Memorandum

To:	Housing Development Financing Program Customers and Stakeholders
From:	Office of Planning, Preservation and Development
Date:	March 10, 2009
Re:	Draft 2009 Housing Development Gap Financing Guidelines

The Ohio Housing Finance Agency's Office of Planning, Preservation and Development has developed the attached Draft of the 2009 Housing Development Gap Financing Program Guidelines. Through the Consolidated Plan process, staff met with program customers and stakeholders to discuss anticipated changes to the 2009 Funding Round. These Guidelines reflect many of those changes.

The Ohio Housing Finance Agency (OHFA) has also posted an Overview of Significant Changes to the website, which identifies the significant changes and reasons why each change is being proposed. Staff recommends that customers and stakeholders review this Overview along with the Draft Guidelines.

OHFA will accept comments and/or questions through April 2, 2009. Staff will take these into consideration when creating the final Guidelines, which will then be submitted to the OHFA Board for approval at its April meeting. Comments and/or questions should be directed to:

Ohio Housing Finance Agency
57 E. Main St.
Columbus, OH 43215
Attn: Karen M. Banyai

Those wishing to submit comments and/or questions by email should send them to Kbanyai@ohiohome.org.

Thank you.

Housing Development Gap Financing (HDGF)

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2009 Gap-Financing Guidelines Rental, Homeownership & Preservation

O H I O
Housing Finance Agency

Ohio Housing Finance Agency

Preface: Where these guidelines do not provide specific information with respect to underwriting criteria, the Ohio Housing Finance Agency (OHFA) will first seek guidance in the statutes that govern the funds being used. For HOME funds, OHFA will refer to the Code of Federal Regulations that governs the use of HOME dollars. For state Trust Funds, OHFA will refer to Ohio Revised Code Chapter 174, as well as the Code of Federal Regulations governing the use of OHTF funds used to meet the HOME “Match” requirement.

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Housing Development Gap Financing (HDGF) Policy Statements

The Ohio Housing Finance Agency (OHFA) seeks to utilize HDGF to provide financing for sustainable affordable rental and homeownership housing development by distributing resources through an award process that addresses the mandates of the law, the needs of our customers and the interests of our stakeholders. Primary customers include low-to-moderate income residents and the development community.

1) Types of housing:

a) OHFA will support the development of smaller multifamily apartments (25 units or less) to provide affordable, safe, decent, and sanitary rental housing.
b) OHFA will support the development of single-family homeownership opportunities to:
   i) Assist moderate- to low-income qualified homebuyers to purchase a home and have the opportunity to build wealth; and
   ii) assist is providing stability, continued revitalization, or development of neighborhoods.
c) OHFA will support projects developed in both Urban and Rural areas, which may include subsidizing more than 50% of the total development costs in rural areas, up to the established per project limits.
d) OHFA will support the development of Permanent Supportive Housing for the homeless, which may include subsidizing more than 50% of the total development costs up to the established per project limits.
e) OHFA will support the development of housing for those who live with mental retardation and/or developmental disabilities; severe and persistent mental illness; and mobility and/or sensory impairment, which may include subsidizing more than 50% of the total development costs up to the established per project limits.
f) Consideration will be given to distributing the HDGF throughout the 88 counties of the state.

2) Project characteristics:

a) Select rental projects based on the strength of the market area, including vacancy rates, penetration rates, the condition of other affordable properties in the area, the projected growth rate of the low-income population, and other affordable housing projects recently placed-in-service or under currently under development.
b) Select homeownership projects based on a demonstrated market for the proposed development.
c) Consider the project’s location/site in the selection process.
d) Consider the project and/or unit amenities in the selection process.
e) Consider the unique requirements of the population being served in evaluating the project’s design and features.
f) Support the use of Universal Design concepts in the project design.

g) Support proposals that evidence support by the local government and the community.

3) Development team characteristics:

a) Support State-Certified Community Housing Development Organizations (CHDO) receiving operating subsidy through OHFA who are working in their defined service areas.
b) Support development team members with successful experience in the location and type of housing being proposed.
c) Support members of the development team (applicant, developers, contractors, and property manager) that demonstrate an ability to meet key responsibilities in a timely and efficient manner.

4) Financial Considerations:

a) Support projects that have demonstrated financial feasibility at all phases of development through the affordability period.
b) Support projects that demonstrate a need for the HDGF subsidy.

GENERAL INFORMATION

The goal of the Ohio Housing Finance Agency's (OHFA) Housing Development Gap Financing Program (HDGF) is to provide financing for eligible affordable housing projects to expand, preserve, and/or improve the supply of decent, safe, affordable housing for very low- to moderate-income persons and households in the State of Ohio.

Questions concerning the Housing Development Gap Financing Program should be directed to HDGF staff via the telephone at (614) 466-0400 or via e-mail:

Karen M. Banyai	kbanyai@ohiohome.org
Doug Armitage	darmitage@ohiohome.org
Virgie Vaido	vvaido@ohiohome.org
Jim Evans	jevans@ohiohome.org
Matthew Wootton	mwootton@ohiohome.org
Kathy Berry	kberry@ohiohome.org

Types of Funding Available
HDGF will use the following resources for providing financial assistance to eligible projects. Funds may be awarded in the form of a loan or a grant:

1) **HOME Investment Partnerships Funds:** Federal regulations relating to environmental review, federal wage rates, federal accessibility, federal acquisition and relocation laws [URA and Section 104(d)], long-term affordability, etc. apply.

2) **Ohio Housing Trust Fund (OHTF):** The Ohio Housing Trust Fund provides funding to HDGF projects predominantly serving low- to moderate-income households with incomes at or below 50% of the area's median income. The OHTF gives preference to those projects that benefit households with incomes at or below 35% of the area median income for the county in which the project is located, as established by the U.S. Department of Housing and Urban Development (HUD). Applicants receiving an award of OHTF dollars may be subject to State of Ohio Prevailing Wage Rate rules.

Funding requests are subject to approval from the OHFA Board.

OHFA will award HOME and Trust Fund dollars based on 1) the need to meet set-asides specific to each funding source, and 2) the source most appropriate for the applicant/project. Applicants that have compelling reasons to request a specific source of funding can do so in a separate letter sent to the attention of the PA/HDGF Manager prior to the submission of their application. However, OHFA may or may not be able to honor the request for a specific source of funds.

Eligible / Ineligible Applicants

Eligible Applicants

1) Ohio based organizations, which are one of the following:
    a. Private for-profit housing developers,
    b. Not-for-profit 501(c)(3) and 501(c)(4) organizations, or
    c. Public housing authorities
2) Organizations proposing to develop affordable for-sale homes, provide new affordable rental housing opportunities, or preserve affordable at-risk housing. Entities receiving an award of HDGF funds must act as the majority/controlling partner, sole owner, or a general partner/managing member during the entire construction phase. OHFA must approve any changes to the HDGF-Recipient (applicant) after the construction phase.
3) Religious organizations and their subsidiaries/affiliates which meet the provisions in 24 CFR Part 92.257, as amended September 2003.
4) Applicants acting as a general partner or sole owner of the project during the entire construction phase.
5) State-Certified CHDOs. State-Certified CHDOs that receive operating support or are requesting operating support from the State through the Competitive Operating Grant Program may only submit applications for project development in their defined service areas.

Ineligible Applicants

1) Local governments

Eligible / Ineligible Projects

Eligible Projects

Projects which are consistent with the Policy Statements governing the Housing Development Gap Financing Program.

Ineligible Projects

1) Any project in which construction or construction-related activity is initiated, other than site control, prior to a commitment (funding agreement) of the HDGF funds and receipt of all appropriate clearances (i.e. environmental review, if applicable).
2) Must which must be licensed to allow for residents to occupy the development;
3) Projects which, through local zoning codes, are defined as a group home;
4) Project which are identified as hospitals, nursing homes, sanitariums, lifecare facilities, retirement homes (if providing significant services other than housing are mandatory for residents), employer housing, mobile homes and student housing;

5) Projects which have received a new allocation of tax-exempt bond or 501(c)(3) bond financing for new construction;
6) Projects which have received FAF or Housing Investment funds specifically attributed to the development or revitalization of projects in connection with other OHFA programs;
7) Projects which have previously received an award through HDGF, whether administered by OHFA or the Office of Housing and Community Partnerships.
8) Projects which are considered short-term housing (occupancy of less than six months), student housing, and shelters.

OHFA reserves the right to evaluate projects that have received other forms of federal subsidy (such as Capital Advance Grants through HUD 202 or 811; HOPE VI; Public Housing Authority funds; Rural Development 515 financing with new construction; or FAF funds) and determine what amount, if any, the project needs to be financially feasible. Organizations with projects that include these funding sources should send a letter to OHFA explaining the need for the HDGF funds in the project. OHFA will determine if the project may compete for funding and notify the organization in writing.

Eligible / Ineligible Uses

Eligible Uses

Development budget line items that can be paid for using HDGF funds include:
1) Acquisition of land and/or building(s) (from unrelated third parties only)[1];
2) Demolition (not applicable for Preservation projects);
3) On-site improvements[2];
4) Construction and/or renovation costs including construction fee items, construction contingency, and contractor overhead and profit (excluding costs associated with construction of commercial property);
5) Furnishings and appliances;
6) Architectural and engineering fees;
7) Developer fees and developer overhead;
8) Consultant fees

Other development budget expenses must be covered by sources of financing other than HDGF.

Ineligible Uses

Infrastructure (roads, sidewalks, water/sewer lines on roadways) is considered an off-site improvement and is not an eligible use for HDGF.

Market rate units and/or commercial spaces involved in the proposed project.

[1] OHFA may, on a case-by-case basis, allow HDGF/OHTF funds to be used to reimburse the applicant/project for land and/or buildings purchased prior to the execution of the HDGF funding agreement. The applicant should work with OHFA

prior to submission of their application to discuss possible use of HDGF to reimburse acquisition costs. Projects awarded HOME funds may not use the award to reimburse the applicant/project for acquisition costs.

[2] On-site Improvements include parking areas, water/sewer lines from the road to the project; sidewalks near the project but not along city streets, etc.

Developer Fee

Maximum: The maximum developer fee on any project is limited to 10% of the total project costs unless the applicant chooses to participate in the Ohio-Based Materials and Ohio-Based Labor Program.

Ohio-Based Materials

Intent: Increase demand for building materials and products that are extracted and manufactured within the State, thereby supporting Ohio-based manufacturing and sales employment.

Requirements: Use a minimum of 5% of buildings materials or products for which:

a. At least 80% of the mass is extracted or processed and sold within the State of Ohio –or-
b. The end product is manufactured and sold in Ohio (with raw materials coming from Ohio or elsewhere)

Submittals:

a. Provide the Ohio-Based Materials Letter Template (see Attachments), signed by the responsible party, declaring that the requirements have been met.
b. Provide a product information sheet about the materials used.
c. Provide a spreadsheet of all Ohio-based construction materials used on the project and the total amount of all materials, demonstrating that Ohio-based materials comprise at least 5% of the total cost of materials.

Ohio-Based Labor

Requirement: 90% of the project's total labor force must reside in the State of Ohio.

Intent: Increase construction employment in Ohio by requiring that 90% of the project's construction labor force resides in Ohio.

Submittals: Provide the Ohio-Based Labor Letter Template (see Attachments), signed by each General Contractor and/or Subcontractor certifying that at least 90% of their labor force resides within the State of Ohio.

Targeted Populations

For the purposes of these guidelines, OHFA defines target populations as households with at least one member, which has one or more of the following:

1. Mental Retardation/Developmental Disabilities (MR/DD)
2. Mobility and/or Sensory Impairment
3. Severe and Persistent Mental Illness

Rental projects that serve one of these populations must provide supportive services for the residents. A supportive service plan which meets OHFA's requirements must be included with the application (see Attachments).

Projects that are restricted to serving one of these populations may receive additional consideration(s) in these guidelines.

Environmental Reviews and Project Eligibility

Projects may be funded with Ohio Housing Trust Fund (OHTF) or HOME Investment Partnerships dollars at the discretion of OHFA. HOME-funded projects are required by statute to comply with the environmental review requirements as outlined in 24 CFR Part 58. Best efforts will be made to fund scattered site developments (10 or more non-contiguous parcels) with OHTF dollars.

OHTF: Projects will be required to provide a Mini Phase I (MPI) assessment for all sites in the proposed project. OHFA will establish the criteria for this review, which will be significantly less than required for a Phase I environmental site assessment. Information will be provided by OHFA for successful applicants.

OHFA will contract with an environmental firm who will review all MPI assessments. If the ER firm and OHFA agree that additional due diligence is needed, the applicant will be required to provide Phase I assessments.

A Phase I environmental site assessment is one that meets American Society of Testing and Materials (ASTM) standards (E1527-05 or most current). In addition, the Phase I shall address any environmental conditions (on or off-site), which, while not meeting the ASTM E1527 definition of a recognized environmental condition, could pose a threat to the health or safety of residents at the site. Such potential environmental conditions include, but are not limited to, asbestos, lead paint, mines, air quality, and explosion hazards (above ground storage tanks, overhead pipelines, and oil/gas wells). The ASTM E1527 minimum search distances for government records must be met for each site and the Phase I shall draw justified conclusions on the potential impact to the project sites. The Phase I firm shall provide recommendations regarding all identified environmental conditions. If the Phase I is more than 12 months old at the time of application, the ER firm must provide a letter updating the review.

HOME: Projects will be subject to a 24 CFR Part 58 Environmental Review. With prior approval, OHFA will allow project developers to obtain ownership of the real estate prior to the Release of Funds, if the following conditions are met:

(a) The property is purchased with non-OHFA funds (state or federal). If the project is funded with HOME funds, the property may not be purchased with any State or other local government HOME or CDBG funds;
(b) OHFA funds (state or federal) or other local government HOME or CDBG funds may not be used to reimburse the cost of acquisition;
(c) The project developer unconditionally agrees that all environmental site conditions on any site within the project will be mitigated, or in the event that mitigation is not possible or financially reasonable, the site(s) will be dropped from the project. The Ohio Department of Development and OHFA will not allow a waiver of this policy.

OHFA will allocate $1,000 per project funded with HOME funds for the publication of the environmental review Public Notice.

Regardless of the funding source, construction may not begin until the environmental review process has been completed. Projects that do begin any construction or construction-related activity (other than obtaining site control) prior to the issuance of a funding agreement and receipt of all appropriate clearances (i.e. environmental review clearance, if applicable), at a minimum, will be subject to the following penalty:

a. HOME-funded projects: The funding agreement will be rescinded. OHFA cannot guarantee the availability of other funds to fill the gap.
b. OHTF-funded projects: The project may request to keep the award of funds. However, the recipient must provide a letter detailing the reasons why construction began prior to the completion of the ER process. The applicant must detail what measures will be taken to ensure this does not happen with future projects and request that OHFA not rescind the OHTF award. If approved by OHFA, the recipient will not be able to draw HDGF funds until construction has been completed.
    - The Multifamily or Single Family Committee of the OHFA Board will review all requests either to change the source of the HDGF award, or to keep the award of OHTF dollars if construction begins prior to the completion of the environmental review process. The Committee may choose to impose additional requirements or restrictions.
    - OHFA reserves the right to take further action if the recipient violates this restriction on future projects, or has violated this restriction on prior projects.

Federal Funds - Civil Rights Compliance

It is the responsibility of the owner/developer/borrower and any of its employees, agents or sub-contractors, in doing business with OHFA, to adhere to and comply with all Federal Civil Rights legislation inclusive of the Fair Housing Laws, Section 504 of the Rehabilitation Act of 1973, and the Americans With Disabilities Act, as well as any state and local Civil Rights legislation, and any required related codes and laws. Should OHFA not specify any requirements, such as design, it is nonetheless the owner's responsibility to be aware of and comply with all non-discrimination provisions relating to race, color, religion, sex, handicap, familial status, and national origin. This includes design requirements for construction or rehabilitation, Equal Opportunity about marketing and tenant selection, and reasonable accommodation and modification for those tenants covered under the Laws. A brief guide to federal accessibility requirements is available in the Attachment Section of these guidelines.

