

THE FFACT50 BUILDING OPPORTUNITY FUND

OHFA will set aside a total of \$9 million in HTC in years 2019, 2020 and 2021 for the FFACT50 Building Opportunity Fund (FFACT50) to further the creation of diverse and accessible communities. During that three year period, each of Ohio's three largest cities will be permitted to commit up to \$3 million from this fund for eligible projects within the boundaries of one eligible Target Area Plan (TAP).

To draw down funds, cities must demonstrate that either (1) building permits or (2) certificates of occupancy were issued for an equivalent number of newly constructed residential, market-rate rental units or newly constructed for-sale housing units within the TAP within the eighteen months preceding the development application to OHFA. For these purposes, "market rate" is defined as units that are not rent or income restricted and are available to the general public. Any market-rate unit that is included within the proposed development may be used to satisfy this requirement. The city may not submit both building permits and certificates of occupancy for the same units on different occasions; they may only use a market-rate unit once, regardless of the method.

HDAP financing is only permitted for HOME set-aside eligible developments, contingent on availability. Applicants may seek HDL, contingent on availability.

Step One: Cities Elect to Participate in the Program

No later than September 28, 2018, each eligible city must submit an executed letter of intent to participate in the FFACT50 program signed by the appropriate chief administrative officer.

By electing to participate, each city will forfeit all Local Development Priorities for years 2019, 2020 and 2021. OHFA reserves the right to waive or modify this forfeiture in program years 2020 and/or 2021.

A city's election to participate does not prohibit developers' from seeking funding for sites located within those cities but being developed with HTC resources distributed outside the FFACT50 fund.

For any eligible city that chooses not to participate, OHFA will reallocate \$1 million in credits from the FFACT50 fund to the Strategic Initiatives pool for each year through 2020. OHFA will distribute any FFACT50 funds that are not committed by the end of 2021 application cycle or that are otherwise waived for forfeited by the local jurisdiction through the Strategic Initiative pool.

Step Two: Cities Submit and OHFA Approves the Target Area Plan(s).

Each city may submit to and receive approval from OHFA for one TAP. TAPs must be approved by OHFA prior to committing any FFACT50 funds to individual developments. Once approved, the geographic boundaries of TAPs may not be amended, altered or substituted.

All TAPs shall meet the following requirements:

- Must meet all requirements set forth in the 2019 QAP for a Revitalization Plan;
- TAPs may, but need not, identify proposed HTC developments.
- TAPs must be geographically limited to a single neighborhood with boundaries that are generally accepted by the community and will likely be less than two miles east-west or north-south;
- Each TAP must include at least one high-impact partnership designed to promote resident wellbeing and neighborhood success which may include but is not limited to a school district, anchor institution, social service provider, philanthropic organization or legal rights or advocacy organization;
- Each TAP must establish, identify, or otherwise incorporate a detailed competitive selection process for how FFACT50 developments will be solicited, reviewed and committed;
- Each TAP, or the cover letter thereto, must specify how the TAP responds to the conditions and objectives identified in the city's Affirmatively Further Fair Housing analysis or Analysis of Impediments, whichever is most recent; and
- Each TAP must create or otherwise empower a committee that is responsible for advising and consulting on TAP implementation and serves as a single point of community contact to partners and potential funders regarding the TAP. The committee must include, but is not limited to, low-income neighborhood residents.

OHFA reserves the right to consult with relevant experts and/or local residents when reviewing each TAP to ensure it meets the intent of this QAP. OHFA may require modifications prior to approving a TAP to ensure it meets all requirements.

Step Three: Cities Competitively Select Developments and/or Developers

Each city must adhere to the competitive selection process identified in the TAP. Project developers must submit an application to the city in the format they proscribe. All applications and any documents related to the competitive selection process shall be made available for public inspection upon request. Upon selection, cities will provide a commitment letter that specifies the amount of FHAct50 funds it is committing to the project. The commitment letter must also contain proof of leveraged market rate units.

Cities may commit funds on any schedule they determine necessary to furthering the TAP goals (all commitments may evenly distributed through the three-year period, or may be skewed to the back-end to permit additional planning and stakeholder engagement). Cities may choose any number of developments that are necessary to further the TAP goals.

At least 50 percent of affordable units must be in developments dedicated to serving a family population.

Step Four: Developers Submit and OHFA Approves Individual Projects.

Projects nominated by the cities will not be scored competitively; in lieu of scoring, applicants must provide a copy of the city's commitment letter. Developments will be submitted in final application format, similar to a non-competitive application. OHFA will accept FHAct50 final applications from August 1 to August 15 in 2019, 2020 and 2021.

Developments must meet the all QAP General Requirements and HTC Requirements unless specifically exempted. Developments must also meet all criteria set forth in the [Underwriting and Implementation Guidelines](#) and [Design and Architectural Standards](#). Lease-purchase, substance abuse recovery and assisted living developments are not permitted.

Developments selected under the FHAct50 will not count against the developer application limits.

The following project-level requirements apply:

- Each project must have a local place-based¹³, nonprofit owner with a 25 percent General Partnership interest;
- For New Affordability developments, costs are limited to \$18,000 credits/unit;
- For Preserved Affordability developments, costs are limited to \$11,000 credits/unit;
- For family developments, no more than 25 percent of affordable units may be one-bedroom. Five percent of all units must be three-bedroom or larger and also be affordable to those earning 60 percent AMI or less;
- For senior developments, no more than 25 percent of affordable units may be two-bedrooms. Three-bedroom or larger affordable units are not permitted;
- All newly constructed affordable units must meet the Aging in Place requirements;
- One-for-one replacement is required for demolition of currently affordable units that have place-based rent and/or income restrictions; and
- All currently affordable developments that have place-based rent and/or income restrictions must consult with residents on redevelopment plans.

Following underwriting approval, developments will progress through the constructing monitoring and program compliances stages per usual. Participants agree to cooperate in any data collection and/or reporting requirements OHFA deems necessary for efficient program evaluation.

¹² The nonprofit shall hold an integral, on-going and relevant position in the TAP and engage with the residents and businesses in the TAP to enhance the quality of life for the people who live there. This criteria will be evaluated in the same manner OHFA evaluates CHDO applicants; however, the nonprofit need not be a certified CHDO organization.