OHIO HOUSING FINANCE AGENCY

2016 - 2017 QUALIFIED ALLOCATION PLAN

Technical amendments added 09/2016.

Approved by the OHFA Board on September 21, 2016

A Letter from the Office of Planning, Preservation and Development

Dear Partners,

The Ohio Housing Finance Agency (OHFA) presents this final draft of the technical revisions to the 2016-2017 Qualified Allocation Plan (QAP). As we commenced the revision process to this two-year plan, OHFA sought to be both conscious and respectful of the many competing needs this governing document embodies. OHFA was challenged to implement common sense revisions that promote transparency and fairness while also preserving consistency. We were also called to assess the quickly evolving housing landscape and ensure that the QAP remained relevant to today's affordability climate.

The careful balancing of interests reflected in this QAP was only possible through the broad support and open communication of our community and constituents across the State of Ohio. We remain honored to work alongside the dedicated partners who provided an advocate's voice to the diverse populations we serve. Please know that your comments and suggestions were carefully considered and, wherever possible, incorporated into this final document.

With 2018 already on the horizon, OHFA looks forward to the fresh collaborations that next year brings. We encourage new voices, new topics, and new solutions to the housing problems we are all too familiar with. Together, we will continue to open the doors to an affordable place to call home.

Respectfully Submitted,

Kelan Craig
Director of Planning, Preservation and Development

Carlie J. Boos, Esq.
Program and Policy Manager

CHANGE LOG

This following change log only lists major revisions, updates, and clarifications. Be advised this is a non-exhaustive list of changes and interested parties are urged to read the full text of this document.

- Updated Submission Requirements
- Added language emphasizing that supporting documents must be highlighted and annotated
- Added final application fee to offset OHFA review costs
- Added history of meeting OHFA's project deadlines to Experience and Capacity review
- Provided guidance on the role of development team consultants
- Added prevailing wage requirements as a section of the Proposal Summary
- Reserved OHFA right to waive site visits for resubmitted projects
- Updated cost containment provisions to include total development cost analysis
- Clarified that Affirmative Fair Housing Marketing Plan must be submitted on the OHFA form
- Added review considerations regarding equity pricing
- Clarified that all servicer provider memoranda must be unique to the development
- Amended Basis Boost Policy to reflect current OHFA priorities
- Increased family housing set aside in areas of high opportunity and Non-QCTs
- Increased focus on school districts due to frequent boundary changes of individual schools
- Adjusted pool funding targets for Family and Senior pools
- Added grandfamily considerations to 55+ Senior developments
- Updated Family Housing priorities in opportunity areas
- Defined "Substantial Rehabilitation"
- Defined "Revitalization Plan"
- Defined "Blight" for detrimental land use, provided opportunity to negate finding
- Clarified detrimental land use rebuttal opportunity
- Expanded Strategic Initiatives to reflect current OHFA priorities
- Replaced Net New Stable Job Growth with Food Desert criterion
- Increased threshold for "nominal" sales price in Local Financial Support
- Refined "Shale Drilling Activity" in Non-Urban Housing pool
- Provided additional clarifications on Local Financial Support criterion
- Expanded 811 and OMDDM information
- Provided additional clarity regarding homeownership strategy for Single Family Infill pool
- Added market rate integration as Development Characteristic for Single Family Infill pool
- Revised Exceptional Development to be scored against proposals within the same pool
- All Exceptional Development criteria revised to provide greater transparency and predictability
- Community Investment, Healthcare, and Local Initiatives removed
- Added double occupancy standard to family housing
- Revised visitability standards for family housing to promote cost containment goals
- Reduced senior two-bedroom unit mix to more closely align with resident composition

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PURPOSE

The Housing Tax Credit program, also known as the Low-Income Housing Tax Credit or LIHTC program, is a federal tax incentive designed to increase the supply of quality affordable rental housing. Created through the Tax Reform Act of 1986 and governed by Section 42 of the Internal Revenue Code (IRC Section 42), the Housing Tax Credit program assists with the financing of development costs for eligible rental housing projects involving new construction, rehabilitation, or acquisition with rehabilitation. As the allocating agency for the Housing Tax Credit program in the State of Ohio, the Ohio Housing Finance Agency (OHFA) has facilitated the development of more than 100,000 affordable rental units since 1987.

Section 42 requires that state allocating agencies develop a Qualified Allocation Plan (QAP) for the distribution of housing tax credits within its jurisdiction. The QAP describes policies and procedures for the allocation of housing tax credits to affordable rental housing developments that address state housing needs and priorities. The QAP is subject to modification or change, pending developments in federal, state, and OHFA policy.

To comply with all Section 42 and other program requirements, OHFA recommends that applicants seek experienced legal and accounting advice. Additionally, many terms used in the QAP are defined in Section 42 or in related IRS regulations. Applicants should also refer to these materials for their proper interpretation.

OHIO HOUSING NEEDS AND PRIORITIES

On an annual basis, OHFA releases the Ohio Housing Needs Assessment, prepared by the Office of Affordable Housing Research and Strategic Planning. The Ohio Housing Needs Assessment collates statewide data on housing occupancy, quality and affordability to examine housing needs among low and moderate income households and populations with special needs. Data presented include both primary and secondary sources, largely five-year estimates from the most current U.S. Census Bureau American Community Survey (ACS). The most current report is published on the OHFA website for public review and consumption.

Priority housing needs identified in the Annual Plan, Ohio Housing Needs Assessment, and also reflected in the 2016-2017 QAP include:

- Creating new affordable rental housing opportunities for low and moderate income households that include a range of housing choices in markets throughout the state;
- Promoting housing opportunities for populations with special and underserved needs, including older adults, persons with disabilities, veterans, and the homeless;
- Improving neighborhoods through community and economic development;
- Preserving existing affordable housing properties, including units with federal subsidies; and
- Advancing livability standards to promote a healthy environment for residents.

Distribution of credits for the production of new affordable housing and preservation of existing affordable housing are based on housing needs referenced in the assessment. Almost 2.5 million Ohioans meet the definition of very low income and include households earning less than 50 percent of the area median income (AMI). More than 4 million Ohioans are defined as low income, earning less than 80 percent AMI. As shown in the Ohio Housing Needs Assessment, households falling within these groups are subject to more housing cost burdens and are far more likely to experience housing problems, as discussed in later sections of this summary.

APPLICATION PROCESS AND REQUIREMENTS

All applications to the Housing Tax Credit program, including requests for competitive (9%) and non-competitive (4%) housing tax credits, must be submitted to the Office of Planning, Preservation and Development and received on the respective dates shown in the program calendars.

If applying for competitive housing tax credits, applicants must complete the 2016-2017 Affordable Housing Funding Application (AHFA), which may include the DevCo Online Application, by the dates listed in the program calendar. If applying for non-competitive housing tax credits, applicants may submit the 2017 AHFA in accordance with established application windows shown in the program calendar. The AHFA and supporting documentation must be submitted in electronic format in accordance with the document submission procedure. For additional instructions on electronic submission requirements, applicants may refer to the 2016-2017 AHFA, available on the OHFA website.

The preferred method of contact for questions regarding the application process is via email to 2017QAPMailbox@ohiohome.org. OHFA will clarify and issue responses to commonly posed questions through its regularly published Frequently Asked Questions (FAQ) guidance document.

General contact information for the Agency is as follows:

Ohio Housing Finance Agency
Office of Planning, Preservation & Development
57 E. Main Street
Columbus, Ohio 43215

Telephone: (614) 466-0400
Website: www.ohiohome.org

COMPETITIVE (9%) HOUSING TAX CREDITS

The initial application for competitive housing tax credits consists of the DevCo online application and the 2016-2017 AHFA, including all supporting documentation indicated in the AHFA. Applications must be submitted no later than the dates indicated in the program calendar to be considered for selection.

Competitive Application Limitations

Developers and owners may submit the following number of applications, and receive the following number of awards, based on their experience:

TYPE OF PREVIOUS EXPERIENCE	NUMBER OF APPLICATIONS	NUMBER OF AWARDS
Awarded Ohio LIHTC, Placed in Service	4	$2,500,000 Total Limit
Awarded Ohio LIHTC, Not Placed in Service	0 (exception permitted)	0 (exception permitted)
No Previous Award	2	1 Award Limit

The above limitations apply to any applicant serving as the owner or in any capacity as the developer for competitive review in each of the 2016-2017 allocation years. Applicants previously awarded tax credits, but who have not place that project in service, may request an exception to the application limits. Consideration may be made for applicants who do not meet the above criteria but will partner with a development team with experience in the housing tax credit program with OHFA's prior approval. Approval must be obtained through an exception request; applicants are strongly encouraged to seek waiver early in the application process.

Development Team Experience and Capacity Review

OHFA will evaluate the experience and capacity of the development team, which will include without limitation any general partners, developers, management companies, and development consultants. OHFA will evaluate each organization individually and as a whole to determine whether the team meets the criteria contained herein; a team that lacks sufficient experience and capacity to manage an award will be removed from consideration.

The following criteria will be considered in evaluating the applicant's experience and track record:

a. financial and operational capacity to construct and operate the proposed project;
b. experience developing and managing communities similar to the proposed project;
c. record of completing affordable housing developments within the required timeframes;
d. record of meeting project deadlines set by OHFA;
e. management team experience marketing and leasing affordable housing units; and
f. compliance with the requirements of the Housing Tax Credit program, and other programs administered by OHFA.

The initial application must include resumes for any members of the development team. Any changes to the development team between the initial and final application must be disclosed; projects that do not maintain the core competency and experience necessary to successfully manage a project will be removed from eligibility.

No more than $2,500,000 of the per capita volume may be awarded to any one developer and/or general partner. No more than $1,000,000 shall be awarded to any one development.

Developers and/or general partners awarded an allocation of competitive housing tax credits for multiple proposals and exceeding the limit, OHFA reserves the right to determine which proposals will move forward in accordance with its Strategic Initiatives. Alternatively, applicants may be given five (5) business days to select which proposals will move forward; if the developer and/or general partner elects not to make a decision, the proposal with the lowest credit request will be removed from consideration.

Consultants

A consultant, including any person or entity receiving compensation for providing professional advice and assistance with the preparation of an application to the Housing Tax Credit program, will be subject to the development team experience and capacity review. Consultants must conduct business with OHFA according to the Good Partnership policy. OHFA may consider consultants co-developers and hold them responsible for the overall success of the development depending on their level of contribution to the project and as may be required for proper administration.

Applicants must provide detailed information regarding any development consultant including:

- Their credentials and development experience;
- Their role in the project;
- Their authority to bind the development team, if any; and
- A summary of all projects they are currently advising and the scope of those agreements.

Community Housing Development Organization Certification

An applicant seeking to participate in a development as a state-certified Community Housing Development Organization Certification (CHDO) must submit the CHDO Certification Application by the deadline indicated in the program calendar. Those elements of the certification that can be completed prior to the organization's association with a particular project, such as confirming proper board composition, non-profit status, mission to provide affordable housing, service areas, and involving the community and assessing housing development experience will be evaluated prior to the submission of the housing tax credit initial application.

Applicants will be notified of deficiencies with sufficient time to correct issues prior to the initial application deadline. Once the initial application is received and the details of the development become known, OHFA will make the final determination as to whether the applicant meets the definition of owner, sponsor, or developer for the development. Final determination of CHDO eligibility will be assessed, in part, by evaluating the financial capacity of the organization. The applicant will include a letter from the syndicator confirming that the CHDO has the financial capacity to provide required project guarantees.

Questions and correspondence regarding CHDO certification may be directed to CHDOcertification@ohiohome.org.

Requests for Exceptions

Any request for an exception to specific program requirements of the QAP must be submitted in advance of the initial application and by the date shown in the program calendar. OHFA will consider requests and issue decisions by the date indicated in the program calendar. Exceptions will be considered only for those items specifically allowed under the QAP and shown in the OHFA exception request form. Requests for exceptions to specific underwriting requirements, as outlined in the most current Multifamily Underwriting Guidelines, shall be submitted with the initial application.

Proposal Summaries

The initial application will include a summary containing basic information about each development proposed. This summary must state whether Davis-Bacon Wage Rates or State Prevailing Wages apply to the development due any proposed or anticipated funding source. The summary will be completed by the applicant in the format specified in the AHFA. Proposal summaries for all applications will be posted to the OHFA website by the date shown in the program calendar. Additional application materials will not be made available to the public until the results of the competitive selection process have been released.

Public Notification and Comment

Applicants must send public notification letters to local government officials prior to the initial application deadline. Outreach to the community regarding initial applications is also encouraged. OHFA will accept public comments about initial applications at any time and will consider public comments during the review process until the deadline indicated in the program calendar.

Site Visits

OHFA will conduct a site review for all proposals to evaluate and determine the suitability of a prospective site for housing development. In its discretion, OHFA may waive the site visit requirement for any project that applied in 2016 and received a site visit for consideration in that round. If a prospective site is deemed unsuitable based on the site review, the application will be removed from further consideration.

