ohfa
OHIO
Housing Finance Agency

HOUSING CREDIT PROGRAM
QUALIFIED ALLOCATION PLAN

2011

OHIO HOUSING FINANCE AGENCY

Letter From the Governor

July, 2010

I am pleased to present the Ohio Housing Finance Agency's (OHFA) 2011 Qualified Allocation Plan (QAP). This plan provides detailed information to use as you apply for available housing tax credits.

The Housing Credit Program increases the supply of quality, affordable rental housing using federal income tax credits. Housing credits offset the federal tax liability of an individual or corporation and provide incentives for the development of affordable housing. These credits create equity to assist with the costs of building acquisition, new construction and substantial rehabilitation.

OHFA evaluates the housing needs throughout the state and identifies strategies to provide affordable housing for Ohio residents. OHFA has awarded approximately $393 million in housing credits to more than 1,527 properties, resulting in the creation of more than 83,000 affordable housing units. Strong public and private sector partnerships ensure the creation and maintenance of quality, rental housing.

I encourage you to apply for the assistance available through OHFA's Housing Credit Program and help open the doors to an affordable place to call home for Ohio residents.

Sincerely,

Ted Strickland

Ted Strickland

Governor, State of Ohio

I. General Program Information

A. Introduction

The Housing Credit (also known as the Low-Income Housing Tax Credit) is a tax incentive program designed to increase the supply of quality, affordable rental housing. These federal income tax credits offset the building acquisition, new construction, or substantial rehabilitation costs for rental housing developments. Since 1987, the Ohio Housing Finance Agency (OHFA) has used the Housing Credit Program to facilitate the development of over 83,000 affordable rental housing units in Ohio.

The Internal Revenue Service (IRS) regulations for the Housing Credit Program can be found under Section 42 of the Internal Revenue Code (IRC). It is the responsibility of the applicant to be knowledgeable of Section 42 of the IRC, regulations and administrative documents (rulings, notices, and procedures), and all relevant materials published by the IRS. OHFA strongly encourages all applicants to seek experienced legal and accounting advice in order to comply with all program requirements.

The Qualified Allocation Plan (QAP), described under Section 42(m) of the IRC, contains OHFA's procedures and policies for the distribution of the state's allocation of Housing Credits. The QAP may be subject to change, pending developments in federal and state legislative requirements and/or OHFA policy.

B. Description of the Housing Credit

The Housing Credit was created by Congress in 1986, replacing earlier federal tax incentives for the development of affordable rental housing.

Housing Credits are used to offset an individual or corporation's federal income tax liability. The amount of Housing Credit received can be subtracted on a dollar-for-dollar basis from the federal income tax liability.

The Housing Credit is received each year for 10 years - the period the taxpayer claims the Housing Credit on his/her federal income tax return. The owner must maintain income and rent restrictions continuously for 15 years - this is the compliance period. Additionally, the owner must enter into an extended use period of an additional 15 years by filing a Restrictive Covenant on the project with the County Recorder.

The taxpayer may claim the Housing Credit beginning either with the taxable year in which the building is placed-in-service, or in the following year at the owner's election (or OHFA's determination, if necessary). The allocated Housing Credit amount taken by the taxpayer is based on the portion of the building occupied by low-income residents at the end of the first year of the Housing Credit period.

C. Federal Program Requirements

The following are brief descriptions of the federally-mandated program requirements. The list does not include all rules and requirements. Applicants should refer to Section 42 of the IRC for more information.

Income Targeting

A project qualifies for the Housing Credit if at least 20% of the project is occupied by households with incomes at or below 50% (20/50 projects) of the Area Median Gross Income (AMGI) or at least 40% of the project is occupied by households with incomes at or below 60% (40/60 projects) of the AMGI. The AMGI limits are published annually by the U.S. Department of Housing and Urban Development (HUD). Incomes are adjusted by household size. OHFA has provided the income limits by county (see Exhibit A.)

Rent Restriction on Units

The rent limits are based on the income limits and the number of bedrooms in a unit. Rent subsidies paid on behalf of the resident (such as Section 8 program payments) and overage defined by the USDA Rural Development (RD) 515 program are not included in gross rent calculations. Gross rent includes a utility allowance for the utilities paid by the resident, and any non-optional charges.

In order to assure the units are rented at the specified level elected at application, OHFA requires owners to file a Restrictive Covenant in the County Recorder's office where the project is located. The Restrictive Covenant details the restrictions on rent, as well as the term of affordability. Furthermore, the Restrictive Covenant also includes restrictions on the income levels the project is targeting per the election the owner selects in the application.

Utility allowance information is obtained from HUD or the Public Housing Authority in the county where the project is located, or based upon any policies and procedures established by OHFA. Please refer to Treasury Regulation 1.42-10 for more information. For a USDA RD 515 project, the utility allowance can be obtained from the Rural Development office.

Extended Low-Income Use

Income and rent limitations must be maintained for a minimum period of 15 years and through the extended use period, which is an additional 15 years. Project owners must enter into an extended low-income use agreement with OHFA.

IRS Revenue Ruling (2004-82) indicates that residents of a project that received Housing Credits may not be evicted without good cause. OHFA intends to enforce this restriction along with all other IRS compliance regulations. The definition of good cause may be found at 24 CFR § 247.3 of the Code of Federal Regulations.

Safe, Decent, & Sanitary Housing

All projects must meet applicable building codes promulgated by the Ohio Board of Building Standards and local governmental agencies.

"No More Credit Than Necessary"

Section 42 of the IRC mandates that state housing finance agencies ensure the amount of Housing Credits awarded to a project is the minimum amount necessary for the project to be placed-in-service as affordable rental housing. OHFA completes this designated task by underwriting every project receiving Housing Credits.

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 along with any related codes and laws. Should OHFA not specify any requirements, such as design, it is nonetheless the owners' 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 in regard to marketing and resident selection and reasonable accommodation and modification for those residents covered under the laws.

D. Eligible Uses of the Housing Credit

The Housing Credit can be used to offset the cost of acquiring, substantially rehabilitating, and/or the new construction of residential rental housing to be occupied by low- to moderate-income individuals and families. These units must be available to the general public and have initial leases of six months or longer.

The cost to develop the low-income units become the building's eligible basis. The Housing Credit can be allocated to common areas as long as these facilities are provided to all residents without additional fees or charges. It is important to note that units created solely for occupancy by the manager, maintenance personnel and/or security guard are considered common space.

The applicable fraction multiplied by the eligible basis becomes the project's qualified basis. The applicable fraction is defined as the lesser of (a) the number of low-income units divided by the total number of units (unit fraction) or (b) the amount of low-income unit square footage divided by the total amount of residential unit square footage (floor-space fraction). Low-income units are defined as units occupied by households with incomes at or below 50% or 60% of AMGI, depending on the minimum set-aside selected by the owner.

The applicable Housing Credit percentage (commonly referred to as the 9% and 4% Housing Credit rate) is the percentage used to determine the annual Housing Credit amount by multiplying it by the total qualified basis. The Housing Credit rate for 9% applications is locked at 9% for the 2011 year. The Housing Credit rates on 4% credits fluctuate from month to month (the IRS publishes the new rates monthly). A recipient of 4% Housing Credits may "lock-in" the Housing Credit rates upon entering a Binding Reservation Agreement with OHFA, or use the rates in effect at the date each building is placed into service.

The following types of projects are eligible for Housing Credits:

Acquisition/Substantial Rehabilitation

Housing Credits are available for the acquisition and substantial rehabilitation of a building. The 4% Housing Credit rate is applied to the acquisition basis. Generally, the 9% (or 4%, in certain circumstances) Housing Credit rate is applied to the substantial rehabilitation basis. The property cannot have been placed-in-service within 10 years prior to acquisition, except properties substantially assisted, financed or operated under federal or state housing programs. In addition, capital improvements on the building are not eligible cost items if made to the building within the previous 10 years. The new buyer or related entity cannot currently own the building; however, up to 50% of the ownership may remain unchanged.

Substantial Rehabilitation only

The Housing Credit may be claimed on the basis of costs incurred for the substantial rehabilitation of a property without claiming credit on the acquisition basis of the project.

New Construction

Housing Credits at the 9% (or 4%, in certain circumstances) Housing Credit rates are available for the eligible costs to construct a new building or buildings.

Ineligible Costs: Certain project costs are not subject to inclusion into eligible basis upon which the Housing Credits are derived. These include:

- Commercial Building Costs
- Land
- Permanent Financing Fees
- Reserves
- Off-Site Improvements
- Syndication Expenses (including legal, accounting, and bridge loan interest)
- Any expense that cannot be depreciated with the building
- OHFA Application, Reservation, & Compliance Fees
- In-kind contributions to a project

This list is not inclusive of all costs that may be ineligible for Housing Credits. Please refer to Section 42 of the IRC for more information.

The Housing Credit is not available for any of the following facilities: hospitals, nursing homes, sanitariums, lifecare facilities, assisted living, employer housing, mobile homes and student housing. Factory-made housing that is permanently fixed to real property may qualify for the Housing Credit. Congregate care facilities may be eligible if the “additional supportive services” are provided to the resident as a voluntary option and the resident is not charged mandatory fees for those services. Please refer to Section 42 of the IRC for more information.

The costs of constructing or rehabilitating a community service facility (such as a daycare building) located in a qualified census tract may be included with the eligible basis of a Housing Credit project. These additional costs cannot exceed 25% of the eligible basis on the first $15 million of a project, with 10% thereafter. All community service facilities that are part of the same qualified project shall be treated as one facility. A community service facility must be designed to serve primarily individuals, not necessarily residents of the project, whose incomes are 60% or less of the AMGI. Please refer to IRS Revenue Ruling 2003-77 for more information.

II. Policy Statements

OHFA will utilize all funding programs to create financially and physically sustainable affordable housing by distributing resources through a transparent allocation process that addresses the mandates of the law, the needs of our primary customers and which respects the interests of our stakeholders. Primary customers include low- and moderate-income residents, the development community, and owners of existing Housing Credit properties.

OHFA developed the following policy statements through input and feedback from OHFA Board members, program stakeholders, and primary customers, as well as through the expertise of our staff and available research and data regarding affordable housing needs in Ohio. These policy statements will guide the award of resources for all projects funded through OHFA. While these policies relate to OHFA programs in general, a specific policy might not directly relate to a given funding source. As an example, single-family homeownership is an ineligible use in the LIHTC program, but a core product of the Housing Development Gap Financing Program. The statements are not listed in any particular order; rather, the priority of each policy is reflected in the allocation process.

OHFA will award resources to proposals that promote the policies and goals indicated in the following policy statements and are determined to be in the best interest of the citizens of the State of Ohio. OHFA reserves the right to award credits, regardless of competitive ranking, if a proposal furthers the policies stated in the plan.

1. Types and locations of housing

   a. OHFA supports the development of four broad types of housing: multifamily apartments; senior housing; single-family homeownership and single-family rental homes with a Lease-Purchase model.

   b. OHFA values a balanced distribution of resources based on geography and population. Consideration will be given to distribute resources throughout various geographic regions of the state when possible and areas of greatest need when necessary.

   c. While OHFA recognizes the need to create new housing units in some areas of the state, this goal must be tempered by maintaining existing affordable units currently in service. Therefore, OHFA values the preservation of existing affordable housing that is in need of rehabilitation and has Section 8 or equivalent federal rental assistance contracts. OHFA will leverage the data provided by the Ohio Preservation Compact in prioritizing preservation awards.

   d. OHFA supports the development of Permanent Supportive Housing for the homeless and other populations with special needs.

   e. As the challenges to development in Ohio increase and many neighborhoods in our urban centers suffer from blight, the need for strategic cooperative solutions and investment is critical. OHFA values construction in areas demonstrating collaboration through neighborhood revitalization plans.

f. As our national economy continues to struggle and the foreclosure crisis continues to have a devastating effect on Ohio communities, OHFA will follow the recommendations of the Ohio Foreclosure Prevention Task Force by valuing the re-development of vacant properties in areas of the state most impacted by this epidemic.

g. OHFA values the development of affordable housing in all areas of need including areas within a qualified census tract and Difficult Development Areas.

h. OHFA values developing in new markets where no previous product development has taken place.

i. OHFA values projects that access Federal or State Historic Tax Credit programs.

2. Types of subsidy

a. As the need for affordable housing is constant and resources to develop such housing become more scarce, OHFA values assisting properties that leverage substantial federal, state, local or Public Housing Authority or other development subsidies, such as the USDA Rural Development Section 515 program, Choice Communities, HUD 811 and the HOPE VI program.

b. OHFA values the development of projects that will serve very and extremely low-income populations and/or provide rental subsidy for the residents.

3. Project characteristics

a. As strong market demand is essential to successful housing development, OHFA will evaluate properties based in part on strength of the market area, including vacancy rates, penetration rates, the condition of existing or recently approved projects funded through OHFA, and the projected growth rate of the low-income population.

b. As OHFA values sustainable development, multifamily projects need to remain competitive in the market for the life of the compliance period; OHFA will assess project and unit amenities for durability as well as utility.

c. OHFA values Universal Design in new construction as well as rehabs. Visitability guidelines shall be incorporated into all newly constructed properties.

d. In order to create healthy and sustainable affordable housing in a cost-effective manner, OHFA supports development of properties that meet Green Communities or other recognized energy conservation standards and which achieve the highest energy efficiency ratings.

e. As innovation and creativity are critical to meeting the changing demands of the consumer, OHFA encourages amenities which distinguish a development from the competition. These amenities will be evaluated based on appropriate cost and the tangible benefits provided for the residents and/or the housing.

4. Development team characteristics

   a. OHFA values development teams with significant capacity, a solid track record of partnership with the agency and a history of success developing the affordable housing proposed.

   b. OHFA supports the endeavors of community-based non-profit housing organizations to develop housing in their service area.

   c. OHFA values development teams with a strong financial base.

   d. OHFA values development teams with the ability to meet key responsibilities in a timely and efficient manner; Development team members include the general partners, developers, and property managers.

   e. Development teams will also be evaluated on any prior and/or outstanding financial obligations with OHFA. The staff will evaluate the repayment histories of all loans extended to previous projects as well as payments of all other fees and monies due to OHFA.

   f. OHFA values projects where the majority owner/managing member is a state-certified Community Housing Development Organization (CHDO) and the proposed project is located in the established service area of the CHDO.

5. Management Company Characteristics

   a. OHFA values management companies (both for-profit and non-profit) that have a proven record of maintaining compliant Low Income Housing Tax Credit communities, as well as other types of affordable housing.

   b. OHFA values management companies that take an active role in the apartment community and are committed to providing rental homes and apartments that are safe, decent, and promote a good quality of life for the residents.

   c. OHFA values management companies who understand the populations they serve and do so by creating effective partnerships to provide the services necessary for sustaining and enhancing the wellbeing of the residents.

   d. OHFA values management companies that are accessible and responsive to the needs of their residents, employees, vendors, investors, and OHFA.

   e. OHFA values management companies that strictly adhere to all local, state, and federal fair housing and landlord-tenant laws, and are particularly committed to ensuring their apartment communities are accessible to mobility and sensory impaired residents and their guests.

   f. OHFA values management companies that have a well-articulated and measurable plan for self monitoring and maintaining the compliance of the property.

   g. OHFA values management companies that are properly qualified under the law to manage residential property in all states in which the company operates.

h. OHFA values management companies that promote employee development through ongoing education and affordable housing training.

i. OHFA values management companies with financial stability that embrace their fiduciary responsibility to the owner.

j. OHFA values management companies that use the most up-to-date technology to manage and market their apartment communities.

k. OHFA values management companies that place an emphasis on the orderliness and security of their record keeping system to ensure the safety and security of private and sensitive information found within tenant files and databases.

III. Good Standing with OHFA and ODOD Housing Programs

The Ohio Housing Finance Agency ("OHFA") requires that any developer, owner, syndicator and/or management company ("Participant") must be in good standing in order to develop, construct, manage and/or own a project which benefits from any program administered by OHFA. For purposes of OHFA's determination thereof, "good standing" means that a Participant demonstrates: (i) financial responsibility and accountability, (ii) character and (iii) general fitness, each in a capacity sufficient to command the confidence of both the Ohio developmental and financial community and OHFA, and each in a manner which is transparent, honest and efficient with respect to OHFA's programs.

In furtherance of OHFA's goal to provide safe, decent, sanitary and affordable housing to the low and moderate-income residents of Ohio, OHFA requires that a Participant exercises each of the aforementioned three (3) core values with respect to each and every OHFA project to ensure that such Participant may maintain good standing as a Participant within the OHFA guidelines:

(1) Responsibility

Accountability:

A Participant must demonstrate responsibility for the execution and/or administration of the assumed tasks undertaken in connection with a particular OHFA project.

Timeliness:

Information must be submitted by Participant to OHFA and/or any ancillary agency or office affected by an OHFA project within established timeframes for each project.

(2) Willingness to Partner

Professionalism:

Information must be submitted by Participant to OHFA in a manner that is organized, concise, complete and accurate, as certified by Participant to be knowingly true and current as of the date thereof.

Collaboration and Cooperation:

A Participant must collaborate with OHFA in a mutually cooperative spirit to achieve the common goal of providing safe, decent, sanitary and affordable housing in Ohio, as evidenced by each and every project of which Participant and OHFA are a part.

(3) General Fitness

Responsiveness/Communication:

A Participant shall always provide prompt notification of issues, concerns or other matters that affect the project (as approved by OHFA), and shall immediately communicate to OHFA any modification, change or amendment which Participant reasonably believes may affect the program (as approved by OHFA).

A Participant that conducts business in a manner consistent with these aforementioned values will be considered to be in good standing with OHFA. A Participant which, through its procedures and practices, demonstrates that it is not working under the same aforementioned value system will be subject to review by OHFA. OHFA shall, in its sole and absolute discretion, determine the appropriate measures to be taken on a case-by-case basis in order to ensure that such Participants are fully aware of OHFA's unconditional commitment to these shared values and the mission of OHFA as it applies to its projects. Such measures may include (i) placing a Participant on a temporary audit position within OHFA's program until such time that OHFA determines that Participant may successfully take part in subsequent projects; or (ii) placing a Participant out of good standing for a period of time determined by OHFA, at OHFA's sole discretion.