Good Standing with OHFA and ODOD Housing Programs

1) Program participants will be considered to be not in good standing when one of the following applies to a project in which the entity or individual is involved in an executive capacity (i.e. anything other than as a passive investor or general contractor):
   a) Outstanding uncorrected IRS Form 8823.
   b) Default on any OHFA loan.
   c) Failure to submit an annual owner certification or report.
   d) Before the issuance of IRS Form 8609, the project has non-compliance issues that would be reported to the IRS if Form 8609 had been issued.
   e) Failure to request Form 8609 in a timely manner.
   f) Failure to abide by the regulations of the Housing Development Assistance Program (HDAP).
   g) Violating the terms of a HDAP funding agreement.
   h) Failure to pay applicable program fees.
   i) Failure to maintain good standing with an Ohio Department of Development program.
   j) Deviating from an approved project plan without OHFA approval.
   k) Providing false, misleading, or incomplete information on an application or other document required by the OHFA.
   l) Failure to respond in a reasonable period to requests for information or documentation.
   m) Changing a management company or other approved project participant without OHFA approval.
2) An internal OHFA Good Standing Committee, with ODOD when applicable, determines that a responsible party should be considered to be not in good standing. Such a determination by the Good Standing Committee will be based upon a recommendation by staff. Staff will base such recommendation on a pattern of mismanagement or non-compliance as evidenced by monitoring reviews or other information available to the OHFA. Determinations made by the

Good Standing Committee may be directly appealed to the OHFA Multifamily Committee as described below.

3) A designation of not in good standing will result in the entity or individual so designated being unable to participate in any OHFA programs until the violations resulting in such designation are resolved. Parties deemed to be not in good standing under any of the above items may, upon submission of additional information, request the Good Standing Committee remove such designation. In the event the Good Standing Committee denies a request, the applicant may appeal to the Multifamily Committee of the OHFA Board. Designations of not in good standing resulting from Item 14 above may be appealed directly to the Multifamily Committee. The decision of the Multifamily Committee is final.
4) Projects may request that the OHFA waive violations of the good standing policy as described in Items 1-13 above. Examples of circumstances where a waiver may be issued include when a management company or owner "inherits" uncorrected Forms 8823, or in the event of a casualty loss.

Waivers

Applicants may, with compelling reasons and supporting documentation, request waivers of the Guidelines. OHFA will make best efforts to work with applicants whenever possible. Requests for waivers along with supporting documentation must be received with the initial project proposal.

The Gap Financing Application

The Ohio Housing Finance Agency (OHFA) has created the Gap Financing Application ("Application"). The Application is in MS Excel format and is available on OHFA's web site.

The Application is used for those applying for HDGF funds but not applying for financing through the Housing Credit Program. Projects using this application may apply for:

- Preservation
- Rental Development
- Homeownership Development

Anticipated Funding Levels

Per project funding limits are detailed under the appropriate section of these guidelines.

1) Final HDGF funding levels are subject to:
   a) appropriation of funds to OHTF by the State Legislature;
   b) allocation by the OHTF Advisory Committee;
   c) receipt of funds; and
   d) finalization and HUD approval of the State's Consolidated Plan.

2) OHFA will establish two funding pools as follows:
    a) Projects located in PJ areas 50% of the funds available
    b) Projects not located in PJ areas 50% of the funds available

OHFA reserves the right to award funds first to meet required set-asides.

OHFA may elect to limit the number of applications accepted by county. Applicants are strongly encouraged to regularly review the status of funding information posted to the website.

Anticipated Calendar

July 6, 2009 – December 1, 2009:	OHFA will accept written, signed proposals
August 17, 2009 – December 11, 2009:	OHFA will accept invited applications
December 11, 2009	Round closes for evaluation at 4:00 p.m.
January 4, 2010	Round re-opens, based on funding availability
February 12, 2010	Final Application Deadline.

Application Process

<u>Project Proposals</u>

OHFA will accept project proposals from July 6, 2009 through December 1, 2009.

Proposals must be signed by the applicant and provide the following information:
1. name, address and contact information for the applicant;
2. the experience of the applicant, if they have not worked with OHFA on a previous project;
3. the proposed name and address of the project;
4. general description of the project (rental, homeownership, new construction, rehab, etc);
5. the population being served;
6. any requests for waivers to these guidelines (areas in which the proposed project does not meet either the polices that govern the program or any of the criteria required in the guidelines);
7. supporting documentation for any waiver requests.

OHFA believes consultants provide a valuable service to organizations seeking various funding sources. However, OHFA must be able to evaluate the capacity of organizations seeking HDGF funds. Therefore, OHFA's contact both with this initial proposal and throughout the application/funding process must with the applicant.

If OHFA determines the project is appropriate for the HDGF round, staff will invite the applicant to make a formal presentation of their project. If, after the presentation, OHFA agrees that the applicant has the capacity to develop the project, and that the development process has progressed enough so that OHFA may evaluate the project's feasibility, OHFA will invite the applicant to submit a full application. A staff person will be assigned to provide technical assistance with the preparation of the application. OHFA may require additional meetings and/or establish benchmarks for the applicant to meet throughout this process.

Those invited to participate may submit the full application any time between August 17, 2009 and December 11, 2009.

<u>Application Submission</u>

1) Applicants must submit a complete application and choose one of the two following formats:
   - Paper Submission
     - o CD ROM containing the completed Gap Financing Application, in Excel (OHFA can no longer accept "floppy" discs).
     - o A three ring binder Containing the following:
       - One copy of the paper application, including all required attachments, meeting the following criteria:
         - Use 8.5 x 11 in. white paper only
         - A Table of Contents in the front of the binder (see Attachments section)
         - tabs separating each section of the application corresponding identified in the Table of Contents

-OR-

   - Electronic Submission
     - o One CD ROM organized as follows:
       - Excel file of the Application
       - PDFs for all other documentation. Each document must be appropriately labeled.
     - o Folder or Binder containing:
       - Application Fee (check or money order)
       - Original, signed Program Certification
       - Original signed Tax Information Authorization Disclosure
       - Original, signed Development Features Agreement

2) If the applicant wishes to have a receipt for the application, the applicant must provide a receipt, prepared on the applicant's letterhead, which will be signed by OHFA and returned to the applicant. The applicant must contact their assigned project analyst in advance to arrange to deliver the application. It is the

applicant's responsibility to obtain evidence that OHFA has received the application for funding.

3) Applications must be received by mail or hand-delivery to the following address:
   Ohio Housing Finance Agency
   Office of Planning, Preservation and Development (HDGF)
   57 East Main Street
   Columbus, Ohio 43215-5135

4) OHFA will assess a $100 non-refundable application fee for each application.

OHFA will post the status of the available funds on the HDGF page of its website. This will be updated every Monday. Those interested in submitting an application should confirm that funds are available before submitting any documentation. OHFA will not accept applications once all funds have been reserved and/or awarded.

Application Review Process

OHFA reserves the right to reject applications that are incomplete, inconsistent, disorganized, and/or illegible.

Each application will be evaluated under five categories:
1) Capacity of the applicant and development team
2) Site Control/site selection
3) Marketability
4) Project Design
5) Financial Feasibility

Within each of the five categories, applicants are encouraged to provide additional information not requested by OHFA. In addition to the minimum requirements established, each of the five categories will be evaluated by OHFA on a subjective level. Applicants are encouraged to submit the best possible proposal as meeting the minimum requirements listed does not ensure a proposal will be funded. OHFA will work to negotiate with applicants, if possible.

1) Project Review: This review assures that all projects will meet OHFA's requirements and address the priorities and housing needs of the low- and moderate-income persons or households within the community where they are located, as well as indicating the applicant's ability to proceed. Each project will be assigned to a project analyst who will review the application. Staff will have 2 – 3 weeks to evaluate each application submission; therefore, applications may not be reviewed immediately. However, staff will contact the applicants within 48 hours of receipt of an application and notify the applicant when their project will be reviewed. This initial review will include:
   a) Public Notification Review: Rental/preservation projects only. Staff will review each rental project application to ensure that the public notification requirements have been met. The applicant will be notified by fax and/or by certified mail of any deficiencies and will have one calendar week after

notification is sent to correct any deficiencies. The project will not be considered for funding if deficiencies are not corrected within that period.

b) Site Visit: OHFA staff will conduct a site visit for the proposed development within its review period.

c) Project Costs: The request for funding will be evaluated to determine the amount of funds necessary to complete the actual development of the project, considering all other committed sources. OHFA also reserves the right to evaluate the reasonableness of other costs and fees associated with the project.

d) Creditworthiness: In an effort to ensure protection of state resources, OHFA will obtain a Dunn & Bradstreet (D&B) report for the owner(s) developer(s) and general contractor(s) identified in the application. This, along with the audited financials, will be used to evaluate the creditworthiness and financial stability of the development team.

2) Formal Notification: Once the review has been completed, staff will notify the applicant by phone, email, or mail regarding the status of the project. The applicant will have two weeks to cure deficiencies (and remit fees, if applicable) and address concerns expressed by OHFA. The applicant may contact OHFA at any time during this period to seek clarification or assistance in addressing these issues.
   - The project may not be considered for funding if deficiencies are not corrected within that period. OHFA will assess a fee of $25 for the sixth and each subsequent deficiency to a maximum fee of $250.

3) Subsequent Review: If the applicant submits all required information and addresses all concerns to OHFA's satisfaction, the project will be moved through the approval process. The applicant may be asked to address additional questions later and/or be required to attend the Single-Family Committee, Multifamily Committee, or Board meeting if staff determines a need.

4) Return/Resubmission**:**

a) OHFA will return applications to applicants who do not submit the information required or do not fully address the deficiencies. The applicant may resubmit the project for consideration after a 45-day waiting period, provided funding is still available. However, all information must meet the requirements noted in these guidelines; therefore, the applicant may need to review supporting documentation and determine if updates are necessary. OHFA will assess a $100 resubmission fee in addition to any deficiency fees due for the original review. In addition, the applicant must provide the following:

i) A full updated application: all documents must demonstrate the application continues to meet the program requirements;

(1) A narrative detailing any changes from the initial application;

(2) A narrative describing how the deficiencies and/or concerns have been addressed; and

(3) $100 resubmission fee and any deficiency fee due for the initial review.

b) OHFA staff will have 2 – 3 weeks to review the resubmission. If staff determines that the applicant has addressed concerns to OHFA's satisfaction and believes the project will support OHFA's mission, the application will be moved through the approval process. If the applicant has not addressed all issues or if changes to the project have raised new concerns, the application will be returned to the applicant. The applicant will not be able to resubmit the application until the next funding year if staff determines the second submission still does not meet agency guidelines.
    - OHFA reserves the right to determine if a change in location, population, project-type or development team qualifies the application as a new project.

5) Subsequent Documentation: The applicant will be notified if staff has agreed to move the proposal through the approval process. Staff may request additional documentation/information to address concerns along with the documentation necessary to complete the Mini Phase I.

6) Appeal Process: If OHFA determines that the project will not be recommended for approval, the applicant may formally appeal a negative decision by submitting a letter to OHFA stating its reason for the appeal. The appeal will be reviewed by the Director of Planning, Preservation and Development along with other program managers. A formal response will be issued to the applicant.

7) Approval Process: The project analyst will present the project and submit either a recommendation for funding or a recommendation to deny funding through Peer Review Process or other group established to review proposals. Staff will then submit a formal recommendation to the Multifamily or Single Family Committee of OHFA. The appropriate committee will review the request for funding and make a formal recommendation to the OHFA Board.

8) Issuance of Funding Agreements: Funding Agreements will be issued if the OHFA Board approves the funding for the project. The Funding Agreement must be executed and returned to OHFA. OHFA will then execute the Funding Agreement, and a copy will be sent to the applicant to maintain for their records.

9) Closing the HDGF: Whether the project receives a loan or a grant from OHFA, each applicant must close on the award. Loan closing procedures will be sent to the applicant along with the copy of the fully executed Funding Agreement. Applicants cannot draw funds until the award has been closed. Applicants are strongly encouraged to work towards this closing as quickly as possible.

Closing and Re-Opening the Funding Cycle

1) If funds have not been exhausted by December 11, 2009, OHFA will close the funding round. OHFA will evaluate pending applications and determine whether or not to re-open the funding cycle and accept new applications. OHFA may elect to allow housing credit projects (competitive or non-competitive) to access any

available funding. However, due to time constraints, OHFA may reduce the cure period available to applicants. No applications will be accepted after February 12, 2010 without approval from OHFA.

2) If all of the HDGF funds are reserved or approved prior to December 11, 2009, the funding round will be closed. Applications will not be accepted until the next funding round opens (approximately Fall 2010).

Rental and Preservation Projects

Eligible Rental Projects

Rental development provides funding for those seeking to create 25 or fewer new affordable rental units where none existed before. This may involve new construction, adaptive reuse, or rehabilitation of vacant building(s). This includes traditional multifamily rental projects, transitional housing, and Single-Room Occupancy.

Transitional housing is eligible for HDGF funding if the applicant provides supportive services, the services are appropriate to the population being served, and the applicant designates a maximum occupancy period for residents prior to leasing units in the project. The minimum occupancy period for transitional housing is six months.

Single-Room Occupancy (SRO) housing is eligible for funding if it meets the following definition:

> For projects consisting of new construction, conversion of non-residential space, or facilities, units should have either a bathroom or kitchen area or both. If the units only have one of these, then the owner must provide adequate shared facilities for the other within the building for residents.
>
> For the acquisition and rehabilitation of an existing residential structure or hotel, neither food nor sanitary facilities are required to be added in the unit but should be retained if they currently exist. If the units do not contain sanitary facilities, the building must contain sanitary facilities that are shared by residents. (CFR 882.802.3)

Funding Limits

HDGF will provide funding up to the lesser of the per project limits or 50% of the total project costs.

- OHFA may subsidize more than 50% of the total development costs for projects located in rural/non PJ areas or projects that only serve targeted population. However, the request may not exceed the established per-project limits. This would be considered a waiver of the guidelines and must be approved by OHFA prior to the submission of the application.

Per Project Limits

- $450,000 per project located in a HUD Participating Jurisdiction (PJ area).
- $700,000 per project located in a Non-Participating Jurisdiction (non-PJ area).

A list of Ohio's Participating Jurisdictions is available on HUD's website (see Useful Websites in these Guidelines).

Eligible Preservation Projects

Project preservation is designed to assist projects containing 25 units or fewer that are currently affordable (whether restricted by a funding source, current residents or by market), but are at risk of no longer being affordable due to a loss of subsidy or the need for rehabilitation. Applicants must be able to evidence the need for rehabilitation to address health and safety violations or to other major deficiencies (such as the replacement of roofs, mechanicals, plumbing, electrical systems, or other items posing health and safety risks to the residents) and that existing reserves are unable to meet the needs of the project. Applicants proposing to submit a project previously funded under the lease-purchase housing credit program must contact OHFA in advance to discuss the proposal.

Applications must include a capital needs assessment (CNA) provided by a qualified, independent third-party organization. The scope of work provided for the project must address the needs identified in the CNA.

Project-Based Rental Assistance: For projects with project-based rental assistance contracts, the applicant/owner will agree to accept project-based assistance for as long as it is offered during the 30-year affordability period. Rents established by project-based contracts may increase as allowed by that assistance. The applicant may request a waiver from this requirement by providing a compelling reason for discontinuing the project-based assistance. A waiver request must provide:
a narrative explaining the decision to discontinue the assistance; and
support letters from the resident council, a local government official, and/or a local statewide housing advocacy group that receives OTAG (Operating and Technical Assistance Grant) funds from the US Department of Housing and Urban Development. Letters must be dated within six months of the submission of the HDGF application.

