize projects that meet OHFA’s minimum requirements in any manner they determine, and
- impose more restrictive population or eligibility criteria.

D. STRATEGIC INITIATIVES

After reserving the majority of credits in each pool based on the results of the competitive scoring process, the remaining credits in the pool will be reserved for Strategic Initiatives funding. A minimum of \$1,000,000 will be awarded through Strategic Initiatives.

Proposals must apply for consideration in one of the above allocation pools, must meet all threshold criteria, and must obtain at least 75% of the total available points for the applicable sub-pool to be considered for Strategic Initiatives funding.

OHFA will give priority selection consideration to each of the following:

- Proposals that address priority housing needs evidenced in the [Fiscal Year 2021 Housing Needs Assessment](#);
- Proposals meeting a quantifiable need and targeting policy and/or geographic areas left underserved through the competitive selection process, including but not limited to meeting OHFA’s CHDO set-aside obligation;
- Proposals that assist Ohio in meeting our obligation to Affirmatively Further Fair Housing including but not limited to projects that enhance mobility strategies and encourage development of new affordable housing in areas of opportunity, as well as place-based strategies to encourage community revitalization;
- Resubmitted applications that met all threshold and minimum scoring criteria for funding in a prior round but did not receive an award due to competitive rankings; and
- Proposals with a significant community and population impact.

E. COUNTY LIMITS

OHFA will make no more than the following awards per county. If applications across multiple Pools would qualify for awards in excess of these limits, OHFA will base the order on how each placed in its respective competition.

- Seven (7): Cuyahoga, Franklin
- Five (5): Hamilton
- Three (3): Summit, Montgomery, Lucas
- Two (2): Butler, Stark, Lorain
- One (1): all others

F. GEOGRAPHIC DEFINITIONS

An interactive map showing Urban, Suburban, and Rural Pools is available at:
<https://arcg.is/0a0yij>