IV. Application Process

A. Instructions

All application materials for each allocation phase for 2011 Housing Credit year must be submitted to the **Office of Planning, Preservation & Development; OHFA, 57 East Main Street; Columbus, Ohio 43215**. Applications must be received no later than 4:00 p.m. on the dates listed in the program calendar; unless the project is financed with tax-exempt bonds. Applicants must use the 2011 Affordable Housing Funding Application (AHFA) available on the OHFA Web site at www.ohiohome.org by July 30, 2010. All applications and supporting documentation must be submitted in digital format. See the instructions in the 2011 AHFA for details on electronic submissions.

The application review process will consist of four phases:

1. Experience and Capacity:

OHFA will conduct a review of the experience and capacity of potential general partners, developers and management companies prior to submission of Housing Credit applications for individual proposals. The result of this review will determine whether an organization may participate in the upcoming program year.

The following items must be submitted for OHFA to conduct the experience & capacity review of general partners and developers:

1. A brief narrative describing the experience of the organization with regard to the development of subsidized and/or affordable housing, including the number of projects and units that have been completed and placed into service.
2. A spreadsheet summary of all projects under construction in any U.S. state (or stage of completion), including their present status and expected completion date.
3. Full organizational chart, staff roster, and resumes of key development staff within the organization, focusing on their affordable housing development experience.
4. The most recent audited financial statements for the organization. If an organization is not required to prepare audited financial statements, then statements that have been reviewed or compiled by a third-party accountant may be submitted. The most recent internally prepared financial statements are acceptable only if audited, reviewed or compiled statements are not available.
5. A narrative that explains the proposed applications for the 2011 round, including:
   - The number of Housing Credit applications proposed for submission in 2011;
   - The allocation pools in which the applications will compete;
   - The roles that the organization will play in the projects;
   - Development and ownership partners that the organization may be working with on the projects.

The following items must be submitted for OHFA to conduct the experience & capacity review of management companies:

1. A brief narrative describing the experience of the organization with regard to the management of subsidized and/or affordable housing, including the number of projects and units currently managed and any projects and units the organization anticipates managing within the next 24 months.
2. Full organizational chart, staff roster, and resumes of key management staff within the organization, focusing on their affordable housing management experience.
3. A completed survey located in Exhibit B.

The following criteria will be considered when making a determination:

1. Past experience developing and/or managing affordable housing using OHFA programs. Properties presently in service and those under construction will be considered, and the quality and success of previous developments will be taken into account. OHFA will also consider location and experience in the geographic areas to be served, experience with the type of housing product proposed, and the past working relationships of the proposed development and ownership partners.

2. Other affordable housing development and/or management experience using government funded programs, including existing properties and those under construction.
3. The development capacity of the organization to complete construction of all current projects on time and within program requirements and application commitments.
4. The financial capacity of the developer/general partner to ensure that construction will be completed on time and that work will be guaranteed for quality.
5. The organization must remain in good standing with all OHFA programs in order to participate in the upcoming program year.

Approval to participate in the 2011 allocation round does not constitute a guarantee of any level of funding. OHFA will use information submitted by the organization and other reasonable sources available to make these determinations, including reports and opinions of other public funding sources. OHFA reserves the right to place additional restrictions on applicants, limit the number of awards, applications or amount of credits available to an organization, and limit credit allocations due to identities of interest between organizations applying for Housing Credits.

Applicants who were approved to participate in 2010 need not reapply. The 2011 experience and capacity review is for those who wish their 2010 results to be revaluated or potential applicants who did not wish to apply in 2010. Applications are due on June 24, 2010. Results and announcements will be made on July 29, 2010.

Response period: In order to ensure the highest possible standard of accuracy, thoroughness and service, applicants will have until August 5, 2010 in order to provide a written response to any factual discrepancies in the review. OHFA will then review the response, make any adjustments deemed necessary and appropriate, and provide a final experience and capacity evaluation on August 19, 2010.

2. Proposals

Proposals will be due October 14, 2010. Proposals will consist of the following items:

- 2011 AHFA
- Unit plans
- Building Elevations
- Site Plan
- Site Photos
- Scope of work and Capital Needs Assessment (if rehab)
- Universal Design Plan
- Green Building Plan
- Zoning
- Narrative describing the project
- Narrative explaining how the project meets OHFA public policy goals

- Phase 1 or Mini-Phase 1 Environmental Review as appropriate
- Market Study
- Development team resumes and experience
- Evidence of site control

2011 proposal meetings and competitive reviews: In 2011, OHFA will require representatives of each applicant to meet at OHFA's offices located at 57 E. Main Street, Columbus, OH 43215 to discuss their individual projects. These meetings will occur from November 2010 through March of 2011. A representative from the following entities will be required to attend:

- Developer
- HDAP Recipient
- Management Company
- Consultants
- Architect
- Representative from the local Continuum of Care (if PSH)
- All Members of the Ownership Entity
- OHFA Program Representatives

During the proposal meetings, OHFA staff will conduct a competitive evaluation of proposed housing developments based upon overall achievement of OHFA policy goals (as listed in the Policy Statements section) as well as market criteria, project design and amenities, site location and quality, supportive service provision, development team strength and other factors as necessary to make an informed decision. The projects in each allocation pool will be compared and ranked in order of preference based on these criteria as a result of the evaluation. OHFA will eliminate projects from further consideration following this evaluation process.

OHFA may conduct a site visit in order to gather information that will be used to help rank the applications in each allocation pool. The applicant must clearly mark the physical location of the project site and provide a detailed map that depicts the roads leading to the site so that OHFA staff may easily conduct a site visit. Up to two representatives of the applicant who are familiar with the housing proposal are encouraged to accompany OHFA staff on the site visit in order to describe how the proposal meets the selection criteria and to answer any questions that staff may have. The applicant may request in advance that additional representatives be present if necessary and acceptable to OHFA. Applicants for scattered-site projects must be available to provide a tour of the sites and neighborhoods. All site visits will be scheduled at a time convenient to OHFA review staff.

<u>Market Selection Criteria</u>

As strong market demand is the foundation of a solid housing proposal, OHFA staff will review and evaluate each market study submitted and reserves the right to contact the market analyst who prepared the study to seek clarification or further validation of data.

Data from the annual operating surveys will be used to determine the vacancy, penetration and growth rates for each county and submarket. OHFA may also consider the capture rate, or other relevant factors when evaluating the market for a project. All of the sites to be included in a project must be located within one Primary Market Area (PMA). OHFA considers projects that best meet the below mentioned criteria.

a. Housing Credit Vacancy Rate

Projects located in counties or submarkets that have an average vacancy rate for housing credit projects equal to or less than the statewide average will receive preference. Projects will be evaluated and grouped based on project type. The three project types that will be considered are single-family, multifamily, and senior (age 55 or older). Refer to Exhibit C for more information.

If a market analyst for the project presents statistical evidence indicating a vacancy rate equal to or less than the statewide average in the Primary Market Area (PMA) to receive preference, or presents reasons that a high vacancy rate will not affect the viability of the proposed development, OHFA may consider that recommendation, but reserves the right to override the analyst's recommendation.

b. Penetration Rate

Projects located in counties or submarkets that have an average penetration rate (for households with incomes between 40% and 60% AMGI) equal to or less than the statewide average will receive preference. OHFA will use 2011 HISTA data created by Ribbon Demographics to determine the values for counties or submarkets. Projects will be evaluated and grouped based on target population. The target populations that will be considered are family/individuals and senior (age 55 or older). Refer to Exhibit C for more information.

If a market analyst for the project presents statistical evidence indicating a penetration rate equal to or less than the statewide average in the Primary Market Area (PMA) to receive preference, or presents reasons that a high penetration rate will not affect the viability of the proposed development. OHFA may consider that recommendation, but reserves the right to override the analyst's recommendation.

Project Design & Amenities

OHFA values projects that best meet the following guidelines:

a. Design and layout of buildings, green spaces and pedestrian areas on the site that are appropriate for the area (i.e. urban, rural, or a particular place) and population (i.e. families, seniors, permanent supportive housing, etc.) to be served.

b. Design of residential units that meet the energy efficiency rating standards as defined in the OHFA Development Features Agreement.

c. Structural amenities that are appropriate for the area and population to be served, including but not limited to safety features, laundry facilities, storage space and parking accommodations.

d. Scale, design and architecture that are aesthetically compatible with buildings located in the surrounding area. The design should incorporate the surrounding neighborhood and/or topographical features in order to take full advantage of scenic qualities.

e. Provision for community and recreational spaces that are appropriate for the population to be served. Spaces should be located on-site where feasible, or within a reasonable distance considering the area and population to be served.

f. Adequacy of the scope of work for rehabilitation properties. The scope of work will be compared to the capital needs assessment in order to determine the feasibility of the rehab. All major structures, systems and components of the buildings must be accounted for and replaced or repaired as necessary. All completed design features and finishes should emulate projects that are appropriate for that market area.

Site Location and Quality

OHFA values projects that best meet the following guidelines:

a. Availability of and access to appropriate public services, including: public transportation; public safety (police/fire department); schools; day care/after school programs; library; community center. The area and population to be served will be considered in the evaluation of the site.

b. Availability of and access to appropriate commercial and recreational services, including: shopping (gas, grocery, banking, pharmacy, etc.); restaurants; parks; recreational facilities; hospital/health care facilities. The area and population to be served will be considered in the evaluation of the site.

c. Visibility of the site should be maximized in order to enhance its marketability as appropriate and necessary.

d. Sites are to provide appropriate levels of accessibility for residents. Posted speed limits and the appropriate number of lanes on publicly maintained roadways should provide safe routes to traverse at all times. Applicants are encouraged to provide appropriate points of ingress/egress in order to promote public safety.

e. Potential development concerns located on, adjacent to, or near the site, such as environmental hazards related to increased noise levels, above ground storage tanks, environmental justice (a.k.a., overly-concentrated low-income housing or otherwise undesirable location), wetlands, and the presence of health and safety issues. The applicant must explain in their narrative whether such items will have an adverse effect on the development of the site.

f. Effect of incompatible uses located on, adjacent to, or near the site that may adversely affect residents, including but not limited to: high power transmission lines, sub-stations and towers; railroad tracks within an unsafe distance; high traffic corridors; factories; industrial plants; salvage yards; landfills; water treatment facilities; and cell phone towers. The applicant must explain in their narrative whether such uses will have an adverse effect on the residents of the property.

g. Contributes to an existing community revitalization plan or redevelopment initiative. Plans approved at the city, village, township or county level or other appropriate local entity will receive consideration. Applicants will submit evidence in a formal manner via correspondence from appropriate local officials that cite specific references in the plan, copies of applicable portions of the community development plan with page numbers visible, and other written means as appropriate. The type of housing to be developed (e.g. apartments, single-family homes, etc.), the location of housing within the jurisdiction, and the population to be served will be considered.

Development Team

OHFA values projects that best meet the following guidelines:

a. OHFA values projects whose development team has a presence within the State of Ohio. An application may qualify if the general partners/managing members (other than the investor member), developers, and/or management company have their principal offices located in Ohio, or have successfully developed, have an ownership interest in and/or manage affordable housing properties in Ohio.

b. OHFA values projects in which one of the general partner entities is a local organization, defined as having a central office located in the same county in which the project will be developed. The central office must be the entity's main/corporate headquarters and must have been located in the project county for a minimum of one year prior to application.

   An entity that serves multiple counties may also qualify if the central office is not located in the project county. The proposed project must be located in a suburban or rural area and must be located in a county that is directly adjacent to the county where the central office is located.

   The following entities will also be considered to be local organizations if the project is located in their particular service area as defined in the organization's bylaws:

   - An Area Agency on Aging or Community Action Agency located in Ohio.
   - Other organizations created under the auspices or direction of an Area Agency on Aging or Community Action Agency as referenced above.

c. OHFA values projects whose development team members have experience developing and/or managing the type of housing product proposed in the application. Product types may include senior housing, lease-purchase projects, permanent supportive housing, substantial and/or historic rehabilitation, or other relevant types of housing.

d. OHFA values projects whose development team members have experience developing and/or managing affordable housing in the location or type of geographic area proposed in the application. This may include development in a particular city or county, or development in urban, suburban, rural or other types of geographic areas.

e. OHFA will evaluate the previous housing development and ownership experience of the general partners and developers for the proposed project. This includes Housing Credit properties developed in Ohio or other states, and other affordable housing properties developed with public funds in Ohio or other states. These properties must be constructed and placed-into-service in order to be considered in this category. The success, quality and time period in which projects were developed will also be taken into account.

f. OHFA values development teams whose members have previous experience working together to successfully develop affordable housing properties.

g. OHFA values development teams with the financial capacity to effectively and efficiently complete all development requirements in a timely manner.

OHFA considers the term "appropriate" in a subjective manner within the above guidelines, meaning that the feature identified will likely make the project more successful (e.g. more likely to lease units, maintain cash flow and sustain long-term viability) for the population being served. Any single feature may or may not be preferred universally among all areas, populations and housing types.

In addition to ranking applications based on the above criteria, OHFA will compare applications of the same project type and located in the same county or market area, and may prioritize and rank such applications to determine which of these projects will receive credits following the entire application review process.

Restricted Areas

A new construction application may not be eligible for a Housing Credit allocation if OHFA awarded an initial allocation of credits to another project that is still in its compliance period, which is generally 15 years prior to this year's allocations in the same Primary Market Area (PMA) and serving the same population.

Applicants should contact the OHFA Housing Credit Allocation Manager with any questions regarding the possibility that the market area in which you wish to develop may be restricted, or if planning to develop housing in the same market area as a proposal under construction in an urban area.

The number of income-eligible households in the PMA will be a factor to determine whether the application is eligible for funding. Other factors may include vacancy and penetration rates in the PMA, population to be served by the proposed project, condition and age of the existing housing stock, and whether the previous project is placed-in-service and fully leased. OHFA may also reject an application if an existing project presently in service in the PMA has occupancy difficulties due to market conditions.

2011 site visits will occur as necessary between January and March of 2011. The process will evaluate both site and surrounding market area with OHFA staff and select project representatives as necessary.

3. 2011 Final applications:

OHFA staff will conduct a threshold review for the final application. In addition to the threshold review, each application will have a thorough financial underwrite performed based on the final proforma submitted with the application. This process will evaluate the feasibility and appropriateness of the construction cost and operational budget of each proposed housing development.

B. Program Calendar (Subject to Change)

June 2010

24 Applications for Experience & Capacity Review Submitted

July 2010

TBD 2011 Housing Funding Training

TBD 2011 Housing Funding Training

29 Experience & Capacity Determinations Issued

30 2011 AHFA available online

October 2010

14 Housing Credit Proposal deadline

November 2010

1 Housing Credit Proposal Review Meetings begin

February 2011

28 Housing Credit Proposal Meetings end

March 2011

17 Announcement of Housing Credit Proposal Selections

April 2011

1 Binding Reservation Agreements Issued

28 Submission Deadline for Binding Reservation Agreements

June 2011

30 Application material due in full.

November 2011

4 Submission Deadline for Carryover Allocation Requests

December 2011

30 Carryover Allocation Agreements Issued

V. Allocation Process

A. Allocation Pools

OHFA has divided the state's annual per capita credit allocation into four pools:

1. Rural Development
2. Permanent Supportive Housing
3. Preservation
4. General pool

Applications will be assigned to a pool at the discretion of OHFA based on the qualifications for each pool. Credits that are not awarded in any pool will be distributed in the Maximizing Outcomes pool. OHFA may, at its discretion, approach applicants during the review process regarding the appropriate pool for competition.

Rural Development (not to exceed $1,200,000)

a. Includes new construction projects with a Section 515 loan, and new construction or rehabilitation projects with a Section 538 loan guarantee.

b. All buildings must be financed with a Section 515 loan or Section 538 loan guarantee. Evidence that the financing has been or will be obtained must be submitted with the application.

   The amount of a Section 538 loan guarantee must be equal to at least 10% of total project costs. The applicant must submit correspondence from RD that verifies the eligibility of their project for the upcoming loan guarantee program. OHFA may revoke an award of Housing Credits if RD assistance is not utilized to finance the housing proposal. Projects that receive a Section 538 Loan Guarantee are ineligible to submit a proposal for Single-Family Lease-Purchase.

c. If a project qualifies for the Preservation Pool it is ineligible for the Rural Development Pool.

Permanent Supportive Housing (PSH) (not to exceed $4,000,000)

Projects competing in the Permanent Supportive Housing Pool must serve a population that meets the definition established in the Permanent Supportive Housing Policy Framework as adopted by the Ohio Interagency Council on Homelessness and Affordable Housing (ICHAH) on January 28, 2010 (Exhibit D).

a. OHFA values projects that provide a commitment for rental subsidy for at least 50% of the units that is 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 source. The organization providing the subsidy must continue to hold the project in good standing while their funding is in place.

b. All proposals meeting the above definitions must compete in the PSH Pool.

c. In the Competitive Evaluation, criteria for Housing Credit Vacancy Rate and Penetration Rate will not be used in the PSH Pool.

d. Majority general partners must be non-profit organizations with experience in developing, owning, or managing supportive housing for the homeless or special needs individuals/families.

e. Projects not serving the homeless or those at-risk of homelessness will be limited to one award.

Preservation (not to exceed $9,500,000)

Includes the following projects:

a. Projects receiving project-based rental subsidy through a Section 8 Housing Assistance Payment Program (HAP) contract. Documentation from HUD, the local MHA or the applicable Contract Administrator that evidences the assistance and length of the contract must be submitted, if applicable.

b. Troubled projects that have received assistance through the USDA Rural Development (RD) office. Applicants must provide a letter from the RD office that details the current situation for the project, explains the need for housing credits, and approves of the current or proposed owner(s) and Management Company.

c. Projects participating in the HUD Portfolio Reengineering Program. Applicants must provide a letter of eligibility from HUD and be assigned to a Participating Administrative Entity (PAE). Projects that have closed their financing under this program and have not yet placed-in-service are eligible for the pool.

d. Existing HUD Section 202 or 811 projects.

e. Existing HUD Section 236 projects. The Interest Reduction Payment (IRP) must be decoupled from the Section 236 agreement if housing credits are awarded (exceptions may be permitted on a case-by-case basis). The affordability requirements indicated in the Section 236 agreement must also be maintained for the property.

f. New construction projects that preserve existing subsidies such as HOPE VI, Choice Neighborhoods, or the use of Section 8 portability.

g. Other properties judged by OHFA to encompass the preservation of existing affordable housing.