The application will include a detailed map clearly depicting the physical location of the site and all roads leading to the site. Maps that fail to clearly identify the location of the planned development will be returned to the applicant for revision and may not be considered by OHFA. Up to two representatives of the applicant who are familiar with the initial application are encouraged to accompany OHFA staff to answer any questions. The applicant may request in advance that additional representatives be present if necessary and acceptable to OHFA. Applicants for scattered-site developments must be available to provide a tour of the sites and surrounding areas. All site visits will be scheduled at a time convenient to OHFA review staff.

Cost Containment

Once initial applications are received and sorted by allocation pool, OHFA will implement a cost containment measure to remove developments with high costs that appear to be outliers from other applications submitted for each pool.

Any initial application that is two or more standard deviations above the mean of the pool for two or more of any of the following measures will be removed from further consideration:

- total development cost;
- total development cost per affordable unit; and
- total development cost per square foot.

OHFA will exclude assumed debt from calculations on existing rental unit developments. OHFA reserves the right to request additional information, supporting documentation, or justification for any cost.

Scoring

To distinguish the highest ranking applications for each pool, OHFA will first complete a competitive review of initial applications according to the scoring criteria established for each pool. Applicants must submit proper evidence for applicable criteria and will be held to all commitments represented in the application if the proposed development is awarded an allocation of housing tax credits.

In accordance with OHFA policy and state and federal requirements, OHFA will also perform a financial underwriting analysis to ensure that developments awarded an allocation of housing tax credits receive the minimum amount of subsidy necessary to develop cost-effective, financially viable, and sustainable affordable housing developments.

OHFA will complete a threshold review of the highest ranking initial applications to ensure that required items were submitted and are complete and correct. Initial applications that are selected for an award of housing tax credits will continue to the final application stage.

Final Application

Applicants awarded an allocation of housing tax credits are required to complete a final AHFA, which may include the DevCo application. The application must be completed and submitted with all required supporting documentation by the deadline in the program calendar.

OHFA will perform a threshold review of final applications to ensure that required items were submitted and are complete and correct, and a financial underwriting analysis to ensure that all underwriting requirements are met. Applicants will have an opportunity to correct deficiencies and address issues found during the threshold review and underwriting stages. OHFA will contact the applicant with any questions during this process. Developments that receive additional gap financing administered by OHFA will be presented to the OHFA Board for consideration and approval of these resources.

NON-COMPETITIVE (4%) HOUSING TAX CREDITS

Developments utilizing multifamily bonds to finance 50 percent or more of the total aggregate basis may apply for an allocation of non-competitive or 4% housing tax credits. Specific requirements of the Multifamily Bond Financing program are provided in the most current guidelines available on the OHFA website and in Section 42 of the Internal Revenue Code (IRC).

Applications for 4% housing tax credits are accepted on a quarterly basis, in accordance with dates listed in the program calendar. Applicants that intend to submit an application for 4% housing tax credits must contact the Agency at least 45 days prior to the application submission date to establish a time to meet with staff. OHFA may waive this requirement for experienced partners upon request and at the discretion of the Agency.

While a reservation of 4% housing tax credits is non-competitive, OHFA will verify that all applications have an appropriate development team in place and comply with the requirements of the allocation plan and most current Multifamily Underwriting Guidelines. An application that fails to demonstrate appropriate quality may be returned to the applicant for submission at a later date.

The Agency may take up to six weeks to review an application and issue 42m Letter of Eligibility upon satisfactory completion of public notification requirements and corrections to all threshold deficiencies. OHFA will determine the final amount of 4% housing tax credits reserved for the development. Conditions for final award of 4% housing tax credits will be listed in the housing tax credit (42m) Letter of Eligibility.

In addition to all foregoing Competitive (9%) Housing Tax Credit requirements, applicants should also note the following:

a. For non-OHFA issued bonds, the application must include a preliminary or final bond resolution from the issuer. In addition, a letter from the bond underwriter identifying the anticipated interest rate, term, and amortization of the bonds must be submitted.

b. A representative of the developer or management company must contact the OHFA Office of Program Compliance within six months following issuance of the 42m Letter of Eligibility to review management practices and establish a timetable for the placed-in-service meeting. Prior to the placed-in-service date, the owner/agent responsible for final approval of resident 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 Tax Credit Compliance Training. 8609s will not be issued until the compliance training has been attended.

c. OHFA reserves the right to require a legal opinion stating that the development is eligible to receive an allocation of housing tax credits pursuant to Section 42(h)(4) of the Internal Revenue Code (IRC).

The owner has the option to elect the housing tax credit rate during the month in which the bonds are issued or the month the development is placed-in-service. Please note that the rate election period is tied to the month the notice of issuance indicates. If a development 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. 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 development is placed-in-service will be used.

2017 HOUSING TAX CREDIT PROGRAM CALENDAR (COMPETITIVE)

Deadlines reflected in the following program calendar apply to the competitive selection process and are subject to change based on the quantity of applications received.

DATES	APPLICANT	OHFA
October 2016		2017 AHFA and application materials posted to the OHFA website
October 2016	2016 Affordable Housing Funding Training, location to be determined	
October 14, 2016	Deadline for submission of applications for pre-application CHDO certification	
November 30, 2016	Deadline to request approval for a Part 1 from the State Historic Preservation Office for historic tax credits	
December 16, 2016		Decisions issued for pre-application CHDO certification
January 6, 2017	Deadline to commission market studies and submit requests for exceptions	
February 6, 2017		Decisions issued for exceptions to program requirements
TBD		DevCo online application opens
February 16, 2017	Deadline to submit initial applications to OHFA, due no later than 5:00 p.m. ET	Consideration of public comments begins
February 24, 2017		Proposal summaries posted to the OHFA website
March 6, 2017	Competitive scoring, underwriting, and site visits begin	
April 14, 2017		Consideration of public comments ends
April 28, 2017		Site visits conclude
May 11, 2017		Notice of preliminary scores and underwriting issues sent to applicants
May 19, 2017	Deadline to respond to preliminary scores and underwriting issues	
June 14, 2017		Final results of competitive scoring released and presented to the OHFA board
June 16, 2017		Binding reservation agreements and notice of threshold deficiencies issued
June 19, 2017	Next steps and debriefing meetings begin	Next steps and debriefing meetings begin
July 5, 2017	Deadline to return binding reservation agreements	
July 5, 2017	Deadline to submit all cures for threshold deficiencies	
August 25, 2017	Next steps and debriefings conclude	Next steps and debriefings conclude
September 21, 2017	Deadline to submit final applications to OHFA, due no later than 5:00 p.m. ET	
November 2, 2017	Deadline to complete public notification process (scattered-site developments only)	
December 15, 2017	Final date for issuance of carryover agreements	

2017 HOUSING TAX CREDIT PROGRAM CALENDAR (NON-COMPETITIVE)

Application windows reflected in the following program calendar apply to the non-competitive review process and are subject to change based on the quantity of applications received. Applicants submitting an application for a reservation of 4% housing tax credits must also refer to the Multifamily Bond program guidelines for other requirements, where applicable.

DATES	APPLICANT
September 5-8, 2016	Deadline to submit final application to OHFA, due no later than 5:00 p.m. ET on the last day of the application window
January 3-6, 2017	Deadline to submit final application to OHFA, due no later than 5:00 p.m. ET on the last day of the application window
March 6-10, 2017	Deadline to submit final application to OHFA, due no later than 5:00 p.m. ET on the last day of the application window
June 5-9, 2017	Deadline to submit final application to OHFA, due no later than 5:00 p.m. ET on the last day of the application window
September 4-8, 2017	Deadline to submit final application to OHFA, due no later than 5:00 p.m. ET on the last day of the application window

THRESHOLD REQUIREMENTS FOR ALL HOUSING TAX CREDIT APPLICATIONS

Any request for an exception to specific program requirements referenced in this section must be submitted in advance of the initial application by the date indicated in the program calendar. OHFA will consider requests and issue decisions by the date indicated in the program calendar. Exceptions will be considered only for those items specifically allowed under the allocation plan and represented in the OHFA exception request form.

Meets Section 42 Requirements

All applications to the Housing Tax Credit program must meet all 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.

Complete and Organized Application

The AHFA, including all required materials specified in the table below, must be submitted no later than the deadlines indicated in the program calendar. The AHFA and supporting documents will be submitted on a compact disc, organized and formatted according to the index specified in the AHFA. Applications must be complete and consistent with all supporting documentation. Relevant portions of the supporting documents must be highlighted and annotated. Supporting documents shall be limited to 25 pages per competitive criteria. Attention must be paid to the submission requirements; any initial application that is incomplete, inconsistent, and/or illegible may be removed from consideration.

THRESHOLD REQUIREMENT	APPLICABLE PROGRAM		
	9% INITIAL APPLICATION	9% FINAL APPLICATION	4% APPLICATION
Additional Rent Restrictions All housing tax credit developments receiving an allocation of competitive housing tax credits or an award of housing development assistance program resources (HDAP) will commit to one of the following selections, based on the location of the proposed development: • **Urban Counties**: A minimum of 40 percent of the affordable units must be affordable to households with incomes at or below 50 percent of AMI • **Non-Urban Counties**: A minimum of 35 percent of the affordable units must be affordable to households with incomes at or below 50 percent of AMI • **Single Family Infill Developments (Lease Purchase)**: All units must be affordable to households with incomes at 60 percent of AMI	•	•	•
Affirmative Fair Housing Marketing Plan The application will include an Affirmative Fair Housing Marketing Plan, using the form provided by OHFA, which is consistent with the most current policies of the OHFA Office of Program Compliance. Applicants that own a property with project based Section 8, HUD Section 236, or USDA contracts may submit a current and approved Affirmative Fair Housing Marketing Plan to satisfy the requirement. If the plan's current approval date is within six (6) months of expiration, the applicant must submit the current plan with supporting documentation demonstrating that an updated plan needs or does not need renewal by HUD, USDA, and OHFA. If an approved plan is not already in place, the application will include a complete Affirmative Fair Housing Marketing Plan and OHFA Form PC-E45, consistent with the most current policies of the OHFA Office of Program Compliance. The form will include a description of the outreach, marketing, and advertising methods used to affirmatively market the development. A separate plan is required for each census tract in which the development is located. HUD, USDA, and the OHFA Office of Program Compliance require that the Affirmative Fair Housing Marketing Plan be reviewed every five (5) years only if: a. At least five years have elapsed since the last review; or b. The local jurisdictions' Consolidated Plan is updated; or c. Significant demographic changes have occurred in the housing market area and the developer/owner has conducted an analysis which determines that the population least likely to apply for housing is not identified in the current AFHMP. Applicants may contact the OHFA Office of Program Compliance with questions regarding the Affirmative Fair Housing Marketing Plan.		•	•

Application Fee An application fee will be assessed based on the number of applications submitted in a funding round by any given developer, general partner, managing member, or other authorizing entity as follows: **Competitive Housing Tax Credit Application Fees**: First application: $2,500. Second application: $3,500. Third application: $5,500. Fourth application: $7,500. A final application fee of $2,500 will also be assessed. **Non-Competitive Housing Tax Credit Application Fees**: $2,500 per application. OHFA will assess fees with respect to its other programs, including the Multifamily Bond and Housing Development Assistance Programs, where applicable. Fees will be invoiced by OHFA within 30 days of application receipt and must be paid before preliminary scores will be released to the applicant.	•		•
Appraisal The application will include an as-is appraisal for all development site(s) represented in the application. Appraisals must meet OHFA's standards and requirements as outlined in the most current OHFA policies.		•	•
Architectural Plans Competitive Housing Tax Credit Applications: The initial application will include preliminary architectural plans meeting all requirements outlined in the Design Requirements section of the allocation plan. A copy of the Design and Construction Features Agreement and copy of the Architect Certification page with original signatures (see AHFA) must be included as an attachment to preliminary plans. The final application will include one set of 11x17 drawings including Civil, Landscape, Architectural, Mechanical, Electrical, and Plumbing specifications. Plans must be certified by the development architect to be 80 percent complete or better and meet all requirements outlined in the Design Requirements section of the allocation plan. **Non-Competitive Housing Tax Credit Applications**: The application will include one set of 11x17 drawings including Civil, Landscape, Architectural, Mechanical, Electrical, and Plumbing specifications. Plans must be certified by the development architect to be 80 percent complete or better, and meet all requirements outlined in the Design Requirements section of the allocation plan. OHFA may allow additional time for 4% housing tax credit developments to submit 80 percent complete architectural plans and specifications. However, a review period of at least 60 days is necessary between the submission of 80 percent plans and the issuance of a 42m Letter of Eligibility. All architectural plans will be approved by the OHFA Architect.	•	•	•
Authorization to Release Tax Information The application will include the Authorization to Release Tax Information Form for all general partners. OHFA will use this information to determine if an entity with ownership interest in the development has outstanding tax liens with the State of Ohio.		•	•
Capital Needs Assessment and Scope of Work Applications for the rehabilitation of existing housing units and adaptive reuse of buildings not originally constructed as housing must submit a Capital Needs Assessment and Scope of Work for all buildings represented in the initial application. The assessment must conform to the standards outlined in the OHFA Capital Needs Assessment Standards. OHFA will use this assessment to determine whether the costs indicated in the initial application are appropriate to the level of rehabilitation required.	•		•
Changes from Initial Application Any substantive changes made to the development represented in the initial application must be disclosed to OHFA simultaneous to submission of the final application. Substantive changes may include, but are not limited to, changes in ownership or development team, design, construction or configuration, site(s) (with an exception for scattered- site developments), targeted populations including special needs populations, and any items affecting competitive scoring. Such changes may be permitted only at the discretion of the Director of Planning, Preservation and Development.		•	
Community Outreach **Competitive Housing Tax Credit Applications**: The initial application will include a community outreach plan describing a planned strategy for providing notification to residents, businesses, local elected officials, police and fire departments, community development corporations, non-profit community organizations, and/or other community stakeholders of the proposed housing tax credit development. The planned strategy should involve posting of notices in libraries or other public spaces where residents or potential residents may frequent. Public meetings, design charrettes, and notices in local papers and/or social media are also acceptable methods to provide notice to the community. The final application will include documentation and evidence that the planned outreach strategy was completed prior to submission of the final application. *Note: If the community outreach strategy was planned and carried out prior to submission of the initial application, the applicant must conduct an additional public meeting between initial and final application and provide evidence that this meeting occurred at final application.* **Non-Competitive Housing Tax Credit Applications**: The application will include documentation and evidence that the planned outreach strategy has been completed prior to submission of the application. The applicant will provide copies of written notices placed or published, materials, including any sign-in sheets from any public meetings, and support or opposition letters from community groups or contacts established through the outreach process.	•	•	•