Funding Limits

HDGF will provide funding up to the lesser of the per project limits or 50% of total project costs.

- OHFA may subsidize more than 50% of the total development costs for projects located in rural/non PJ areas or projects that only serve a targeted population. However, the request may not exceed the established per-project limits. This would be considered a waiver of the guidelines and the waiver request must be submitted with the initial proposal and approved by OHFA prior to the submission of the application.

Per Project Limits

- $500,000 per project regardless of location

Permanent Supportive Housing Requirements

1) Permanent Supportive Housing projects are designed for persons/households that are homeless (primary residence is a publicly or privately operated shelter designed to provide temporary living accommodations, or a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings) and have one or more of the following characteristics:
   a) physical, mental or developmental disabilities;
   b) alcohol and/or substance abuse problems;
   c) HIV/AIDS and related diseases;
   d) chronically unemployed (the project owner must provide appropriate employment services);
   e) or other persons/households that qualify under the HUD Shelter Plus Care Program.

2) Projects must contain 25 units or less and at least 50% of the units within the housing development must be reserved for occupancy by the targeted population.

3) A comprehensive service plan that is satisfactory to OHFA and meets all the requirements listed for Permanent Supportive Housing Projects in the Attachments must be submitted with the application. The plan must identify:
   a) the services to be provided;
   b) the anticipated sources of funding for such services;
   c) the physical space that will be used to provide such services; and
   d) the applicant or the contracted (or equivalent relationship) supportive services provider and their experience in providing services to the targeted population.

4) The applicant must provide a commitment for rental subsidy for at least 50% of the units. The subsidy must be specifically committed to the project. Sources may include project-based vouchers or other assistance from the local PHA, McKinney-Vento Homelessness grant, or other federal, state, or local government sources. The organization providing the subsidy must continue to hold the project in good standing while their funding is in place.

5) The applicant must evidence support from the local government jurisdiction (city, village, or township) in which the project is located. Support letters must be dated within six months of the submission of the HDGF applications.

6) General partners must be non-profit organizations with experience in developing, owning, or managing supportive housing for the homeless and/or special needs individuals/families.

7) Given the limited resources available to fund projects in this round, OHFA reserves the right to limit the reservation of HDGF to one project meeting the criteria for Permanent Supportive Housing (PSH). The project will not be considered for single-family lease purchase, homeownership, or senior housing.

Funding Limits

HDGF will provide funding up to the lesser of the per project limits or 50% of total project costs.

- OHFA may subsidize more than 50% of the total development costs for projects that provide Permanent Supportive Housing. However, the funding request may not exceed the established per-project limits. This would be considered a waiver of the guidelines and must be submitted with the initial proposal and approved by OHFA prior to the submission of the application.

Per Project Limits

- Up to $750,000 per project that qualifies as Permanent Supportive Housing, based on the availability of funds.

Financing Terms – All Rental Projects

Applicants that appropriately evidence status as a non-profit can request either a grant or loan from HDGF. However, OHFA reserves the right to award either a loan or a grant based on the financial underwrite of the project.

<u>Loans</u>:

1) 2% interest rate;
2) Loan will mature at the end of the affordability period, which is defined as the minimum term required in 24 CFR Part 92 plus an extended affordability period imposed by OHFA
3) The total term will be up to 30 years unless the applicant requests and can justify the need for an extended term.
4) Collateral will be a subordinate mortgage position. OHFA prefers a second or shared second position. If a lower position is necessary, the applicant should indicate so in the application along with an explanation and supporting documentation.
5) Payments will be based on 50% of the portion of the project's cash flow that exceeds a $10,000 threshold. For the first 10 years following the project's certificate of occupancy, cash flow will be defined as project income minus debt service minus operating expenses minus reserve payments minus payments on deferred developer fee note(s), but excluding any payments on incentive management fees and/or partner/partnership held notes. During the entire term of the loan, repayments to the HDGF-Recipient for the HDGF loan to the project are also excluded from the definition of cash flow (except to the extent that the payment ultimately flows to OHFA). After year 10, deferred developer fee may not be paid prior to any repayment due OHFA. Any remaining balance on the

HDGF loan is due as a balloon payment at the end of the term or upon sale, whichever is first. OHFA may agree to subordinate to other government investors (RD or HUD) and accept payments consistent with their terms. However, this will be evaluated on a case-by-case basis.

6) Loan interest will accrue and repayment obligations will start following the project close-out conducted by OHFA staff.
7) Loans will be made to the HDGF Recipient as the project's general partner, managing member or equivalent. The HDGF Recipient may loan the HDGF funds to the project. If the project has more than one general partner/managing member (or equivalent), OHFA reserves the right to determine which will be the HDGF Recipient.

NOTE: The loan term and affordability period does not begin until the project is complete and eligible tenants occupy the assisted units.

If the property is sold prior to loan maturity, OHFA may require that all, or a portion of the outstanding principal and accrued interest shall become due and payable.

OHFA reserves the right to allow for the forgiveness of all or a portion of the outstanding debt if, at the end of the affordability period, determination has been made that the property has been maintained as a safe, decent, and sanitary affordable housing project (as defined by the Uniform Physical Conditions Standards or current standards used in the OHFA Program Compliance Office) throughout the term.

Eligibility for Grant Funding

1) To be eligible for a grant, the following criteria must be met:
   a) A grant has been requested by the HDGF recipient;
   b) The controlling general partner, managing member or equivalent (HDGF recipient) is a 501(c)(3) or 501(c)(4) non-profit (a 25% owner fitting this description will not qualify for a grant);
   c) At least 20% of the units in the project will be affordable to and occupied by households earning at or below 35% of the AMGI; and
   d) The HDGF Recipient agrees not to loan the HDGF funds to the project.
2) The HDGF award will be considered a loan during the construction phase of the project and OHFA will take a subordinate mortgage position on the land/buildings.

OHFA reserves the right to award either a loan or a grant based on the financial analysis of the project.

Project Design Requirements

Section 504 Accessibility Compliance

HDGF financing requires that all rental projects comply with HUD's Section 504 Accessibility Guidelines. For both New Construction and Rehab projects, 5% of the units must be accessible to individuals with mobility impairments and an additional 2% must be accessible to individuals with sensory impairments. The projects must have a minimum of one mobility unit and one sensory unit. Compliance with the Uniform Federal Accessibility Standards (UFAS) is an acceptable means of meeting the technical accessibility requirements of the Section 504 regulations.

Example: 22 unit project

Mobility impairment requirement - 5% = 1.1 units, so round up to 2 units.
Sensory impairment requirement - 2% = .44 units, so round up to 1 unit.

OHFA recognizes that for some Rehab projects, the costs associated with 504 Accessibility requirements may be overly burdensome due to existing design constraints. OHFA may consider a waiver of some of the accessible design features if the applicant can demonstrate that such modifications would be financially unreasonable. No waivers will be granted for new construction projects.

Affordability Restrictions – Rent Structure

HDGF financing requires that the following rent and occupancy restrictions are reflected in the application and are complied with throughout the entire affordability period.

1) Restricted Units:
   a) The HDGF application must be for the number of restricted units in the project. For projects located in PJ areas, 40% of the project's affordable units must be occupied by and affordable to households at or below 50% AMI. For projects located in Non-PJ areas, 35% of the project's affordable units must be occupied by and affordable to households at or below 50% AMI.
   b) If the percentage of HDGF used to finance the project exceeds 40% in a PJ or 35% in a non-PJ, the set-aside of restricted units must equal or exceed the percentage of HDGF funding in the project.

2) Assisted Units:
   a) See "Calculating Restricted and Assisted Units" for more detail on this topic.

Exception to Rent Restrictions (50% rents and High and Low HOME Rents)

Projects that have project-based rental assistance with units that are occupied by families below 50% of the AMGI and pay no more than 30% of their adjusted income toward rent are exempted from the rent restrictions associated with High and Low HOME Rents and Restricted Units at 50% AMI. Project-based rent assisted units can charge up to the contract rent prescribed by their project-based rental assistance contract. However, these projects must still comply with the occupancy requirements that accompany the restricted and assisted units in (1) and (2) above. Should the project-based assistance contract be discontinued, the project will then be required to comply with the restricted rent (50% AMI) and High and Low HOME Rent requirements.

NOTE: The project must receive rental assistance on at least 50% of the units in the community or more than the required number of HDGF Assisted and Restricted units, whichever is greater.

Owner Staying in-Place

For projects that do not propose the acquisition of the property/transfer of ownership, the project must demonstrate a need for rehabilitation to address health and safety violations (as defined by the Uniform Physical Conditions Standards or current standards used in the OHFA Management Compliance department) and other major deficiencies. The project must also evidence that operating expenses and replacement reserves are not sufficient to complete the proposed scope of work. Eligible replacement items are roofs, mechanical equipment, plumbing, electrical systems and items that pose health and safety hazards to the occupants.

Affordability Period

OHFA divides rental projects into two phases: construction and long-term affordability. During the construction period, no interest is being accrued nor are any payments due on the HDGF award. The affordability period does not begin until income-eligible applicants occupy all assisted units.

Underwriting Criteria – All Rental/Preservation Projects

1) The number of units in the project must remain constant from date of application to the date the project is occupied. If the number of units is reduced, the owner must notify OHFA immediately. OHFA reserves the right to reduce the amount of the HDGF funding award accordingly.
   a) Owners may appeal this reduction. In order to appeal, owners must demonstrate all of the following within the two weeks of notification of the reduction:
      i) The reason(s) for the loss of units and/or square footage must have been beyond the control of, and could not have been reasonably foreseen, by the owner. Evidence from a third party (i.e. city, planning commission, etc.) must be provided.
      ii) The reason(s) that costs did not decrease must have been beyond the control of the owner. Detailed letters from the contractor and/or construction lender, etc., describing the costs of the project, must be submitted. It must be certified by the owner that the developer could not

have anticipated any of the cost overruns. Simply underestimating costs is not sufficient. Specific unanticipated circumstances must have occurred.

iii) The developer fee has not yet been paid, and will agree to defer a portion of their developer fee proportionate to the number of units lost for a period of ten years.

iv) The owner must provide letters from ALL permanent financing sources (banks, cities, equity providers, etc.) stating that no additional funds are available.

All appeals will be considered on a case-by-case basis. OHFA has complete discretion in its decisions.

2) The project's total sources must always equal the total project cost. If the sources exceed the costs, OHFA will reduce the HDGF funds.
3) The Net Operating Income (NOI) is calculated according to OHFA standards, and is then compared to the annual debt service payments to ensure positive and adequate debt service coverage.
4) For projects that maintain hard debt, the hard Debt Coverage Ratio (DCR) must be above 1.15. Owners of projects with a hard DCR lower than 1.15 must provide a written explanation from their lender(s) describing the reasons for their willingness to accept a low DCR. OHFA has the discretion to waive this requirement based on documentation provided by the owner.
5) The overall DCR (for all debt sources) may be no higher than 1.30. If the DCR is too high, a new loan amount will be calculated to reflect a lower DCR. The characteristics of the new loan will be rate = prime + 3 (published in the Wall Street Journal) and a term/amortization period = 25 years. The new loan will be added to the project's permanent sources. The new loan amount is an artificial gap created by OHFA. If the gap exceeds 10% of total project costs, OHFA will require that the owner obtain additional financing to cover the gap.
6) Projects must maintain a positive cash flow for the full term of the HDGF award in OHFA's analysis or provide to OHFA a written explanation describing the strategies to overcome any shortfalls. OHFA reserves the right not to award HDGF to projects it believes are financially infeasible.
7) The project's annual operating expenses per unit (including replacement reserves, but excluding management fees, owner-paid utility costs, annual bond fees, and property taxes), may not exceed $2,650 for non-elevator buildings, and $3,150 for elevator buildings. If there are projects that require higher operating expenses, the HDGF applicant must provide a justification for the higher expense level.

8) OHFA has adopted maximum and minimum annual replacement reserve standards, as follows:

Project Type	Minimum per unit	Maximum per unit
New Construction/Senior Housing	$250 per unit	$350 per unit
Acquisition/Rehab	$300 per unit	$400 per unit

9) Operating Reserves: Applicants must include an operating reserve as part of the total project cost. The operating reserve must equal at least four months of operating expenses and hard debt payments. The maximum operating reserve allowable must be equal to or less than twelve months of operating expenses and hard debt payments. Applicants who believe a reserve is unnecessary for their project may, upon clear demonstration to OHFA, request a waiver.
10) For Rural Development and FHA-financed projects, OHFA will use the reserve limits prescribed by those agencies. Applicants will be required to provide documentation from RD or FHA indicating:
    a) What the reserve requirements are, and
    b) that RD or FHA will not allow the project to use OHFA's reserve requirements. Exceptions may be made for projects with special circumstances. Owners must provide persuasive evidence in order to secure a waiver of these standards.
11) As shown in the rental pro forma, OHFA will assume an annual income increase of 2% and an annual expense increase of 3%. OHFA will use the vacancy rate listed in the application. For projects that are required, or choose, to submit an independent market study, the vacancy rate must be consistent with the project's market study unless the owner has supplied adequate supporting information. For projects not submitting a market study, the vacancy and loss percentage must fall between 5% and 7%.
12) OHFA may allow exceptions to the vacancy rate for Permanent Supportive Housing and Preservation projects that provide sufficient documentation to support a lower vacancy rate.
13) Projects will be required to support the utility allowances in the Gap Financing Application by providing documentation noted in the Minimum Requirements section of these guidelines.
14) HDGF funding requests cannot exceed the per project limits set for each of the types of HDGF projects.
15) Maximum Fees:
    a) Soft Cost Percentage: The project's total eligible soft costs may not exceed 35% of the project's total development costs.
    b) Developer/Development Consultant Fee: Applications must evidence reasonable developer and consultant fees not to exceed 10% of the total development costs. If the applicant can evidence use of Ohio-based materials and labor (as described in the General Information), up to 15% developer/consultant fee will be allowed.
    c) Contractor Profit, Overhead, and General Requirements: Contractor profit, overhead, and general requirements may not exceed 14% of total development costs.

Exceptions may be made to some underwriting criteria for projects primarily financed by the US Department of Housing and Urban Development or Rural Development to accommodate the federal agency's underwriting criteria. Applicants must submit a waiver request along with documentation from the federal agency evidencing that their underwriting criteria will not be waived.

Drawing the HDGF Funds

OHFA will retain up to 10% of the HDGF award until the project is complete and the Final Performance Report has been received and approved. The recipient may be required to use its developer fee to fund the final construction costs until OHFA administratively closes out the project and releases the funds. Any increase in developer fee (from 10% to the maximum of 15%) due to the use of Ohio-based materials and labor will not be disbursed until the project is complete and the recipient has provided evidence satisfactory to OHFA that the criteria has been met (see Attachments).

If HDGF funds are used for developer fee, it must drawn proportionate to the amount of constructions completed (e.g. 50% of the project is complete – 50% of the developer fee may be drawn). OHFA may place further restrictions on how funds be drawn based on the experience of the applicant.

Calculating Restricted and Assisted Units

HDGF-Restricted Units: Units in a project that must be affordable to and occupied by households at or below 50% of the AMGI. This is based on the total number of affordable units in a project.

Projects located in a HUD Participating Jurisdiction must restrict a minimum of 40% of the affordable units, regardless of the amount of HDGF awarded to the project. Projects not located in a HUD Participating Jurisdiction must restrict a minimum of 35% of the affordable units, regardless of the amount of HDGF awarded to the project.

Affordable units are defined as those units that are affordable to and will be occupied by households at or below 60% of the Area Median Gross Income.

HDGF/HOME-Assisted Units: Units that are subject to the HUD High/Low HOME Rent Requirements.

To be eligible to receive an award through HDGF, a project must meet both the HDGF-Restricted and HDGF/HOME-Assisted requirements, regardless of the funding source.