All of the units in a project must be located in buildings meeting the definition of preservation. Additional community rooms and common space may be added to the project. Projects competing in the preservation pool must submit a capital needs assessment with their application that meets the standards outlined in Exhibit E. OHFA will use this assessment to determine whether the costs indicated in the application are appropriate considering the rehabilitation needs of the project.

Preservation projects with HUD assistance must submit a copy of the most recent REAC score for the property. If this score is less than 60, then the existing general partners and management company may not participate on the development team for the project, unless such entities demonstrate that they are in good standing with HUD and that their continuing participation will result in improvement of the condition of the property.

In the Competitive Evaluation, criteria for Housing Credit Vacancy Rate, Market Vacancy Rate, Penetration Rate, and Growth Rate of Income-Qualified Households will not be used in the Preservation Pool.

General Pool (not to exceed $6,500,000)

All remaining projects that do not fall under the definitions stated in the previous three pools will compete in the General Pool.

Projects attempting to meet OHFA policy objectives of participating in a local revitalization plan, regardless of geographic area, must demonstrate how they meet the following criteria in order to be considered:

Projects should target investment into concentrated areas within carefully selected neighborhoods to maximize visible improvements in housing stock and to stimulate market recovery.

Revitalization plan evaluation criteria will include:

- For stronger market neighborhoods: likelihood of market recovery/return on investment
- For weaker market neighborhoods: likelihood of stemming the tide of disinvestment
- The development of nearby anchor projects which have been recently built or will be developed concurrently with the Strategic Revitalization Plan. An anchor project is considered to be a large-scale development project that will create a significant positive economic benefit and/or a valuable neighborhood asset. Examples would include the development of retail, office, industrial, manufacturing or medical facilities; civic buildings and public spaces (libraries, schools, parks, etc.); and market-rate housing. These types of investments provide a signal of market confidence in a neighborhood. Because we wish to fairly evaluate the assets of each neighborhood, OHFA-funded projects are not eligible to be considered as a neighborhood's anchor project.
- Strong neighborhood location assets (proximity to shopping, recreation, services, employment, etc.)
- Strategic partnerships and cooperation with CDCs/development partners, financial institutions, philanthropic organizations, City/regional/state government, private businesses, community leaders and other neighborhood stakeholders
- Selection of development partners based on: capability, capacity, strong development track record and vision for the future
- A compelling land acquisition/assemblage strategy
- Creative marketing strategies and branding techniques to create awareness of existing assets and to build neighborhood confidence and loyalty

Maximizing Outcomes Pool

The remainder of the annual credit allocation (approximately $2,800,000) will be awarded from the Maximizing Outcomes Pool at the discretion of OHFA. This pool is reserved for two purposes. First, to provide necessary funding to fully award projects competing in the competitive pools. The remainder of this pool will be used to fund projects that:

a) Achieve multiple public policy goals

b) Require a multi-year commitment of housing credits to complete

c) Require detailed planning to efficiently commit resources over multiple budget cycles

d) Include the substantial participation and commitment of resources by multiple long-term partners

e) Part of a well-developed strategic revitalization plan, or are a highly ranked "at-risk" project as defined by the Ohio Preservation Compact.

If no projects are specifically awarded under this pool, the remaining credits will be used to fund projects in the competitive pools.

Waiting List: Projects that do not receive a reservation will be placed on a waiting list for Housing Credits that become available via returns or the national pool later in the year.

If a project returns Housing Credits that were reserved during the current year in a specific pool, then applications from that pool will receive first consideration for any award of credits. Any other available credits will be distributed according to the criteria of the maximizing outcomes pool. Please note that if a project returns credits that were awarded during the current year, then any HDAP or HDLP awarded must also be returned. Projects that receive credits from the waiting lists may then be considered for HDAP or HDLP funding, although that funding cannot be assured.

OHFA will contact representatives of the waiting list projects when Housing Credits become available. OHFA will set a deadline for the applicant to respond to any offer.

B. Threshold Reviews

A threshold review is a review of the proposal and full application to determine if it is complete, all necessary forms, supporting evidence, and fees are included, and the project meets minimum program requirements. Unless noted otherwise, projects with tax-exempt bond financing must submit all proposal and full application threshold items and meet all threshold requirements, unless otherwise noted, to receive Housing Credits.

OHFA will complete threshold reviews of applications and offer the applicants the opportunity to correct deficiencies in their applications.

The criteria for the proposal are as follows:

1. Meets Section 42 Requirements

The project must meet all the requirements set forth in Section 42 of the Internal Revenue Code (IRC) of 1986, as amended and all relevant U.S. Department of the Treasury regulations, notices, and rulings.

2. Complete, Organized Application

Applications must be submitted on a CD (compact disc), organized according to the index provided with the application. Applications must be complete and consistent with all supporting documentation. An original signature of a representative of each general partner/managing member is required in the program certification section of the application and must be submitted in its original, paper form. Any applications that are incomplete, inconsistent, and/or illegible will be rejected.

3. Application Fee

An application processing fee in the amount of $2,000 must be submitted with the application. An application will be immediately rejected if a check is returned for insufficient funds.

Projects with threshold deficiencies will be charged a resubmission fee. The resubmission fee will equal $50 per corrected threshold review criterion up to a maximum of $500. This fee will apply to all applicants, including tax-exempt bond projects seeking an award of Housing Credits. Any items that will not be supplied with the initial application for a tax-exempt bond project must be agreed upon in advance in order to avoid the resubmission fee. If a resubmission fee check is returned for insufficient funds, the application will be rejected.

4. Extended Use

All projects must commit to an extended use term of a minimum of 30 years of affordability. Projects with tax-exempt bond financing must commit to an extended use term of the greater of 30 years or the outstanding term of the bonds. If an allocation of Housing Credits is received, the owner must file a Restrictive Covenant (provided by OHFA) to waive the right to petition OHFA to terminate the extended use term as described in Section 42 of the IRC.

5. Narratives

A submission of all narratives as required on the Affordable Housing Funding Application (AHFA).

6. Evidence of Site Control

The applicant must submit copies of the executed and recorded deed(s) of the current owner if the property is owned by a general partner or limited partner in the project.

If the current owner is not a general partner or limited partner in the project, then one of the following must be submitted to properly evidence site control:

a. Executed purchase option with date-certain performance;

b. Executed purchase contract;

c. Executed land contract;

d. Executed long-term (35 or more years) lease agreement with an executed and recorded memorandum of lease; or

e. Executed option to enter a long-term lease agreement.

f. Other site-control models as approved prior to proposal by the Housing Credit Allocation Manager.

If parcels will be purchased from a city land bank, then a copy of the final city council resolution approving the transfer of all applicable lots may be submitted with the deeds of the current owner as evidence of site control.

Each of the site options or contracts may not expire until a reasonable period of time following the scheduled announcement date for Housing Credit awards. All option agreements relating to the transfer of a site must be included in the application.

The items listed above are the minimum required to meet threshold requirements. OHFA reserves the right to require, as needed, additional documentation that evidences proper site control.

A scattered-site project is required to have at least 35% of the sites under control. A project qualifies as scattered-site if there are 10 or more sites AND no more than 50% of the sites are contiguous. Contiguous sites are defined as two or more sites that share common boundaries, and cannot be separated by vacant or developed land, roadways, railroad tracks, rivers, creeks, etc. A site is defined as a parcel with an assigned permanent parcel number as it exists at application. OHFA reserves the right to reduce basis at Carryover if the minimum site control percentage at application is not maintained at Carryover.

Sponsor of projects consisting of the redevelopment of vacant single family homes may request, in advance of the application deadline, to have fewer than 35% of their sites under control. A minimum of 10% of the sites must be under control in any case. Approximately 90% of sites submitted for the Carryover Allocation must contain vacant single family homes. Sponsor must also evidence that the project is consistent with a community revitalization plan (as defined in Site Location & Quality criterion 3.g.).

7. Zoning

The applicant must demonstrate that the zoning for each site 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 submit a letter from the local jurisdiction to confirm the zoning that must include the following:

a. The actual zoning designation and a description of this designation;

b. Density and/or lot coverage requirements (if any);

c. If a conditionally permitted use, an explanation of the conditions to be met for the project to be considered a permitted use; and

d. A description of any overlay or planned development district regulations that would further condition the development of the project.

For jurisdictions with no zoning regulations in effect, a letter from the jurisdiction stating that there are no regulations is required.

OHFA recognizes that the zoning process is neither simple nor easy. OHFA reserves the right to grant waivers for zoning at the time of application if asked for in advance and the applicant can effectively demonstrate a good faith effort to secure proper zoning. Zoning must be secured by the time of award or the project will be considered ineligible.

8. Market Study

A market study conducted by an OHFA-approved market study professional must be submitted with the application. See the Market Study Requirements at the end of this section.

9. Adherence to Agency Underwriting Standards

Projects must submit a completed preliminary proforma as provided in the AHFA. The proforma must meet the below-listed underwriting standards to pass the threshold review. In addition, OHFA may require a legal opinion stating that any government sources utilized by the project will or will not impact the eligible basis and/or credit rate as a condition of the Housing Credit reservation. OHFA reserves the right to combine the costs for projects located in close proximity to each other and sharing similar attributes:

a. Developer fees & overhead and any consultant fees may not exceed the sum of:

- 15% of total rehabilitation and new construction eligible basis, and
- 5% of total acquisition eligible basis; however, a fee up to 10% of total acquisition eligible basis will be permitted for projects that require the approval of HUD for the transfer of the property.

b. Limits for Contractor Fee, Contractor Overhead and General Requirements will be calculated as follows:

- Contractor Fee = 6 percent of hard construction costs
- Contractor Overhead = 2 percent of hard construction costs
- General Requirements = 6 percent of hard construction costs

c. Total soft costs may not exceed 35% of total eligible basis. Total soft costs equal the sum of general requirements, contractor overhead, contractor profit, architectural fees, survey costs, engineering fees, permanent loan fees, cost of tax-exempt bond issuance, taxes, appraisal, market study, environmental report, rent-up/marketing costs, title & recording fees, non-syndication legal fees, accounting fees, developer fees & overhead, consultant fees, organizational fees, and syndication expenses.

d. The total permanent financing sources must equal the total project costs at the time of application.

e. Proposals found to be either financially feasible without a credit allocation, or to be financially infeasible in any case, will be rejected.

10. Development Team Standards

Management Company

The proposed management company must meet the following standards:

i. The company must currently be a member of at least one of the following organizations or associations:

- National Assisted Housing Management Association (NAHMA)
- Midwest Assisted Housing Management Association (MAHMA)
- National Leased Housing Association (NLHA)
- Council for Affordable Rural Housing (CARH)
- Council for Rural Housing and Development of Ohio (CRHDO)
- American Association for Homes and Services for the Aging (AAHSA)
- Association for Ohio Philanthropic Homes and Housing for the Aging (AOPHA)
- A special needs association with a focus on housing management training for that special needs population
- American Association of Service Coordinators (AASC)
- National Apartment Association (NAA)
- Institute Of Real Estate Management (IREM)
- National Association of Housing and Redevelopment Officials (NAHRO)

ii. A representative of the management company has earned one of the following certifications: Housing Credit Certified Professional (HCCP) sponsored by the National Association of Home Builders; Specialist in Housing Credit Management (SHCM) sponsored by NAHMA; or equivalent certification from a nationally recognized consultant or association, including, but not limited to, TheoPro Compliance & Consulting Inc., Quadel Consulting or Spectrum Seminars.

iii. The company must have managed at least five housing credit and/or federally-subsidized developments (at least 10 units each) for at least one year each, or have managed two housing credit projects (at least 10 units each) for at least three years each. All projects currently managed by the proposed company must not have any uncured Forms 8823. Exceptions may be granted on a case-by-case basis for 8823 events that are not the fault of the management company, such as a casualty loss, or if a management company inherits non-compliance issues from the prior manager.

Also, exceptions to the experience requirement will be made for new companies that meet requirements (i) and (ii) above and whose principals can demonstrate previous management experience with no record of uncorrected noncompliance.

11. Supportive Services - Senior Housing

Applicants proposing housing that sets aside 100% of the units for households containing at least one person who is age 55 years or older are required to provide an experienced service coordinator, evidence of service coordinator salary or an in-kind service agreement, additional market study requirements and supportive service plans containing specified services. With regard to the supportive service plans, applicants will be permitted to provide OHFA updates to their plans, subject to OHFA approval, during the development period.

12. Supportive Services - Family Supportive Services

Both multifamily developments (non-senior) and single-family lease purchase proposals must provide the following services: providing referrals to local jobs programs; counseling residents as to available educational and training programs that can secure one's place in the workforce or enhance the likelihood of advancement; credit counseling and consultation; and referrals to day care, after school, and health care/wellness programs. Applicants will be required to submit a supportive service plan containing specific services and demonstrating linkages with local services agencies.

13. Supportive Services - Single-Family Lease Purchase

Proposals for single-family lease purchase homes must have a viable homeownership strategy for residents who inhabit the units during the compliance period. The strategy must incorporate an exit strategy, calculation of the estimated purchase price for the resident, homeownership counseling, and a minimum amount of funds set-aside by the owner to assist the resident in the purchase. Family supportive services must also be provided for the residents as outlined in item 12: Supportive Services - Family Supportive Services.

14. Permanent Supportive Housing

Applicants proposing permanent supportive housing must provide a supportive service plan. A plan submitted to a local Continuum of Care or other entity may be submitted. The plan should address the following items:

a. The population being served by the proposal and the experience the support provider has serving that population.

b. How the supportive service plan will address the needs of the specific population.

c. How do you plan to evaluate the success of your supportive services plan? What formal and informal methods will be used to evaluate the success of the development in meeting the individual needs of the residents as well as addressing overall issues of homelessness? How will you convey this information to OHFA and other organizations?

d. How the physical design of the building(s), the project site and location will enhance the lives of residents specific to their particular needs.

e. How residents will be linked to services not directly offered by the on-site service provider.

f. The source of funding for the services and how the project plans to sustain supportive service provisions over the life of the compliance period.

15. Preliminary Plans and Specifications

Preliminary plans and specifications that provide a description of the proposed development, including the following:

a. Typical unit plan(s) that include the square footage of each unit.

b. Building elevations (photographs are acceptable for rehabilitation projects).

c. A site plan that shows how the development is to be built, including rehab or adaptive re-use projects. This plan must indicate the placement and orientation of buildings, parking areas, planned and existing public sidewalks, landscaping, amenities, easements, trash dumpsters, buffers, etc.

d. A schematic site plan that shows the site boundaries and includes the location of any streams, ravines, gullies, drainage problems or other construction deterrents. All utility locations such as water, sewer, gas, electric, and phone lines must be indicated. If utility services are not presently located at the site, then the plan must reflect the distances from the services.

f. A current aerial photograph with the location of the site clearly marked and the surrounding uses and access points to the site are clearly visible. For scattered site projects, submit a map indicating the location of each site with reasonable specificity.

g. A detailed scope of work for rehabilitation and adaptive reuse projects that identifies all hard construction items and their cost.

h. For rehab/preservation projects: a detailed narrative of the past history of the project that includes the name of the property management company(s) during the past ten years, a list of capital expenditures over the past two years, obvious design flaws, and any significant events that have led to the projects current need for a rehab (i.e. fire, natural disaster).

Architectural plans must be on paper no larger than 11 inches by 17 inches (before scanning).

16. Mini-Phase I Environmental Site Assessment (MP-1) or Phase I

A Phase I Environmental Site Assessment is required for all single-site proposals. Scattered-site projects may submit either a Mini-Phase 1 or full Phase 1 Environmental Site Assessment. The scope of work for the MP-1 may be found in Exhibit F. OHFA reserves the right to reject any sites indicated to have environmental problems or hazards.

17. Capital Needs Assessment (rehabilitation of existing housing units only)

A capital needs assessment must be submitted for all proposals for the rehabilitation of existing housing units. The assessment must conform to the standards outlined in Exhibit E.

18. Minimum Project Standards

a. In addition to meeting all new construction and rehabilitation standards required by Section 42 and local and state building codes, each unit must provide a refrigerator and stove in good working order. OHFA may permit an exception to this requirement on a case-by-case basis.

b. Each bedroom in new construction or adaptive reuse units must be at least seven feet in each direction, and contain a closet in addition to the minimum square footage. The following are the minimum square footage requirements:

1. In one-bedroom units, the bedroom will be at least 120 square feet.
2. For a two-bedroom unit, the master will be at least 120 and the second bedroom at least 110 square feet.
3. Third and fourth bedrooms must have at least 100 square feet.

Existing housing units are exempt from this criteria.

c. The minimum hard construction costs for rehabilitation must be equal to or greater than $10,000 per unit or 40% of the total project costs (minus the cost of land and any soft subordinate debt restructured by HUD under the Mark-to-Market program), whichever is greater. Applicable hard construction costs include residential hard construction costs, on-site improvements, construction contingency, furnishings and appliances. An exception to this requirement are projects with tax-exempt bond financing, in which the minimum hard construction cost for rehabilitation projects must be equal to or greater than $6,000 per unit.

d. All new construction units will incorporate the following Universal Design elements which constitute “visitability”:

1. No step entrance: Provide at least one “no step” entrance into the unit. The required “no step” entrance shall be accessed via an accessible route (driveway, sidewalk, garage floor, etc.). Ramps that extend out into the front or back yards are usually not the appropriate solution. OHFA can provide technical assistance or referral to appropriate resources at the applicant’s request.
2. Doors/Openings: All doors and openings shall have a minimum net clear width of 32 inches.
3. Bathroom/Half Bath: Provide a bathroom or half bath on the main floor with clear floor space of 30 inches by 48 inches.

If the applicant feels that some or all of the project's proposed buildings will be unable to meet the visitability requirements due to topography or other site/design limitations, complete Form PPD-E01 Reconsideration of Visitability Requirements. An OHFA-appointed architect will be in contact to work out solutions or will make a determination of whether to waive one or more of the visitability requirements.

e. A single-site multifamily project must provide a parking lot with concrete curbs and at least one parking space for each unit in the project. Exceptions to this requirement may be permitted on a case-by-case basis for projects located in dense urban areas, or for projects serving the elderly or permanent supportive housing populations.

f. All units must be provided with energy efficient central air conditioning systems. Exceptions to this requirement may be permitted for preservation pool eligible projects that, due to design issues, can only provide window units or other cooling systems for each room.

g. Three-bedroom units must contain at least one and a half bathrooms and units with four or more bedrooms must contain at least two full bathrooms. Exceptions to this requirement may be permitted for existing housing projects that, due to design issues, cannot provide the required number of bathrooms without incurring excessive costs.

h. Except for single-family homes and scattered-site developments, the owner must provide full-time (at least 20 hours per week), on-site management staff based on the following scale:
   - Up to 75 units = at least one full-time staff;
   - 76 to 150 units = at least two full-time staff;
   - Over 150 units = at least three full-time staff.