Complete Affordable Housing Funding Application (AHFA) The AHFA and all supporting documents will be submitted on a compact disc, organized and formatted according to the index specified in the AHFA. Supporting documents shall be limited to 25 pages per competitive criteria.	•	•	•
Compliance Monitoring Fee Applicants receiving an allocation or award of housing tax credits will be assessed a one-time compliance monitoring fee of $1,500 per unit that must be paid with the request of an 8609 form.		•	•
Conditional Financial Commitments All non-OHFA sources of debt and equity, including any project-based rental subsidies, must be evidenced by a conditional commitment letter, or other acceptable documentation in lieu of a commitment, at final application. OHFA reserves the right to request additional information to support any credit or equity pricing that does not align with current market rates. For all equity prices significantly above or below the pool average, if sufficient reasoning is not provided for the price, OHFA reserves the right to underwrite to the pool equity pricing average. Any debt or grant funds that will be a part of the development's financing must have a conditional commitment letter indicating the following: 1. Loan or grant amount. 2. Loan term and amortization. 3. Interest rate. 4. Fees associated with the loan or grant. 5. Reserve requirements. 6. Lien position of the loan. 7. Acknowledgement by the lender or allocating entity that the project seeking financial support has received at least a preliminary review and meets the requirements of the lender or funders, conditional upon a final underwrite. If a loan or grant was applied for or will be applied for from a competitive source (e.g., city HOME funds, Federal Home Loan Bank), the required letter (see items 1-7 above) must acknowledge funds have been applied for or verify that a funding round is approaching. The letter should detail the amount of funds requested and the timing for funding decisions. Applicants must provide evidence of an alternative plan to fill the funding gap if unsuccessful in any non-OHFA competitive funding program. If an existing loan will be assumed or restructured, the applicant will provide supporting documentation detailing the terms and conditions of any assumed or restructured debt, including the current outstanding balance.		•	•
Consistency with Housing Credit Gap Financing Funding Developments that will request Housing Credit Gap Financing (HCGF) or Bond Gap Financing (BGF) through the Housing Development Assistance Program (HDAP) must submit a final application consistent with the requirements outlined in the Housing Credit Gap Financing Section of the Qualified Allocation Plan.	•	•	•
Design and Construction Features Agreement **Competitive Housing Tax Credit Applications**: The initial application must include a Design and Construction Features Agreement. A copy of the Design and Construction Features Agreement must be submitted as an attachment to preliminary architectural plans. The final application will include an executed Design and Construction Features Agreement at final application included with 80 percent plan sets. **Non-Competitive Housing Tax Credit Applications**: The application will include an executed Design and Construction Features Agreement at final application included with 80 percent plan sets. The Design and Construction Features Agreement will be made available on the OHFA website.	•	•	•
DevCo Online Application	•	•	•
Development Team Resumes The application will include resumes for any members of the development team. For this requirement, OHFA defines the development team as key staff members of the general partnership, developer, management company, and any consultants. If using a development consultant, a statement must also be provided describing their role. See the Consultants section for further information.	•		•

Evidence of Site Control If the current owner is a general partner or limited partner in the development, the initial application will include copies of the executed and recorded deed(s) at the time of application. If the current owner is not a general partner or limited partner in the development, then evidence of site control must be submitted. Acceptable forms of site control include, but are not limited to, a purchase contract, a purchase option, or a lease option for a minimum term of 35 years. If parcels will be acquired from a city land bank, a copy of the final city council resolution approving the transfer of all applicable sites may be submitted as evidence of site control; a copy of a city resolution, city council ordinance, or contingent purchase agreement approving the legal description and transfer of all applicable sites will also be accepted. If parcels will be acquired from a county land bank, a letter from the board of control or a designated official approving the transfer of all applicable sites may be submitted as evidence of site control. With respect to option agreements, the initial application must include evidence of the agreement to purchase the property within a specified time period. Evidence of site control may not expire until a reasonable period following the scheduled announcement date for housing tax credit awards. OHFA reserves the right to require, as needed, additional documentation that evidences proper site control.	•	•	•
Exception Requests Any request for an exception to specific program requirements referenced in the Qualified Allocation Plan must be submitted in advance of the initial application (competitive) or with the final application (non-competitive) and by the date shown in the program calendar. Exceptions will be considered only for those items specifically allowed under these program guidelines and represented in the OHFA exception request form.	•		•
Extended Use Agreement All housing tax credit developments must commit to an extended use period of a minimum of 30 years of affordability at the time of application. If an allocation of housing tax credits is awarded, the owner must file a Restrictive Covenant (provided by OHFA) which waives the right of the owner to petition OHFA to have the extended use period terminated (as described in Section 42 of the IRC).	•		•
Federal Tax Identification Number The application will include evidence that a Federal Tax Identification Number (FTIN) was obtained for the ownership entity.		•	•
Good Cause/LIHTC Lease Addendum The application will include a written statement from the owner certifying that the Good Cause Lease Addendum will be included in all new leases and upon renewal of existing leases for all residents. The Good Cause Lease Addendum will be made available on the OHFA website. Developments that will include project-based rental assistance from a federal agency are exempt from this requirement.		•	•
Green Standards **Competitive Housing Tax Credit Applications**: OHFA requires that all developments financed with competitive housing tax credits meet green building standards outlined in the 2015 Enterprise Green Communities Criteria and successfully achieve program certification for the proposed development. Applicants may substitute Leadership in Energy & Environmental Design (LEED) Certification by the U.S. Green Building Council or ICC 700 National Green Building Standards (NGBS) by Home Innovation Research Labs (formerly the NAHB Research Center) to meet this requirement. Applicants must include a written statement indicating which certification and level they are seeking at initial application. Developments will be notified of deficiencies to green standards at the time of notification for other threshold deficiencies. If awarded, developments seeking Enterprise Green Communities certification must enroll the development for prebuild approval in the Enterprise Green Communities portal prior to final application and submit prebuild approval with final application. Enterprise Green Communities requires 30 days to review and approve projects. If seeking LEED certification, the certification checklist must be submitted with the final application to evidence that certification will be achieved. If seeking NGBS certification, the preliminary scoring spreadsheet and proof of enrollment, including a unique project identification number, must be submitted with the final application to evidence that certification will be achieved. *Note: Applicants who will meet and certify through Enterprise Green Communities and earn points for project data collection and monitoring (see criteria 8.6 of the Enterprise Green Communities Criteria) using the Energy Star Portfolio Manager must allow OHFA full access to this data for a minimum of five years. To share a property with OHFA, users should send a connection request to "OHFAPPD16." Applicants who will use a comparable third party system to measure and maintain energy consumption data must also share information with OHFA in a manner that allows the Agency access to key metrics and the ability to compare the energy performance of applicable buildings to other developments.* **Non-Competitive Housing Tax Credit Applications**: The requirement for certification through an acceptable green building standard will be waived for non-competitive (4%) housing tax credit developments involving rehabilitation of existing units. The requirement for green building certification will not be waived for projects involving any new construction. Evidence of final certification with Enterprise Green Communities, LEED or NGBS will be required upon completion of construction, where applicable.	•	•	•

Legal Description The application will include a legal description of each parcel that will be included in the development must be submitted at application in Word format. The description(s) must include the street address and permanent parcel number of each parcel.		•	•
Local Service Provider Memorandum of Understanding The application will include a Memorandum of Understanding or other contractual agreement for all partnerships with local service providers. The agreement must outline the specific services to be offered, methods of delivery, and terms of the partnership(s). All Supportive Services Plans must be unique to the development and must identify and be customized to the population being served.		•	•
Management Company Capacity Review Management companies with no prior experience with an OHFA property will be evaluated by the OHFA Office of Program Compliance according to the information contained in the complete Management Capacity Review Survey submitted at application.	•		•
Market Study The application will include a market study conducted by an OHFA-approved market study professional updated or approved within 12 months of the application submission date. Applicants should refer to the OHFA Market Study Standards for additional requirements, and to the program calendar for applicable deadlines.	•		•
Multifamily Bond Financing Information The application will include a letter detailing the bond financing structure and the underwriter's commitment and terms as well as a calendar outlining anticipated actions and responsible parties for closing the transaction. The applicant will also provide a calendar outlining anticipated actions and responsible parties for closing the transaction.			•
Notification to Statewide Accessibility Groups (New Units Only) Applicants proposing new construction must notify the applicable statewide accessibility group prior to final application that accessible housing is being proposed. Applicants must further agree to accept referrals for prospective residents and consider design recommendations for the property. Copies of correspondence between the applicant and accessibility group will be submitted to show compliance with the foregoing requirements. A list of statewide accessibility groups will be made available on the OHFA website.		•	•
Ohio Housing Locator The application will include a written statement from the owner certifying that developments financed with assistance from OHFA will be listed with the Ohio Housing Locator, as soon as the units are placed in service. It is the responsibility of the owner and/or property manager to update listings at least on an annual basis.		•	•
Organizational Chart The application will include an organizational chart that shows the structure of the ownership entity and the relationships and ranks of all relevant positions.	•		•
Phase I Environmental Site Assessment The application will include a Phase I Environmental Site Assessment for all single-site developments at application. OHFA reserves the right to reject any sites indicated to have environmental problems or hazards. Developments receiving an allocation of housing tax credits must submit a Phase I ESA valid in accordance with the most current ASTM Standard. One of the following will be acceptable to OHFA: a. A Phase I ESA report dated within 6 months prior to the application deadline. b. If the Phase I ESA report is dated between 6 months and one year prior to the application deadline, the applicant may submit an update to the report at final application (competitive housing tax credit applications only). c. If the Phase I ESA report is dated over one year prior to the application deadline, the applicant will submit a new and complete Phase I ESA report. Scattered- site developments may submit a Mini-Phase 1 compliant with current OHFA standards at initial application and a full Phase I ESA at final application for all sites represented in the application.	•	•	•
Program Certification 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.	•	•	•

Proposal Summary The application will include a summary containing basic information about each development proposed for consideration of a competitive award of housing tax credits. The summary will be completed by the applicant in the format specified in the AHFA and submitted as a pdf. Proposal summaries will be posted on the OHFA website for public review and comment no later than the date indicated in the program calendar.	•	•	•
Public Notification The application will include evidence that the public notification process for local elected officials was completed. The applicant must notify, in writing, certain officials from: a. The political jurisdictions in which the development will be located; and b. Any political jurisdiction whose boundaries are located within one-half mile radius of the development's location. 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). The applicant will use the OHFA letter template and include all information requested. The notification must state the applicant's intent to develop housing 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 initial application. Scattered-site developments must complete the public notification process for all sites represented in the initial application. If awarded an allocation of housing tax credits, this requirement must be completed again for all sites represented in the final application prior to construction completion. Applicants are encouraged to contact the appropriate local government officials prior to submitting an application to inform these parties of details concerning the housing proposal.	•		•
Related Party Transaction Questionnaire The application will include the Related Party Transaction Questionnaire for any transactions between related parties.	•	•	•
Relocation Plan (Existing Rental Units Only) Any development involving acquisition and rehabilitation of existing and occupied units that will result in permanent displacement of any residents will submit a complete Acquisition, Relocation, and Demolition Questionnaire and Relocation Assistance Plan at application. If a development will result in resident relocation during the construction period, the final application will include a narrative detailing the tenant relocation plan or strategy. The narrative will address the method(s) for relocating residents, provide a breakdown of any associated costs, and identify if tenants will be permanently displaced. If the development includes HDAP funding, applicants must refer to the Housing Credit Gap Financing section of the allocation plan for additional guidance.		•	•
Rental Subsidy Contract (if any) If the development receives a rental subsidy, a copy of the contract governing that transaction must be included with the initial application.	•		•
Rent Rolls (Existing Units Only) The application will include rent rolls demonstrating the occupancy of any existing units and/or buildings for the past two years.	•		•
Reservation Fee Applicants receiving an allocation or award of housing tax credits will pay a reservation fee equal to six (6) percent of the reservation amount. This fee will be paid to OHFA by the deadline to return binding reservation agreements (competitive housing tax credits), or prior to issuance of the 42m Letter of Eligibility (non-competitive housing tax credits).		•	•
Scattered Site Developments Applicants submitting an initial application which includes scattered sites located in multiple counties or jurisdictions and/or scattered throughout a county or jurisdiction will provide a detailed map clearly identifying the location of all buildings and parcels under ownership or control and otherwise considered for the application. *Note: A development qualifies as scattered site if there are 10 or more sites and 50 percent or less of the sites are contiguous. Scattered site developments must have at least 35 percent of the sites under control at the time of initial application (competitive housing tax credit applications only). Final application must include a map identifying all sites.* *All sites represented in the application must be within the boundaries of one Primary Market Area (PMA). OHFA reserves the right to reduce eligible basis when issuing a Carryover Allocation Agreement if the minimum site control percentage required at application is not maintained.*	•		•