EXAMPLE:

Project is located in a PJ	
Total Units:	62
Affordable units:	50
Market Rate units:	12
Total Project Costs (TPC):	$5,250,000
HDGF Request:	$ 300,000
Local HOME funds:	$ 150,000

Calculating Restricted Units:

PJ Project: 40% of the affordable units must be restricted:
50 x 40% = 20 HDGF-Restricted Units

Determine the percentage of HDGF in the project for the affordable units:

1. 80.6% of the project is affordable (affordable units divided by the total number of units)

2. 80.6% x $5,250,000 = 4,231,500 (estimates the costs for the affordable units)

3. $300,000 divided by $4,231,500 =7.08%

Since the required 40% (for a PJ) is greater than the percentage of HDGF funds in the project, 40% is used. If the percentage of HDGF in the project were greater than 40% - the larger percentage would be used to determine the number of HDGF-Restricted Units.

Calculating HDGF/HOME-Assisted Units:

1.Add the HDGF and HOME (all sources of HOME or HOME-Match dollars) funds together:

$300,000 plus $150,000 = $450,000

2. Determine the percentage of HDGF/HOME in the project:

$450,000 divided by $5,250,000 = .08571 or 8.571%

8.571% times 62 units = 5.31 units (rounds up to 6) HDGF/HOME-Assisted Units. Always round up if the product is not an even number.

3. Compare the project's total cost per affordable unit to the appropriate 221(d)(3) limit (depending on location and bedroom size). If there is a mix of bedroom sizes, an aggregate 221(d)(3) limit based on the percentage of each unit size in the project must be used to perform this calculation.

The per-unit subsidy cannot be greater than:
1) The cost to build the affordable unit; and
2) The 221(d)(3) limit.

EXAMPLE:

(a) Project cost per unit (excluding commercial, common space, and market rate units): $4,231,500 divided by 50 affordable units = ***$84,630***

The project could qualify for up to $507,780 (6 X $84,630) based on the TPC for the affordable units.

(b) The 221(d)(3) limit per unit: ***<u>$74,000</u>***
The project could qualify for $444,000 (6 X $74,000) based on the 221(d)(3) limit

The project requested $450,000 ($450,000/6 = $75,000). The total HOME/HDGF award per Assisted Unit is ***<u>$75,000</u>***

The requested HOME/HDGF subsidy of $450,000 ($75,000 per Assisted Unit) does not exceed the project cost per eligible unit but does exceed the 221(d)(3) limit. The applicant may either accept a reduced HDGF award or maintain more Assisted Units.

Determining the number of additional Assisted Units needed.

If the total HDGF/HOME request is greater than (a) or (b) above:
1. Determine the difference: $450,000 minus $444,000 = $6,000
2. Divide by the appropriate per-unit maximum from (a) or (b) above. In this instance, the project exceeds (b) the 221(d)(3) limit. $6,000 divided by $74,000 = .08

   Round up to determine the project needs one additional Assisted Unit for a total of 7 Assisted Units.

Projects with fewer than five (5) Assisted Units are not subject to the Low HOME rent requirement. In the example above, the project will add an Assisted Unit, bringing the total number of Assisted units to seven (7). To calculate how many Low and High HOME units are needed:

- <u>Low HOME Rent Units</u>: 20% of the Assisted Units.
  7 Assisted Units X 20% = 1.4 units – round up to 2 Units.

- <u>High HOME Rent Units</u>: total assisted units required minus the Low HOME units.
  7 Assisted Units minus 2 Low HOME units = 5 High HOME units.

The units subject to the High/Low HOME rents can be also be used to meet the requirements for the HDGF-Restricted Units. These units must be distributed evenly among the various unit sizes. OHFA reserves the right to require applicants to evenly distribute the Assisted Units among new construction and rehabbed units, as well.

NOTE: Costs associated with community space that is separated from living areas (e.g. a separate community building/laundry facility, etc.) are not HOME eligible. These costs will be deducted from the total development costs when calculating the number of Assisted Units.

Project Submission Requirements

Development Team

Minimum Requirements:
OHFA must be able to assess the applicant and each member of the development team to determine that each has the capacity to fulfill it's responsibilities within the timeframe established by the agency and enforced through the funding agreement. Therefore, the applicant must submit the following information:

1) Ownership entities: (note, the applicant must be the majority or sole owner)
   a) Contact name and number;
   b) Resumes of key individuals (executive director, CFO, etc.);
   c) Organizational chart;
   d) Non-profit organizations must include supporting documentation of non-profit status; and
   e) Non-profit applicants must provide a board resolution authorizing the non-profit to apply for the HDGF funds through the Ohio Housing Finance Agency. The resolution must state the amount being sought, the name of the project for which the funds will be used, and the names of the staff that are authorized to execute legal documents on behalf of the applicant; and
   f) The most recent two audited financials or a statement why audited financials have not been done.
   g) Completed Tax Information Authorization Disclosure (Attachment). OHFA will use this to determine if any organization with an ownership interest in the proposed project has any outstanding tax liens with the State of Ohio.
   h) Succession Plan, if available.

2) Developer:
   a) Resumes for staff involved in the development phase; and
   b) Company bio

3) General Contractor:
   a) Resumes for staff involved in the project
   b) Company bio

4) Consultant: (only if the project budget includes consultant fees)
   a) Resume

5) Management Company:
   a) Resumes for lead staff; and
   b) Company bio.

6) Identity of Interest Statement: The applicant must provide a signed statement identifying any identity of interests among the development team members noted above, any other individual/organization involved in the project (architect, engineer, etc.) and the seller of the property, if applicable.

7) Additional Information: The applicant may provide any additional information to support their capacity to develop and own the proposed project.

Subjective Review

OHFA reserves the right to evaluate the strength and capacity of the proposed development team in determining HDGF funding awards. Applicants may submit one project during the initial funding cycle (August – December).

1) The subjective review will include the following:
   a) Past Performance: Past experience developing affordable housing using OHFA programs as well as other projects. The quality and success of previous developments will be taken into account.
   b) Backlog/Status of Current Projects: Properties presently under construction will be considered in determining the applicant's ability to complete the project within the timeframe of the funding agreement. OHFA will also evaluate the applicant's performance on previously funded projects.
   c) Opportunity Costs: The applicant will not be prevented from accomplishing its other key activities as a result of undertaking this development project.
   d) Compatibility: The project is consistent with the mission and strategic focus of the applicant.
   e) Staff Development and Capacity: Each member of the development team must have the capacity meet the responsibilities (ownership, development, construction, management) of all current projects on time and within program requirements and application commitments.
   f) Financial Capacity: Audited financials will be evaluated to determine the applicant's ability to absorb cost overruns, or increased costs due to construction delays.
   g) Good Standing: The organization must be in good standing with all OHFA programs in order to participate in the upcoming program year.
   h) Succession Plan (if available): This will be given strong consideration if OHFA staff believes the Plan adequately demonstrates that a project under construction would not be delayed should a key member of the development staff (for the applicant, developer and/or general contractor) not be able to perform their responsibilities.

Site Control/Site Selection

Minimum Requirements:
An application may not be eligible if OHFA awarded funds to another project located in the same Primary Market Area (PMA) and serving the same population, which has not reached stabilized occupancy. OHFA reserves the right to evaluate other affordable housing projects funded through other sources (i.e. HUD, RD) under construction or placed in service during this period. This applies only if the previous application consists of newly created affordable housing units located on single or closely grouped sites.

Buyer/Applicant site control:

1) The applicant must own the property (evidenced by a deed in their name) or must provide one of the following:
   a) Executed purchase option with date certain performance valid for at least 180 days from the date of application.
   b) Executed purchase contract, valid for at least 180 days from the date of application.
   c) Executed long-term lease agreement (at least 99 years)
2) Any document provided (purchase contract, deed, legal description, etc.) must include the permanent parcel number (PPN).
3) Projects must evidence site control as described above for all sites proposed to be used in the project with the application.
4) Prior to closing on the HDGF award, the applicant will need to evidence ownership of the site(s).

   NOTE: Any document provided (purchase contract, deed, legal description, etc.) must include the permanent parcel number (PPN).

Evidence of Proper Zoning:
The applicant must demonstrate that the zoning for each site in the application on which the project will be located allows for the use(s) proposed by the applicant. Thus, at a minimum, the zoning designation for each site must allow residential use.

Applicants must include:
1) A letter from the local jurisdiction confirming the zoning that must include the following:
   a) The actual zoning designation and a description of this designation; and
   b) Any density and/or lot coverage requirements; and
2) If a conditionally permitted use, explanation of the conditions to be met for the project to be considered a permitted use; and
3) A description of any overlay or planned development district regulations that would place further conditions the development of the project.
4) For jurisdictions with no zoning regulations in effect, a letter from the jurisdiction documenting both the lack of zoning and that the proposed project does not conflict with any other development restrictions imposed by jurisdiction.

OHFA must be able to match the evidence of appropriate zoning with the documentation provided for site control (street address, PPN, legal description) and with the site roster provided in the application.

Color Photographs:
The applicant must submit four color photographs of each site (on paper or disk) as follows:
1) From the east looking towards the site;
2) From the west looking towards the site;
3) From the north looking towards the site; and
4) From the south looking towards the site.

Street Level Map and Site Plan:
The map should identify nearby roads/highways/streets. In addition, the applicant should identify North, South, East, and West and where the photographer stood to take each picture. Applicant should identify any landmarks, prominent buildings/businesses, etc.

Site Plan must show how the development is to be built. This plan must indicate the placement and orientation of buildings, parking areas, sidewalks, landscaping, amenities, easements, trash dumpsters, buffers, etc.

NOTE: The photographs and Project/Site Map will be used solely to assist staff when conducting the site visit.

Site Assessment:
The applicant must complete and submit the Site Assessment Survey (see attachments) for each site in the project.

Project List: The applicant must provide a list of all affordable projects currently under construction in the primary market area of the proposed project. The PMA will be defined by a market study, if one was required or prepared. If a market study was not required, OHFA will define the primary market area as a five-mile radius around the project. Alternatively, the applicant can define the primary market area and explain how this area was determined to be the primary market area.

Additional Information:
The applicant may provide any additional information to demonstrate the excellence of the site selection.

Subjective Review:
OHFA staff will conduct a pre-award site visit to evaluate the proposed site for the project based on the Site Assessment Survey (see Attachments) and other documentation provided from the applicant.

Marketability

Minimum Requirements (must select #1 or #2):

1) Needs Assessment (Market Study)
   a) All rental/preservation projects with 10 units or more must submit an independent market study. All information submitted in the market study will be compared with the OHFA Statewide Rental Housing Analysis. Any items that vary from the analysis may be challenged. The market study professional must organize the study using the index and complete the market study checklist (both found in the Attachments). The market study cannot be more than 12 months old at the time of application and must comply with the following requirements:
   b) A market study must include all of the following:

i) Executive summary in bullet format that briefly reviews all of the market study requirements and indicates any recommendations or suggested modifications to the proposed project.
ii) Concise conclusion by the author that indicates a market exists for the proposed project. The conclusion must include the estimated stable year vacancy rate and the estimated time needed to fully lease-up the proposed project. If the estimated stable year vacancy rate exceeds 7% and/or the estimated lease-up time exceeds one year, provide a detailed explanation.
iii) Description of the proposed project including all of the following: the site and adjacent parcels; visibility and accessibility of the site; project design (walk-up, elevators, etc.); number of units; number of bedrooms (efficiency, SRO, 1, 2, 3, etc.) and baths; unit and project amenities; proposed rents and utility allowances; and population served. This information must be consistent with the Gap Financing Application. Include color photographs of the project site(s) and surrounding areas. The photographs submitted should reflect the various streets or neighborhoods in which the project sites are located. The author must review the site and floor plans and indicate whether the plans are appropriate or need certain modifications.
iv) Description and map of the PMA for the proposed project, including the methodology used to determine the boundaries. Provide a detailed explanation if the PMA includes any areas outside of a five-mile radius from the proposed project. Include a discussion of the health of the overall rental housing market in the PMA.
v) Comparison of the rents of the proposed project to the market rents for comparable units in the PMA. Include the methodology for the calculation of the market rents.
vi) Description of the number of income-eligible renter households in the PMA. An income-eligible household is defined as spending up to 35% of income on rent for families or up to 40% of income on rent for seniors. Indicate the percentage of these households that are required to fully lease-up the project ("capture rate"). If this percentage exceeds 10%, provide a detailed explanation for the higher rate.
vii) Description and evaluation of the public services (including transportation, police, fire department, and schools), infrastructure (including roads and traffic), community services (including shopping, recreation, medical services, and services for special needs if applicable), and employers in the PMA. List the approximate distances to all the services. Include a map that clearly identifies the location of the project and all public services and community services.
viii) If the project will be serving a special needs population, identification of the number of special needs households residing in the PMA. Indicate the percentage of these households that are required to meet the project's special needs set-aside. Special needs populations are permanent supportive housing for the homeless, senior housing, housing for persons with a developmental disability, and housing for persons with severe and persistent mental illness. Information regarding the number of

special needs households may be obtained from the local Continuum of Care study, local CHIS or Consolidated Plan, local Mental Health or MR/DD Board, homeless shelters, or other community social services agencies. Please document the source of your information.

ix) Description of the federally subsidized developments and Housing Credit projects (both operating and not yet placed-in-service) located in the PMA. Housing Credit projects not yet placed in service must be included in the analysis. Provide the current vacancy rate for each project and include the person(s) contacted for each competing project and the method of contact. Compare the rents, amenities, unit sizes, bedroom sizes, and populations served of the competing projects to the proposed project. The following information must also be included: name, location, population served, type of design, age and condition, number of units by bedroom type, rent levels, number of bedrooms and baths for each unit type, size in square footage of units, type of utilities and whether paid by tenant or owner, unit and site amenities. Comparisons to the subject rents should be based on comparable amenities, utilities, location, parking, and any rental concessions. Identify specific reasons why comparables are faring poorly in the market (if applicable). Projects that receive a reservation may be required to amend their market study to incorporate those other projects receiving an allocation in the same round and are located in the same primary market area.

x) A listing of Housing Credit projects in service and in development is located on the OHFA web site. Calculate the ratio of subsidized and Housing Credit units to income eligible renter households.

xi) Estimate of the vacancy rates of the affordable projects (only those currently operating) located in the PMA during the first stabilized year of the proposed project. If the estimated vacancy rate exceeds 10% for any Housing Credit project, provide a detailed explanation for the higher rates.

xii) Description of comparable market rate developments located in the PMA. Provide the current vacancy rate for each project and include the person(s) contacted for each competing project and the method of contact. Compare the rents, amenities, unit sizes, bedroom sizes, and populations served of the competing projects to the proposed project. The following information must also be included: name, location, population served, type of design, age and condition, number of units by bedroom type, rent levels, number of bedrooms and baths for each unit type, size in square footage of units, type of utilities and whether paid by tenant or owner, unit and site amenities. Comparisons to the subject rents should be based on comparable amenities, utilities, location, parking, and any rental concessions.

xiii) Evaluation of any concerns or issues raised by the closest Public Housing Authority (PHA). The applicant or market study author must send a letter via certified mail to the local PHA. The letter must contain a brief description of the project and target population, instructions for the PHA to forward all comments to the market study author, and a statement that all comments must be submitted within 30 days from receipt of the letter. If the PHA does not respond to the letter or comments are submitted after the 30-day comment period, the market study author does not need to analyze the PHA's issues or concerns. Include in the market study a copy of the letter, certified mail receipt, and a copy of any letters from the PHA.

xiv) An executed original Market Study Certification. The market analyst shall have no financial interest in the proposed project. Financial interest is deemed any remuneration other than the fee for preparing the market study. Furthermore, the fee assessed for the study shall not be contingent upon the proposed project being approved by the OHFA.

xv) A list of all data sources used in the study.

c) The characteristics listed above are OHFA's minimum requirements. OHFA reserves the right to independently determine if a market exists for the proposed project and to require additional information and/or another market study. OHFA may also contact the market analyst during the review process if any required information cannot be found in the study.

d) Preservation Projects
   i) Preservation projects that evidence an occupancy rate of 90% or less over the previous 12 months are required to submit an independent market study.
   ii) Preservation projects with an occupancy rate greater than 90% over the past 12 months are not required to submit an independent market study.
   iii) OHFA will consider waiver requests of the market study for preservation projects that can demonstrate that the reason for the high vacancy is to accommodate relocation efforts during the renovation phase of the project.

e) OHFA reserves the right to independently determine if a market exists for the proposed project and to require additional information and/or another market study.