OHFA may permit an exception to this requirement on a case-by-case basis.

i. Minimum unit size (residential living space) for new construction and adaptive reuse projects are as follows:
   - SRO Units: Exceed 250 S.F.
   - Efficiency Units: Exceed 450 S.F.
   - 1-Bedroom Units: Exceed 650 S.F.
   - 2-Bedroom Units: Exceed 850 S.F.
   - 3-Bedroom Units: Exceed 1000 S.F.
   - 4-Bedroom Units: Exceed 1200 S.F.

j. Single-family homes must:
   - Contain three or more bedrooms
   - Provide a two-car garage, or provide a one-car garage and a full basement
   - Include washer/dryer hook-ups
   - Include garbage disposals
   - Include dishwashers

A full basement must contain at least 200 square feet with ceilings at least seven feet high and may not be used as bedrooms.

All requests for exceptions to items a., e., f., g., h., and k. above must be submitted to OHFA no later than one month prior to the proposal deadline. In addition, OHFA may waive any of the minimum project standards for rehabilitation projects with tax-exempt bond financing if the applicant can reasonably demonstrate that the standards are not appropriate or cost-effective. OHFA will evaluate each project on a case-by-case basis and staff decisions will be final.

Market Study Requirements

A market study conducted by an OHFA-approved, market study professional must be submitted with the application. A list of OHFA-approved professionals is available on the OHFA Web site. In order to be placed on this list, market analysts must follow the application requirements available on the Web site and be a member in good standing of the National Council of Affordable Housing Market Analysts (NCAHMA), undergone NCAHMA's Member Designation Program and abide by the Model Content Standards for Market Studies for Rental Housing provided in Exhibit G.

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. Any market study professional submitting inaccurate information may be removed from the list of OHFA-approved market study providers. The market study professional must organize the study using the index found in Exhibit H and complete the market study checklist (Form PPD-E02).

A market study must include all of the following:

a. 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.

b. 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.

c. 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 AHFA. Include color photographs of the project site(s) and surrounding areas. For a scattered-site project, color photographs of at least four (4) sites or at least 10% of the total number of sites in the project must be included (whichever number is greater). 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.

d. Description and map of the Primary Market Area (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. All of the sites to be included in a project must be located within one PMA.

e. 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.

f. 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.

g. Description and evaluation of the public services (including transportation, police, fire department, schools, day care, library and community center), infrastructure (including roads and traffic), community services (including shopping, restaurants, parks, recreational facilities, hospital, health care facilities, 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 and community services.

h. 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.

i. 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 performing 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. 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.

j. Estimate of the vacancy rates of the Housing Credit 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.

k. 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.

l. Evaluation of any concerns or issues raised by the most local 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 issues or concerns of the PHA. Include in the market study a copy of the letter, certified mail receipt, and a copy of any letters from the PHA.

m. An executed original Market Study Certification (Form PPD-E03). The market analyst shall have no financial interest in the proposed project. Financial interest is deemed to be 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 OHFA.

n. A list of all data sources used in the study.

The study must have been completed or updated by the author within one year prior to the application deadline for Housing Credits.

The characteristics listed above are the minimum required to meet OHFA threshold 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.

The criteria for the full application are as follows:

1. Complete, Organized Application

Applications must be submitted on a CD (compact disc), organized according to the index provided with the application. Applications must be complete and consistent with all supporting documentation. An original signature of a representative of each general partner/managing member is required in the program certification section of the application and must be submitted in its original, paper form. Any applications that are incomplete, inconsistent, and/or illegible will be rejected.

2. Public Notification

The public notification process for local elected officials must be completed. Evidence of completion must be provided to OHFA before Binding Reservation Agreements will be issued. See the Public Notification requirements at the end of this section.

3. Conditional Financial Commitments

All non-OHFA construction and permanent financing, grants, equity sources and deferred fees or expenses shall be conditionally committed at the time of application. An executed conditional commitment letter from each source must be included with the application. A conditional financing commitment must contain, at a minimum, (a) the amount of financing; (b) the interest rate of the loan; (c) the term of the loan; (d) the amortization period or other repayment terms for the loan; and (e) the contact person's name and telephone number. A letter or explanation for all sources must be submitted.

Those applicants seeking funding from a local government, Federal Home Loan Bank, or other public or quasi-public funding source that does not issue a funding decision prior to the Housing Credit application deadline must substitute a letter of application or letter of intent from the funding source. The letter of application or intent must be signed by the funding source and shall include the name of the project, the number of units, the amount of funding sought, the terms and rates for the funding sought, the anticipated date of funding decision, and a statement that the project is, or will be, considered for funding.

A conditional equity commitment must contain, at a minimum, (a) the amount of Housing Credit equity (net and gross), (b) the pay-in schedule for the equity, (c) the cents per Housing Credit dollar factor used, and (d) the amount of historic equity (if any). The conditional commitment letters must be consistent with the information provided on the Housing Credit application and must be signed and dated no more than six months prior to the application deadline.

OHFA reserves the right to verify any financial commitment(s) and to require a legal opinion indicating whether the project's sources should or should not affect the project's eligible basis and/or Housing Credit percentage.

Projects participating in the HUD portfolio re-engineering program (Mark-to-Market) must provide a copy of the most recent underwriting model, if available, or other acceptable evidence to substantiate the anticipated amount of any HUD second mortgage.

Applicants who have been denied other OHFA financing for their project may be required to submit conditional financial commitments that will replace funding sought from OHFA. Failure to provide these conditional commitments may result in rejection of the application or revocation of the project's Housing Credit reservation.

4. Utility Allowance Information

Utility allowance information must be submitted that is consistent with Section 42 of the IRC and IRS Regulation 1.42-10.

5. Affirmative Marketing Plan

An Affirmative Fair Housing Marketing Plan is required for all properties. Applicants that have a property with project-based Section 8, HUD Section 236 or USDA contracts may submit their current, approved Affirmative Marketing Plan provided. OHFA, HUD and USDA require that the plan be updated every five years; therefore, if the plan's current approval date is within six months of expiration, submit the current plan along with supporting documentation that demonstrates that an updated plan has been submitted to HUD or USDA for renewal.

The applicant must complete an Affirmative Fair Housing Marketing Plan (Form PC-E45) if no other plan is in place. All items on the form must be completed correctly including all attachments. The instructions for the completion of the plan and reference materials are located on the OHFA Web site.

The applicant must include on the form a description of the outreach, marketing, and advertising methods used in order to affirmatively market the project. A separate plan is required for each census tract in which the project is located.

If assistance is needed, or there are questions regarding the Affirmative Marketing Plan, contact Arthera Burgess, Office of Program Compliance at (614) 995-0306 or aburgess@ohiohome.org.

6. Conformity with Local Consolidated Plan or CHIS

Applicants must evidence that their project meets community housing needs through the local Consolidated Plan or Comprehensive Housing Improvement Strategy (CHIS). Applicants will be required to secure approval from the local agency that administers the Consolidated

Plan or CHIS. It is the responsibility of the applicant to determine which plan applies. If no local Consolidated Plan or CHIS exists in the community in which the project is located, the project must conform to the state Consolidated Plan. A completed OHFA Form PPD-E04, signed by the appropriate official from the city, county, or state must be included with the application.

7. Ohio Housing Locator

The owner and/or property manager of all Housing Credit properties funded under this allocation plan will be required to list their properties in the Ohio Housing Locator (www.OhioHousingLocator.org), the OHFA-sponsored statewide affordable housing database, as soon as the units are placed-in-service.

8. Additional Rent Restrictions (Tax-Exempt Bond projects are exempt)

Applicants must select one of the following elections based on the location of the proposed project:

a. 60% of the low-income units affordable to households with incomes at or below 50% AMGI (projects located in urban or suburban markets); or

b. 40% of the low-income units affordable to households with incomes at or below 50% AMGI (projects located rural markets, except for counties listed below); or

c. 30% of the low-income units affordable to households with incomes at or below 50% AMGI (projects located Belmont, Lawrence, or Washington Counties).

d. 100% of the low-income units affordable to households at or below 60% AMGI for all bond-financed projects

9. Consistency with HDAP Funding (Pending approval of the fiscal year 2011 Consolidated Plan)

Projects seeking funding through the Housing Development Assistance Program (HDAP) must initially meet the following requirements in addition to the requirements listed in Threshold Item 8:

a. A minimum of 40% of the units must be occupied by households at or below 50% of AMGI for projects located in a Participating Jurisdiction (PJ). The HDAP/HOME-assisted units cannot exceed the HUD Low- and High-HOME rent for the county where the project will be located. If the project is located in a non-participating jurisdiction, a minimum of 35% of the units must be occupied by households at or below 50% of AMGI, with rents for the HDAP/HOME-assisted units at the HUD Low- and High-HOME rent.

b. Completion of the appropriate section of the AHFA.

c. The applicant must comply with all requirements of the HDAP Guidelines.

d. A project that receives HOME funds must comply with all HOME program rules, including environmental review and the requirement that residents may not be evicted other than for good cause.

e. A sole for-profit applicant that receives Ohio Housing Trust funds must comply with State Prevailing Wage requirements.

f. In order to receive HDAP funding, the applicant must select one of the following elections:

   i. 5% of the units occupied and affordable to households with incomes at or below 35% AMGI (projects located in non-Participating Jurisdictions); or

   ii. 10% of the units occupied and affordable to households with incomes at or below 35% AMGI (projects located in Participating Jurisdictions).

   These units may be included as part of the rent restricted units required in Criterion 18, Additional Rent Restrictions.

10. 80% completed architectural plans and specifications

Tax-Exempt Bond projects are exempt:

OHFA requires that applicants submit prints certified by the project architect to be at least 80% complete or better.

11. Minimum Project Standards

A completed and executed Development Features Agreement must be submitted to evidence that all minimum standards will be met. See the Minimum Project Standards Requirements at the end of this section.

12. Universal Design Features

Projects are required to provide universal design features according to the policy described in Exhibit I.

13. Final Proforma (Tax-Exempt Bond projects are exempt)

Project applicants must complete the proforma as supplied in the final AHFA with cost numbers derived from architectural plans and specifications at least 80% complete.

14. Appraisal

An appraisal meeting OHFA requirements must be submitted if the project is seeking acquisition credit. Those requirements include:

a. Preparation by a third-party appraiser licensed in the State of Ohio. Name, address, and license number must be included.

b. The appraiser must not currently be restricted from performing HUD Multifamily Accelerated Processing (MAP) appraisals within the state of Ohio. In addition, sponsors and appraisers are notified that, under certain circumstances, the appraisal may be subject to review by the Department of HUD. These circumstances include, but are not limited to, the involvement of a HUD-insured mortgage or HUD Housing Assistance (HHA) with Other Government Assistance (OGA). Examples of HHA includes Project-based Section 8 rental subsidies and continuation of Interest Reduction Payments (IRP). Examples of OGA include Low-Income Housing Tax Credits, Historic Tax Credits, HOME funds, etc.

c. A statement of the estimated value of the property at or before the date of acquisition (the date of acquisition equals the date the deed or lease is recorded). The estimated value cannot include the value of the Housing Credit.

d. Adherence to the Uniform Standards of Appraisal Practice. A statement to this effect must be included in the report.

e. Conducted during 2010, although OHFA will consider earlier reports on a case-by-case basis. An appraisal submitted with the original application that meets all other requirements will be accepted.

15. Capital Needs Assessment (CNA)

All rehabilitation projects must submit a capital needs assessment performed by a third party professional. The assessment must meet the standards outlined in Exhibit E. For scattered-site rehabilitation projects, a capital needs assessment must be performed for only 50% of the buildings. Based on the assessment, OHFA reserves the right to adjust the project's total project costs and eligible basis, which may affect OHFA's financial analysis of the project.

16. Phase 1 Environmental Review Report

A copy of the Phase I Environmental Review (ER) report for all sites must be submitted as part of the application. If a full Phase 1 was submitted with the proposal, it does not need to be resubmitted in this application. The report(s) must comply with current OHFA standards available at www.ohiohome.org. The owner must submit a narrative that addresses any issues raised in the report(s). OHFA reserves the right to reject any sites indicated to have environmental problems or hazards.

<u>Public Notification Requirements</u>

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 Exhibit J of the QAP and include all information requested in such template. 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 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).

Scattered-site projects must complete the public notification process for sites under control at full application and then again for remaining sites prior to the Carryover deadline. The notification must be evidenced at Carryover.

Applicants are encouraged to contact appropriate local government officials prior to submitting an application to inform them of the details of their housing proposal.

Application Corrections: Applicants will have the opportunity to correct administrative errors or omissions found during the application review process.

During the review periods, OHFA will notify each applicant of any administrative deficiencies, and applicants will have **one week** to submit additional information to correct any administrative errors. OHFA will not accept any additional information after the one week correction period. All changes including, but not limited to, changes in ownership, development team, project physical structure, project costs, project financing, site(s), special needs population, and project location will not be permitted. Please be advised that certain items are date-sensitive and must have been completed on or before the application deadline.

C. Financial Underwriting

If a project is selected to receive a reservation or allocation of Housing Credits, OHFA will perform a minimum financial evaluation on said project to ensure that it receives the minimum amount of Housing Credits necessary to assure project feasibility, appropriateness and viability throughout the Housing Credit period. This includes tax-exempt bond financed projects that are excluded from the state's Housing Credit allocation ceiling. OHFA is required to perform the Housing Credit evaluation three times:

1) Prior to issuing a Binding Reservation Agreement or Letter of Eligibility

2) Prior to issuing a Carryover Allocation Agreement (does not apply to tax-exempt bond projects)

3) At the time the project is placed-in-service and requests IRS Form(s) 8609

After the first minimum financial evaluation, OHFA will issue a Binding Reservation Agreement. The reservation amount will not necessarily equal the amount of Housing Credits requested in the application. In addition, the Housing Credit amount may be reduced or increased after the financial underwriting stage.

If the credit percentage has not been elected, then OHFA will use the current month's applicable Housing Credit Percentage at Binding Reservation and/or Carryover to calculate the value of the Housing Credits. The owner may elect to lock in the current month's applicable Housing Credit Percentage at reservation or at the time the project is placed-in-service. The amount of Housing Credits awarded after the financial underwriting phase is the maximum amount of credit that OHFA will award to any project.

OHFA will perform a full financial underwrite of all projects awarded 4% credits upon the submission of all threshold items and 9% credits before receiving a Carryover Allocation Agreement. The below-mentioned underwriting standards are not exhaustive. An OHFA evaluation of the feasibility and reasonableness of the operating budget and project hard and soft costs may also be based on local market standards, industry trends, economic conditions, historical project information and other data.

1. The applicant's determination of adjusted eligible basis will be reviewed. All non-eligible costs will be deducted from the basis.

   a. OHFA will verify the applicable fraction for each project. The applicable fraction is defined as the lesser of (a) the number of low-income units divided by the total number of units or (b) the residential low-income unit square footage divided by the total residential square footage.

   b. Owners of projects with market rate units must demonstrate in the application that all amenities (e.g. garages, community buildings, parking spaces, etc.) are available to all units. If certain amenities are only available to the market rate units, the costs for these amenities must be deducted from the eligible basis. Also, if the market rate units are larger and of higher quality than the low-income units, the basis for the market rate units will be reduced to match the basis for the low-income units. OHFA reserves the right to request additional information to clarify any issues regarding the market rate units.

   c. The acquisition eligible basis cannot exceed the value of the property at or before the date of acquisition (the date of acquisition equals the date the deed or lease is recorded) as determined by the appraisal of the property (see E. Carryover Allocation). The estimated value cannot include the value of the Housing Credits.

   d. For projects receiving "soft" loans (e.g. HOME, deferred fees, AHP, etc.), owners must adequately explain in their application and cost certification form the repayment schedule of these loans. A residual analysis will be conducted on the deferred interest and principal.

   e. Applicants must include an operating reserve as part of the total project cost. This reserve is not included as part of the project's eligible basis.

f. A lease-up reserve shall be established in an amount as required by OHFA and equivalent to funding necessary to break even through qualified occupancy .

g. Projects may receive an allocation of credits based upon 130% of the qualified basis for new construction or substantial rehabilitation. This increase in basis will be approved based upon demonstrated financial need, on a project by project basis. Applicants must provide a narrative, within the AHFA, detailing the financial need for the increased basis.

2. All fees, costs, and assumptions will be checked to determine if they meet Agency standards.

a. OHFA reserves the right to evaluate the reasonableness of the amount of investor equity per dollar of Housing Credits based upon the current condition of the equity market.

b. Applicants must show that the deferred developer's fee (principal and interest, if any) can be paid in full from annual income within the first 12 years. Any unpaid or deferred balance after Year 12 will be deducted from the housing credit eligible basis.

c. OHFA will evaluate the reasonableness of all costs and fees based on industry standards and historical project data. OHFA reserves the right to reduce or exclude costs in order to size the housing credit award and amounts from other OHFA subsidy programs.

3. The project's total sources must always equal the total project cost. If the sources exceed the costs, OHFA will first reduce Housing Development Assistance Program (HDAP) funding or Housing Development Loans, and may also reduce the Housing Credit amount so that sources equal costs.

4. The Net Operating Income (NOI) is calculated according to OHFA standards, and is then compared to the annual debt service payments to make sure there is positive and adequate debt service coverage.

a. The minimum acceptable Hard Debt Service Coverage Ratio (DCR) is 1.20 for the first year of stabilized operations. In addition, permanent hard debt is to be sized such that a minimum 1.0 Annual Debt Service Coverage is maintained through the end of Year 15 of stabilized operations.

b. Permanent debt, rents, and expenses are to be sized such that a minimum 1.0 Annual Debt Service Coverage is maintained through Year 15 of stabilized operations. For projects with no hard debt, positive cash flow must be maintained through Year 15 of stabilized operations.

c. Income from commercial space will not be considered in a cash flow analysis. Fees and other income must be documented and will be considered on a case by case basis.

d. The project's annual operating expenses per unit must fall within 10% of the average costs, based on region and project type. Owners must provide evidence to demonstrate the appropriateness of the costs proposed.

e. OHFA requires an appropriate annual reserve for replacement. The applicant is responsible for demonstrating to OHFA staff the validity of this number.

f. OHFA will assume an annual income increase of 2% and an annual expense increase of 3%.