Scoring Workbook(s) The application will include a complete Competitive Scoring Workbook and Exceptional Development Scoring Workbook, where applicable, submitted in the format specified by OHFA. Initial applications that do not include all applicable scoring workbooks at the time of application cannot be scored.	•	•	
Single Family Infill Development Unless also receiving HOME funds, all units must be affordable to households with incomes at 60 percent of Area Median Income (AMI) and to buyers with incomes meeting housing tax credit eligibility requirements at the end of 15 years. The final application will include a statement from the owner certifying that a housing inspection from an independent third party approved by OHFA will be provided to the buyer at no cost and that any corresponding issues will be addressed before the home is transitioned to the buyer at year 15. Prior to sale of a lease purchase home at year 15, the owner must notify the OHFA Office of Program Compliance 90 days prior to sale and in accordance with the most current policies of the Agency.		•	
Site Visit Folder The application will include a pocket folder containing a detailed map clearly depicting the physical location of the site and all roads leading to the site, contact information for all members of the development team, a copy of the proposal summary, and a site plan showing all building elevations. OHFA will conduct a site review for all proposals to evaluate and determine the suitability of a prospective site for housing development. If a prospective site is deemed unsuitable based on the site review, the application will be removed from further consideration.	•		•
Subsidy Layering Review (SLR) Application If a Public Housing Authority requests that OHFA complete a Subsidy Layering Review (SLR) for a development including new project-based vouchers or a Housing Assistance Payment Contract, the application for housing tax credits will include all necessary application materials, documents and fees required for an SLR, submitted on a separate disk. Applicants may refer to the OHFA SLR guidelines and Federal Register Notices Vol. 70 No. 187, and Vol. 75 No. 131 for additional guidance.		•	•
Supportive Services Plan All developments must provide service coordination to the resident population and/or linkages to information and resources appropriate to the population. The application will include evidence of salaried or in-kind service coordination on-site, contiguous, or accessible to the development at the time of application. The application must also include a Supportive Services Plan that addresses methods to: a. Assess the needs of residents and develop a plan for service delivery; b. Provide residents with information and referrals to state, federal, and local resources; and c. Monitor and evaluate service delivery and outcomes. **Permanent Supportive Housing (PSH)**: Permanent Supportive Housing developments may submit a plan accepted by the local Continuum of Care or Department of Housing and Urban Development (HUD), in place of items a-c, as specified above. All supportive services plans for PSH must address the following: a. Population(s) to be served and the experience the supportive services provider(s) have serving the target population(s). b. Formal and informal methods that will be used to evaluate the success of the supportive services plan in meeting the individual needs of the residents, addressing overall issues of homelessness, and how this information will be conveyed to OHFA and other organizations. c. Methods to provide assistance in applying for Medicaid and other benefits to ensure the needs of residents are met. d. Methods to link residents to services not offered on-site. e. Physical characteristics of the site, design and/or location that will enhance the lives of residents. f. Sources of funding for all supportive services and how the supportive services will be sustained over the 30 year extended use period.	•		•
Utility Allowance Information The application will include utility allowance information consistent with the requirements of Section 42 of the IRC, IRS Regulation 1.42-10, and OHFA's Utility Allowance Policy. Applicants may refer to the OHFA Utility Allowance policy for guidance on methods available to calculate utility allowances for various project types.	•	•	•

Zoning The application will include evidence that all sites are currently zoned for the proposed use in the form of a valid building permit or a letter from the local municipality stating that the current zoning will permit the proposed development. In extreme circumstances, the zoning requirement may be waived for projects involving new construction. Requests for zoning exception will only be granted where the applicant can demonstrate that the local zoning process was correctly followed, all necessary documents were provided for local review, and adequate time was given for local consideration but, due to circumstances beyond the applicant's control, final approval was not timely granted. The exception request form must be accompanied with a narrative describing the unique circumstances and a letter from the unaffiliated entity that caused the delay describing the situation and setting forth the timeline for obtaining the appropriate approval. OHFA reserves the right to require zoning either with the final application or prior to the release of funding decisions, based on the information provided by the applicant. For jurisdictions with no zoning regulations in effect, a letter from the jurisdiction stating so is required. Evidence must be dated within one year of the initial application due date.	•		•

COMPLIANCE WITH MULTIFAMILY UNDERWRITING GUIDELINES

In accordance with OHFA policy and Section 42(m) of the IRC, OHFA will perform a financial underwriting analysis to ensure that developments are awarded the minimum amount of subsidy necessary to finance a cost-effective, financially viable, and sustainable affordable housing development.

Applications must meet all requirements of the most current Multifamily Underwriting Guidelines. The underwriting process and standards are designed to ensure that OHFA awards the minimum amount of subsidy necessary for the development of cost-effective, financially viable, and sustainable affordable housing developments. Developments will be subject to the following financial evaluations:

- **Competitive housing tax credits (9%)** - Developments proposed for the 9% Housing Tax Credit program will undergo a financial underwriting analysis to determine eligibility for a competitive award of housing tax credits, a complete underwriting analysis at final application prior to issuing a Carryover Allocation Agreement, and an additional underwriting analysis at the time the development is placed-in-service and requests IRS form(s) 8609.
- **Non-Competitive housing tax credits (4%)** – Developments proposed for the 4% Housing Tax Credit program (with or without OHFA gap financing) will undergo an underwriting analysis upon receipt of a complete application prior to issuing a 42m Letter of Eligibility. An additional underwriting analysis will be completed at the time the development is placed-in-service and requests IRS form(s) 8609.

2016-2017 BASIS BOOST POLICY

Developments located in a Small Area Difficult Development Area (DDA) or Qualified Census Tract (QCT) as defined by reference to IRC Section 42 are eligible for an allocation of credits up to 130 percent of the eligible basis for new construction or rehabilitation. The following projects may also be considered for the 130 percent basis boost:

a. Developments in the new production pools that earn 10 points for Family, Senior, or Non-Urban Housing priorities.

b. Developments in the preservation pools that earn 30 points for State Preservation Priorities.

c. Developments in the Permanent Supportive Housing Pool that earn 15-25 points for Continuum of Care Priority

d. Developments in the Single Family Infill Development pool that earn 35 points for Single Family Infill Development Priorities

e. Developments located in a high or very-high opportunity census tract, as defined by the Opportunity Index, or Developments located in a high income census tract.

LIMITS ON HOUSING DEVELOPMENT ASSISTANCE PROGRAM FUNDS

The following applies to applicants seeking an allocation of competitive housing tax credits. HDAP funds must be sought at the time of application and are subject to development need.

- Permanent Supportive Housing (PSH) developments and new family housing developments located in a high or very-high opportunity census tract, as defined by the Opportunity Index, may request up to $300,000 in Ohio Housing Trust Funds (OHTF).
- Applications in all pools that will meet HOME set-aside requirements may request up to $600,000 in HOME funds. To qualify for the HOME set-aside, the development must be owned, developed, or sponsored by a non-profit housing development organization that will certify as a state-certified CHDO.
- Single family infill and lease-purchase developments will not qualify for any award of HDAP.
- Projects with a prior HDAP award will be considered on a case-by-case basis following the submission of an Exception Request Form.
- Housing Development Assistance Program (HDAP) funds, including housing credit gap financing, are subject to appropriation to OHTF by the State Legislature, allocation by the OHTF Advisory Committee, and U.S. Department of Housing and Urban Development (HUD) approval of the State Consolidated Plan. Based on demand and funding availability, OHFA reserves the right to change limits on housing credit gap financing for individual applications.

HOUSING POLICY POOLS

The annual per capita credit allocation will be distributed among the following allocation pools. After reserving the majority of credits in each pool based on the results of the competitive scoring process, OHFA will select a final application that does not exceed the remaining credits in the pool. If there is no application that meets this objective, the remaining credits in the pool will be distributed to the Strategic Initiatives pool. OHFA will determine the allocation pool in which each initial application will compete.

NEW UNIT PRODUCTION

Family Housing (Urban Counties only):

Approximate Funding Target: $5,000,000
Maximum per application: $1,000,000

Proposed developments involving the production of new affordable units, not restricted to a senior head of household aged 55 and older, and located in an urban county will be considered in the Family Housing allocation pool.

A family housing development may be available to all income eligible households with or without children. Single family lease-purchase developments, which will compete in the Single Family Infill Development allocation pool, are not eligible for competition in the Family Housing allocation pool.

Set-Aside: Family Housing in an Area of High Opportunity
A set-aside for allocation to a minimum of three family housing developments in either (1) high or very-high opportunity census tracts, as defined by reference to the Opportunity Index, or (2) non-Racially or Ethnically Concentrated Areas of Poverty (R/ECAP) will be administered by OHFA. Developments sited in an eligible tract will compete against like applications for the extent of the set-aside.

Set-Aside: Revitalization Area
A set-aside for allocation to one family housing development in an area subject to a Revitalization Plan as defined in the State Development Priorities section will be administered by OHFA. Applications must provide a copy of the revitalization plan and proof that the proposed development is located within its target area to be eligible for this set aside. Developments sited in an eligible area will compete against like applications for the extent of the set-aside.

Senior Housing (Urban Counties only):

Approximate Funding Target: $4,500,000
Maximum per application: $1,000,000

Proposed developments involving the production of new affordable units for households that will include a head of household aged 55 and older and located in an urban county will be considered in the Senior Housing allocation pool. Proposed developments in the Senior Housing pool serving the 55 and older community may not refuse to rent to a qualifying head of household who is the legal guardian to a minor child due to that familial status; this requirement does not apply to facilities that are intended for, and solely occupied by, persons 62 years of age or older.

Non-Urban Housing (Non-Urban Counties only):

Approximate Funding Target: $4,500,000
Maximum per application: $800,000

Proposed developments involving the production of any new affordable housing units in non-urban counties will be considered in the Non-Urban allocation pool. Non-urban counties shall be defined by reference to the Geographic Definitions section.

New developments sited in an eligible jurisdiction may apply and compete only to the extent of the Non-Urban allocation pool, including housing for families and heads of household aged 55 and older.

Set-Aside: Family Housing in a Non-QCT
A set-aside for allocation to a minimum of three housing developments serving families in non-QCTs will be administered by OHFA.

Set-Aside: Low- and Mid-Population Counties
A set-aside for allocation to a minimum of one housing development in a low-population county and one housing development in a mid-population county will be administered by OHFA.

A low-population county is defined as a county with a total population of less than 50,000. A mid-population county is defined as a county with a total population of 50,000 or more but less than 99,000. Developments sited in an eligible county will compete against like applications for the extent of the set-asides. A map of eligible counties is presented in the Ohio Housing Needs Assessment available on the OHFA website (see Exhibit 1-1, Total Population by County).

If no applications are awarded through the competitive selection process, OHFA reserves the right to allocate the extent of these set-asides to the next highest scoring non-urban housing.

PRESERVATION OF AFFORDABLE HOUSING

HUD Rental Subsidy Preservation (Urban Counties only):

Approximate Funding Target: $4,000,000
Maximum per application: $1,000,000

Proposed developments located in an urban county and involving acquisition and substantial rehabilitation of multifamily housing developments receiving project based rental assistance or operating subsidies through a program administered by HUD will be considered in the HUD Rental Subsidy Preservation allocation pool. For the purposes of this QAP, "substantial rehabilitation" will be determined at OHFA's sole discretion; at a minimum, required repairs, replacements, and improvements must:

1. Involve the replacement of the majority of two or more major building components; or,
2. Involve improvements of $20,000 or more per dwelling unit ($15,000 for non-competitive 4% credits).

Major components typically include structural, electrical, plumbing, and HVAC. Substantial rehabilitation excludes routine maintenance. In its discretion, OHFA may remove preservation applications that are not proposing substantial rehabilitation from competitive 9 percent tax credit consideration and instead review them for non-competitive 4 percent tax credit eligibility.

Set-Aside: Non-QCT Urban Preservation
A set-aside for allocation to a minimum of one housing development in a non-QCT will be administered by OHFA.