2) Market Support Information:
   a) For projects with fewer than 10 units, the applicant must define the primary market area and explain how this area was determined to be the primary market area. In addition, the applicant must provide detailed data supporting the need for the proposed project. Suggestions include the following, if applicable:
      i) For projects that are restricted to a unique population, the applicant may provide letters from supportive service agencies in the area that detail the need for the housing. The letters must include recent supporting data evidencing the need for additional housing among the targeted population.
      ii) Waiting lists maintained by the applicant for similar projects in the market area evidencing a demand for additional affordable units.
      iii) A letter from the MHA serving the area, which must include recent supporting data evidencing the need for additional housing among the targeted population. The letter must also include any support provided by the MHA (i.e. referrals or vouchers), and must be dated within six months of the HDGF application.

b) Additional Information: The applicant may provide any additional information to demonstrate a market exists for the proposed project.

Subjective Review

Staff will evaluate the market study analysis in comparison with the Statewide Housing Rental Analysis (SHRA) maintained by OHFA. Applicants submitting projects in areas where the SHRA identifies areas of concerns should strongly consider having the market study analyst address this in the proposal. In evaluating Market Support data/documentation, OHFA will, at a minimum, consider the nature of the data, the source/objectivity of the data, and the ability to verify the data.

Project Design

1) Architectural Submissions
The applicant must submit preliminary plans and specifications that provide a description of the proposed development. All projects should submit the following:
    a. Typical unit plan, including square footage (staff must be able to determine the square footage of the living space, garage, storage, and community/common space);
    b. Building elevation (photographs are acceptable for rehabilitation projects);
    c. Site plan (scattered site projects exempted);
    d. Detailed scope of work (rehabilitation projects only); and
    e. Development Features Agreement

The applicant must notify OHFA if there are changes to the plans that occur after submission of the application. For significant changes, approval by OHFA will be required.

2) Appraisals
Applications must include an appraisal with their application completed by an independent, third-party appraiser licensed by the State of Ohio, which includes a conclusion on the fair market value of land and/or buildings to be acquired for the project in an “as-is” state.
    a) The appraisal(s) must be for the land (new construction if acquisition is involved) and/or as-is appraisals for existing structures. The purchase price should be less than or equal to the appraised value. If the purchase price is greater then the appraised value, the applicant must explain why. OHFA reserves the right to limit funding of acquisition costs to the appraised value of the site.
    b) Appraisals cannot be more than twelve (12) months old at the time of application.

3) Affirmative Housing Marketing Plan
OHFA must ensure that all funded projects are affirmatively marketed. A completed Affirmative Fair Housing Marketing Plan (AFHMP) with required

attachments must be submitted in the Gap Financing Application. A blank AFHMP form is provided in the Attachments of these guidelines.

4) Public Notification Requirements

The applicant must notify, in writing, certain officials from:

a. The political jurisdictions in which the project will be located; and
b. Any political jurisdiction whose boundaries are located within one-half mile of the project's location.

The applicant must use the letter template provided in the Attachments. The notification must state the applicant's intent to develop a project using OHFA funding. The notification must be in writing and sent via certified mail, return receipt requested. Submit a copy of the stamped post office receipt (return receipt not required) for certified mail and copies of notification letters with your application. The letter must include the following information about the proposed project:

a. The address of each site in the project;
b. The maximum number of proposed units;
c. The nature of the project (i.e. new construction or rehabilitation);
d. All OHFA programs utilized in the project;
e. A statement regarding the recipient's right to submit comments;
f. The address of the OHFA and to whom comments should be sent; and
g. The recipient's rights and procedures to express disapproval or objection.

The officials to be notified include:

a. The chief executive officer and the clerk of the legislative body for any city or village (i.e. mayor and clerk of council);
b. The clerk of the board of trustees for any township;
c. The clerk of the board of commissioners for any county;
d. State Representative(s);
e. State Senator(s); and
f. Governor's Regional Economic Development Representative (Attachments).

OHFA will not recommend any project to the OHFA Board until the 45-day comment period has passed. OHFA will consider any opposition letters prior to making a funding recommendation.

5. Lead-Based Paint Strategy (Rehab projects only)

All projects must address any lead-based paint in proposed projects. All projects that involve the demolition and/or renovation of structures built prior to 1978 must submit a lead-based paint strategy that includes the following:

a. Indication of whether or not the property(ies) has(have) been tested for lead-based paint.
b. If the units/buildings have been tested, description of the test results. If the project has not been tested, description of how an estimated cost for testing was derived and confirmation that these costs were incorporated in the project's development budget.

c. Description of how the cost to treat lead-based paint will be covered by the project budget, and how the cost to treat lead-based paint was estimated.
d. Description of the availability of licensed lead testers, contractors and workers in the area, and if there is a shortage of licensed personnel, how might that effect the construction of the project in regards to the timeline and the strategies that will be used to find licensed personnel.

6. CHIS/Consolidated Plan Certification of Consistency
Projects must be consistent with any local housing plan (either the locality's Comprehensive Housing Improvement Strategy – CHIS) or Consolidated Plan. If no local plan exists, the project must evidence consistency with the State of Ohio's Consolidated Plan. Projects located in villages and townships must evidence consistency with local housing plans for the county in which they are located.

7. Site and Neighborhood Standards for New Construction Projects
New construction projects must meet the site and neighborhood standards found in 24 CFR 983.6.

8. Universal Design Requirements
In addition to the universal design features required by OHFA, applicants must provide at a minimum five structural and five non-structural universal design features in each unit. Applicants seeking funding for acquisition and/or rehabilitation may request a waiver for the additional five structural features. If approved, OHFA reserves the right to require additional non-structural features. All universal design features must be identified on the Development Features Agreement (see Attachments).

9. Relocation Plan for Preservation Projects
Projects involving relocation must provide a narrative detailing the following:
a. How many residents will be relocated at any given time during construction;
b. Where residents will be located, including a map identifying the proposed project and the location of the communities that will be used in the relocation effort; and
c. The cost of the relocation and a detail of how those costs were derived. The applicant must agree to assume all of the costs for the relocation.
e. Projects that do not involve relocation must provide a narrative detailing the following:
a. How the proposed rehabilitation will be completed without relocating the residents;
b. What impact the proposed rehabilitation will have on the residents.

10. Minimum Project Design Requirements
Projects must include the following design features:
a. Units with three or more bedrooms must include at least one full bath and one half bath;

b. All appliances in each unit must be energy-efficient (Energy Star, if available);
c. Central air conditioning;
d. Added security on sliding glass doors;
e. Cable and phone jacks in the living room and all bedrooms;
f. Bedrooms must be at least 8' X 10' (large enough for a twin bed and a dresser);
g. A project that sets-aside units that serve a unique population (MR/DD, Mobility and/or Sensory Impaired, or Severe and Persistent Mental Illness) must provide letters of support from local organizations that provides services to the population. The letter must be dated within six months of the HDGF application and include:
   - The name and location of the property;
   - The name of the applicant;
   - The population being served;
   - Support for the project and the applicant; and
   - Acknowledgement that the units are needed and a market does exist.

11. Additional Information: The applicant may provide any additional design features not required by OHFA.

Subjective Review

OHFA will evaluate the projects design in comparison to other developments in the area; the universal design package as a whole and how it meets the needs of the population being served, and any letters received from the elected officials notified during the Public Notification Process.

Financial Feasibility

The application will be reviewed for financial feasibility. The applicant will be notified of any deficiencies noted in the financial analysis of the project. The project may not be considered for funding if deficiencies are not corrected within the required period.

1) Financial Commitments
   a) All construction and permanent sources of funding for a project are to be committed or conditionally committed at the time of application. The application must include commitment letters dated within 90 days of the application date. OHFA expects that the term noted in the financial commitments will be for the full construction period (construction financing) and for the entire affordability period of the HDGF award (30 years). Waiver requests will be reviewed on a case-by-case basis. The letters must specify:
      a. The amount of financing;
      b. A statement that the funds are firmly committed to the project;
      c. Whether the financing is in the form of a loan or a grant;
      d. The project name and address;

e. If financing is a loan, the rate, term, and amortization, indicating if the financing is payable in monthly installments of principal and interest or interest only, payable as cash flow permits, deferred, forgivable, etc.;
f. If the interest rate is variable, the letter must estimate what the rate would be if the loan were awarded at the time the commitment letter was prepared.
g. Letters committing government funds must include the source of funds (i.e. CDBG, HOME, general revenue, local trust funds) and must indicate whether all or a portion of the monies committed to the project are being used to meet the local government's matching requirement; and
h. The name of the contact person and phone number for the funding source.

2) <u>15-year rental proforma:</u>
   a) Projects must demonstrate positive cash flow. Though the applicant is only required to perform a 15-year analysis, the applicant should be prepared to address any questions OHFA staff may have.
   b) Project financing must be consistent throughout the application, including all sections of the Proforma and related spreadsheet.

3) <u>Qualified Cost Estimates</u>
   a) Itemized cost estimates from an unrelated third party are required to substantiate the construction costs in the development budget. To be an unrelated third party, there can be no identity of interest between the organization providing the qualified cost estimates and any organization with an ownership interest, including the developer, the general contractor, and any member of the development team, their subsidiaries, or affiliates (the project architect may submit the estimate). The estimates must be submitted on letterhead and must be signed by the organization providing estimate.
   b) Estimates must indicate the status of the design process (i.e. preliminary drawings, working drawings with outline specifications, full-scale drawings and specifications, etc.).
   c) The unrelated third party must indicate which standards/codes were used in developing the cost estimates (see the Project Administration section of these guidelines).
   d) The unrelated third party must submit a signed statement certifying that the cost estimates for any rehabilitation work being done are sufficient to meet the Ohio Department of Development's Residential Rehab Standards (RRS). To obtain additional information about the RRS, contact the Office of Housing and Community Partnerships at 614-466-2285.
   e) If any member of the development team or ownership has an identity of interest with the entity providing the qualified cost estimate, the identity of interest relationship must be disclosed.

OHFA may request to review the bids from the general contractor selected.

4) <u>Utility Allowance Documentation</u>
Each application must contain documentation indicating the current utility allowances for units comparable to the proposed project's units. The applicant can provide the published utility allowances used by the local Housing Authority for the location in which the project is located. Utility schedules for each unit size in the project must be provided. Unless required to use housing authority utility allowances by another funding source, the applicant can also provide signed cost estimates from the local utility providers (or other source approved by OHFA) indicating an estimated monthly cost for the utility at the proposed project per unit size.

5) <u>Uniform Relocation Act Relocation Standards Documentation</u>

a) Relocation Forms:

All applicants must supply the "Real Property Acquisition and Relocation Certifications and Voluntary Acquisition Forms" for the project as follows:
(1) All HDGF applicants must submit a completed URA Attachment J "Questionnaire on Acquisition, Relocation, and Demolition."
(2) For all projects involving acquisition (if the project shows acquisition costs for buildings in the project budget), the applicant must submit a completed URA Attachment K "Real Property Acquisition and Relocation Certifications," and a
(3) Complete URA Attachment L "Sample Voluntary Acquisition Form" for each seller of land and/or building acquired for use in the project and must retain these completed forms with original signatures on file, for review by OHFA staff.

Each application will be reviewed for compliance with Ohio Department of Development Relocation Policies, the Uniform Relocation and Real Property Acquisition Policies Act of 1970 and Section 104(d) of the Housing and Community Development Act. Any non-compliance issues will be brought to the attention of the applicant and must be resolved prior to execution of the HDGF funding agreement.

b) Relocation Plan:
All projects, regardless of funding source, that involve the rehabilitation of (an) existing occupied unit(s) must submit a Relocation Plan. If the project receives federal funds, the plan must meet the requirements set forth in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

The Relocation Plan submitted with the HDGF application must address the following:
(1) During renovation, residents will: (1) stay in place, (2) be temporarily relocated within the project, (3) be temporarily relocated off-site, (4) be permanently relocated. The applicant may choose a strategy that includes a combination of (1)-(4).

(2) If some or all residents will stay in place, the applicant must describe the rehabilitation items to be completed and strategies to complete those items without requiring resident relocation.
(3) If residents will be temporarily or permanently relocated, the applicant must describe what resources are anticipated to be needed to accomplish the relocation (including the applicant's basis for estimates for the cost of relocation), the notices that will be provided to residents, how the applicant will staff relocation activities, where residents will be relocated, estimation of how long residents will be at another location, and source of funds to cover the cost of relocation activities.

6) Evidence of Submission to the Local Clearinghouse:
OHFA is aware that local clearinghouses are not required to review housing related applications. However, many wish to do so. Therefore, the applicant must provide a copy of the cover letter the applicant sent to the local clearinghouse accompanying one copy of their HDGF application and a post-office stamped return receipt or signed return receipt card evidencing that the application was submitted to the local clearinghouses (see Attachments and Forms Section of these Guidelines).

7) Wage Rate Compliance
The applicant will be responsible for compliance with state and federal wage rates that may be applicable to the project. Appropriate wage rates need to be factored into the applicant's construction budget. Questions regarding the applicability of state prevailing wages should be referred to Department of Commerce (Wage & Hour Bureau) at 614-644-2239. The number of HOME-assisted units in the project will determine the applicability of federal wage rates for the project. Twelve or more HOME-assisted units trigger federal Davis-Bacon wage rates. Questions regarding the applicability of federal prevailing wage (Davis-Bacon) should be referred to the Office of Housing and Community Partnerships at 614-466-2285.

8) Additional Information: The applicant may provide any additional information that demonstrates the financial strength of the project.

Subjective Review

OHFA will evaluate the applicant's ability to move forward based on the level of commitment and/or conditions placed on the funding commitments and the status of the design process identified in the Qualified Cost Estimate.

Subsequent Documentation

Environmental Review Documentation
Projects funded with State Trust Funds:
These projects will be subject to the Mini Phase I (MPI) review. The documentation required is detailed in the Mini Phase I Scope of Work/Questionnaire found in the

Attachments. This information may be sent directly to the environmental review working with OHFA.

Projects funded with Federal HOME funds:

- These projects will be subject to a full environmental review conducted by a firm under contract with OHFA. The applicant will be required to provide this firm with a complete copy of the HDGF Application, and any other documentation deemed necessary by that firm.

Homeownership Development

Eligible Projects

HDGF funds can be used to fund single-family residential projects.

Modular homes are eligible; however, manufactured homes are not eligible under the HDGF Program.

> Modular homes: built in sections at a factory, and are built to conform to all state, local or regional codes at their destination. Sections are transported to the building site on truck beds, then joined together by local contractors. A well-built modular home should have the same longetivity as a "stick built" home, increasing in value over time.
>
> Manufactured homes: formerly referred to as mobile homes, though they offer many more options than in the past. They are built on non-removable steel chassis. Segments are not always placed on a permanent foundation. These homes sometimes decrease in value over time.

Ineligible Projects

HDGF Resources for homeownership may not be utilized to allow for the acquisition of multiple units including duplexes, triplexes, etc. Multiple unit types of structures are to be funded within the rental development component of this program. Townhome-style homeownership or condominium projects will be considered on a case-by-case basis.

The property cannot be transferred to the low/moderate-income buyer with any in-force ground leases or land contracts on the property.