D. Binding Reservation Agreement

After OHFA has determined which projects will receive Housing Credits, a Binding Reservation Agreement will be mailed to the primary project contact. The original Binding Reservation Agreement and Credit Rate Election form must be signed and notarized by the owner/general partner during the month in which the agreement was issued. The Binding Reservation Agreement, Credit Rate Election form and reservation fee (equal to 6% of the reservation amount), and any additional documentation listed in the Agreement, must be sent to OHFA by the fifth day of the following month in which the agreement was issued, or the reservation of Housing Credits will be invalid.

E. Carryover Allocation

All projects must meet all Carryover Allocation requirements as described in Section 42 of the Internal Revenue Code (IRC) and in Treasury Regulation 1.42-6.

The following items must be submitted by the Carryover submission deadline for all projects that received a reservation of Housing Credits. A paper copy of the cost certification with original signatures of the owner and preparer is required, along with an electronic copy in Excel format. All other items must be submitted on a compact disc (CD) in PDF format.

1. Completed OHFA Cost Certification forms (the most current version) signed by the owner and by the accountant or attorney. The forms must evidence that the "10% test" required by Section 42 of the IRC has been met. The forms and instructions are available on the OHFA Web site or by contacting the Office of Planning, Preservation & Development at (614) 466-0400 or (888) 362-6432.

2. Evidence that a Federal Tax ID number has been obtained for the ownership entity.

3. The project owner must, at a minimum, acquire all property or have entered into a long-term leasehold agreement. Acquisition must be evidenced by a copy of a recorded deed or recorded long-term lease for each site. Owners must also provide legible legal descriptions and permanent parcel numbers for each site. These items will be used to facilitate the production of the project's Restrictive Covenant. If the owner is unable to subdivide parcels before the Carryover deadline, then OHFA will add a condition to the Carryover Allocation Agreement that will require that the site(s) be subdivided and new updated legal descriptions be submitted to OHFA prior to the request for the 8609 Forms.

4. Conditional commitment letters, including equity commitments, from non-OHFA lenders must be updated from those submitted with the application.
5. Any additional conditions that appeared on the reservation with a performance date by Carryover submission.

Projects that meet all requirements will be given a Carryover Allocation Agreement and a Building Identification Number (BIN) for each building in the project. Those buildings receiving credits for both acquisition and rehabilitation will receive one BIN for both Housing Credit types.

A Carryover Allocation Agreement is considered to be binding and will give the applicant 24 months from the end of the allocation year to complete the project and place the units in service. OHFA reserves the right to add conditions or require follow-up items in the Carryover Agreement that must be met before OHFA will issue 8609 Forms to the owner.

A request to extend the Carryover submission deadline for the 10% test or property ownership requirements must be submitted in writing with an extension fee in the amount of 5% of the Binding Reservation fee. OHFA will only approve extensions if the owner is unable to acquire the property until a later date and arrangements are made in advance. All other Carryover submission requirements must be met by the deadline.

Projects that will be completed and placed-in-service in the same year in which they received a reservation should request 8609 form(s) and not a Carryover Allocation Agreement. The owner of the project must submit all appropriate request documentation by the Carryover submission deadline for that year.

F. Project Completion Stage / 8609 Request

Upon project completion, the owner must notify OHFA of the placed-in-service date of each building and submit or complete the following items to request 8609 Forms. A paper copy of the cost certification with original signatures of the owner and preparer is required, along with an electronic copy in Excel format. All other items must be submitted on a compact disc (CD) in PDF format.

1. Complete OHFA Cost Certification forms (as revised in 2010) signed by the owner and by an independent accountant. The accountant will be required to conduct a complete audit of the project costs. The required audit language is included on the forms. The forms and instructions are available on the OHFA Web site. An electronic copy of the forms must also be submitted on a computer disk.
2. Final Certificates of Occupancy from the issuer of the building permits. Certificates of completion or similar information from the owner will be accepted for rehabilitation projects if certificates of occupancy are not issued. Temporary certificates of occupancy are required if the dates on such certificates will be used as the placed-in-service dates for the buildings. OHFA reserves the right to conduct a site visit of a property to verify completion before issuing 8609 Forms to the owner.

3. All permanent financing sources (except for the first or primary mortgage) must be closed before the 8609 Forms are issued. An executed promissory note that includes the amount, interest rate, term, and amortization or repayment terms of the loan must be submitted for each source. In lieu of a note for the first or primary mortgage, a firm financing commitment signed by the lender and owner within 30 days of the request for the 8609 Forms may be submitted. This requirement is retroactive to projects that have not yet received 8609 Forms.
4. Final limited partnership agreement executed by the limited and general partners. The agreement must include all equity amounts and the pay-in schedule for the equity.
5. A copy of the executed and recorded OHFA Restrictive Covenant, and a Consent of Recorded Lienholder form from each non-OHFA lending source.
6. A check for Payment of the appropriate compliance monitoring fee, made payable to "Ohio Housing Finance Agency".
7. Evidence that a representative of the project has attended the OHFA Basic Tax Credit Compliance Training within six (6) months prior to the placed-in-service date for the first building completed.
8. Owner/manager has conducted a placed-in-service meeting with the OHFA Office of Program Compliance.
9. Proof of written notification to the Office of Program Compliance stating the placing-in-service of the building (or last building in a multiple building project) must be submitted within 15 days of the placed-in-service date.
10. Completion of the final Energy Efficiency Certification form for the year of allocation (if applicable).
11. Narrative describing any material changes to the project since time of application.

The request for 8609 Forms must be submitted by the date listed in the Carryover Allocation Agreement. An extension of this deadline may be granted by OHFA upon request. However, any extension will not apply to payment of the compliance monitoring and multiple building project fees.

Requests for 8609 Forms and corrections or clarifications to previous submissions are reviewed in the order submitted. OHFA will issue 8609 Form(s) up to 90 days after a complete request has been submitted. An incomplete or insufficient request will not be processed until all items are submitted, which may result in a delay of the 8609 Form issuance. The closeout process for any Housing Development Assistance Program funds awarded to the project must also be completed before 8609 Forms are issued. Any corrections or clarifications requested by OHFA must be submitted within three (3) months or a resubmission fee of $250 will be charged. OHFA reserves the right to defer processing 8609 Form requests that are received during a future competitive funding round.

Building Identification Numbers (BIN) are assigned to each building by OHFA after a request for 8609 Forms is submitted. Applicants must contact OHFA in writing with any requests to assign BIN to individual buildings prior to that time.

G. Projects with Tax-Exempt Bond Financing

Projects receiving tax-exempt bonds that finance over 50% of the project's total aggregate basis may apply for an award of 4% Housing Credits. OHFA requires that any project seeking such an award submit to the four stages of the 9% evaluation, although the timing deadlines and requirements do not apply. While award of 4% Housing Credits is not competitive, OHFA will verify that all projects are aligned with agency policy goals, have the appropriate development team in place and submit to OHFA's financial underwriting process. OHFA reserves the right to reject an application that fails to meet an appropriate level of quality in these areas. These applicants must submit all items indicated in the proposal and application thresholds. OHFA is the final judge of eligibility for the amount of Housing Credits awarded to all tax-exempt bond financed projects. Project-specific conditions will be listed in the eligibility letter.

In addition to the threshold and underwriting requirements listed in the QAP, the applicant must also meet the following requirements:

1. The items required for the Experience & Capacity Review must be submitted two weeks in advance for OHFA consideration. All other required items may then be submitted with the full application for housing credits.
2. For non-OHFA-issued bonds, the inducement resolution or final approval resolution of the issuer is required. In addition, a letter from the bond underwriter indicating the anticipated interest rate, term, and amortization of the bonds must be submitted
3. For OHFA-issued bonds, the Housing Credit letter of eligibility will be executed following final approval of the bond issuance by the OHFA Board.
4. Evidence that a Federal Tax ID number has been obtained for the ownership entity
5. OHFA reserves the right to require a legal opinion stating that the project is eligible to receive an allocation of Housing Credits pursuant to Section 42(h)(4) of the Internal Revenue Code.
6. The developer must submit a resume of their past experience, including affordable housing references that may be checked by OHFA. The developer will be required to respond to any negative references found by OHFA.
7. A representative of the developer or Management Company must meet with OHFA Program Compliance staff within six (6) months following issuance of the letter of eligibility to review management practices and establish a timetable for the placed-in-service review.

8. All rehabilitation projects must submit a capital needs assessment performed by a third party professional. The assessment must meet the standards outlined in Exhibit E. For scattered-site rehabilitation projects, a capital needs assessment must be performed for only 50% of the buildings. Based on the assessment, OHFA reserves the right to adjust the project's total project costs and eligible basis, which may affect the financial analysis of the project.

These projects will be underwritten using the same standards outlined in these guidelines except that the owner has the option to elect the Housing Credit rate during the month in which the bonds are issued or the month the project is placed-in-service. Please note that the rate election period is tied to the month the notice of issuance indicates. If a project closes in escrow, the rate election applies to that month, not when the final closing occurs. Furthermore, if a bond closes in escrow and does not make a rate election in that month, the credit rate utilized will be the credit rate applicable at the time and for the month in which each building is placed-in-service. Please note that the owner has up to five days following the month in which the bonds are issued to notify OHFA of the rate election, otherwise the month the project is placed-in-service will be used.

Applications for bond-financed properties may be submitted at any time during the year. If public notification requirements have been met and any threshold deficiencies have been corrected, OHFA may take up to six (6) weeks to review an application and issue a letter of eligibility. These projects will not need a Carryover Allocation Agreement, but the owner must follow all 8609 Form request procedures outlined in the QAP (see Page 50) and any conditions outlined in the letter of eligibility. Applicants must provide to OHFA (by the Carryover submission deadline or date specified in the eligibility letter) the following items:

1. A copy of the property's recorded deed, legal description, and permanent parcel numbers.
2. An appraisal meeting OHFA requirements if the project is seeking acquisition credit. Those requirements include:
   a. Preparation by a third-party appraiser licensed in the State of Ohio. Name, address, and license number must be included.
   b. A statement of the estimated value of the property at or before the date of acquisition (the date of acquisition equals the date the deed or lease is recorded). The estimated value cannot include the value of the Housing Credit.
   c. A statement of adherence to the Uniform Standards of Appraisal Practice. A statement to this effect must be included in the report.
   d. Evidence that the appraisal was conducted during 2010, although OHFA will consider earlier reports on a case-by-case basis. An appraisal submitted with the original application that meets all other requirements will be accepted.

VI. MONITORING

A. Introduction

The monitoring process determines if a project is complying with requirements of the Internal Revenue Code (IRC). The Housing Credit monitoring process is outlined in IRC Section 42, IRS Regulation 1.42, the QAP, the OHFA Compliance Handbook, and other OHFA policies.

Compliance with the requirements of the IRC is the sole responsibility of the owner of the building for which the Housing Credit was allocated.

B. Monitoring Process

Housing Credit projects are required to comply with the following, in addition to other requirements described in the OHFA Compliance Handbook:

1. All residents must be income-qualified, adjusted for family size prior to moving into the unit. Units must be rent-restricted as provided for in the IRC. All units allocated Housing Credits must be safe, decent and sanitary housing units complying with local building, health, safety, and zoning codes.
2. Before placing the project in service, the owner/agent must schedule a "placed-in-service meeting" with the OHFA Program Compliance Training and Technical Assistance team to discuss the lease up of the tax credit project. OHFA will attempt to combine placed-in-service meetings when an owner/agent is placing several projects into service within the same general time period. OHFA may elect to waive this requirement.
3. Prior to the placed-in-service date, the owner/agent individual(s) responsible for final approval of tenant files or the site manager/leasing consultant who processes the Tenant Income Certifications for buildings receiving 8609 Forms will be required to attend the OHFA Basic Tax Credit Compliance Training within the previous six (6) months. Please refer to the OHFA Web site www.ohiohome.org to register for this training.
4. Within 15 days of placing the last building in service, the project owner must forward a letter to the OHFA Compliance Analyst assigned to the project indicating the date on which the last building was placed-in-service. Based on this communication, the project will be preliminarily scheduled for a lease-up monitoring visit.
5. The owner of a Housing Credit project must keep records for each qualified low-income building in the project for each year of the compliance and extended use period. These records must include but are not limited to the following for each building in the project:
   - Total number of residential rental units in the building (including the number of bedrooms and the size in square feet of each residential rental unit)
   - Percentage of residential rental units in the building that are low-income units

- Rent charged on each residential rental unit in the building (including any utility allowances)
- Number of occupants in each low-income unit
- Unit vacancies in the building and information showing when, and to whom, the next available units were rented
- Annual income certification of each low-income tenant per unit (if applicable)
- Annual student status certification
- Demographic information
- Documentation to support each low-income tenant's income certification. Tenant income is calculated in a manner consistent with the determination of annual income under Section 8 of the United States Housing Act of 1937 ("Section 8"), not in accordance with the determination of gross income for federal income tax liability
- Eligible basis and qualified basis of the building at the end of each year of the credit period, compliance and extended use periods
- Character and use of the non-residential portion of the building included in the building's eligible basis under IRC Section 42(d)

6. The owner of a Housing Credit project is required to retain the records described in number five (5) above for the entire period of extended use.

7. The owner is responsible for reporting to OHFA annually in the form and manner that OHFA specifies. The reporting process currently requires the submission of an owner certification, resident and project data, as well as other reports and certifications necessary to evidence compliance with any gap financing provided through an OHFA program. When completing the owner certification, the owner is certifying that, for the preceding 12-month period, the owner met the following requirements:

   a. The 20-50 test under IRC Section 42(g)(1)(A), or the 40-60 test under section 42(g)(1)(B), whichever minimum set-aside test was applicable to the project; and if applicable to the project, the 15-40 test under sections 42(g)(4) and 142(d)(4)(B) for "deep rent skewed" projects;

   b. There was no change in the applicable fraction (as defined in section 42(c)(1)(B)) of any building in the project, or that there was a change, accompanied by a description of the change;

   c. The owner has received an annual income certification from each low-income tenant, as appropriate, and documentation to support that certification; or, in the case of a tenant receiving Section 8 housing assistance payments, the statement from a public housing authority described in paragraph (b)(1)(vii) of this section;

   d. Each low-income unit in the project was rent-restricted under Section 42(g)(2);

   e. All units in the project were for use by the general public and used on a non-transitional basis (except for transitional housing for the homeless provided under Section 42 [i][3][B][iii]);

f. Each building in the project was suitable for occupancy, taking into account local health, safety, and building codes;

g. There was no change in the eligible basis (as defined in Section 42[d] of any building in the project, or if there was a change, the nature of the change (e.g. a common area has become commercial space, or a fee is now charged for a tenant facility formerly provided without charge);

h. All tenant facilities included in the eligible basis under Section 42(d) of any building in the project, such as swimming pools, other recreational facilities, and parking areas, were provided on a comparable basis without charge to all tenants in the building;

i. If a low-income unit in the project became vacant during the year, that reasonable attempts were or are being made to rent that unit or the next available unit of comparable or smaller size to tenants having a qualifying income before any units in the project were or will be rented to tenants not having a qualifying income;

j. If the income of tenants of a low-income unit in the project increased above the limit allowed in Section 42(g)(2)(D)(ii), the next available unit of comparable or smaller size in the building was or will be rented to tenants having a qualifying income;

k. The owner has not refused to lease a unit in the project to a Section 8 applicant because the applicant holds a Section 8 voucher or certificate;

l. No finding of discrimination under the Fair Housing Act has occurred for the project (a finding of discrimination includes an adverse final decision by HUD, an adverse final decision by a substantially equivalent state or local fair housing agency, or an adverse judgment from a Federal court);

m. For the preceding 12-month period, no tenants in low-income units were evicted or had their tenancies terminated other than for good cause and no gross rents were increased other than permitted under Section 42; and

n. An extended low-income housing commitment as described in Section 42(h)(6) was in effect.

OHFA reserves the right to adjust the above requirements according to changes in federal regulations.

8. OHFA requires that the owner of a Housing Credit project annually certify the residents' incomes and assets using the form(s) specified by OHFA. Projects that are 100% occupied by qualified low-income households may discontinue recertifications. The owner/agent should consult the OHFA Compliance Handbook for additional guidance.

9. OHFA has the right to review tenant files throughout the 15-year compliance period and the 15-year extended use period. OHFA has the right to perform on-site inspections of any low-income housing project through the end of the extended use period. Buildings receiving new allocations of credit will be inspected no later than the

end of the second calendar year following the year the last building in the project is placed-in-service. OHFA will provide prompt written notice to the owner of a Housing Credit project if OHFA does not receive the required certification or discovers through inspection, review, or any other manner that the project is in non-compliance. The owner will have up to 60 days from the date of the notification to correct any non-compliance issues found and give a written response to OHFA of corrective actions taken. OHFA may, with good cause, extend the correction period for up to six months. During the correction period, an owner must correct any non-compliance and provide evidence to OHFA of such corrections.

10. When OHFA identifies certain instances of non-compliance, it is required to file Form 8823, "Low-Income Housing Credit Agencies Report of Non-Compliance" with the IRS no later than 45 days after the end of the correction period, and no earlier than the end of the correction period, whether or not the non-compliance is corrected. OHFA must explain on Form 8823 the nature of the non-compliance or failure to certify (reference 26 CFR Par. 2. 1.42-5 [e][3]).
11. Compliance with the requirements of Section 42 of the IRC is the responsibility of the owner of the building(s) for which the tax credit is claimed. OHFA's obligation to monitor for compliance does not make OHFA liable for owner/agent non-compliance.
12. If OHFA is unable to serve notice on the property owner by mail and/or telephone during the compliance and extended use periods as defined by the IRS, OHFA will consider the property out-of-compliance and will notify the IRS by filing Form 8823, or take other appropriate action such as designating the project and its owner/agent as not in good standing with the Agency. **Please note that OHFA will maintain one contact person per project. The owner/agent will agree upon the contact person and notify OHFA immediately of any change.**
13. OHFA requires Housing Credit owners to pay a one-time compliance monitoring fee. The fee amount for projects receiving a reservation in 2011 will be $900 per unit.
14. OHFA reserves the right to charge the owner and/or management company for costs incurred as the result of compliance reviews conducted outside of the normal inspection cycle.
15. It is the responsibility of the owner and its agents to ensure that the property management agent has all documents and information necessary to meet all rent, income, or other requirements attached to all sources of funding used to develop the project. Such documents may include, but are not limited to, the Housing Credit restrictive covenant(s), Housing Development Assistance Program (HDAP) restrictive covenant, and the gap financing agreement.
16. Compliance requirements are communicated to owners and managers of Housing Credit projects through the OHFA Program Compliance Handbook and other means such as the Agency newsletter. Owners and managers are expected to consult these and other resources to ensure they are up-to-date regarding policies and procedures established by OHFA.