Rural Asset Preservation (Non-Urban Counties only):

Approximate Funding Target: $3,000,000
Maximum per application: $700,000

Proposed developments located in a non-urban county and involving acquisition and substantial rehabilitation of multifamily housing developments receiving project based rental assistance or operating subsidies through a program administered by USDA-RD or HUD will be considered in the Rural Asset Preservation allocation pool.

Set-Aside: Non-QCT Rural Preservation
A set-aside for allocation to a minimum of one housing development in a non-QCT will be administered by OHFA.

PERMANENT SUPPORTIVE HOUSING

Approximate Funding Target: $4,000,000
Maximum per application: $1,000,000

Proposed developments serving populations defined in the Interagency Council on Homelessness and Affordable Housing Permanent Supportive Housing Policy Framework may seek consideration in the PSH pool. A minimum of 50 percent of all units must have a commitment for rental subsidy that covers the difference between 30 percent of the resident's income and the fair market rent for the unit at proposal. Additionally, the majority general partner(s) must be a nonprofit organization with experience developing, owning, or managing supportive housing for the homeless or formerly homeless, and individuals and families with special needs. Competition in the PSH pool will be limited to developments demonstrating support from the applicable Continuum of Care evidenced by a letter of support.

HUD Designated Continuums of Care (CoC):
Akron/Summit County, Cincinnati/Hamilton County, Cleveland/Cuyahoga County, Columbus/Franklin County, Dayton/Montgomery County and Toledo/Lucas County may submit up to two initial applications for consideration of an award. The applicable CoC may designate a primary and secondary priority and, if so, must clearly indicate the rank of each proposal (primary or secondary) in the required letter of support at the time of application.

Set-Aside: Balance of State and Smaller CoCs
Canton/Stark County, Youngstown/Mahoning, and the Balance of State may submit up to two initial applications for consideration of an award. The applicable CoC may designate a primary and secondary proposal and, if so, must clearly indicate the rank of each priority (primary or secondary) in the required letter of support at the time of application. A set-aside for allocation to a minimum of one PSH development in these areas of the state will be administered by OHFA. If no applications are awarded through the competitive selection process, OHFA reserves the right to allocate the extent of this set-aside to the next highest scoring PSH proposal statewide.

SINGLE FAMILY INFILL DEVELOPMENT (NEW SINGLE FAMILY HOME CONSTRUCTION IN URBAN COUNTIES ONLY)

Approximate Funding Target:	$1,500,000
Maximum per application:	$750,000

Proposals involving new construction of single family homes intended for eventual resident ownership will be considered in the Single Family Infill Development allocation pool.

To be eligible for competition in this pool, a prospective development must be recognized as assisting in the stabilization of a neighborhood or target area by demolishing or redeveloping properties and/or sites that were foreclosed, abandoned, and which constitute blight.

Only developments located in an urban county, as defined in the Geographic Definitions section, shall be eligible for consideration in the Single Family Infill Development allocation pool.

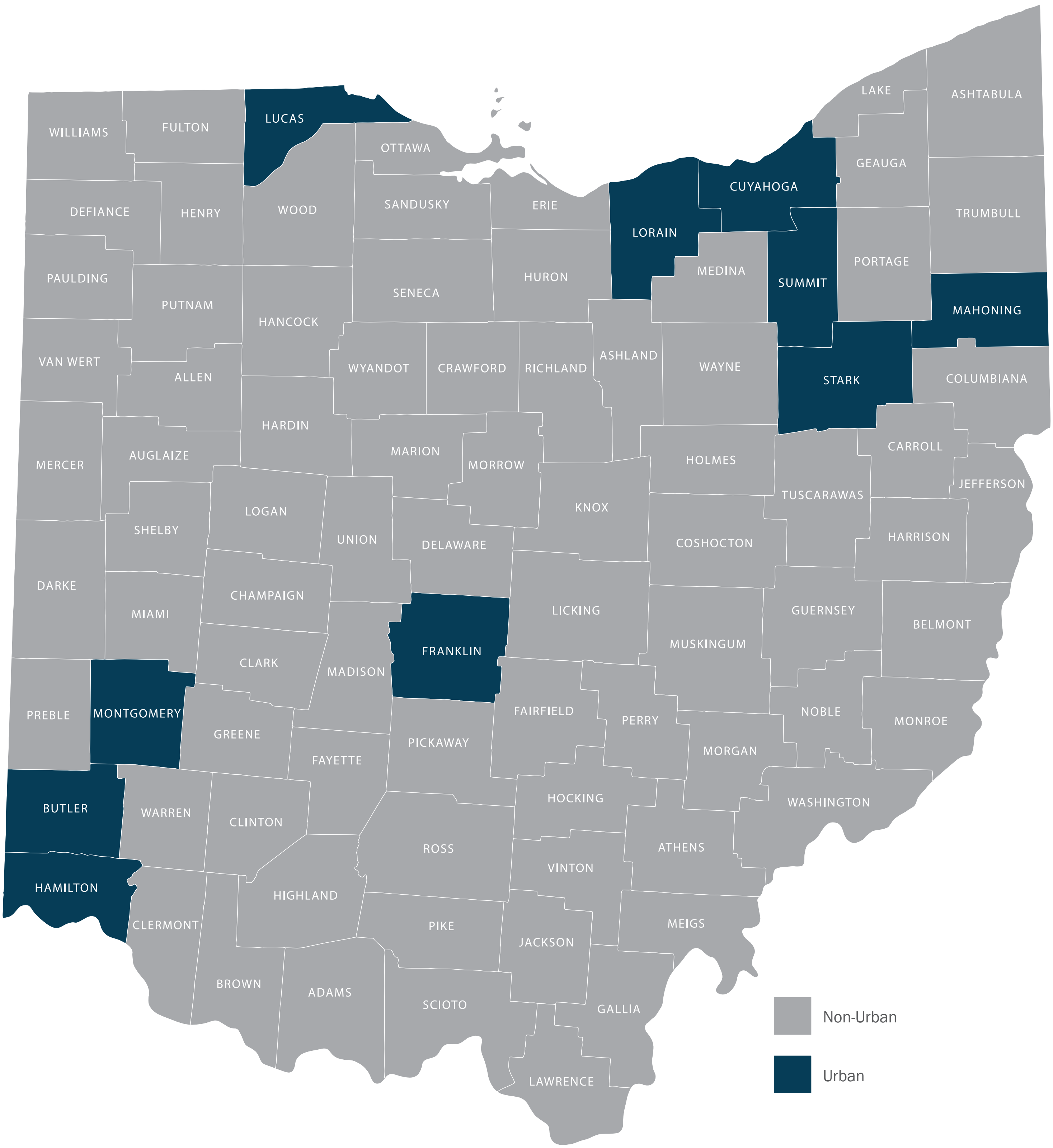
STRATEGIC INITIATIVES

Proposals that address priority housing needs evidenced in the 2017 Ohio Housing Needs Assessment may be considered for an award of housing tax credits in the Strategic Initiatives allocation pool. OHFA will give priority selection consideration to each of the following:

- Applications evidencing local support, meeting a quantifiable need, and targeting areas left underserved through the competitive selection process;
- Projects that assist Ohio in meeting our obligation to Affirmatively Further Fair Housing including but not limited to projects that enhance mobility strategies and encourage development of new affordable housing in areas of opportunity, as well as place-based strategies to encourage community revitalization;
- Resubmitted applications that met all threshold and minimum scoring criteria for funding in a prior round but did not receive an award due to competitive rankings;
- Applications for a final development in a multi-phased project that previously received tax credits; and/or
- Applications with a low credit-to-cost ratio.

Credits remaining in all other pools will be distributed to the Strategic Initiatives allocation pool and awarded to eligible developments.

GEOGRAPHIC DEFINITIONS



COMPETITIVE CRITERIA

The point values for scoring criteria are unique to each allocation pool to account for policy considerations. Applicants may refer to the Competitive Scoring Summary and Scoring Workbook for additional guidance.

Because of the highly competitive nature of the 9% Housing Tax Credit program, an application must achieve at least 70 points to be considered for an award of housing tax credits.

NEW UNIT PRODUCTION

Applicants proposing construction of new affordable units for family and senior households may compete for an allocation of housing tax credits in one of three allocation pools for new unit production: (1) Family Housing, (2) Senior Housing and (3) Non-Urban Housing. Applicants may refer to the Competitive Scoring Summary and Scoring Workbook for additional guidance. With the exception of Senior Housing, proposals in these pools must not be composed of more than 25 percent one-bedroom units.

1. Local Partnerships – Up to 15 Points Maximum

OHFA will prioritize developments that secure and maintain a broad and inclusive coalition of local partners with ongoing capacity and a high level of commitment to assist with the implementation of the project.

A. Local Service Provider — 2 Points per Service Provided — 10 Points Maximum

Up to 10 points will be awarded to proposals demonstrating a commitment by one or more experienced local or regional service provider(s) to deliver comprehensive services to residents of the proposed development. All service providers must have a history of serving the targeted area and/or population and be located on-site, contiguous, or accessible to the development. Comprehensive shall mean three or more of the following eligible service programs:

FAMILY HOUSING	SENIOR HOUSING	NON-URBAN HOUSING
• Before and/or after school care, for the duration of the school year • Early childhood education • Educational assistance programs • Financial literacy, credit counseling or other education • Job training, search and/or placement assistance • Primary health, health promotion, nutrition or wellness • Transportation • Meals	• Assistance with daily living needs • Financial literacy, credit counseling or other education • Housekeeping for resident units • Job training, search, and/or placement assistance • Meals • Monitored life safety alarm systems • Primary health, health promotion, nutrition or wellness • Transportation	• Assistance with daily living needs • Before and/or after school care for the duration of the school year • Early childhood education • Educational assistance programs • Financial literacy, credit counseling or other education • Job training, search and/or placement assistance • Meals • Monitored life safety alarm systems • Primary health, health promotion, nutrition or wellness

Applicants must evidence this requirement in the threshold Supportive Services Plan, detailing the specific services to be provided and identifying partnerships with qualified service agencies. All Supportive Services Plans must be unique to the development and must identify and be customized to the population being served. OHFA reserves the right to reject any generic Supportive Services Plan that is not tailored to the application.

Applicants must also submit a letter of intent from the local service provider that specifies the services, intended methods of delivery, and terms of the partnership. If any service is hosted off-site, the letter of intent must describe how transportation or access will be provided to the residents. If awarded, a Memorandum of Understanding with each local service provider will be required at final application.

B. Local Partners — 5 Points per Criterion — 10 Points Maximum

i. The development will include a local non-profit that can demonstrate a history of providing housing or supportive services for the target population in the target area. The organization must have at least 25 percent general partnership interest in the ownership of the proposed development. The applicant must reflect the minimum ownership percentage in their application.

ii. The development will include a Metropolitan Housing Authority (MHA) or Public Housing Authority (PHA) that has 51 percent general partnership interest in the ownership of the proposed development.

iii. Prior to initial application, the development team will implement a community outreach plan that allows for the participation of area residents and stakeholders in the conception of the proposal and makes use of local input and feedback to define project characteristics and features. Applicants should submit a community outreach plan and summary report detailing key outreach strategies and supporting documentation demonstrating the involvement of community members throughout the pre-development process. Outreach strategies will be evaluated on the comprehensiveness of the applicant's approach and whether it is appropriate for the project type and location.

iv. The development will be located in a community with an identified need for affordable housing for family or senior households. Applicants may provide a letter of support from the applicable unit of government or refer to a municipally sponsored or approved plan or assessment that substantiates the housing need.

v. The development will be owned, developed or sponsored by a community-based housing development organization that has been certified as a Community Housing Development Organization (CHDO) by the State of Ohio during the application phase. If the CHDO is the same non-profit entity identified in section (i) above, the applicant may not receive points under both Local Partner sections (i) and (v).

2. State Development Priorities – Up to 20 Points Maximum

OHFA will prioritize developments that expand affordable housing opportunities in active housing markets and encourage redevelopment in areas with a need of investment.

Location Based Priorities **5 Points per criterion** **15 Points Maximum**

i. Developments located in a county where 30 percent or more of households experience one or more housing problems, as defined by reference to the Ohio Housing Needs Assessment (see Exhibit 4-5, Prevalence of Housing Problems by County). Households with housing problems include those that (i) occupy substandard units, (ii) are overcrowded, and/or (iii) have a cost burden of greater than 30 percent of annual median income for gross housing costs.

Applicants must submit evidence that the proposed development is sited in an eligible county at application to earn points for this criterion.

ii. Developments located within a half mile of significant real estate development and investment of at least $5,000,000 completed between years 2010-2015. Investments may include retail, new infrastructure, or other real estate development. Maintenance and related activities, such as resurfacing of roads, will not qualify under this criterion.

Applicants must submit supporting documentation that details and confirms the extent of real estate development and other investment, including but not limited to, a letter from the local city, township, or village evidencing significant development in the target area.

iii. Developments located within a half mile of significant real estate development and investment of at least $5,000,000 planned and committed for years 2015-2020. Investments may include retail, new infrastructure, or other real estate development. Maintenance and related activities, such as resurfacing of roads, will not qualify under this criterion.