1) **Exception:** Community Land Trusts (CLT) will be eligible to participate in HDGF and transfer property with in-force ground leases providing the following conditions are met:
   a) OHFA legal staff reviews all closing documents homebuyers may be required to sign. OHFA reserves the right to review the documents and either approves them to be used for all homebuyers, or to review them on a case-by-case basis.
   b) The CLT must document their policies for homebuyers who wish to sell their homes, which must include: How the sales price is calculated; the CLT's role in finding an income-qualified homebuyer; and what happens if an income-qualified homebuyer is not found.
   c) OHFA reserves the right to determine whether or not a leasehold fee may be assessed to homebuyers. The HDGF recipient will not assess unreasonable leasehold fees above fair market or use value of the land at resale if a non-income qualifying homebuyer is being considered.
   d) The CLT must evidence that homebuyers have the opportunity to build wealth through the program.

e) The CLT must outline provisions for homebuyers if the CLT ceases to exist, specifically, what happens to the ownership of the land.
f) Any homeowner receiving subsidy under HDGF may sell the improvements and assign the lease to any interested party if there are no income qualified homebuyers available six months after a 60-day land trust purchase option has expired. If no purchase option exists, the homebuyer may assign the lease to any interested party if there are no income qualified homebuyers available six months after the homebuyer has notified the land trust of their intent to sell. Any sale is subject to the recapture or resale as defined by HOME regulations. However, the option of resale or recapture must be selected before the assistance is provided to the homebuyer.

Funding Limits

HDGF will fund the lesser of the per project limits or 50% of the total project costs.

OHFA may subsidize more than 50% of the total development costs for projects located in rural/non PJ areas or projects that only serve a targeted population. However, the request may not exceed the established per-project limits. This would be considered a waiver of the guidelines and must be submitted with the project proposal.

Per Project Limits

- Up to $450,000 per project in HUD Participating Jurisdictions (PJs).
- Up to 550,000 per project in HUD Non-Participating Jurisdictions (Non PJs).

A list of Ohio's Participating Jurisdictions is available on HUD's website (see Useful Websites in these Guidelines).

Project Design Requirements

Project Information

a) Subdivision Requirements: For subdivisions, at a minimum § 711.041, 711.05, 711.09, and 711.10 of the Ohio Revised Code (ORC) apply. All other relevant sections are also applicable. The project cannot use HDGF funds for on-site improvements that will be dedicated to the local government (i.e. streets, curbs, gutters, street lighting, anything that would eventually become the ownership and responsibility of the local government instead of the buyer).
b) Project Size: Projects must have a minimum of four units. OHFA reserves the right to limit the number of homes an applicant may develop based on the review of the application.
c) Marketing: The applicant must identify the major provider of services for disabled persons in their community and conduct marketing and outreach in an effort to attract qualified homebuyers that need accessible features.

Homebuyer Information

1) Affordability Restrictions:
   a) All units within a homeownership project receiving HDGF are considered to be Assisted Units and must be both affordable to and occupied by households at or below 80% of the AMGI. The developer must demonstrate that the homes will be immediately sold to qualified homebuyers. Applicants proposing to provide lease-purchase opportunities must request a waiver of the program guidelines.

2) First Mortgages:
   a) The homebuyer's first mortgage must be at an amount not to exceed a 95% loan to value ratio.
   b) Combined Loan-to-Value (CLTV) cannot exceed 100% of the Fair Market Value of the property.
   c) Homebuyers must hold Fee Simple Title to the property.
   d) Homebuyers wishing to use the OHFA First-Time Homebuyer Program must use an OHFA-approved Participating Lender.
   e) The homebuyer's mortgage must also be at commercially reasonable terms and rates.
      i) If the proposed commercial mortgage has a rate greater than 200 basis points higher than the current OHFA Mortgage Revenue Bond program (the unassisted rate), OHFA will deem the mortgage commercially unreasonable.
   f) Homebuyers commitment letter must:
      i) Provide the loan amount;
      ii) Detail any prepayment penalties;
      iii) Disclose the rate, term and amortization of the loan.
      iv) Signed by the lender.
   g) Applicants may not use any broker or loan officer listed on the Department of Commerce's website established for public disclosure of violations (SB 185).
   h) Adjustable Rate Mortgages (ARMs) will not be considered.

3) The HDGF Recipient should contact OHFA should an income-qualified homebuyer demonstrate that a first mortgage is not necessary.

4) Fees: OHFA will place a cap on fees that may be charged a homebuyer (whether paid by the borrower or seller). Lenders may not charge more than $500 in miscellaneous non-third party fees (including, but no limited to, underwriting fee, processing fee, commitment fee, etc., but excluding fees assessed by OHFA if the homebuyer is using OHFA's first-time homebuyer Program). OHFA will require a copy of a Good Faith Estimate or a draft HUD 1 Settlement Statement when approving a homebuyer. A final, signed copy of the HUD 1 Settlement Statement must be provided after closing.

5) Taxes and Insurance: The HDGF recipient must ensure that the homebuyer will be required by the mortgage lender to escrow for both taxes and homeowner's insurance.

6) Fair Market Value Maximum: The fair market value of each unit, post-rehabilitation/post-construction, cannot exceed the FHA 203(b) limits.

7) Purchase Price: The purchase price of the homeownership unit should be equal to but must not exceed the appraised fair market value (FMV) of the property. The applicant will be required to submit as-is and after rehabilitation/construction appraisals.

8) Closing Costs: Applicants must provide an estimate of the anticipated closing costs and must detail who will be responsible for these costs.

9) Household Income: One hundred percent of the homeownership units assisted with HDGF resources must be both affordable to and occupied by households whose income is at or below 80% of the area median income for the county where the home is located, as established by HUD. Income verifications cannot be more than six months old at the time of the buyer's purchase and must reflect the households anticipated income for the next 12 months. HDGF resources may not be used to assist households with incomes greater than 80% AMI.
   a) Income verifications are valid for six months. After that, the homebuyer's income must be evaluated again, and all supporting documentation must be updated.

10) Housing Payment: The housing payment is defined as principal, interest, taxes, insurance, and utilities (homeowner's association fees are also included). The housing payment will be evaluated as follows:
   a) The homebuyer's total monthly housing payment at the time of purchase must be between 25% and 35% of the gross median household income of the target population assuming one person per bedroom.
   b) If the total housing payment is around 25% of the buyer's gross median household income, OHFA may require documentation from the HDGF-Recipient evidencing the need for affordability subsidy.
   c) For households earning below 50% of the area median income, the total housing payment must be between 20% and 25% of the buyer's median household income.
   d) At the time that the buyer purchases the unit, the developer must adjust the level of HDGF affordability assistance required to meet the homebuyer's actual needs and must return any unused HDGF subsidy to OHFA or create additional affordable homeownership units, with prior approval from OHFA.
   e) Buyers Contribution: Each participating homebuyer must contribute a minimum of $500 of his or her own funds to the down payment. The $500 buyer's contribution can be met with:
      i) Family gifts and/or
      ii) Use of an Individual Development Account program.

f) This contribution must be used for down payment. The applicant must identify, at application, how closing costs will be covered.

11) Homebuyer Counseling: A minimum of 8 hours of homebuyer counseling must be provided for each household by a HUD-Approved Counseling Agency prior to purchasing a unit in the proposed development.

a) The homebuyer counseling curriculum must include the following topics:
   i) The homebuyer decision. This element should include:
      (1) Analyzing initial and long-term affordability;
      (2) Finding the "right" house;
      (3) Identifying the players;
      (4) Making the offer;
      (5) Signing the contract;
      (6) Shopping for the financing; and
      (7) Arranging for insurance.
   ii) Budgeting and credit management. This element should include:
      (1) Establishing a savings plan and setting goals;
      (2) Creating and managing a budget;
      (3) Understanding credit;
      (4) Predatory lending,
      (5) Building and maintaining a credit record; and
      (6) Understanding the consequences of default and the pros and cons of refinancing.
   iii) The mortgage loan closing process. This element should include:
      (1) Understanding the pre-closing requirements;
      (2) Understanding the loan closing documents; and
      (3) Understanding the closing process.
   iv) Homebuyer education must contain a Fair Housing component that includes:
      (1) Information related to potential discriminatory actions related to lending practices;
      (2) Insurance; and
      (3) Real estate practices.
   v) Home maintenance and repair. This element should include:
      (1) Developing a maintenance plan,
      (2) Identifying problems and performing basic preventative maintenance;
      (3) Understanding basic repair safety precautions; and
      (4) Hiring and dealing with a contractor.
b) Applicants must demonstrate that a potential homebuyer has completed homebuyer counseling as noted above before they purchase the home. OHFA will not release its mortgage and/or approve a buyer until the applicant provides documentation from the organization providing the counseling for each homebuyer. Documentation from this organization must demonstrate that (1) the potential homebuyer has successfully completed the course and (2) the course has covered the areas previously noted.
c) An experienced provider must provide homebuyer counseling. OHFA reserves the right to request information about the organization(s) or individual(s) that will be providing homebuyer counseling.

A list of HUD-Approved Counseling Agencies is available on HUD's website (see Useful Websites in these Guidelines).

Financing Terms

HDGF funds may be used as development subsidy and/or affordability subsidy.

1) Development Subsidy
   a) A development gap is defined as the difference between the cost to build and the fair market value (aka sale price). Funds used as development subsidy are considered a loan, but will be forgiven if the project is completed as described in the application.
   b) Development subsidy should not exceed 50% of the pro-rated HDAP award or $20,000 per unit, whichever is less. Exceptions to this will be reviewed on a case-by-case basis when the applicant can demonstrate (1) that permanent financing is available at a below market rate (for example through the USDA) so that additional affordability subsidy is not necessary; and (2) the applicant must demonstrate the need for the additional development subsidy. Applicants using HDGF funds as development subsidy only must agree to either place a deed restriction or allow OHFA to place a restrictive covenant on the home for up to 15 years, depending on the amount of development subsidy used on the home.

2) Affordability Subsidy
   a) Affordability subsidy should not exceed 30% of the sale price (aka fair market/appraised value). Exceptions to this will be reviewed on a case-by-case basis. HDGF funds used as affordability subsidy will be provided to the buyer in the form of a fully forgivable loan. Collateral will be a subordinate second mortgage on each home sold. OHFA will allow a shared subordinate second position with any other government entity providing funding. HDGF funds used towards affordability subsidy are subject to recapture.
   b) The HDGF assistance is passed on to the homebuyer as a non-interest-bearing loan. Recaptured funds are to be returned to OHFA via the fund recipient (applicant). Therefore, the applicant must require the homebuyer to notify the organization of the intention to sell the property and the recipient must make a determination of whether funds must be recaptured and returned to OHFA.

Underwriting Requirements

Minimum Requirements:

1) HDGF funds may be used to provide assistance to families between 50% and 80% of the AMGI. Applicants seeking to serve a population lower than 50% AMGI may be required to provide additional information to demonstrate adequate financial resources to support this population.
2) The project budget can include up to $500 per unit (which will not be counted as part of the developer's fee percentage) payable to an HUD-approved housing

counseling provider at the closing on each HDGF-assisted homebuyer unit. However, these counseling costs must be paid from sources other than HDGF.

3) Projects will be required to support the utility allowances in the Gap Financing Application by providing documentation noted in the Minimum Requirements section of these guidelines.
4) HDGF funding requests cannot exceed the per project limits set for each of the types of HDGF projects.
5) Applicants must complete the Single-Family Housing Development Cash Flow Statement to demonstrate the flow of construction and cash from the beginning of construction to the sale of the last home in the project.

Maximum Fees:

1) Soft Cost Percentage: The project's total eligible soft costs may not exceed 35% of the project's total development costs.
2) Developer/Development Consultant Fee: Applications must evidence reasonable developer/consultant fees not to exceed 10% of the total development costs. If the applicant can evidence use of Ohio-based materials and labor (as described in the General Information section) up to 15% developer/development consultant fee will be allowed.
3) Contractor Profit, Overhead, and General Requirements: Contractor profit, overhead, and general requirements may not exceed 14% of total development costs.
4) Real Estate Broker Fees: Standard real estate broker fees will be considered an eligible development budget expense. OHFA will require supporting documentation from the applicant to support the expense, especially where the applicant serves as the developer and sales agent and collects fees for both services.

Drawing the HDGF Funds

OHFA will retain up to 10% of the HDGF award until the project is complete, all homes are sold, and the final performance report is received and approved. The recipient may be required to use its developer fee to fund the final construction costs until OHFA closes the project and releases the funds. Any increase in developer fee (from 10% to the maximum of 15%) due to the use of Ohio-based materials and labor will not be disbursed until the project is complete and the recipient has provided evidence satisfactory to OHFA that the criteria outlined has been met (see Attachments).

For additional information on drawing the HDGF, please refer to the Project Administration section of these guidelines (Item C).

Determining Development Subsidy and Affordability Subsidy

Example:
$150,000 = cost to build

$140,000 = Fair Market/Appraised Value/Sales Price (“as-built” or “as-completed”)
$110,000 = Buyer’s First Mortgage + Buyer’s Contribution to Down payment

1) Total HDGF subsidy in the project is $40,000 for this unit, assuming no other grant subsidies from other sources.
2) $10,000 of that subsidy is considered “development subsidy” (costs to build/rehab the unit minus Fair Market/Appraised Value).
3) $30,000 of that subsidy is considered “affordability subsidy” (the difference between the Sales Price and the Buyer’s first mortgage and contribution to the down payment). The recapture requirements apply to this subsidy.

IMPORTANT: OHFA will use the appraisal to determine the Fair Market Value (FMV) and Sales Price. Should the recipient set a sales price below FMV, the development gap must be covered by sources other than HDGF funds.

OHFA’S SECOND MORTGAGE MUST BE FILED WITH THE COUNTY RECORDER'S OFFICE.

The loan amount per home would be forgivable over a 15-year period as follows:
1) 100% of the loan amount per home will be forgiven prorata during a 15-year period.
2) If the property sells within the 15-year period, the portion of the OHFA loan not forgiven must be returned to OHFA upon sale of the property. If the property is sold for less than the total outstanding principal balance (primary loan + OHFA loan), based on a fair market appraisal, OHFA will waive repayment of any shortfall owed to OHFA.
3) The unit must be the principle residence of the homebuyer for the entire 15-year affordability period.

OHFA will place a restrictive covenant/deed restriction (or other acceptable documents) preventing homeowners from selling their home below market value without OHFA consent.

Any HDGF funds not eligible for development subsidy and not used as affordability subsidy must be returned to OHFA.

Foreclosure

In the event of foreclosure, repayment of the HDGF funds will be based on shared net proceeds, which may allow the homebuyer to recover some or all of any down payment and/or capital improvement investments. Net Proceeds are the sales price minus loan repayment (for loans with a priority lien position) and closing costs. The net proceeds may be divided proportionally as follows:

$$\frac{\text{HDGF Investment}}{\text{HDGF Investment + Homeowner Investment}} \times \text{Net Proceeds} = \text{HDGF to be recaptured}$$

$$\frac{\text{Homeowner Investment}}{\text{HDGF Investment + Homeowner Investment}} \quad \text{X} \quad \text{Net Proceeds = amount to homeowner}$$

Refinancing or Subsequent Sale

It is the HDGF Recipient's responsibility to work with homebuyers who wish to refinance their homes, and subsequently request OHFA to subordinate its mortgage position to the new primary lender. The rate and terms offered by the new lender must be consistent with the requirements outlined in these guidelines. The HDGF Recipient should ensure that the homebuyer knows how to contact them for such issues. OHFA will review these requests on a case-by-case basis and may impose conditions on the refinancing.

OHFA will not subordinate its position for homebuyers who wish to refinance and take "cash out" at closing. In addition, OHFA will not subordinate to a home-improvement loan, unless that loan is being taken out to address health and safety issues in the home.

