



To: Housing Credit Applicants and other interested parties
From: Kevin Clark, Housing Credit Allocation Manager
Date: August 30, 2010
RE: Clarifications & Guidance for the 2011 Housing Credit Program

The Ohio Housing Finance Agency (OHFA) has received several inquiries regarding applications for the 2011 Housing Credit Program. The following clarifications and guidance is hereby offered on these matters.

1. Guidance has been requested regarding the recommended length of an option for property, due to the fact that once an application for federal funding is contemplated, a site cannot be purchased or leased until the environmental review process is complete.

OHFA will announce the source of HDAP gap financing (Ohio Housing Trust Fund or HOME) for each applicant concurrent with the Housing Credit selections on March 17, 2011. We will then forward the Phase I Environmental Site Assessment included in each single-site proposal to our environmental contractor soon after the announcement, so that the environmental review process may begin as early as possible. The timing of an option to purchase property should be structured with this information in mind. If your application is successful, we ask that you work with our contractor to complete the environmental process in a quick and efficient manner.

2. Market studies, Phase I Environmental Site Assessments (ESA) and Capital Needs Assessments must be less than one year old at the time of application. If you are re-submitting a proposal from the 2010 program, you may submit the same report with correspondence to update the information.

For the market study, submit correspondence from the market analyst updating any information in the executive summary that has changed





significantly since the original report was issued. This must include any properties in the market area that have received an award of OHFA funds since the original study was completed.

For the Phase I ESA and Capital Needs Assessment, submit correspondence from the author indicating any changes since the report was issued.

3. There is no prescribed limit on the amount of housing credits that may be requested for proposals in any of the allocation pools, including the Rural Development pool.
4. Any proposal that does not meet the definition of the Rural Development, Permanent Supportive Housing or Preservation pools may be submitted for consideration in the General Pool.
5. The Market Selection Criteria for housing credit vacancy rate and penetration rate will be considered during the application review process. The data that OHFA purchases to update the Statewide Rental Housing Analysis each year is still not available. Our vendor anticipates the data will be available by the end of September. Because this impacts the timelines of the 2011 QAP, the following will apply for the 2011 Proposal Submissions:

The Penetration Rates for the *2010* QAP are to be used as a preliminary tool for assessing markets for projects proposed for 2011. The market analysis must also indicate the strength of the market for the project. When the new data becomes available, our analysts will go back over the market assessments to confirm that a market exists for the project.

OHFA will publish a new statewide vacancy rate analysis by county which shall be used for 2011 submissions. This will be published on our web site no later than Friday, September 3.

6. The development features agreement form is not required for 2011 applications. The features to be included in your development should be described in the applicable narratives within your application.





7. A supportive service plan should address the needs of the specific population to be served, whether it is families, senior households, or any special needs populations. Further guidance and any specific requirements may be found in the QAP.
8. OHFA values “green” principles by promoting the development of sustainable housing in a cost-effective manner, as described in the Policy Statements section of the QAP. This may be achieved using principles of Green Communities, LEED, or any other appropriate methods. In your application, describe how your proposal will produce sustainable housing.
9. The 2011 Affordable Housing Funding Application (AHFA) is available on the OHFA web site. The data you supply in your application will be read directly into our new project tracking system. If the AHFA is altered in any way, the program will reject it, and a new AHFA must then be submitted immediately. Please note that cutting and pasting data from one AHFA to another will alter the formatting and cause your application to be rejected.

You may contact our offices at (614) 466-0400 for further clarification or with any other questions regarding the 2011 Housing Credit application process.