Applicants must submit supporting documentation that details and confirms the extent of real estate development and other investment, including but not limited to, a letter from the city, township, or village evidencing planned development in the target area.

iv. Developments located in areas that are part of a revitalization, stabilization, or economic development plan (collectively, "Revitalization Plan"). For the purposes of this QAP, this revitalization plan must include:

- A clearly delineated target area that includes the proposed project site;
- Detailed policy goals, which must include the rehabilitation or production of affordable rental housing;
- Implementation measures along with general timeframes for the achievement of such policies and housing activities;
- A clear indication that the proposed development project supports at least one of the goals of the redevelopment or revitalization plan; and
- An assessment of the existing conditions of the community.

The following are not considered revitalization plans: Short-term work plans, consolidated plans, municipal zoning plans, plans that do not reflect the current neighborhood conditions, or planned unit developments (PUD).

Applicants must submit a signed letter of support from the government or other entity administering the Revitalization Plan.

v. Developments located in one of the 32 Appalachian counties as designated in the Appalachian Regional Development Act of 1965.

   Applicants must submit evidence that the proposed development is sited in an eligible county at application to earn points for this criterion.

vi. Developments located in a high income census tract. High income census tracts are defined by reference to low and moderate income summary data published by HUD. A list of qualifying high income census tracts will be posted to OHFA's website.

   Applicants must submit evidence that the proposed development is sited in an eligible census tract at application to earn points for this criterion.

vii. Developments located within a half mile radius of a public transit stop or facility offering service at regular frequencies (at least 3 trips per weekday) to local or regional destinations.

   The applicant must submit a map showing the distance from the proposed development to the nearest public transit stop and documentation detailing the route(s), service frequency, operating hours and associated costs to residents for all transit services accessible to the development and within the required half mile radius.

Development Based Priorities | **5 points per criterion** | **15 points maximum**

i. Developments involving the adaptive reuse or demolition of a blighted or foreclosed structure, or reuse of a site that most recently contained a blighted or foreclosed structure, in which a substantial percentage of the proposed units will be located.

   Eligibility for this criterion will be determined by reference to Preliminary Plans and the Design and Construction Features Agreement submitted at application.

ii. Developments that will result in the creation of new affordable housing units by combining new construction with portability of existing federal subsidies or new project-based rental subsidy for at least 50 percent of the affordable units.

   Applicants must submit supporting documentation from HUD or the applicable public housing authority confirming the commitment of federal rental subsidies for at least 50 percent of the affordable units.

iii. Developments that will be a subsequent phase of a successful housing tax credit development. The existing phase(s) must be contiguous to the proposed development and have maintained an average occupancy of at least 96 percent over the past two years. The development must be undertaken by a member of the general partnership that developed the original phase(s).

   Applicants must submit supporting documentation showing the contiguity of the new phase, rent rolls, waiting lists, and other evidence confirming the required occupancy rate for the past two years.

iv. Developments with a total development cost per affordable unit below $190,000.

   Eligibility for points under this criterion will be confirmed by reference to the development budget represented in the application.

v. Developments that are requesting a housing tax credit allocation that is 25 percent below the maximum allowable credit request in the pool.

   Eligibility for points under this criterion will be confirmed by reference to the development budget represented in the application.

vi. Developments that will utilize State or Federal Historic Tax Credit equity in the permanent financing structure. Historic Tax Credit equity must account for no less than 10 percent of the project's total permanent financing sources.

   All buildings in the proposed development must be eligible for listing on the National Register of Historic Places evidenced in the form of an approved Part I application submitted to the State Historic Preservation Office on or before the date indicated in program calendar. Eligibility for points under this criterion will also be confirmed by reference to the development budget represented in the application.

3. Land Uses – 20 Points Available

OHFA will prioritize developments sited in proximity to community improvements and amenities that enhance quality of life.

A. Positive Land Uses — 10 Points Maximum

Up to 10 points will be awarded to proposals located in proximity to positive land uses and amenities. Eligible amenities are specified in the chart of approved primary and secondary amenities.

Points will be awarded based on the proposed developments' distance or proximity to positive land uses and amenities.

Distance to positive land uses and amenities should be calculated as linear distance ("as the crow flies") using Google Maps. An amenity that is within 500 feet of the required distance will be considered for points. All sites included in a scattered site proposal must meet the below criteria.

URBAN COUNTIES	• 10 points will be awarded to developments within a 0.25-mile linear distance of at least three amenities, or a 0.5-mile linear distance of at least six amenities • 9 points will be awarded to developments within a 0.25-mile linear distance of at least two amenities, or a 0.5-mile linear distance of at least four amenities • 6 points will be awarded to developments within a 0.25-mile linear distance of at least one amenity or a 0.5-mile linear distance of at least three amenities
RBAN COUNTIES	• 10 points will be awarded to developments within a 1-mile linear distance of at least three amenities, or a 2-mile linear distance of at least six amenities • 9 points will be awarded to developments within a 1-mile linear distance of at least two amenities, or a 2-mile linear distance of at least four amenities • 6 points will be awarded to developments within a 1-mile linear distance of at least one amenity or a 2-mile linear distance of at least three amenities

Eligible Positive Land Uses and Amenities:

RETAIL	SERVICES	PUBLIC FACILITIES
• Clothing or department store • Farmer's market or community garden • Full service supermarket with fresh produce • Pharmacy • Restaurant, café	• Adult or senior care (licensed) • Child care • Hospital, medical clinic • Bank • Laundromat or dry cleaner	• Community recreation center or park owned and maintained by local government • Cultural arts facility • Educational facility or college • Government office serving the public • School with any grades K-12 • Place of worship • Police or fire station • Public library • Senior center • Social services center • Transit stop or facility offering transit service at regular frequencies to local or regional destinations

B. Proximity to Detrimental Land Uses — 10 Points Maximum

OHFA will award 10 points to developments where there is no detrimental land use adjacent to the site of the proposed development. Detrimental land uses will be those deemed at OHFA's sole discretion and verified by completion of a site visit including, without limitation, adjacent parcels that are blighted. Blighted parcel shall have the same definition as in Ohio Revised Code §1.08. Final determination will be based on nuisance or otherwise adverse conditions such as high levels of noise, noxious odors, or incompatible uses.

Applicants may submit supplemental information to negate a finding of detrimental land use with the initial application or during the correction process. This information must contain the following:

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

4. *Financial Characteristics – Up to 30 Points Maximum*

OHFA will prioritize developments that demonstrate an efficient use of credits and that leverage other resources.

A. Credits per Affordable Unit — 10 Points Maximum

OHFA will award up to 10 points to proposed developments based on the housing tax credits requested per affordable unit. This will be calculated by dividing the total credit amount requested by the total number of affordable units.

- 10 points will be awarded to proposals with $18,000 credits per affordable unit and below
- 9 points will be awarded to proposals with $18,001-$19,000 credits per affordable unit
- 8 points will be awarded to proposals with $19,001 - $20,000 credits per affordable unit
- 7 points will be awarded to proposals with $20,001+ credits per affordable unit

B. Leverage — 1 Point per Percent of Leverage — 20 Points Maximum

Proposals will be awarded one point for each one percent of total development costs leveraged through non-OHFA resources and conditionally committed, for up to a maximum amount of 20 points. All percentages will be rounded down. Equity from the sale of housing tax credits, deferred developer fee, and other OHFA gap financing (excluding the Multifamily Lending Program) will not be considered as leverage. Hard debt and/or loans provided by a local, state, or federal entity that must be repaid may count for up to 20 points earned for leverage. Seller financing will not be counted towards leverage. General Partner capital contributions may count towards leverage.

All sources of leverage must be evidenced by a conditional commitment letter or other acceptable documentation, as specified in the threshold requirements section. Leveraged resources must also be reflected in the permanent financing and pro forma at the time of application.

C. Local Financial Support — 5 Points per Criterion — 15 Points Maximum

Proposals that contain one or more of the following will be awarded 5 points per criterion.

i. Developments evidencing commitment for a property tax abatement or payment in lieu of taxes resulting from improvements to a site, building, or property through new construction or rehabilitation. A minimum of 50 percent of the increased valuation must be abated for a period of at least 7 years to be eligible for points under this criterion.

   Applicants must submit a letter from the local government confirming the abatement or payment in lieu of taxes including the length, amount, and applicable terms. When preparing the cash flow analysis, applicants must show the net benefit of any abated taxes for each year received to document eligibility for points.

   Counties, townships, or municipal/non-profit corporations that are exempted from property taxes under the Ohio Revised Code will also qualify for points under this criterion.

ii. Developments that will involve the redevelopment of land donated or sold at a nominal price by a city or county land bank, local government, or unrelated party for the purpose of housing development. An application showing acquisition costs for a site that is no more than 20% of appraised market value, meets the definition of nominal under this criterion.

Applicants must submit a letter from the land bank, local government, or unrelated party confirming the donation of the land. Eligibility will be confirmed by reference to an appraisal submitted at initial application that meets OHFA's requirements.

An appraisal will only be required for land or county bank parcels if the development budget will reflect a higher value for the land/buildings than the actual cost of acquisition.

iii. Developments in which the local government has waived all processing, permit, and impact fees related to the costs of development or waived processing, permit, and impact fees in an amount of at least $25,000 for the proposed development.

Applicants must submit a letter from the local government confirming the waiver of fees and the amount of which has been waived at application.

5. *Income Targeting – 10 Points Available*

OHFA will prioritize developments that target households with special needs including extremely low-income and persons with disabilities.

A. Extremely Low Income Targeting — 5 Points Maximum

OHFA will award 5 points to developments that meet one of the following:

i. A minimum of 10 percent of all affordable units will be occupied by and affordable to households at or below 30 percent of Area Median Income (AMI) and the development is located in an urban county.

ii. A minimum of five percent of all affordable units will be occupied by and affordable to households at or below 30 percent of Area Median Income (AMI) and the development is located in a non-urban county.

B. State Initiatives — 5 Points Maximum

OHFA will award five points to developments that will commit to consideration for an award of one or both of the following:

- Ohio Section 811 Project Rental Assistance (811); and/or
- Ohio Department of Medicaid Subsidy Demonstration (ODMSD).

Applicants may be considered for both programs, but will only be eligible to participate in one program. Applicants choosing to be considered for both programs must clearly list their first preference program.

Applicants seeking points for state initiatives will submit a written certification confirming commitment to the following parameters. A viable application for 811 and/or ODMSD must be submitted concurrent with the initial application. When preparing the rent table and cash-flow analysis, the applicant will clearly distinguish those units targeted for 811 or ODMSD using their first preference program.

If OHFA determines program requirements cannot be achieved for the first preference program, delivery of the applicable subsidy is unfeasible, or subsidy resources are unavailable, one of the following will be required at OHFA's discretion to retain the points:

1. Participation in the other subsidy program (only for applicants who elect to be considered for both subsidy programs). OHFA may work with the applicant to restructure the application as needed; or
2. The project will be restructured to provide an additional 10 percent of units at or below 30 percent of AMI.

Ohio Section 811 Summary: All developments must set aside at least 10 percent of all units for persons with disabilities referred through a network sponsored by the State of Ohio. Per 811 requirements, no more than 25 percent of all units may be set aside for persons with disabilities. Any units targeted toward households at or below 30 percent AMI for points under Extremely Low Income Targeting must be in addition to this requirement; all unit set asides required under this State Initiatives section are in addition to minimum requirements stemming from other competitive criteria.

Units subsidized under 811 may not benefit from other project-based rental subsidies. 811 units will be occupied by households with incomes at or below 30 percent AMI but affordable to households at or below 50 percent AMI. Rental assistance will cover the difference between 30 percent of the resident's income and the 50 percent AMI rent level calculated for the Housing Tax Credit Program. Eligible residents for 811 units must be referred through a network sponsored by the State of Ohio.

Refer to the 811 page on OHFA's website for a more detailed description of the program.

Ohio Department of Medicaid Subsidy Demonstration Summary: No development can have more than 25 percent of their units designated for persons with disabilities. All units must be one- or two-bedroom units conforming to Section 504 of the Rehabilitation Act of 1973. Units receiving rental assistance are not eligible.

Per ODMSD requirements, no more than 25 percent of all units may be set aside for persons with disabilities. Any units targeted toward households at or below 30 percent AMI for points under Extremely Low Income Targeting must be in addition to this requirement; all unit set asides required under this State Initiatives section are in addition to minimum requirements stemming from other competitive criteria.

Units subsidized under ODMSD may not benefit from other project-based rental subsidies. ODMSD units will be occupied by households with incomes at or below 30 percent AMI but affordable to households at or below 50 percent AMI. Rental assistance will cover the difference between 30 percent of the resident's income and the 50 percent AMI rent level calculated for the Housing Tax Credit Program. Eligible residents for ODMSD must be referred through a network sponsored by the State of Ohio.

Refer to the ODMSD page on OHFA's website for a more detailed description of the program.

Family Housing

Developments competing for funding in the Family Housing allocation pool will be scored according to the following criteria. A family housing development may be available to all income eligible households with or without children. Single family lease purchase developments, which will compete in the Single Family Infill Development allocation pool, are not eligible for competition in the Family Housing allocation pool. Developments competing in this pool may not be composed of more than 25 percent one-bedroom units.