17. Changes in the management company that occur after the project has placed-in-service must be approved by OHFA Program Compliance. The owner must apprise Program Compliance of the proposed change 60 days prior to terminating the services of the current management company. OHFA may require the proposed management company to fill out a due diligence questionnaire to ensure the proposed company is sufficiently qualified to manage a Housing Credit project in Ohio.

VII. MISCELLANEOUS

Special Allocation

An applicant that has returned a Housing Credit allocation from a previous year due to the inability to proceed resulting from local government action that has been determined through the judicial system to be inappropriate may seek an allocation of credits in the current year. In order to qualify to apply for this relief, the project must meet the following requirements:

1. The project must have received an allocation of competitive Housing Credits from OHFA in a previous year.
2. The applicant must have returned the Housing Credits to OHFA prior to the required placed-in-service date.
3. The underlying reason for the return of the credit allocation must relate to action or inaction of the local government approval process to allow for plan approval or building permit issuance.
4. The applicant must obtain either a final judicial determination that the local action or inaction is inappropriate, or a settlement or consent of all parties to an appealable judicial action that no appeal will be taken from a judicial decree or that determines the local activity is inappropriate. As a result of this judicial decree or settlement, the applicant must demonstrate that the project can now proceed. OHFA legal counsel and/or the Ohio Attorney General's office will make the determination of these requirements.
5. The applicant must complete a current year application and request OHFA Board consideration to obtain a Housing Credit reservation. OHFA staff will evaluate the project based on current selection criteria. It is expected that any monetary damages received which are related to the project, less direct costs of litigation apportioned between damages that are related and unrelated to the project, will be pledged to the project.

Qualifying requests will be summarized and presented to the OHFA Multifamily Committee and Board for consideration and approval. OHFA has no affirmative obligation to grant approval to any project seeking relief.

OHFA may also grant relief to projects that are unable to meet their placed-in-service deadline due to circumstances that are outside the control of the owner and could not be reasonably anticipated before the initial application date. The following requirements must be met:

1. The applicant must submit a formal request outlining reasons that the placed-in-service deadline cannot be met. A request may be submitted after September 1 and no later than November 30 of the year of the placed-in-service deadline.
2. The applicant must agree to return their Housing Credit allocation to OHFA prior to the placed-in-service deadline.
3. Significant progress toward completion of the construction and/or rehabilitation of the project must be demonstrated at the time the request is submitted. OHFA will use 75% completion as a general guideline when judging significant progress toward completion.
4. If the request is approved, then a new allocation of credits will be granted in the following calendar year, and the placed-in-service deadline will be extended for up to one year. OHFA reserves the right to levy a reservation fee for the new credit award.

Previous Allocation

Owners of projects that received a prior allocation of Housing Credits may apply for additional credit if necessary for the continued financial feasibility of the project. The ownership structure, development team members, rent elections, applicable fraction, developer's fee, special needs population served (if any), and physical structure of the project may not be changed unless approved in advance by OHFA. All requests for changes must be received no later than 30 days prior to the application deadline.

Applications for additional credit must include documentation dated within one year prior to application for Housing Credits. Owners must meet all requirements contained in the 2010 QAP.

Duplicate Applications

Each application must consist of a legitimate, stand-alone development proposal. OHFA does not consider projects that are artificially divided or duplicate projects on adjacent or nearby sites to be legitimate development proposals, because such applications may manipulate the selection process and circumvent allocation priorities. Therefore, OHFA will reserve the right to combine or reject applications for projects located in close proximity and sharing similar attributes, such as project type, population served, construction style, and/or development team members.

If OHFA elects to combine applications, the developer will then be required to demonstrate that the combined project will be financially feasible. The conclusions in the market study must be updated based on the total number of units, and items such as zoning documents, public notification letters and consolidated plan certification may also need to be updated. If OHFA determines that it is appropriate to combine applications in this manner, the applicant(s) must then either submit the updated documents described above, or elect to withdraw one or more of the duplicate applications. An election to withdraw an application must be in writing and signed by all parties that signed the original application.

In addition to combining applications, OHFA will prohibit applications that receive a reservation of housing credits from later adding land or sites from other projects proposed in the same year. OHFA will permit a parcel of land or an existing building to be included in only one application (per developer) during a funding round.

Project Changes

All project changes require OHFA approval, and all changes will be reviewed by OHFA on a case-by-case basis. OHFA reserves the right to reduce or revoke an award of Housing Credits if projects are changed without approval or partners fail to complete a project as approved. A new application, fee, public notification letters and competitive review may be required if any project characteristics change. New owners without experience in the Housing Credit program must contact the Office of Program Compliance prior to consideration by OHFA.

Failure to inform OHFA of any changes in the applicant's situation or project structure at any time may cause the application to be rejected or the Housing Credit reservation to be revoked.

OHFA may allow the admission of an additional general partner after Housing Credits are awarded in order to address a related-party loan issue. A letter from the owner's legal counsel that adequately explains the need for this action must be submitted. A letter signed by both the new general partner and the current controlling general partner must also be submitted to confirm the following:

a. The new general partner will not own more than 24% of the general partner shares.

b. The new general partner must agree to not materially participate in the project.

c. The new general partner must gain little or no financial benefit from the project.

d. The new general partner may not count the project toward their experience in future funding applications to OHFA.

OHFA will review and issue a decision for each request on a case-by-case basis. Approval of the OHFA Board may also be necessary for the HDLP and HDAP programs.

Document Correction Fee

OHFA will assess a correction fee of $250 if a Carryover Allocation Agreement, Restrictive Covenant, or 8609 Form must be re-issued due to an error on the part of the owner or applicant.

Agency Information Sources

The OHFA Web site contains important, easily accessible information regarding the application process and program policies, such as Housing Credit percentages, frequently asked questions (FAQs), important program dates, and files for download such as the QAP and Affordable Housing Funding Application. The Web site address is www.ohiohome.org. It is the responsibility of applicants to regularly browse the Web site to obtain current information on the Housing Credit and other OHFA programs.

Contacting the Applicant

OHFA will only contact the person listed in the application as the project contact. OHFA asks that other parties involved in a project communicate with the project contact prior to contacting the agency. The contact person for each project must attend the Next Steps meeting hosted by OHFA in the weeks immediately following the announcement of the housing credit awards.

Requesting Information

At the end of each allocation round, OHFA will make available a listing of all applications, along with a detailed report featuring the projects awarded Housing Credits in that round. Please visit the OHFA Web site or contact OHFA to obtain this information. Interested parties requesting project-specific information must do so in writing according to the OHFA Freedom of Information Request procedures.

Project Event

OHFA is pleased to send representatives to project events such as groundbreakings, ribbon cuttings and grand openings at the request of the development team. Please notify us at least two weeks in advance of such events to aid with scheduling.

VIII. Table of Contents: Exhibits

Exhibit B

Ohio Housing Finance Agency
Management Company Capacity Review

Management Company:

Contact person:

Email Address:

City/State/Zip:

Phone:

When completing this form please use N/A if a question is not applicable to your company.

Section I - General Information

Note: Text boxes in this form will expand to include your full answer once entered.

A. Is the management company a subsidiary of another entity?
☐ Yes ☐ No

B. How many years has the management company been active in affordable housing management?

C. Provide the name, address, and contact information for the properties the management company will be managing.

D. Describe the management company's experience in managing residential real estate.

E. Is the management company in good standing with OHFA programs?
☐ Yes ☐ No ☐ N/A

If no, describe the good standing issue(s) and what is being done to address the issue(s).

F. Has OHFA ever recommended that the management company seek additional training or technical assistance?
☐ Yes ☐ No ☐ N/A

G. Describe the types of services and amenities provided at the communitites managed by the management company. Provide pictures, brochures, and other materials as appropriate.

PC-E38
Rev. 9-09

Exhibit B

H. Describe any special needs populations, to include elderly, the management company has served. What were critical factors in successfully serving these populations?

I. Describe the management company's customer service philosophy.

J. How does the management company receive and act upon feedback from customers, employees, vendors, and others?

K. Describe the types of self monitoring policies and procedures implemented by the management company.

L. Is the management company properly incorporated in Ohio?
☐ Yes ☐ No

M. Does a management company representative hold an Ohio Real Estate Broker's license?
☐ Yes ☐ No

N. Describe the management company's employee training and development program.

O. Does the management company use the web to market its properties?
☐ Yes ☐ No

If yes, please provide a description of the management company's use of the web to market its properties.

P. What services can a resident access throught the management company's website?

Q. Are managed properties registered in the Ohio Rental Housing Locator?
☐ Yes ☐ No

R. Describe the management company's recordkeeping requirements. What measures are in place to ensure resident information is safe and secure?

Exhibit B

S. Disclose any management contracts terminated or not renewed in the last two years. Describe the reason(s) why any contracts were canceled or not renewed.

Section II - Management Company Experience and Performance

A. **Please complete the following chart to reflect the number of tax credit properties and units that the management company currently manages both in the state of Ohio and out of state.**

	In-State	Out-of-State
Propertie s		
Units		

B. **Please answer the following questions regarding the management company's experience and performance.**

Has management or any of its personnel ever been involved in governmental or judicial action concerning a violation of Fair Housing Laws? ☐ Yes ☐ No

If yes, please provide details:

If the application for low income housing tax credits involves rehabilitation of existing housing units, does the management company have experience with the federal Uniform Relocation Act? ☐ Yes ☐ No

Has the management company ever been debarred or received a limited denial of participation in the past 10 years by a federal or state agency from participating in a development program? ☐ Yes ☐ No

Has a project for which the management company is a principal been involved within the past 10 years in a bankruptcy, adverse fair housing settlement, adverse civil rights settlement or adverse federal or state government proceeding and settlement? ☐ Yes ☐ No

Has a project for which the management company is the principal been in a mortgage default or arrearage of three months or more within the last five years on a Federal Housing Administration (FHA) insured project, Rural Development (RD) funded rental project, tax exempt bond funded mortgage, agency loan, tax credit project or any other publicly subsidized project? ☐ Yes ☐ No

Has the management company been involved within the past ten years in a project which received an allocation of tax credits but failed to meet standards or requirements of the tax credit allocation or failed to fulfill one of the representations contained in an application for tax credits? (This includes returning an allocation of tax credits to the agency after the carryover agreement has been signed) ☐ Yes ☐ No

Exhibit B

Has the management company been found to be directly or indirectly responsible for any other project within the past five years in which there is or was uncorrected noncompliance more than three months from the date of notification by the Ohio Housing Finance Agency (OHFA) or any other state allocating agency? ☐ Yes ☐ No

If yes, please provide details:

C. Which of the following certifications does the management company require (on-site) managers to obtain and maintain through continuing education. (check all that apply)

- ☐ Housing Credit Certified Professional (HCCP)
- ☐ Certified Credit Compliance Professional (C3P)
- ☐ Tax Credit Compliance System (TaCCS)
- ☐ National Compliance Professional (NCP)
- ☐ Tax Credit Specialist (TCS) and (eTCS)
- ☐ Specialist in Housing Credit Managament (SHCM)
- ☐ None of the above

D. List the other qualifications the management company requires for resident (on-site) managers

1. Education:
2. Previous Experience:
3. Other:

The following sections are to be completed only by management companies that are not presently managing Tax Credit properties in Ohio.

Note: All management companies must sign the certification on the last page of this form.

Section III - Additional General Information

A. Identify any common interest or ownership between the property owner and the management company.

B. Describe the lines of authority, responsibility, and accountability within the management company. Such as Asset Management, Compliance, and Leasing.

PC-E38
Rev. 9-09

Exhibit B

C. Describe the oversight that will be provided by the management company to ensure program compliance with the tax credit program and other housing properties as it relates to eligibility and record keeping.

D. Describe the type and frequency of tax credit training that will be provided to on-site staff.

E. List the position(s) responsible to carry out the functions of eligibility determination, resident selection, unit assignment, and certification.

F. Describe the level of knowledge the person(s) performing the tasks in the previous question is expected to possess.

G. Describe the screening tools that will be utilized to ensure eligible applicants are selected. Indicate whether credit reports, criminal history/background, and verification of previous rental history will be used.

H. If applicants are subject to meeting a minimum income, please identify the minimum(s); explain the selection method, and how it will be applied to certificate and voucher holders. If you allow mitigating circumstances to override this decision, please describe.

I. Identify the minimum initial lease period required, and the method of subsequent renewals (month to month, annual, etc).

J. Describe the management company's experience with Affirmative Fair Housing Marketing practices.

K. Describe the management company's policy for accepting Section 8 certificates and vouchers.

Exhibit B

Section IV - On-Site Operations

A. How often do management company executives or supervisors visit the developments?

☐ Weekly ☐ Monthly ☐ Quarterly

☐ Semi-annually ☐ Annually ☐ Other: ____________________

Section V - Training

A. Does the management company provide Fair Housing training for your site staff?
☐ Yes ☐ No

B. Has the management company or any of its personnel attended training provided by OHFA? ☐ Yes ☐ No

If yes, please provide the names and titles of all attendee(s), as well as the date of training. If no, please describe plans to attend.

I hereby certify that the information above and any attached explanation(s) is/are true and correct. I understand that any misrepresentation, false information or omission may result in disqualification of the application and any other involving the same owner(s), principal(s), consultant(s) and/or application preparer(s).

______________________________ ______________________________
Signature Date

______________________________ ______________________________
Printed Name Title

Please send this completed form to:

Office of Program Compliance
Ohio Housing Finance Agency
57 E. Main Street, 2nd Floor
Columbus, OH 43215

Exhibit D

Ohio | Interagency Council on Homelessness and Affordable Housing

Interagency Council on Homelessness and Affordable Housing
Permanent Supportive Housing Policy Framework

In an effort to gain stakeholder feedback, the Permanent Supportive Housing (PSH) Framework was presented to stakeholder groups and representatives. Throughout December 2009, the PSH Work Group's members communicated with entities from around the state. The method for communication was diverse given the limited timeframe, with some members being solicited by e-mails while others participated in conference calls and discussion forums. Stakeholders' initial responses to the framework were largely positive. Comments and suggestions for revisions were collected and taken into consideration before approval of the final PSH Framework by the Interagency Council on Homelessness and Affordable Housing (ICHAH) Policy Team on January 8, 2010.

Agencies and individuals approached through this process included:

- The Ohio Association of County Behavioral Health Authorities (OACBHA)
- The Ohio Council of Behavioral Health & Family Services Providers (OCBHP)
- Continuum of Care Coordinators
- Mental Health Housing Developers
- Public Housing Authorities
- Nonprofit Housing Providers & Developers
- Participants and graduates of the Corporation for Supportive Housing's (CSH) Supportive Housing Institute
- Attendees at the Returning Home Ohio quarterly meeting
- Ohio's state prison system
- State agency representatives and advocates serving on the ICHAH Policy Team

In total, over 275 individuals and organizations, representing interests from around the state of Ohio were involved with the vetting process for this document.

Exhibit D

Ohio | Interagency Council on Homelessness and Affordable Housing

Ohio Interagency Council on Homelessness and Affordable Housing Permanent Supportive Housing Policy Framework

1. Introduction/Rationale

State of Ohio PSH Goal

The Ohio Interagency Council on Homeless and Affordable Housing has adopted a goal of creating 6,000 new PSH housing opportunities over the next five years to help address high priority permanent housing and supportive services needs of the most vulnerable households with serious and long-term disabilities. These new PSH opportunities are essential for Ohio to address homelessness and chronic homelessness among Ohioan's with disabilities and to promote and advance the community integration goals affirmed in the U.S. Supreme Court's *Olmstead* decision by reducing Ohio's reliance on expensive and unnecessary institutional settings. While this is an ambitious goal, and we need to continue to grapple with balancing our concerns for those currently homeless and those at risk of homelessness or institutionalization, it is achievable through this State of Ohio Permanent Supportive Housing Policy Framework. In addition, the need for preserving existing PSH is extremely critical, requiring mindfulness that the preservation of affordable housing units meeting the PSH definition is also necessary.

As we inaugurate the beginning of a new decade, Ohio state officials, advocates, and other PSH stakeholders have recognized the importance of acting at this opportune moment in time. Momentum is rapidly building for an array of new federal policy and resource opportunities that can help "take PSH to scale" in Ohio and other states. These federal opportunities include:

- A new U.S. Department of Housing and Urban Development (HUD) – U.S. Department of Health and Human Services (HHS) collaboration on evidenced-based housing and services approaches for vulnerable populations;
- The National Housing Trust Fund (NHTF) which could bring an estimated $38 million[1] in new federal funding to Ohio. The majority of this funding must be invested in permanent housing for the lowest income people;
- A new federal PSH Demonstration through the anticipated enactment of legislation to reform HUD's Section 811 Supportive Housing for Persons with Disabilities Program;
- New Housing Choice Vouchers targeted by Congress for PSH; and
- New Housing Choice Vouchers targeted by Congress for Homeless Veterans.

The State of Ohio must be prepared to act boldly and decisively with innovative and feasible PSH policies and collaborations, an alignment of state resources, and the leadership and local partnerships that can ensure the creation of PSH at scale across the state. While many states will seek to "tap into" federal resources to create new PSH units, this State of Ohio PSH Policy Framework adopted by the Governor's Interagency Council on Homelessness and Affordable

[1] This estimate is based on an NHTF estimated distribution rate (3.2%) provided by the National Low Income Housing Coalition for the State of Ohio multiplied by the anticipated NHTF funding level of $1.2 billion.