Project Submission Requirements

Development Team:

<u>Minimum Requirements</u>
OHFA must be able to assess the applicant and each member of the development team to determine that each has the capacity to fulfill its responsibilities within the timeframe established by the agency and enforced through the funding agreement. Therefore, the applicant must submit the following information:

1) Ownership entities: (note, the applicant must be the majority or sole owner)
   a) Contact name and number;
   b) Resumes of key individuals (development staff, executive director, CFO, etc.);
   c) Organizational chart for the applicant of the HDGF funds;
   d) Non-profit organizations must include supporting documentation of non-profit status; and
   e) Non-profit applicants must provide a board resolution authorizing the non-profit to apply for the HDGF funds through the Ohio Housing Finance Agency. The resolution must state the amount being sought, the name of the project for which the funds will be used, and the names of the staff that are authorized to execute legal documents on behalf of the applicant; and
   f) The most recent two audited financials or a statement why audited financials have not been done.
   g) Completed Tax Information Authorization Disclosure (see Attachment). OHFA will use this to determine if any organization with an ownership interest in the proposed project has any outstanding tax liens with the State of Ohio.

h) Succession Plan, if available.

2) Developer:
a) Resumes for staff involved in the development phase; and
b) Company bio

3) General Contractor:
a) Resumes for staff involved in the project
b) Company bio

4) Consultant: (only if the project budget includes consultant fees)
a) Resume

5) Sales Agent:
a) Resumes for lead staff; and
b) Company bio

6) A signed statement identifying any identity of interests among the development team members noted above, any other individual/organization involved in the project (architect, engineer, etc.) and the seller of the property, if applicable.

7) The applicant may provide any additional information to support their capacity to develop and sell the proposed project.

Subjective Review

OHFA reserves the right to evaluate the strength and capacity of the proposed development team in determining HDGF funding awards. Applicants may submit one project during the initial funding cycle (August – December).

The subjective review will include the following:
1) Past Performance: Past experience developing affordable housing using OHFA programs as well as other affordable housing programs. The quality and success of previous developments will be taken into account.
2) Backlog/Status of Current Projects: Properties presently under construction will be considered in determining the applicant’s ability to complete the project within the timeframe of the funding agreement. OHFA will also evaluate the applicant’s performance on previously funded projects.
3) Opportunity Costs: The applicant will not be prevented from accomplishing its other key activities as a result of undertaking this development project.
4) Compatibility: The project is consistent with the mission and strategic focus of the applicant.
5) Staff Development and Capacity: Each member of the development team must have the capacity meet the responsibilities (ownership, development, construction, management) of all current projects on time and within program requirements and application commitments.

6) Financial Capacity: Audited financials will be evaluated to determine the applicant's ability to absorb cost overruns or increased costs due to construction delays.
7) Good Standing: All members of the development team must be in good standing with all OHFA programs in order to participate in the upcoming program year.
8) Succession Plan (if available): This will be given strong consideration if OHFA staff believes the Plan adequately demonstrates that a project under construction would not be delayed should a key member of the development team (the applicant, developer and/or general contractor) not be able to perform their responsibilities.

Site Control/Site Selection

An application may not be eligible if OHFA awarded HDGF to another homeownership project in the same Primary Market Area, which has not been completed and sold. OHFA reserves the right to evaluate other affordable housing projects funded through other sources (i.e. HUD, RD) under construction.

Buyer/Applicant site control

<u>Single Site Projects:</u>

1) The applicant must own the property (evidenced by a deed in their name), or must provide one of the following:
   a) Executed purchase option with a date certain performance valid for at least 180 days from the date of application.
   b) Executed purchase contract, valid for at least 180 days from the date of application.
   c) Executed long-term lease agreement (at least 99 years for CLTs).

   NOTE: Any document provided (purchase contract, deed, legal description, etc.) must include the permanent parcel number (PPN).

<u>Scattered Site Projects:</u>

1) Site control will not be required at application. However, the applicant will be required to build/rehab the homes in a defined neighborhood. The applicant must provide a map of the neighborhood with clearly defined boundaries. The neighborhood may not be an entire political jurisdiction (such as township, village, city, county, etc.) without prior approval.
2) OHFA will evaluate the neighborhood during the pre-award site visit. The final lot must be identified at least ten months prior to the Construction Completion Deadline identified in the funding agreement. OHFA may require the final lot to be identified earlier, depending on the progress of the development. Applicants who do not move in a timely manner may not be able to develop all of the homes proposed.
3) Prior to closing, the applicant must own at least one site. As lots are added, the applicant must amend the funding agreement and update the recorded

mortgage. Before OHFA will release the site from the mortgage, at least one other site must be identified and added to the mortgage.

Evidence of Proper Zoning

The applicant must demonstrate that the zoning for each site in the application on which the project will be located allows for the use(s) proposed by the applicant. Thus, at a minimum, the zoning designation for each site must allow residential use.

Applicants must include:

1) A letter from the local jurisdiction confirming the zoning that must include the following:
   a) The actual zoning designation and a description of this designation; and
   b) Any density and/or lot coverage requirements; and
2) If a conditionally permitted use, explanation of the conditions to be met for the project to be considered a permitted use; and
3) A description of any overlay or planned development district regulations that would place further conditions the development of the project.
4) For jurisdictions with no zoning regulations in effect, a letter from the jurisdiction documenting both the lack of zoning and that the proposed project does not conflict with any other development restrictions imposed by jurisdiction.

OHFA must be able to match the evidence of appropriate zoning with the documentation provided for site control (street address, PPN, legal description) and with the site roster provided in the application.

Timeframe:

Single-Site Projects:	Zoning information will be required at application.
Scattered Site Projects:	Zoning information will be required prior to OHFA's approving a parcel.

Color Photographs

1) The applicant must submit 4 color photographs of each site (on paper or disk) as follows:
   a) From the east looking towards the site;
   b) From the west looking towards the site;
   c) From the north looking towards the site; and
   d) From the south looking towards the site.

2) Timeframe
   a) Single Site Projects: Photos will be required at application.
   b) Scattered Site Projects: approval of a Photos will be required prior to OHFA's parcel.

Street Level Map and Site Plan

1) Single Site Projects

a) The map should be at "street level" and identify nearby roads/highways/streets. In addition, the applicant should identify North, South, East, and West and where the photographer stood to take each picture. Applicant should identify any landmarks, prominent buildings/businesses, etc.
b) The site plan must show how the home is to be built. This plan must indicate the placement and orientation of the home, landscaping, amenities, easements, etc.

2) Scattered Site Projects
   a) As each site is approved by OHFA, the applicant will be required to provide both a street level map and Site Plan.

NOTE: The photographs and Project/Site Map will be used solely to assist staff when conducting the site visit.

<u>Site Assessment</u>
The applicant must complete and submit the Site Assessment Survey (see Attachments) for each site in the project.
a) Single Site Projects: Assessment will be required at application.
b) Scattered Site Projects: Assessment will be required prior to OHFA's approval of a lot.

<u>Project List</u>
The applicant must provide a list of all affordable projects currently under construction in the Primary Market Area (PMA) of the proposed project. The PMA will be defined by a market study, if one was required or prepared. The applicant must define the primary market area and explain how this area was determined to be the primary market area.

<u>Additional Information</u>
The applicant may provide any additional information to demonstrate the excellence of the site selection.

<u>Subjective Review</u>
OHFA staff will conduct a pre-award site visit to evaluate the proposed site for the project based on the Site Assessment Survey (see Attachments) and other documentation provided by the applicant.

Marketability

<u>Minimum Requirements</u>:
Applicant must be able to demonstrate that there is adequate demand for the type of housing proposed in the project's PMA among eligible, income-qualified households.
<u>Additional Information</u>:
The applicant may provide any additional information to demonstrate that a market exists for the proposed project.

Subjective Review:
In evaluating the data/documentation, OHFA will, at a minimum, consider the nature of the data, the source/objectivity of the data, and the ability to verify the data.

Project Design

1) Architectural Submissions
   a) The applicant must submit preliminary plans and specifications that provide a description of the proposed development. All projects should submit the following:
      i) Typical unit plan, including square footage (staff must be able to determine the square footage of the living space, garage, storage, and community/common space);
      ii) Building elevation (photographs are acceptable for rehabilitation projects);
      iii) Site plan (scattered site projects exempted);
      iv) Detailed scope of work (rehabilitation projects only); and
      v) Completed Development Features Agreement.

2) Appraisals
   a) Applications must include an appraisal with their application completed by an independent, third-party appraiser licensed by the State of Ohio, which includes a conclusion on the fair market value of land and/or buildings to be acquired for the project in an "as-is" and an "as complete" state.
   b) The purchase price should be equal to but no more than the appraised value. If the purchase price is greater then the appraised value, the applicant must explain why. OHFA reserves the right to limit funding of acquisition costs to the appraised value of the site.
   c) Appraisals cannot be more than six months old at the time of application.

3) Affirmative Marketing Plan
   a) OHFA must ensure that all funded projects are affirmatively marketed. A completed Affirmative Fair Housing Marketing Plan with required attachments must be submitted in the HDGF application.

4) Lead-Based Paint Strategy (Rehab projects only)
   a) All projects must address any lead-based paint in proposed projects. All projects that involve the demolition and/or renovation of structures built prior to 1978 must submit a lead-based paint strategy that includes the following:
      i) Indication of whether or not the property(ies) has(have) been tested for lead-based paint.
      ii) If the units/buildings have been tested, description of the test results. If the project has not been tested, description of how an estimated cost for testing was derived and demonstration that these costs were incorporated in the project's development budget.
      iii) Description of how the cost to treat lead-based paint will be covered by the project budget, and how the cost to treat lead-based paint was estimated.
      iv) Description of the availability of licensed lead testers, contractors and workers in the area, and if there is a shortage of licensed personnel, how might that effect the construction of the project in regards to the timeline and the strategies that will be used to find licensed personnel

5) CHIS/Consolidated Plan Certification of Consistency
   a) Projects must be consistent with any local housing plan (either the locality's Comprehensive Housing Improvement Strategy – CHIS) or Consolidated Plan. If no local plan exists, the project must evidence consistency with the State of Ohio's Consolidated Plan. Projects located in villages and townships must evidence consistency with local housing plans for the county in which they are located.

6) Site and Neighborhood Standards for New Construction Projects
   a) New construction projects must meet the site and neighborhood standards found in 24 CFR 941.202

7) Universal Design Requirements
   a) In addition to the universal design features required by OHFA, applicants must provide at a minimum five structural and five non-structural universal design features in each unit. Applicants seeking funding for acquisition and/or rehabilitation may request a waiver for the additional five structural features. At the time of proposal, OHFA reserves the right to require additional non-structural features. All universal design features must be identified on the Development Features Agreement.

8) Minimum Project Design Requirements
   a) Each home must include the following:
      i) Homes with three or more bedrooms must include at least one full bath and one half bath.
      ii) A bathroom or half bath on the main floor with clear floor space of 30 inches by 48 inches.

b) Energy-efficient (Energy Star, if available) stove and refrigerator. If other appliances are provided, they must also be energy-efficient (Energy Star, if available);
   i) Central air conditioning;
   ii) Added security on sliding glass doors;
   iii) Cable and phone jacks in the living room and all bedrooms;
   iv) Bedrooms must be at least 8' X 10' (large enough for a twin bed and a dresser);
c) A project that sets-aside units that serve a unique population (MR/DD, Mobility and/or Sensory Impaired, or Severe and Persistent Mental Illness) must provide letters of support from a local organization that provides services to the population. The letter must be dated within six months of the HDFG application and include:
   i) The name and location of the property;
   ii) The name of the applicant;
   iii) The population being served;
   iv) Support for the project and the applicant; and
   v) Acknowledgement that the units are needed and a market does exist.

9) <u>Homeownership Counseling</u>
   a) The applicant must identify the organization(s) that will be providing homeownership counseling services to prospective homebuyers along with documentation (brochures, etc.) from the organization(s) describing the courses provided and the qualifications of the trainers. Counseling services must be provided by a HUD-approved counseling agency.

<u>Additional Information</u>
The applicant may provide any additional design features not required by OHFA.

<u>Subjective Review</u>
OHFA will evaluate the projects design in comparison to other developments in the area including the universal design package as a whole and how it meets the needs of the population being served.

Financial Feasibility

The application will be reviewed for financial feasibility. The applicant will be notified of any deficiencies noted in the financial analysis of the project. The project may not be considered for funding if deficiencies are not corrected within the required period.

1) Financial Commitments
   All sources of construction funding for a project are to be committed or conditionally committed at the time of application. The application must include commitment letters dated within 90 days of the application date. OHFA expects that the term noted in the financial commitments will be for the full construction period (construction financing). The letters must specify:
   a) The amount of financing;

b) A statement that the funds are firmly committed to the project;
c) Whether the financing is in the form of a loan or a grant;
d) The project name and address;
e) If financing is a loan, the rate, term, and amortization, indicating if the financing is payable in monthly installments of principal and interest or interest only, payable as cash flow permits, deferred, forgivable, etc.;
f) If the interest rate is variable, the letter must estimate what the rate would be if the loan were awarded at the time the commitment letter was prepared.
g) Letters committing government funds must include the source of funds (i.e. CDBG, HOME, general revenue, local trust funds) and must indicate whether all or a portion of the monies committed to the project are being used to meet the local government's matching requirement; and
h) The name of the contact person and phone number for the funding source.

2) Applicants must complete the Single Family Cash Flow Spreadsheet
   a) Projects must demonstrate positive cash flow during the construction phase.

3) Project financing must be consistent throughout the application, including all sections of the Proforma and related spreadsheet.

4) Qualified Cost Estimates
   a) Itemized cost estimates from an unrelated third party are required to substantiate the construction costs in the development budget. To be an unrelated third party, there can be no identity of interest between the organization providing the qualified cost estimates and any organization with an ownership interest, including the developer, the general contractor, and any member of the development team, their subsidiaries, or affiliates (the project architect may submit the estimate). The estimates must be current, submitted on letterhead, and must be signed by the organization providing the estimate.
   b) Estimates must also indicate the status of the design process (i.e. preliminary drawings, working drawings with outline specifications, full-scale drawings and specifications, etc.).
   c) The unrelated third party must indicate which standards/codes were used in developing the cost estimates (see the Project Administration section of these guidelines).
   d) The unrelated third party must submit a signed statement certifying that the cost estimates for any rehabilitation work being done are sufficient to meet the Ohio Department of Development's Residential Rehab Standards (RRS). To obtain additional information about the RRS, contact the Office of Housing and Community Partnerships at 614-466-2285.
   e) If any member of the development team or ownership has an identity of interest with the entity providing the qualified cost estimate, the identity of interest relationship must be disclosed.

5) <u>Utility Allowance Documentation</u>
   a) Each application must contain documentation indicating the current utility allowances for units comparable to the proposed project's units. The

applicant can provide the published utility allowances used by the local Housing Authority for the location in which the project is located. Utility schedules for each unit size in the project must be provided. Unless required to use housing authority utility allowances by another funding source, the applicant can also provide signed cost estimates from the local utility providers (or other source approved by OHFA) indicating an estimated monthly cost for the utility at the proposed project per unit size.

6) Wage Rate Compliance
   a) The applicant will be responsible for compliance with state and federal wage rates that may be applicable to the project. Appropriate wage rates need to be factored into the applicant's construction budget. Questions regarding the applicability of state prevailing wages should be referred to Department of Commerce (Wage & Hour Bureau) at 614-644-2239. The number of HOME-assisted units in the project will determine the applicability of federal wage rates for the project. Twelve or more HOME-assisted units trigger federal Davis-Bacon wage rates. Questions regarding the applicability of federal prevailing wage (Davis-Bacon) should be referred to the Office of Housing and Community Partnerships at 614-466-2285.