6. Family Housing Priorities – 10 Points Available

Five points will be awarded to proposals demonstrating one of the following priorities. Proposals that meet multiple criteria may earn up to 10 points:

a. Developments in which at least ten percent of the total affordable units are three or more bedroom units and will be marketed to family households on an MHA wait list for an available unit.

   Eligibility for points under this criterion will be confirmed by reference to the application which must reflect the required unit mix. A draft Affirmative Fair Housing Marketing Plan must also be submitted evidencing policies and procedures for marketing affordable units to the target population. Finally, applicants will submit a letter from the local MHA confirming that the applicant has initiated contact with the applicable authority regarding this commitment.

b. Developments located in any one of the following:

   1. A school district rated "B" or higher by the Ohio Department of Education, defined by the 2014 Performance Index Ratings;
   2. Developments located in a school district rated "B" or higher by the Ohio Department of Education as defined by the 2014 Value-Added Progress Rankings; or
   3. Developments located in a school district rated "B" or higher by the Ohio Department of Education as defined by the 2014 "Gap Closing" Report Card; or
   4. If the applicable school district is rated "C" or lower in all of the above ratings, applicants may submit an unconditional letter from an individual school rated "B" or higher in the Ohio Department of Education's Performance Index Ratings agreeing to accept all residents of the development through at least the 2021-2022 school year without charge.

   Applicants must submit evidence that the development is sited within the boundary lines of an eligible school district to earn points for this criterion.

c. Developments located in a high or very-high opportunity area, as defined by the Opportunity Index.

   Applicants must submit evidence that the development is sited within the boundaries of an eligible census tract at application. Eligibility for points under this criterion will be confirmed by the address represented in the application.

d. Developments that are not located in a Racially or Ethnically Concentrated Area of Poverty. A list and/or map of R/ECAPs will be posted to OHFA's website.

Family Housing Tie-Breakers:

1. Developments that have scored the greatest number of points for Exceptional Development Characteristics.
2. Developments that meet the highest number of Family Housing Priorities.
3. Developments with the greatest number of affordable units.
4. Greatest number of credits from the maximum credit request limit for Family Housing.

Senior Housing

Developments competing for funding in the Senior Housing allocation pool will be scored according to the following criteria.

7. Senior Housing Priorities – 10 Points Available

Five points will be awarded to proposals demonstrating one of the following priorities. Proposals that meet multiple criteria may earn up to ten 10 points:

a. Developments providing a community for independent adults aged 55 and older. The development must include features, amenities, services and activities that enable residents to age in place.

   Applicants must submit a narrative detailing all features, amenities, services and activities that enable residents to age in place. Design strategies that further the intent of this criterion must be addressed in both the narrative and Design and Construction Features Agreement submitted at application.

b. Developments providing a range of unit configurations for adults aged 55 and older and in which at least five percent but no more than 50 percent of the total affordable units in the proposed development will include two bedrooms.

   Eligibility for points under this criterion will be confirmed by reference to the application which must reflect the required unit mix. Design strategies that further the intent of this criterion must be addressed in the Design and Construction Features Agreement submitted at application.

c. Developments offering a continuing care model providing flexible housing options, coordinated services, and amenities that enable seniors to receive services according to their long-term care needs. At least 25 percent of the total affordable units must be marketed to adults aged 62 and older. Services must include at least one health service provided on-site.

   Applicants must submit a narrative detailing the characteristics of the continuing care model(s). Applicants must also submit an Affirmative Fair Housing Marketing Plan at application evidencing policies and procedures for marketing affordable units to the target population. Additionally, the Supportive Services Plan must detail a range of services to be offered that demonstrate the intent required under this criterion.

   Developments that will be a subsequent phase of an existing campus must evidence shared ownership or general partnership interest in the previous phase(s).

d. Developments located in a county where the share of population aged 55 and older is 25 percent or greater, as defined by reference to the Ohio Housing Needs Assessment (see Exhibit 1-5 Share of Population 55 and Older by County). A list of eligible counties will be made available on the OHFA website.

   Applicants must submit evidence that the development is sited within an eligible county to earn points for this criterion.

e. Developments located in a local municipality without affordable (income-restricted) housing for senior households aged 55 and older.

   Eligibility for points under this criterion will be confirmed by reference to the market study submitted at application.

Senior Housing Tie-Breakers:

1. Developments that have scored the greatest number of points for Exceptional Development Characteristics.
2. Developments that meet the highest number of Senior Housing Priorities.
3. Developments with the greatest number of affordable units.
4. Greatest number of credits from the maximum credit request limit for Senior Housing.

Non-Urban Housing

Developments competing for funding in the Non-Urban Housing allocation pool will be scored according to the following criteria.

8. Non-Urban Housing Priorities – 5 Points Available

Five points will be awarded to proposals demonstrating one of the following characteristics:

a. Developments located in the following counties which have been most impacted by shale drilling activity defined as counties with 50 or more permitted drilling wells. Applicants must refer to the Ohio Housing Needs Assessment, Exhibit 3-11 Permitted Horizontal Drilling Wells by County, to confirm eligibility for points under this criterion.

   Applicants must submit evidence that the development is sited within an eligible county to earn points for this criterion.

b. Developments located in an underserved county, defined as counties with a population of 50,000 or less and that have not received an allocation of housing tax credits in the past five years (Funding Years 2012-2016). A list of eligible counties will be made available on the OHFA website.

   Applicants must submit evidence that the development is sited within an eligible county to earn points for this criterion.

c. Developments which will account for at least 30 percent of affordable (income-restricted) housing for the target population(s) in the primary market area upon completion.

   Eligibility for points under this criterion will be confirmed by reference to the market study submitted at application.

d. Developments located in a downtown or central business district partnering with the Ohio Main Street Program to revitalize a historic or main street district.

   Applicants must submit a letter from Heritage Ohio, the administering agency for the Ohio Main Street program, confirming that the proposed development is located in a participating district.

e. Developments that will result in the creation or extension of local and/or regional fixed-route or demand response transit services to areas not presently served by transit options.

   Applicants must submit a letter from the transit provider confirming the extension of transit services. The applicant must also submit supporting documentation detailing the routes, service frequency, operating hours and associated costs to residents of all transit services that will be made available to the development.

f. Developments located in a non-qualified census tract.

   Applicants must submit evidence that the development is sited within an eligible census tract to earn points for this criterion. Eligibility for points under this criterion will also be confirmed by reference to the market study submitted at application.

g. Developments located in a non-urban county showing population growth between years 2010-2015, defined by reference to the Ohio Housing Needs Assessment (see Exhibit 1-3 Population Change by County).

   Applicants must submit evidence that the development is sited within an eligible county to earn points for this criterion.

9. Non-Urban Population Priorities – 5 Points Available

Five points will be awarded to non-urban housing proposals demonstrating one of the following characteristics.

a. Developments providing a community for independent adults aged 55 and older. The development must include features, amenities, services and activities that enable residents to age in place (Senior Housing Developments only).

   Applicants must submit a narrative detailing all features, amenities, services and activities that enable residents to age in place. Design strategies that further the intent of this criterion must be addressed in both the narrative and Design and Construction Features Agreement submitted at application.

b. Developments in which at least 10 percent of the total affordable units are three or more bedroom units and will be marketed to family households on an MHA wait list for an available unit.

   Eligibility for points under this criterion will be confirmed by reference to the application which must reflect the required unit mix. A draft Affirmative Fair Housing Marketing Plan must also be submitted evidencing policies and procedures for marketing affordable units to the target population. Finally, applicants must submit a letter from the local MHA confirming that the applicant has initiated contact with the applicable authority regarding this commitment.

c. Developments offering a continuing care model on-site or in a campus setting, providing flexible housing options, coordinated services and amenities that enable seniors to receive services according to their long-term care needs. At least 25 percent of the total affordable units must be marketed to adults aged 62 and older. Services must include at least one health service provided on-site (Senior Housing Development only).

   Applicants must submit a narrative detailing the characteristics of the continuing care model(s). Applicants must also submit a draft Affirmative Fair Housing Marketing Plan at application evidencing policies and procedures for marketing affordable units to the target population. Additionally, the Supportive Services Plan must detail a range of services to be offered that demonstrate the intent required under this criterion.

d. Developments located in a school district rated "B" or higher by the Ohio Department of Education, defined by the 2014 Performance Index Ratings.

   Applicants must submit evidence that the development is sited within the boundary lines of an eligible school district to earn points for this criterion.

Non-Urban Housing Tie-Breakers:

1. Developments that have scored the greatest number of points for Exceptional Development Characteristics.
2. Developments that meet the highest number of Non-Urban Housing Priorities.
3. Greatest number of credits from the maximum credit request limit for Non-Urban Housing.

PRESERVATION OF AFFORDABLE HOUSING

Applicants preserving existing affordable housing may seek consideration in one of two allocation pools for preservation of existing affordable housing: (1) HUD Rental Subsidy Preservation or (2) Rural Asset Preservation. Applicants may refer to the competitive scoring summary and scoring workbook for additional guidance.

1. Local Partnerships – 15 Points Available

OHFA will prioritize developments that secure and maintain a broad and inclusive coalition of local partners with ongoing capacity and high-level commitment to assist with the implementation of the project.

A. Local Service Provider **2 Points per Service Provided** **10 Points Maximum**

Up to 10 points will be awarded to proposals demonstrating a commitment by an experienced local or regional service provider(s) to deliver comprehensive services to residents of the proposed development. All service providers must have a history of serving the targeted area and/or population and be located on-site, contiguous or accessible to the development. Comprehensive shall mean three or more of the following eligible service programs appropriate to the population(s) to be served:

- Assistance with daily living needs
- Before and/or after school care, for the duration of the school year
- Early childhood education
- Educational assistance programs
- Financial literacy, credit counseling or other education
- Housekeeping for resident units
- Job training, search and/or placement assistance
- Meals
- Monitored life safety alarm systems
- Primary health, health promotion, nutrition or wellness
- Transportation

Applicants must evidence this requirement in the threshold Supportive Services Plan, detailing the specific services to be provided and identifying partnerships with qualified service agencies. Applicants must also submit a letter of intent from the local service provider that specifies the services, intended methods of delivery, and terms of the partnership. If awarded, a Memorandum of Understanding with each local service provider will be required at final application.

B. Local Partners **5 Points per Criterion** **10 Points Maximum**

i. The development will include a local non-profit that can demonstrate a history of providing housing or supportive services for the target population in the target area. The organization must have at least 25 percent general partnership interest in the ownership of the proposed development. The applicant must reflect the minimum ownership percentage in their application.

ii. The development will include a Metropolitan Housing Authority (MHA) or Public Housing Authority (PHA) that has 51 percent general partnership interest in the ownership of the proposed development.

iii. The development team has devised a community outreach plan that allows for the participation of area residents and stakeholders in the conception and configuration of the proposal. The plan must include activities that will utilize local input and feedback to define project characteristics and features. Applicants must submit an outreach plan at initial application detailing key outreach strategies to be conducted. Outreach plans and strategies will be evaluated on the comprehensiveness of the applicant's approach to notifying all stakeholders and the appropriateness of all planned activities for the project type and location.

iv. The development will be owned, developed or sponsored by a community-based housing development organization that has been certified as a Community Housing Development Organization (CHDO) by the State of Ohio during the proposal phase. If the CHDO is the same non-profit entity identified in section (i) above, the applicant may not receive points under both Local Partner sections (i) and (iv).

2. State Preservation Priorities – Up to 30 Points Maximum

OHFA will prioritize developments that preserve existing units of affordable housing at risk of no longer being affordable.

Location Based Priorities | **5 Points per Criterion** | **20 Points Maximum**

i. i. Developments located in a county where 30 percent or more of households experience one or more housing problems, as defined by reference to the Ohio Housing Needs Assessment (see Exhibit 4-5, Prevalence of Housing Problems by County). Households with housing problems include those that (i) occupy substandard units, (ii) are overcrowded, and/or (iii) have a cost burden of greater than 30 percent of annual median income for gross housing costs.

   Applicants must submit evidence that the proposed development is sited in an eligible county at application to earn points for this criterion.

ii. Developments located in areas that are part of a Revitalization Plan as defined in the State Development Priorities section.

   Applicants may provide a letter of support from the applicable unit of government or other entity or refer to a municipally sponsored or approved plan evidencing a revitalization or economic development strategy for the area.

iii. Developments located in one of the 32 Appalachian counties as designated in the Appalachian Regional Development Act of 1965.

   The applicant must submit evidence that the proposed development is located in an eligible county at application to earn points for this criterion.

iv. Developments located in a high income census tract. A list of eligible census tracts will be made available on the OHFA website.

   The applicant must submit evidence that the proposed development is located in an eligible county at application to earn points for this criterion.

v. Developments located within a half mile radius of a public transit stop or facility offering service at regular frequencies (at least 3 trips per weekday) to local or regional destinations.