Exhibit D

Housing Ohio positions the state to maximize the leveraging of these and other valuable resources to create as many as 6,000 new PSH opportunities over the next five years. The State of Ohio can achieve this goal by:

(1) Improving the alignment of State of Ohio policies and resources for PSH expansion in order to leverage federal and local PSH resources; and

(2) Initiating PSH resource collaborations and partnerships with local communities and Public Housing Agencies (State-Local PSH Partnerships).

State-Local PSH Partnership

Ohio has been a leader in PSH since 1987 when the State received three of nine Robert Wood Johnson Foundation grants to expand PSH for people with serious and persistent mental illness. There are communities across Ohio excel at creating this evidenced-based and cost effective housing model that saves taxpayers money and assists the most vulnerable people with disabilities to live and participate successfully in community life. These communities have succeeded largely because they have been successful in attracting and aligning resources for PSH from every level of government – including federal, state, county, and municipally controlled housing and services funding streams.

The State of Ohio cannot successfully initiate an expansion of the PSH model at the scale needed across the state by relying solely on state resources or the dedication of mission driven non-profits. Through the work of the Interagency Council, it has become clear that by adopting a PSH Framework and by initiating State-Local PSH Partnerships in communities across the state, the ambitious goal of creating 6,000 new PSH opportunities is within reach. To initiate these partnerships, the state must continue to target existing state resources and align critically important new resources to support future PSH development including:

- **Federal Low Income Housing Tax Credits (LIHTC) -** In its 2010 Qualified Allocation Plan, OHFA established a target pool of up to $3 million of LIHTC to support PSH development;

- **Ohio Department Mental Health's (ODMH) Community Capital for Housing Program** - ODMH's capital funding currently provides resources to purchase, renovate or construct permanent supportive housing for persons with mental illness and their families.

- **Ohio Department of Developmental Disabilities' Capital Housing Program –** ODDD's capital funding currently provides resources to purchase, renovate or construct permanent supportive housing for persons with developmental disabilities receiving supported living services through the Home and Community Based waivers.

- **National Housing Trust Fund** – Authorized by Congress in 2008, HUD is seeking $1.2 billion in funding for the NHTF in FY 2010 – which under a National Low Income Housing Coalition suggested formula would grant more than $38 million in new federal affordable housing funding to Ohio. According to NHTF guidelines, at least 67.5 percent of NHTF funding must be spent on permanent housing for households at or below 30 percent of Area Median Income. As one mechanism to initiate State-Local PSH

Exhibit D

Partnerships across Ohio, the State of Ohio will commit a substantial amount of NHTF resources to the creation of new PSH units.

- **Ohio Housing Trust Fund** – The Ohio Housing Trust Fund is an extremely flexible source of funding with dedicated revenue from real estate recording fees. Historically, substantial resources within the Ohio Housing Trust Fund have been dedicated to addressing homelessness. However, the Ohio Housing Trust Fund has not necessarily been prioritized for PSH. Given the substantial body of rigorous research proving the cost effectiveness and successful outcomes achieved from the PSH model, the State of Ohio will ensure that Ohio Housing Trust Fund resources support the creation of PSH, including the financing of PSH operating subsidy and services "gaps" that cannot be addressed with other sources of funding.

- **New Federal Section 811 Demonstration Program** – Important PSH legislation now being considered by the Congress (H.R. 1675 and S. 1481) proposes an innovative PSH Demonstration program to spur the development of integrated Section 811 financed PSH units in properties financed with federal Low Income Housing Tax Credits, HOME funds, and other capital funding sources. The State of Ohio believes that this legislation as currently proposed could significantly advance the creation of PSH across Ohio and will work to position the State to compete successfully for these funds as currently proposed.

The PSH resources highlighted above represent major new opportunities that can incentivize and leverage an expansion of PSH across Ohio. Many other affordable housing and supportive services resources in Ohio are controlled at the state, county and local level, and have been identified in the Technical Assistance Collaborative's *Report to the Ohio Interagency Council on Homelessness and Affordable Housing* dated June 29, 2009. These include federal Low Income Housing Tax Credits, state and locally controlled HOME funds, 90,000+ Housing Choice Vouchers administered by Public Housing Agencies[2], ODMH and ODDD Capital funds, Medicaid, and state/county resources targeted for community based supports for people with disabilities in need of PSH. Strategies for leveraging these resources will be forthcoming from the PSH State-Local Partnership Workgroup.

2. State of Ohio Permanent Supportive Housing Definition

[2] One local PSH funding opportunity may be available very soon – and is an example of the potential benefits which can be achieved from an Ohio State – Local PSH Partnership approach. In December of 2009, HUD is expected to announce a competitive Notice Of Funding Availability for up to 6,000 new Housing Choice Vouchers appropriated by Congress exclusively for people with disabilities who can benefit from services. At least 1,000 of these new vouchers will be targeted for people who are benefitting from the federal Money Follows the Person (MFP) Demonstration Program. Ohio is one of 29 states participating in the MFP Demonstration. The Ohio Department of Jobs and Family Services – the grantee for Ohio's MFP program – is actively working to establish PHA partners across Ohio to maximize the number of these new vouchers which can be leveraged for Ohio citizens with disabilities.

Exhibit D

The State of Ohio has adopted the following definition of Permanent Supportive Housing:

- PSH is permanent, community-based housing targeted to extremely low income households with serious and long-term disabilities;
- PSH tenants have leases that provide PSH tenants with all rights under tenant-landlord laws. Generally, PSH provides for continued occupancy with an indefinite length of stay as long as the PSH tenant complies with lease requirements;
- At a minimum, PSH meets federal Housing Quality Standards (HQS) for safety, security and housing/neighborhood conditions;
- PSH complies with federal housing affordability guidelines – meaning that PSH tenants should pay no more than 30-40 percent of their monthly income for housing costs (i.e., rent and tenant-paid utilities);
- PSH services are voluntary and cannot be mandated as a condition of admission to housing or of ongoing tenancy PSH tenants are provided access to a comprehensive and flexible array of voluntary services and supports responsive to their needs, accessible where the tenant lives if necessary, and designed to obtain and maintain housing stability;
- PSH services and supports should be individually tailored, flexible, accessible by the tenant, and provided to the extent possible within a coordinated case plan; and
- As an evidence-based practice, the success of PSH depends on ongoing collaboration between service providers, property managers, and tenants to preserve tenancy and resolve crisis situations that may arise.

Ohio has adopted this definition because it reflects the evidenced-based PSH model that has been extensive and rigorous researched over the past fifteen years and has been determined to: (1) consistently achieve highly successful outcomes for PSH tenants; and (2) be cost effective when compared with the costs of homelessness and/or institutionalization. It should be noted that there are several other models that combine housing with services that – while not identical to the PSH model defined above – may have value in addressing the needs of certain vulnerable populations. These other housing/services models include transitional housing, short-term or medium-term housing assistance with time limited services, assisted living for elderly households, senior housing, other service-enriched housing models for families, or other models which have requirements that are not consistent with the PSH definition.

3. Permanent Supportive Housing Criteria and Target Populations

The State of Ohio has adopted the following criteria and target populations for participation in PSH to ensure leveraging of federal resources to the greatest extent possible.

Exhibit D

Income Requirements: PSH is targeted to extremely low income households (30 percent of AMI and below); and

Age: The PSH head of household is generally, but not exclusively 18-61 years old; and

Disability[3]: A PSH household is a household in which a sole individual or an adult household member has a serious and long-term disability that:

- Is expected to be long-continuing, or of indefinite duration;
- Substantially impedes the individual's ability to live independently;
- Could be improved by the provision of more suitable housing conditions; and
- Is a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, post traumatic stress disorder, or brain injury; is a developmental disability, as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 USC 15002); or is the disease of acquired immunodeficiency syndrome or any condition arising from the etiologic agency for acquired immunodeficiency syndrome;

and meets one or more of the following eligible PSH populations:

- Households with serious mental illness or co-occurring mental illness and substance abuse who are homeless or at-risk of homelessness[4] or institutionalization[5];

[3] The definition of disability was formulated from the definition of disability within HUD's two PSH programs – the Section 811 Supportive Housing program and the McKinney-Vento Homeless assistance programs.

[4] At-risk of homelessness is defined as a household at risk of losing its housing when no appropriate subsequent housing options have been identified AND the household lacks the financial resources and support networks needed to obtain immediate housing. The source of this definition is modified from HUD's Homeless Prevention Rapid Re-housing Program; Program Notice, 6/8/09 (It was noted that the HPRP threshold is low intentionally to allow for intervention but there was concern voiced that using this might lead to less needy people being selected for PSH over more needy individuals).

[5] Risk of Institutionalization is defined as households with serious mental illness whose emotional or behavioral functioning is so impaired as to interfere with their capacity to remain in the community without supportive treatment. The mental impairment is severe and persistent and may limit their capacities for engagement in primary activities of daily living, interpersonal relationships, homemaking, self-care, employment or recreation. The mental impairment may limit their ability to seek or receive local, state, or federal assistance such as housing, medical, and dental care, rehabilitation services, income assistance, and food stamps, or protective services. ODMH is currently reviewing the definition of serious and persistent mental illness. Once complete, this definition of "at risk of institutionalization" will be updated to reflect any changes to Ohio State Policy.

Exhibit D

- Homeless households or those at risk of homelessness or institutionalization with serious and long-term disability directly related to abuse of alcohol or drugs;
- Households with serious intellectual or developmental disabilities acquired before the age of 22 including those with co-occurring mental illness, developmental disabilities, and autism spectrum disorders who are homeless or at-risk of homelessness or institutionalization[6];
- Households with serious physical, sensory, or cognitive disabilities occurring after the age of 22 who are homeless or at-risk of homelessness or institutionalization[7];
- Households with serious disabilities caused by chronic illness, including but not limited to HIV/AIDS, who are no longer able to work and who are homeless or at-risk of homelessness or institutionalization;
- People ages 16 to 24 who have serious disabilities who are aging out of Ohio's foster care system and who are homeless or at-risk of homelessness or institutionalization; and
- People with serious and long-term disabilities who are being released from Ohio correctional facilities and who are at-risk of homelessness or institutionalization.

4. Permanent Supportive Housing Approaches and Models

The State of Ohio supports the creation of a range of permanent supportive housing approaches and models to meet the needs and housing preference of PSH tenants.

The main approaches to helping PSH tenants afford housing are:

- **Project-based rental assistance**, in which housing subsidies are tied to a particular unit and tenants who chose to live in those units pay a reduced rent;
- **Sponsor-based rental assistance**, in which a nonprofit agency receives support to buy or lease housing that is then leased to qualified tenants; and
- **Tenant-based rental assistance**, in which a tenant receives a voucher, entitling the tenant to a reduced rent, which can be used to rent a unit of the tenant's choice from a landlord who agrees to accept the voucher.

[6] Risk of Institutionalization is defined as eligibility for or receipt of ODJFS Medicaid Waiver Services for households with serious intellectual or developmental disabilities.

[7] Risk of Institutionalization is defined as eligibility for or receipt of ODJFS Medicaid Waiver Services for households with serious physical, sensory or cognitive disabilities after the age of 22.

These three approaches can be used to provide services to tenants in two types of settings:

- **Single-site housing** is housing in which tenants who receive support services live together in a single building or complex of buildings, with or without onsite support services; and
- **Scattered-site housing** is housing in which tenants who receive support services live throughout the community in housing that can be agency-owned or privately-owned.

5. Examples of Permanent Supportive Housing in Ohio

I. Single-Site PSH Models

Tenant –Based Rental Assistance

Joey's Landing is an 8 unit, new construction project in the City of Warren. This project provides subsidized housing to homeless adults with a mental health disorder. All of the tenants have a Shelter Plus Care tenant based voucher. Persons are referred to the project through their case manager and eligibility is determined through the Housing Specialist. Supportive services (case management and vocational services) are currently funded through the grant as well as operating costs such as property management fees, snow removal, lawn care, general maintenance and costs for the common laundry area. Key partners are Valley Counseling Services (mental health provider), Coleman Professional Services (mental health provider, employs the housing specialist and employment specialist), Trumbull LifeLines, the mental health and recovery board who is the owner of the project and the grantee for the Shelter Plus Care vouchers, and Sunshine, Inc. the property management company.

Sponsor-Based Rental Assistance

South Pointe Commons, on Cleveland's southwest side, is a mix of new construction and rehabilitation of an existing four-unit building comprised of 78 efficiency apartments, 4 one-bedroom apartments, and 2,000 square feet of retail that is occupied by a Mediterranean restaurant. The project serves adults who have who have experienced long-term homelessness and who suffer from disabilities that inhibit their ability to sustain housing. Rental assistance is provided through sponsor-based Shelter Plus Care administered through EDEN Inc. The Cleveland Housing Network (CHN) was the lead developer of South Pointe Commons and the project is co-owned by CHN and EDEN Inc. Mental Health Service is the lead service provider partnering with the AIDS Task Force of Greater Cleveland and the Louis Stokes Cleveland VA Medical Center.

Project-Based Rental Assistance

Southpoint Place Apartments, Columbus Ohio Eighty Apartments is comprised of 40 Townhomes for families and 40 studio apartments for single adults. A Permanent Supportive Housing development with site-based services for vulnerable single adults and families disabled by mental illness, substance addiction or histories of homelessness: 25 homeless and disabled single adults - 26 homeless and disabled families and 15 disabled single adults and 19 disabled families. There were twelve public and private funding sources including Project-based

Exhibit D

Section-8 Rent Subsidy, HUD PSH and HOME, Equity from LIHTC Program, Franklin Co. ADAMH Board, Community Shelter Board and private contributions.

II. Scattered-Site PSH Models

Tenant –Based Rental Assistance

The **Ohio Department of Job and Family Services (ODJFS)** has developed partnerships with Public Housing Authorities in Ohio to set aside approximately 60 vouchers for people with disabilities who are approved for the HOME Choice program (federally known as Money Follows the Person Demonstration Program). The program assists people with disabilities who currently reside in a nursing home who wish to return to the community. ODJFS has designated Transition Coordinators to assist the consumer and work directly with the PHA in obtaining the Housing Choice voucher. Each consumer is supported by Medicaid waiver services (If necessary) to help support them in the community. ODJFS is currently partnering with Cuyahoga Metropolitan Housing Authority, Lucas Metropolitan Housing Authority, and Akron Metropolitan Housing Authority.

Sponsor-Based Rental Assistance

Columbiana County Mental Health Association (MHA) operates a Sponsor-Based Rental Assistance Program (SRA) serving 5 homeless individuals who have a severe and persistent mental illness. Participants reside in scattered site, one-bedroom apartments in sponsor-based units leased to the Sponsor Agency. All 5 units are located in Salem, Ohio. Contracts are signed between the sponsor agency, the Columbiana County Mental Health Clinic, and landlords to maintain these units for participants of this program only. The Columbiana County Metropolitan Housing Authority provides Section 8 vouchers. The Columbiana County Mental Health Clinic provides the support services.

Project-Based Rental Assistance

Miami Valley Housing Opportunities (MVHO) provides permanent supportive housing in a scattered setting with a total of 20 units comprised of five 4-unit apartments throughout the county. The project is made up on two-bedroom units located in suburban neighborhoods outside of Dayton. MVHO's acquisition and rehabilitation of the units was funded through the Ohio Department of Mental Health Capital Funds and Montgomery County HOME funds. MVHO owns and manages the properties that serve homeless, disabled families. The Dayton Metropolitan Housing Authority provides 20 Section 8 project-based vouchers.

Exhibit E

EXHIBIT E CAPITAL NEEDS ASSESSMENT STANDARDS

Purpose

A capital needs assessment represents a qualified professional's opinion of a property's current overall physical condition and identifies significant deferred maintenance, existing deficiencies, and material building code violations that affect the property's use and its structural and mechanical integrity. The assessment should include an opinion as to the proposed budget for recommended improvements and should identify critical building systems or components that have reached or exceeded their expected useful lives.

The assessment should include a projection of recurring probable expenditures for significant systems and components impacting use and tenancy, which are not considered operation or maintenance expenses, in order to determine the appropriate replacement reserve deposits on a per unit per year basis.

Process

1. Conduct site visit and physical inspection of interior and exterior of units and structures

2. Interview available on-site property management and maintenance personnel and inquire about past repairs/improvements, pending repairs and existing or chronic physical deficiencies

Components

Components which should be examined and analyzed in order to prepare a comprehensive property condition report or capital needs assessment for rehabilitation projects:

Site, including:
- Topography and drainage
- Pavement, curbing, sidewalks and parking
- Landscaping and amenities
- Water, sewer, storm drainage, gas and electric utilities and lines

Structural system, both substructure and superstructure, including:
- Exterior walls and balconies
- Exterior doors and windows
- Roofing system and drainage

Interiors, including:
- Unit and common area finishes (carpeting, vinyl tile, plaster walls, paint condition)
- Unit kitchen finishes and appliances
- Unit bathroom finishes and fixtures
- Common area lobbies and corridors

Mechanical systems, including:
- Plumbing and domestic hot water
- HVAC
- Electrical and fire protection
- Elevators

Exhibit F

EXHIBIT F MINI-PHASE I ENVIRONMENTAL SITE ASSESSMENT (MP-1)

These guidelines were specifically designed for use in screening properties for potential environmental risks. The MP-1 is not a substitute for a Phase I Environmental Site Assessment.

Site Inspection

Personnel should visit the site and complete the MP-1 as provided in attachments available on the OHFA web site. All questions should be answered as completely as possible. If personnel determine that a cover letter is a suitable means to convey information, then a cover letter should be attached to the MP-1.

Interview

Personnel are required to interview a key site contact. The key site contact may be the current owner or other person knowledgeable of the site operations and site history. The realtor or borrower (unless the borrower is the current owner) do not qualify as key site contact. The information obtained from the interview should be verified to the extent practicable during the site inspection and incorporated into the MP-1.

Photographs

At a minimum, please provide the photographs listed below. Photographs of any potential environmental concerns are also required. A minimum of 16 photographs is acceptable; however, please submit additional photographs as necessary.

- Front, rear, and side views of the site,
- Interior of all the buildings on site (must photograph each room), and
- Adjacent properties, as visible from the site boundaries or other publicly accessible areas.
- Notable site observations.

Database Report

A third party environmental database report from an approved firm, such as the Environmental Data Resources, Inc. (EDR) Transaction Screen Map Report with GeoCheck (or equivalent), must be ordered and submitted with the completed with the MP-1.