7) Uniform Relocation Act Relocation Standards Documentation
   a) Relocation Forms:
      i) All applicants must supply the "Real Property Acquisition and Relocation Certifications and Voluntary Acquisition Forms" for the project as follows:
         (1) All HDGF applicants must submit a completed URA Attachment J "Questionnaire on Acquisition, Relocation, and Demolition."
         (2) For all projects involving acquisition (if the project shows acquisition costs for buildings in the project budget), the applicant must submit a completed URA Attachment K "Real Property Acquisition and Relocation Certifications," and a
         (3) complete URA Attachment L "Sample Voluntary Acquisition Form" for each seller of land and/or building acquired for use in the project and must retain these completed forms with original signatures on file, for review by OHFA staff.
      ii) Each application will be reviewed for compliance with Ohio Department of Development Relocation Policies, the Uniform Relocation and Real Property Acquisition Policies Act of 1970 and Section 104(d) of the Housing and Community Development Act. Any non-compliance issues will be brought to the attention of the applicant and must be resolved prior to execution of the HDGF funding agreement.

8) Relocation Plan
   a) All projects, regardless of funding source, that involve the rehabilitation of (an) existing occupied unit(s) must submit a Relocation Plan. If the project receives federal funds, the plan must meet the requirements set forth in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

b) The Relocation Plan submitted with the HDGF application must address the following:
   i) During renovation, residents will: (1) stay in place, (2) be temporarily relocated within the project, (3) be temporarily relocated off-site, (4) be permanently relocated. The applicant may choose a strategy that includes a combination of (1)-(4).
   ii) If some or all residents will stay in place, the applicant must describe the rehabilitation items to be completed and strategies to complete those items without requiring resident relocation.
   iii) If residents will be temporarily or permanently relocated, the applicant must describe what resources are anticipated to be needed to accomplish the relocation (including the applicant's basis for estimates for the cost of relocation), the notices that will be provided to residents, how the applicant will staff relocation activities, where residents will be relocated, estimation of how long residents will be at another location, and source of funds to cover the cost of relocation activities.

9) Evidence of Submission to the Local Clearinghouse
   a) OHFA is aware that local clearinghouses are not required to review housing related applications. However, many wish to do so. Therefore, the applicant must provide a copy of the cover letter the applicant sent to the local clearinghouse accompanying one copy of their HDGF application and a post office-stamped return receipt or signed return receipt card evidencing that the application was submitted to the local clearinghouse (see Attachment).

11) Additional Information
   The applicant may provide any additional information to demonstrate the financial strength of the proposed project.

Subjective Review

OHFA will evaluate the applicant's ability to move forward based on the level of commitment and/or conditions placed on the funding commitments and the status of the design process identified in the Qualified Cost Estimate.

OHFA may request to review the bids from the general contractor selected.

Subsequent Documentation

If the project is approved by the OHFA Board, the applicant must provide the documentation necessary to complete a Mini Phase I (MPI):

Environmental Review Documentation
Projects funded with State Trust Funds:

These projects will be subject to the Mini Phase I (MP1) review. The documentation required is detailed in the Mini Phase I Scope of Work/Questionnaire found in the Attachment. This information may be sent directly to the environmental review firm working with OHFA.

Fees

Application:

• Non-refundable application fee:	$100
• Deficiency fee – initial review:	$25 per deficiency up to $250 starting with the sixth deficiency noted.
• Subsequent submission fee:	$100 along with fees for deficiencies

Post approval:
OHFA reserves the right to assess fees for the following:

• Amendments to a funding agreement:	$ 500 per request
• Extensions of a funding agreement:	$ 500 per extension
• Reinstatement of a funding agreement:	$ 1,000

CLOSING THE HDGF LOAN/GRANT

OHFA has instituted the following procedures for closing on the award of funds through the HDGF (HDGF):

1) The HDGF Recipient must print the HDGF Closing Checklist from the OHFA Website at: http://www.ohiohome.org/hdap/closingchecklist.doc
2) The HDGF Recipient must forward a complete closing packet to:
   Ohio Housing Finance Agency
   Legal Department
   57 E. Main Street
   Columbus, Ohio 43215
3) The HDGF Closing Packet must include the following, in order:
   a) Completed Checklist,
   b) Formal letter requesting the closing of the HDGF Award, and
   c) All other documents required in the checklist in the order they appear on the checklist, including special conditions listed below (tabbed sections would be helpful).
   d) Special Conditions: Documentation to satisfy any special conditions noted in the Attachment A of the funding agreement.

Subsequent Changes

The HDGF-Recipient is required to notify OHFA immediately and request approval of any changes that occur in the project at any time during construction or during the affordability period. Such changes include, but are not limited to, changes in the development team (developer, general contractor, sales agent/management entity, etc.); changes in the number of units or unit mix; changes to the target population, etc.

The request should be sent to the OHFA analyst assigned to the project at:

Ohio Housing Finance Agency
57 East Main St.
Columbus, OH 43215

The request may also be sent through email as a PDF document.

PROJECT ADMINISTRATION

Introduction

The Project Administration office works with HDGF recipients from underwriting through the completion of the project.

When funding awards are announced, the analyst assigned to the project will provide recipients with a copy of the Project Administration Manual and will continue to work with the project throughout the construction and HDGF close-out process. This Manual is available by download from the OHFA web site.

Required Timeframe

Construction must begin on the project within 12 months of the date the HDGF funding agreement is signed. If acquisition of land/buildings is proposed, acquisition must occur within 12 months of the date the HDGF funding agreement is signed.

> Commencement Date: defined in the first paragraph of the agreement, the date the agreement is signed by the Ohio Housing Finance Agency.
>
> Construction Commencement Deadline: No later than 12 months from the Commencement Date.
>
> Final Site/Lot Approval Date (Homeownership Scattered Site): November 1, 2011
>
> Project/Construction Completion Deadline**:** September 1, 2012
>
> Final Draw Deadline: October 31, 2012
>
> Final Performance Report Deadline: December 21, 2012

Drawing on the HDGF award

1) Rental Development:
   a) OHFA will retain up to 10% of the HDGF award until the project is complete and the final performance report has been approved. The recipient may be required to use its developer fee to fund the final construction costs until OHFA closes the project and releases the funds. In addition, any additional HDGF funds awarded to incentivize recipients to use Ohio-based products or labor will not be disbursed until the project is complete and the recipient has provided evidence that the criteria in the guidelines have been met.
   b) If HDGF funds are used for developer fee, it must drawn proportionate to the amount of constructions completed (e.g. 50% of the project is complete –

50% of the developer fee may be drawn). OHFA may place further restrictions on how funds be drawn based on the experience of the applicant.

2) Homeownership Development:
   a) OHFA will retain up to 10% of the HDGF award until the project is complete and the final performance report has been approved. The recipient may be required to use its developer fee to fund the final construction costs until OHFA closes the project and releases the funds. In addition, any additional HDGF funds awarded to incentivize recipients to use Ohio-based products or labor will not be disbursed until the project is complete and the recipient has provided evidence that the criteria in the guidelines have been met.

   b) Recipients may draw a pro-rated amount of the HDGF sufficient to construct the first two homes in a project. OHFA will allow one home to be maintained as a model to show to potential homebuyers. However, before any additional funds may be drawn, the applicant must evidence a qualified homebuyer for the second home originally built in addition to another home. From this point on, the applicant may not draw without evidencing a qualified homebuyer. The draw request for the final home must include two qualified homebuyers: one for the final home being constructed and one for the model home.

   c) The applicant must submit the following to evidence a qualified homebuyer:
      i) OHFA homebuyer workbook with evidence of income,
      ii) A purchase agreement with the homebuyer,
      iii) A commitment letter from an eligible lender detailing the anticipated mortgage loan amount, the rate, term, amortizations and any prepayment penalties of the mortgage.
      iv) Evidence that the homebuyer has successfully completed homeownership counseling. Applicant should include a course description from the counseling service to verify that all of topics required by OHFA have been covered.

LONG-TERM COMPLIANCE REQUIREMENTS

The Ohio Housing Finance Agency (OHFA) requires that recipients commit to rent and income occupancy and affordability restrictions on rental and homeownership units funded in part by the HDAP as a condition of the award of funds. OHFA imposes the binding commitments to ensure that the HDAP Recipient meets the intent of state and federal program laws and regulations with respect to serving low-income households. HUD mandates that OHFA report information annually regarding the use of state and federal funds awarded for permanent and transitional housing. The Ohio Department of Development (ODOD) has created the Consolidated Plan Annual Performance Report to relay information to HUD on all of the ODOD housing programs.

The HDAP Recipient will gather data using the HDAP Resident Data tab in the Owner's Report section of the OHFA Compliance Tool or the Gap Financing Resident Data Report. The completed report and Gap Financing (HDAP/HOME/OHTF) Owner/Sponsor Certification will provide general project information (i.e. current gross rent/utility allowances, any change in ownership), characteristic information for each new household that has moved into the project or purchased a home during the report period, and documentation verifying compliance with Fair Housing, Civil Rights, EEO and the Affirmative Marketing Strategy.

The Compliance Tool is available by download from the OHFA web site. The reporting period is the previous January 1st to December 31st. The completed HDAP Owner's Report and Certification is generally due on March 1st of each year. Failure to submit the required reports may make a recipient ineligible to receive future HDAP funding and result in a Hold on Funds being placed on all existing awards until the recipient complies with the reporting requirements.

OHFA will conduct on-site evaluations periodically to verify the information submitted using the Compliance Tool and ensure compliance with the occupancy and affordability restrictions as agreed upon.

The following are some of the requirements that OHFA monitoring staff will be reviewing for compliance, in addition to others outlined in the OHFA Compliance Handbook:

Definition of Income:

- Owners and managers must use the Section 8 definition of income for HDAP-assisted units.

Income Verifications:

- The verification of income must be completed no more than 120 days prior to the resident's occupancy of the HDAP-assisted unit. Income must be projected forward, including any anticipated raises, overtime, bonuses, etc. over the coming year (not over the prior year).

Reporting:

- Owners and managers must report on occupancy and affordability to OHFA on an annual basis using the OHFA required report formats. For homeownership projects, once the units are sold and the participant buyer's income verified, the applicant must annually report any change in ownership/occupancy of the units only.

Fixed/Floating Units:

- OHFA assumes all assisted units will be floating. Designating the assisted units as floating offers the owner/manager flexibility in managing the project. Developers can request to designate assisted units as fixed units within the project .

Re-certifications for Rental Projects:

- A full re-certification (including third-party verification of income and assets) must be completed at move in and every six years thereafter, for each resident household. However in interim years, the owner can use a tenant income certification based on a self-declaration of income and assets.

Tenant Selection Process:

- All owners and managers must have a written tenant selection process that is in compliance with all applicable Fair Housing/Affirmative Marketing regulations. OHFA staff may monitor the applicant to ensure that there is a written process, that the process complies with Fair Housing/Affirmative Marketing, and that the process is being followed by the management agent/sales agent.

Section 8 and Assisted Units (Housing Credit Gap/Tax-Exempt Bond Gap/Rental/Lease-Purchase during the lease period and Preservation):

- HDAP-assisted units within the project cannot charge the applicable Section 8 voucher/certificate payment if that payment standard exceeds the High or Low HOME rent (whichever is applicable).
- For HDAP-assisted units with project-based Section 8, the project can collect the project's contract rents on those HDAP-assisted units ***only*** if the resident of the HDAP-assisted unit has an income that is at or below 50% of the area median income.

Leases:

- Leases cannot contain any lease provisions prohibited by the HOME program detailed in 24 CFR 92.253(b).

CONTACT NAMES

OHFA STAFF

Project Administration / HDGF

Karen M. Banyai, Manager	614-752-4185	email:	kbanyai@ohiohome.org
Doug Armitage	614-387-1657	email:	darmitage@ohiohome.org
Virgie Vaido	614-995-4511	email:	vvaido@ohiohome.org
Matthew Wootton	614-387-1646	email:	mwootton@ohiohome.org
Jim Evans	614-728-2337	email:	jevans@ohiohome.org
Kathy Berry, Support Staff	614-466-0400	email:	kberry@ohiohome.org

Legal Department (Loan Closings):

Debbie Macioce	614-995-4513	email:	dmacioce@ohiohome.org

FAX Number for all of the above: 614-466-0606

Program Compliance

Todd Carmichael	614-466-2912	email:	tcarmichael@ohiohome.org
Betsy Krieger	614-387-1661	email:	bkrieger@ohiohome.org
Ed Wylie	614-728-4271	email:	wwylie@ohiohome.org
T.J. Burgess (Affirmative Fair Marketing)	614-995-0306	email:	tjburgess@ohiohome.org
Christine Bennett (Training)	614-387-1663	email:	cbennett@ohiohome.org
FAX Number:	614-995-0295		

Homeownership (First-Time Homebuyer Program):

Tom Walker	614-466-9920	email:	twalker@ohiohome.org

OFFICE OF HOUSING AND COMMUNITY PARTNERSHIPS 614-466-2285

- Lead-Based Paint Guidelines
- Ohio Dept. of Development's Residential Rehab Standards
- Federal Davis-Bacon Wage Rates

Department of Commerce, Wage & Hour Bureau 614-644-2239

- State Prevailing Wage Rates

USEFUL WEBSITES

Ohio Housing Finance Agency www.ohiohome.org

Ohio Department of Development www.odod.state.oh.us/

Office of Housing and Community Partnerships www.odod.state.oh.us/cdd/ohcp/

Department of Housing and Urban Development www.hud.gov/

HUD's Rent & Income Limits
http://www.hud.gov/offices/cpd/affordablehousing/library/index.cfm

HUD's Participating Jurisdictions
http://www.hud.gov/offices/cpd/affordablehousing/programs/home/contacts/index.cfm

Metropolitan Statistical Areas (MSA's) in Ohio
http://lmi.state.oh.us/Maps/MapofMSAs.htm

Code of Federal Regulations (Title 24-Housing & Urban Development; Section 92=HOME)
http://www.gpoaccess.gov/ecfr/

Building HOME: A HOME Primer
http://www.hud.gov/offices/cpd/affordablehousing/library/building/index.cfm

HUD's Office of Single Family Housing - Ohio
http://www.hud.gov/local/oh/working/localpo/sfhsg.cfm
HUD-approved housing counseling agencies

HUD – Buying a Home
http://www.hud.gov/buying/index.cfm

Fair Housing Laws and Executive Orders
http://www.hud.gov:80/offices/fheo/FHLaws/index.cfm

HUD People with Disabilities Link
http://www.hud.gov/groups/disabilities.cfm

Ohio Civil Rights Commission
http://www.state.oh.us/crc/

ODOD/OHCP Civil Rights Link:
http://www.odod.state.oh.us/cdd/ohcp/CivilRights.htm
Includes:

- 2008 Ohio Fair Housing Contacts (pdf)
- Guidelines for Ensuring Equal Treatment of Faith-Based Organizations Participating in the HOME, CDBG, HOPE 3, HOPWA, Emergency Shelter Grants, Shelter Plus Care, Supportive Housing, and Youthbuild Programs (doc)
- Joint Statement of the Department of Housing and Urban Development and the Department of Justice: Reasonable Accommodations Under the Fair Housing Act
- U.S. Department of Housing and Urban Development Section 3 -- Economic Opportunities
- Substantive and Procedural Limitations on Filing and Investigating Fair Housing Complaints That May Implicate the First Amendment (doc)
- Affirmative Fair Housing Marketing Guide (pdf)
- The History of Fair Housing as a Civil Right in the State of Ohio (pdf)
- HUD's Fair Housing and Lead-Based Paint Memorandum (pdf)
- Analysis of Impediments to Fair Housing Choice Memorandum (pdf)
- Accessibility Notice for Housing Programs (pdf)
- Accessibility Notice for Non-Housing Programs (pdf)
- How to Analyze Impediments to Fair Housing and Develop a Plan Guidebook (pdf)
- Affirmatively Furthering Equal Housing Opportunity Manual (pdf)

Buying Your Home – HUD Booklet
http://www.hud.gov/offices/hsg/sfh/res/stcosts.pdf

Ohio Department of Commerce, Office of Consumer Affairs (Predatory Lending Issues)
http://www.com.state.oh.us/ODOC/dfi/consumeraffairs.htm

Ohio Department of Commerce, Division of Labor and Worker Safety
http://www.com.ohio.gov/laws/