Two Historical Sources

Personnel should choose the best available historical sources to assist in evaluating the historical uses of the site. Typical sources include aerial photographs, fire insurance maps, and city directories. Please provide a written summary of the findings in a cover letter and copies of the source material as an attachment.

Exhibit G

National Council of Affordable Housing Market Analysts
an affiliate of the National Housing & Rehabilitation Association

*1400 16th St. NW * Suite 420*
Washington, DC 20036
(t)202-939-1750 (f) 202-265-4435
www.housingonline.com

Model Content Standards for Market Studies for Rental Housing

I. Purpose

The purpose of these standards is to provide standardized terminology and content for market studies of affordable rental housing prepared for developers, governmental agencies, lenders, or investors, of rental housing, which is to be financed in whole or in part by state housing finance agencies and other public funding or regulatory agencies. The standards outline the content, data, analysis and conclusions to be included in market studies for rental housing. These standards do not establish the format or presentation for the report. The Market Study Terminology is an integral part of these standards.

State housing finance agencies and other industry members are welcome to incorporate the information below in their own standards. NCAHMA requests written notification of use only.

Note: Effective January 4, 2008, NCAHMA members are to include these standards, as well as the market study terminology, index and certification.

II. Content

A. Executive Summary.

Each market study should include a concise summary of the data, analysis and conclusions, including the following:

1. A concise description of the site and the immediately surrounding area.
2. A brief summary of the project including the proposed population to be served.
3. Precise statement of key conclusions reached by the analyst.
4. Concise statement of analyst's opinion of market feasibility.
5. Recommendations and/or suggest modifications to the proposed project if appropriate.
6. A summary of positive and negative attributes and issues that will affect the property's marketability, performance and lease-up and points that will mitigate or reduce any negative attributes.

Exhibit H

Exhibit H - MARKET STUDY INDEX

The following information must be included in a market study. The market study author must organize the information using this index or provide the corresponding page number(s) for each item.

I. Executive summary
- A. Statement that a market exists for the proposed project
- B. Recommendations or suggested modifications to the proposed project
- C. Estimated stable year vacancy rate for the proposed project
  - 1. Explanation if greater than 7%
- D. Estimated lease-up time for the proposed project
  - 1. Explanation if greater than one year

II. Description of the proposed project - including location; project design; number of units, bedrooms and baths; amenities; rents and utility allowances; population served; review of site and floor plans; etc.

III. Description of the primary market area (PMA) for the project
- A. Map of the PMA
- B. Methodology used to determine boundaries
- C. Explanation if areas outside of five-mile radius included
- D. Health of the overall rental housing market

IV. Rent comparison
- A. Rents for the proposed project
- B. Market rents and methodology for calculation of market rents

V. Number of income-eligible renter households in the PMA
- A. Percentage required to fully lease-up the project
  - 1. Explanation if greater than 10%

VI. Description, evaluation and map of services (including approximate distance to project)
- A. Public services
- B. Infrastructure
- C. Community services
- D. Employers

VII. Number of income-eligible special needs households in the PMA
- A. Percentage required to meet the special needs set-aside
- B. Source of information

VIII. Federally subsidized and Housing Credit projects (including projects under construction) in the PMA
- A. Brief description of each project - including number of units, rents, amenities, unit and bedroom sizes, population served, etc.
- B. Current vacancy rate for each project
- C. Contact name and method of contact for each project
- D. Ratio of all subsidized and Housing Credit units to the number of income-eligible renter households in the primary market area
- E. Estimated vacancy rate for each Housing Credit project (except those under construction) during the first stabilized year of the proposed project
  - 1. Explanation for estimated vacancy rates greater than 10%

IX. List of comparable market rate developments in the primary market area
- A. Brief description of each project - including number of units, rents, amenities, unit and bedroom sizes, population served, etc.

Exhibit H

B. Current vacancy rate for each project
C. Contact name and method of contact for each project

X. Watch Area Information (*if applicable*)
A. Demonstrate that the project will be successful
B. Demonstrate that other affordable housing will not be negatively impacted

XI. Analysis of Public Housing Authority (PHA) concerns and issues
A. Copy of letter and certified mail receipt or details of interview
B. Copy of response(s) from PHA or transcript of interview
C. Narrative that evaluates and addresses any issues or concerns raised by the PHA

XII. Original signed copy of OHFA Form 003 - Market Study Certification

XIII. Listing of all data sources used in the study

Exhibit I

Exhibit I
2010 Qualified Allocation Plan (QAP)

UNIVERSAL DESIGN Requirements

OHFA values developing housing designed to be used by all. This concept is generally referred to as Universal Design, and is also known as Inclusive Design, Aging-in-Place and Design for All

The definition of Universal Design, developed by the Center for Universal Design*, and adopted by OHFA is,

"The design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialization."

OHFA desires that all units developed with OHFA resources meet the following principles where possible. Applicants submitting proposals must submit designs addressing the following principles and a narrative detailing how the proposal meets these principles. OHFA recognizes that not all Universal Design principles can be incorporated into every proposal. OHFA staff will work with each applicant to help achieve maximum adherence to Universal Design principles. Applicants must receive design approval from OHFA on these principles before receiving OHFA resources on a given proposal.

Principles of Universal Design

1. **Equitable Use:** The design does not disadvantage or stigmatize any group of users.
2. **Flexibility in Use:** The design accommodates a wide range of individual preferences and abilities.
3. **Simple, Intuitive Use:** Use of the design is easy to understand, regardless of the user's experience, knowledge, language skills, or current concentration level.
4. **Perceptible Information:** The design communicates necessary information effectively to the user, regardless of ambient conditions or the user's sensory abilities.
5. **Tolerance for Error:** The design minimizes hazards and the adverse consequences of accidental or unintended actions.
6. **Low Physical Effort:** The design can be used efficiently and comfortably, and with a minimum of fatigue.
7. **Size and Space for Approach & Use:** Appropriate size and space is provided for approach, reach, manipulation, and use, regardless of the user's body size, posture, or mobility.

**Copyright 1987 Center for Universal Design, School of Design, State University of North Carolina at Raleigh*

Additionally, all *newly constructed* units developed under OHFA guidelines shall be designed to comply with the Fair Housing Act - even those units not covered by the Act.

Units that are being rehabbed shall be designed to incorporate these features to the extent possible.

Exhibit I

Compliance with the Fair Housing Act calls for seven basic *design and construction requirements. (Even if your development is not covered under Fair Housing, these elements are required for all new construction):*

1. **An accessible building entrance on an accessible route.**
All units must have *at least* one no step entrance and be on an accessible route.

An accessible route means a continuous, unobstructed path connecting accessible elements and spaces within a building or site that can be negotiated by a person with a disability who uses a wheelchair, and that is also safe for and usable by people with other disabilities.

An accessible entrance is a building entrance connected by an accessible route to public transit stops, accessible parking and passenger loading zones, or public streets and sidewalks.

2. Accessible common and public use areas.
Developments must have accessible and usable public and common-use areas. Public and common-use areas cover all parts of the housing outside individual units. They include -- for example -- building-wide fire alarms, parking lots, storage areas, indoor and outdoor recreational areas, lobbies, mailrooms and mailboxes and laundry areas.

3. Usable doors (usable by a person in a wheelchair).
All doors that allow passage into and within all premises must be wide enough to allow passage by persons using wheelchairs.

4. Accessible route into and through the dwelling unit.
There must be an accessible route into and through each unit. This includes all hallways, stairways and doorways.

5. Light switches, electrical outlets, thermostats and other environmental controls in accessible locations.
Light switches, electrical outlets, thermostats and other environmental controls must be in accessible locations.

6. Reinforced walls in bathrooms for later installation of grab bars.
Reinforcements in bathroom walls must be installed, so that grab bars can be added when needed.

7. Usable kitchens and bathrooms.
Kitchens and bathrooms must be usable - that is, designed and constructed so an individual in a wheelchair can maneuver in the space provided.

In a two or more story single family style house or townhome, the design of the floors that are not on an accessible route must also incorporate elements 3-5. and 6-7 (whichever is appropriate) if that floor has a kitchen and/or a bathroom.

Please refer to the following for further information on Fair Housing requirements:
http://www.fairhousingfirst.org/index.asp

Applicants must also notify the appropriate statewide accessibility group, which are identified on the OHFA website, at the time of application that accessible housing is being proposed, agree to accept referrals for potential residents, and agree to receive design suggestions for

Exhibit I

the property. Such notification must take place again when the project is placed into service. Copies of correspondence between the applicant and accessibility group must be submitted to evidence these requirements.

Exhibit J

EXHIBIT J MODEL LANGUAGE FOR PUBLIC NOTIFICATION LETTERS

[PROJECT NAME]
[DEVELOPER NAME]
[ADDRESS]
[CONTACT INFORMATION

[DATE]

CERTIFIED MAIL RETURN RECEIPT REQUESTED

[Applicable Public Official]
[Title]
[Name of Political Jurisdiction]
[Address]
[City, State, Zip]

RE: [Name of Project]

Dear [Applicable Public Official]:

The purpose of this letter is to apprise your office that [Name of General Partner or Managing Member] will be the [general partner or managing member] of a residential rental development located in or within a one-half mile radius of your political jurisdiction, and plans to utilize the multifamily funding programs of the Ohio Housing Finance Agency (OHFA) for the development of this property.

[Provide a complete description of the proposed housing, including the number and type of buildings, number of units by bedroom and bath sizes, project and unit amenities, target population, services provided to residents, and any other descriptive characteristics that you wish to convey to public officials.]

The project will draw from a Primary Market Area (PMA) consisting of [indicate all applicable cities and/or townships] in ___________ County. The area is approximately bounded by __________ to the north, _________ to the east, ___________ to the south, and _____________ to the west. Approximately _________ families in the market area are eligible to live in the development.

The development will be financed with [list all applicable financing sources, including conventional first mortgage, Housing Credit proceeds, HDAP funds, local funding sources, etc.]

Timeline: Construction cycle beginning in [month, year] and ending in [month, year]. The lease-up period will be within [number of months] from completion with an estimated _% stabilized occupancy rate.

Income and Rent Targeting:
_______% of the units at or below 35% of area median gross income ($_____).
_______% of the units at or below 50% of area median gross income ($_____).
_______% of the units at or below 60% of area median gross income ($_____).

Development Team:
[General Partners or Managing Members]
[Developer]
[Contractor]
[Property Manager]

Proposed Rents:

Exhibit J

[Indicate the proposed net rents by bedroom size and income level, and the median market rent for comparable units in the PMA.]

Project Address: [Be as specific as possible; note the city or township location as well as the county location.]

Number of Units:

Program(s) Utilized in the Project: [Indicate all applicable OHFA sources, including the Housing Credit Program, Housing Development Assistance Program, Housing Development Loan Program and/or Multifamily Bond Program.]

Right to Submit Comments: You have the right to submit comments to OHFA regarding the development's impact on the community. If you intend to submit a statement of disapproval or objection, you must submit a written statement that is signed by a majority of the voting members of the legislative body governing your jurisdiction. This written statement must be forwarded to the Executive Director of OHFA and be delivered by certified mail, return receipt requested.

The person to be notified at OHFA and their address is:

Mr. Douglas A. Garver, Executive Director
Ohio Housing Finance Agency
57 E. Main Street
Columbus, OH 43215

A written statement of disapproval or objection must be submitted within 30 days of your receipt of this notice, and must be received by OHFA within 45 days of the date of this letter.

OHFA is required to respond to any written statement submitted under the terms outlined above.

Sincerely,

Name
Title of Writer

Exhibit K

EXHIBIT K - QUALIFIED CENSUS TRACTS

2010 IRS SECTION 42(d)(5)(C) QUALIFIED CENSUS TRACTS
(2000 Census Data; OMB Metropolitan Area Definitions, December 5, 2005)

Information last updated by HUD 11/20/07

STATE: Ohio

COUNTY OR COUNTY EQUIVALENT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT	TRACT
Allen County	125.00	127.00	128.00	133.00	134.00	136.00	137.00	138.00				
Ashtabula County	7.01	7.03										
Athens County	9726.00	9727.00	9728.00	9729.00	9730.00	9731.01	9731.02	9731.03				
Belmont County	115.00	116.00	121.00									
Butler County	3.00	4.00	6.00	7.01	7.02	8.00	101.01	101.03	101.04	128.00	129.00	130.00
	131.00	140.00										
Clark County	1.00	2.00	3.00	7.00	9.01	12.00						
Columbiana County	9521.00	9523.00										
Cuyahoga County	1011.01	1012.00	1013.00	1015.00	1017.00	1018.00	1019.00	1024.02	1025.00	1026.00	1027.00	1028.00
	1029.00	1032.00	1033.00	1034.00	1035.00	1037.00	1038.00	1039.00	1041.00	1043.00	1044.00	1045.00
	1046.00	1047.01	1047.02	1048.00	1049.00	1051.00	1052.00	1054.00	1056.01	1056.02	1072.00	1073.00
	1075.00	1077.00	1078.00	1079.00	1082.00	1083.00	1084.00	1085.00	1086.00	1087.00	1088.00	1089.00
	1093.00	1096.00	1097.00	1098.00	1104.00	1105.00	1106.00	1108.00	1109.00	1111.00	1112.00	1113.00
	1114.01	1114.02	1115.00	1116.00	1117.00	1118.00	1119.01	1119.02	1121.00	1122.00	1123.00	1124.00
	1126.00	1127.00	1128.00	1129.00	1131.00	1132.00	1133.00	1134.00	1135.00	1136.00	1137.00	1138.00
	1139.00	1141.00	1142.00	1143.00	1144.00	1145.00	1146.00	1147.00	1148.00	1149.00	1151.00	1152.00
	1153.00	1154.00	1155.00	1161.00	1162.00	1164.00	1165.00	1166.00	1167.00	1168.00	1169.00	1171.02
	1172.01	1172.02	1173.00	1175.00	1178.00	1179.00	1181.00	1182.00	1184.00	1185.00	1186.01	1186.02
	1187.00	1188.00	1189.00	1191.00	1192.01	1192.02	1193.00	1194.02	1195.02	1196.00	1197.02	1198.00
	1199.00	1201.00	1202.00	1204.00	1205.00	1206.00	1207.01	1208.02	1211.00	1212.00	1213.00	1214.01
	1216.00	1233.00	1238.00	1244.00	1275.00	1501.00	1503.00	1504.00	1511.00	1512.00	1513.00	1514.00
	1515.00	1516.00	1517.00	1518.00	1527.01	1618.00	1915.00					
Erie County	408.00											
Fairfield County	317.00											
Franklin County	7.20	7.30	9.10	9.20	10.00	11.10	11.20	12.00	13.00	14.00	15.00	16.00
	17.00	18.10	22.00	23.00	25.20	26.00	27.10	28.00	29.00	30.00	36.00	37.00
	38.00	40.00	42.00	47.00	48.20	50.00	51.00	53.00	54.10	54.20	55.00	56.10
	60.00	61.00	68.30	74.10	75.11	75.20	75.32	75.34	75.40	78.20	82.30	82.41
	83.50	87.20	87.30	93.31								
Gallia County	9537.00											

Exhibit K

Greene County	2001.02											
Guernsey County	9776.00											
Hamilton County	1.00	2.00	3.01	3.02	4.00	7.00	8.00	9.00	10.00	11.00	14.00	15.00
	16.00	17.00	19.00	21.00	22.00	23.00	25.00	26.00	28.00	29.00	30.00	32.00
	33.00	34.00	35.00	36.00	37.00	38.00	39.00	47.02	63.00	66.00	67.00	68.00
	69.00	74.00	77.00	80.00	84.00	85.02	86.01	87.00	88.00	89.00	91.00	92.00
	93.00	94.00	95.00	100.02	227.00							
Jefferson County	2.00	4.00	8.00	9.00								
Lawrence County	503.00	504.00	506.00									
Licking County	7501.00	7504.00	7525.00									
Lorain County	223.00	228.00	229.00	231.00	238.00	239.00	708.00	709.01				
Lucas County	8.00	9.00	12.02	13.02	13.04	14.00	15.00	16.00	17.00	18.00	19.00	20.00
	21.00	22.00	23.00	24.02	25.00	26.00	27.00	28.00	29.00	30.00	31.00	32.00
	33.00	34.00	35.00	36.00	37.00	38.00	40.00	41.00	42.00	43.01	47.01	48.00
	51.00	53.00	54.00	68.00	73.03							
Mahoning County	8002.00	8004.00	8005.00	8006.00	8007.00	8009.00	8010.00	8016.00	8017.00	8019.00	8020.00	8021.00
	8022.00	8023.00	8024.00	8025.00	8031.00	8032.00	8034.00	8035.00	8037.00	8040.00	8041.00	8043.00
	8044.00	8103.00										
Meigs County	9644.00											
Montgomery County	3.00	7.00	9.00	10.00	12.00	13.00	14.00	15.00	17.00	18.00	19.00	20.00
	21.00	22.00	23.00	34.00	35.00	36.00	37.00	38.00	39.00	40.00	41.00	42.00
	43.00	44.00	45.00	602.00	702.01	702.02	703.00	805.00				
Muskingum County	9814.00	9821.00										
Pickaway County	201.00	204.00										
Pike County	9527.00											
Portage County	6015.01	6015.02	6015.03									
Richland County	1.00	2.00	3.00	6.00	7.00							
Scioto County	9932.00	9934.00	9935.00	9936.00								
Stark County	7001.00	7015.00	7017.00	7018.00	7021.00	7023.00	7102.00	7104.00	7105.00	7138.00	7142.00	
Summit County	5011.00	5012.00	5013.01	5013.02	5017.00	5018.00	5019.00	5021.01	5024.00	5025.00	5032.00	5034.00
	5038.00	5041.00	5042.00	5044.00	5046.00	5051.00	5053.00	5056.00	5063.04	5065.00	5066.00	5067.00
	5068.00	5069.00	5074.00	5075.00	5101.00	5103.01						
Trumbull County	9201.00	9205.00	9206.00	9208.00	9212.00	9324.00						

Exhibit K

Wayne County	15.00		
Wood County	217.01	217.02	218.00

57 E Main Street   Columbus OH 43215
Phone 614.466.7970 Toll Free 888.362 6432
Fax 614.644.5393 TDD 614.466.1940
Web www.ohiohome.org