   The applicant must submit a map showing the distance from the proposed development to the nearest public transit stop and documentation detailing the route(s), service frequency, operating hours and associated costs to residents for all transit services accessible to the development and within the required half mile radius.

vi. Developments that account for at least 30 percent of the total available affordable (income-restricted) housing in the primary market area upon completion.

   Eligibility for points under this criterion will be confirmed by reference to the market study submitted at application.

vii. Developments that are not located in a Qualified Census Tract.

   Applicants must submit evidence that the proposed development is sited in an eligible location at application to earn points for this criterion.

viii. Developments located in a census tract where 9.9 percent or less of households lack a grocery store within ½ mile and a car as defined by reference to the Ohio Housing Needs Assessment (see Exhibits 11-3, Percent of Households Lacking a Grocery Store Within ½ Mile and a Car by Census Tract). A list of qualifying census tracts will be posted to OHFA's website.

   Applicants must submit evidence that the proposed development is sited in an eligible location at application to earn points for this criterion.

Development Based Priorities | **5 Points per Criterion** | **20 Points Maximum**

i. Developments that will be completed in two or more phases, one of which will be a non-competitive (4%) housing tax credit development. All phases must meet and certify through Enterprise Green Communities or a minimum equivalent acceptable to OHFA. The development may include only one building or multiple buildings.

   The initial application will include a completed AHFA for the non-competitive (4%) housing tax credit phase consistent with the minimum requirements for allocation of non-competitive housing tax credits and the most current Multifamily Underwriting guidelines. The initial application must also include a written statement from the owner/developer certifying that the development will receive green certification without request for waivers from any mandatory criteria or specifications.

Third party reports including the market study, capital needs assessment, environmental assessment and architectural plans must encompass both phases and will be submitted at initial application. A final application for the non-competitive (4%) housing tax credit award, including all other supporting documentation will be required at final application if the development is awarded an allocation of competitive housing tax credits.

ii. Developments in which a financially troubled asset has been acquired within the past five (5) years or will be acquired by an applicant who will serve as the owner/manager for the entire period of compliance. The developer/owner may not have been a part of the previous ownership structure if seeking points for this criterion.

A financially troubled asset may be experiencing or at risk to default, foreclosure, negative cash flow, or sustained high vacancy. The applicant will submit documentation describing the troubled asset and those steps that have or will be taken to put the asset back into productive use. Additionally, the current owner and manager may not have been involved in the ownership or operation of the prior project and the applicant must demonstrate at least a 6 year history of good ownership/management of housing tax credit developments in Ohio.

iii. Developments that have been maintained through good management but contain at least one major component that is past its effective useful life. Major components shall refer to the following: structural integrity, building envelope, roof and site drainage, plumbing and sanitation systems, mechanical systems, electrical systems, elevators, and parking surfaces. The developer/owner must have been the owner for at least five years and must remain a part of the ownership structure if seeking points for this criterion.

The applicant will submit a narrative describing the management history, the components that need replacing, and a detailed itemization of the use of the project's replacement reserves. OHFA will determine this score in part by a site visit to verify the overall condition of all buildings in the proposed development as well as the critical needs identified and supported in the Capital Needs Assessment. The proposed development cannot have undergone substantial rehabilitation in the last 20 years.

iv. Developments acquired by the applicant for the purpose of rehabilitation in the past five (5) years and for which the as-is condition does not meet Uniform Physical Condition Standards (UPCS) and/or the most current REAC score endangers sustained operations under a federal assistance program. Dwelling unit and common area inspection findings must include three or more life threatening health and safety deficiencies. The developer/owner may not have been a part of the previous ownership structure if seeking points for this criterion.

The applicant must submit a Compliance Disposition Enforcement (CDE) or other corrective plan approved by the authorizing Agency demonstrating an effort to bring the project in compliance and evidence that the physical needs of all buildings exceed available reserves. The applicant will also submit a narrative describing the management history, efforts to obtain funding, and use of the project's replacement reserves.

OHFA will determine eligibility for points under this criterion in part by a site visit to verify the overall condition of all buildings in the proposed development as well as the critical needs identified and supported in the Capital Needs Assessment. OHFA may consider projects that were purchased more than five (5) years ago, provided the applicant can demonstrate efforts to secure financing for the project.

v. Developments which have a significant risk of conversion to market rate use evidenced by an affordable rent advantage of at least 10 percent for each bedroom size in the primary market area.

Eligibility for points under this criterion will be confirmed by reference to the market study, meeting all OHFA requirements, submitted at initial application. OHFA will rely on the market analyst's estimation of achievable market rents as compared to achievable restricted rents to determine the affordable rent advantage.

To quantify affordable rent advantage, the market study must clearly calculate and identify the following:

*Affordable Rent Advantage = 1 - (achievable tax credit rents ÷ achievable market rents) * 100*

vi. Developments with a total development cost per affordable unit below $130,000.

Eligibility for points under this criterion will be confirmed by reference to the development budget represented in the application. OHFA will exclude assumed debt from calculations on existing rental unit developments.

vii. Developments that are requesting a housing tax credit allocation that is 25 percent below the maximum allowable credit request in the competitive pool.

Eligibility for points under this criterion will also be confirmed by reference to the development budget represented in the application.

viii. vDevelopments that will utilize State or Federal Historic Tax Credit equity in the permanent financing structure. Historic Tax Credit equity must account for no less than 10 percent of the project's total permanent financing sources.

All buildings in the proposed development must be eligible for listing on the National Register of Historic Places evidenced in the form of an approved Part I application submitted to the State Historic Preservation Office on or before the date indicated in program calendar. Eligibility for points under this criterion will also be confirmed by reference to the development budget represented in the application.

3. *Financial Characteristics – Up to 20 Points Maximum*

OHFA will prioritize developments that demonstrate an efficient use of credits and that leverage other resources.

A. Credits per Affordable Unit — 10 Points Maximum

OHFA will award up to ten (10) points to proposed developments based on the housing tax credits requested per affordable unit. This will be calculated by dividing the total credit amount requested by the total number of affordable units.

- 10 points will be awarded to proposals with $11,000 credits per unit and below
- 9 points will be awarded to proposals with $11,001 - $13,000 credits per unit
- 8 points will be awarded to proposals with $13,001 - $15,000 credits per unit
- 7 points will be awarded to proposals with $15,001 credits per unit and above

B. Leverage — 1 Point per Percent of Leverage — 20 Points Maximum

Proposals will be awarded 1 point for each one percent of total development costs leveraged through non-OHFA resources and conditionally committed, for up to a maximum amount of 20 points. All percentages will be rounded down. Equity from the sale of housing tax credits, deferred developer fee, and other OHFA gap financing (excluding the Multifamily Lending Program) will not be considered as leverage. Hard debt and/or loans provided by a local, state, or federal entity that must be repaid may count for up to 20 points earned for leverage.

All sources of leverage must be evidenced by a conditional commitment letter or other acceptable documentation, as specified in the threshold requirements section. Leveraged resources must also be reflected in the permanent financing and pro forma at the time of application.

4. *Income Targeting – 10 Points Available*

OHFA will prioritize developments that target households with special needs including extremely low-income.

OHFA will award up to 10 points to developments meeting one of the following criteria:

a. A minimum of 10 percent of all affordable units will be occupied by and affordable to households at or below 30 percent of AMI and the development is located in an urban county.

b. A minimum of 5 percent of all affordable units will be occupied by and affordable to households at or below 30 percent of AMI and the development is located in a non-urban county.

HUD Rental Subsidy Preservation

Developments competing for funding in the HUD Rental Subsidy Preservation allocation pool will be scored according to the following criteria. Developments located in an urban county may compete in the HUD Rental Subsidy allocation pool. Developments in non-urban counties will compete in the Rural Asset Preservation allocation pool.

5. Rental Subsidy – 15 Points Available

OHFA will award up to 15 points to developments that preserve a rental subsidy administered by HUD. Points will be awarded based on the following:

a. 15 points will be awarded to developments in which 95-100 percent of the affordable units have project based rental subsidy, or preserve at least 50 subsidized units.

b. 13 points will be awarded to developments in which 85-94 percent of the affordable units have project based rental subsidy, or preserve at least 40 subsidized units.

c. 10 points will be awarded to developments in which 75-84 percent of the affordable units have project based rental subsidy, or preserve at least 30 subsidized units.

d. 10 points will be awarded to developments in which 74 percent or less of the affordable units have project based rental subsidy or that involve the conversion and/or modernization housing funded through HUD programs that do not have rental subsidies. No permanent displacement of current residents may result from the preservation of units in the development.

HUD Rental Subsidy Tie-Breakers:

1. Developments that have scored the greatest number of points for Exceptional Development Characteristics.
2. Developments that meet the highest number of State Preservation Priorities.
3. Developments with the greatest number of subsidized units.
4. Greatest number of credits from the maximum credit request limit for HUD Subsidy Preservation.

Rural Asset Preservation

Developments competing for funding in the Rural Asset Preservation allocation pool will be scored according to the following criteria. Only developments located in a non-urban county may compete in this pool.

6. Rental Subsidy – 10 Points Available

OHFA will award up to 10 points to developments that preserve a rental subsidy administered by HUD or USDA RD. Points will be awarded based on the following:

a. 10 points will be awarded to developments in which 80-100 percent of the affordable units have project based rental subsidy.

b. 8 points will be awarded to developments in which 60-79 percent of the affordable units have project based rental subsidy.

c. 6 points will be awarded to developments in which 25-59 percent of the affordable units have project based rental subsidy.

7. USDA - 5 Points Available

Five points will be awarded to those developments which the Ohio USDA Rural Development office designates as a priority for preservation. The Ohio USDA Rural Development offices may each designate three projects for priority points. Applicants must provide an executed priority letter at the time of initial application for points under this criterion.

Rural Asset Preservation Tie-Breakers:

1. Developments that earn 5 points for USDA Priority.
2. Developments that have scored the greatest number of points for Exceptional Development Characteristics.
3. Developments that meet the highest number of State Preservation Priorities.
4. Developments with the greatest number of subsidized units.

PERMANENT SUPPORTIVE HOUSING

Initial applications serving populations defined in the Interagency Council on Homelessness and Affordable Housing Permanent Supportive Housing Policy Framework may seek consideration in the Permanent Supportive Housing (PSH) pool.

At initial application, the applicant must demonstrate commitment of a rental subsidy funded by a federal or state source, or local housing authority that covers the difference between 30 percent of the resident's income and the fair market rent for the unit for a minimum of 50 percent of all affordable units.

Additionally, the majority general partner(s) must be a nonprofit organization with experience in developing, owning or managing supportive housing for the homeless or formerly homeless, and individuals and families with special needs. Applicants may refer to the competitive scoring summary and scoring workbook for additional guidance.

1. Local Partnerships – 25 Points Available

OHFA will prioritize developments that secure and maintain a broad and inclusive coalition of local partners with ongoing capacity and a high-level of commitment to assist with the implementation of the project.

A. Local Service Provider **2 Points per Service Provided** **10 Points Maximum**

Up to 10 points will be awarded to proposals demonstrating a commitment by an experienced local or regional service provider(s) to deliver comprehensive services specific to the population of the proposed development. All service providers must have a history of serving the targeted area and/or population and be located on-site, contiguous or accessible to the development. Comprehensive shall mean three or more of the following eligible service programs:

- Before and/or after school care, for the duration of the school year
- Mental health or counseling services
- Behavioral health or counseling services
- Early childhood education
- Educational assistance programs
- Financial literacy, credit counseling or other education
- Health promotion, nutrition or wellness
- Job training, search and/or placement assistance, including employment services
- Life skills training
- Transportation

Applicants must evidence this requirement in the threshold Supportive Services Plan, detailing the specific services to be provided and identifying partnerships with qualified service agencies. Applicants must also submit a letter of intent from the local service provider that specifies the services, intended methods of delivery, and terms of the partnership. If awarded, a Memorandum of Understanding with each local service provider will be required at final application.

B. Local Partners **15 Points Maximum**

Fifteen points will be awarded to proposals including two of the following:

i. Prior to initial application, the development team has established a Memorandum of Understanding with the applicable Continuum of Care to admit referrals from a coordinated entry system and will target households including individuals and families experiencing chronic homelessness. Applicants must submit a contractual agreement or Memorandum of Understanding outlining the specific services, methods of delivery, and terms of the partnership(s).

ii. Prior to final application, the development team will implement a community outreach plan that allows for the participation of area residents and stakeholders in the conception of the proposal and makes use of local input and feedback to define project characteristics and features. Applicants should submit a community outreach plan and summary report detailing key outreach strategies and supporting documentation demonstrating the involvement of community members throughout the pre-development process. Outreach strategies will be evaluated on the comprehensiveness of the applicant's approach and whether it is appropriate for the project type and location.

iii. The development will be located in a community with an identified need for permanent supportive housing. Applicants must provide evidence in the form of a community sponsored plan or needs assessment.

iv. The development will be located in the context of a broader strategy to promote community and economic development. Applicants must provide evidence in the form of a locally sponsored neighborhood or community plan.

v. At initial application, the development team can evidence partnership with a service provider who will coordinate provision of Medicaid-funded services.

2. Continuum of Care Priority - Up to 25 Points Maximum

OHFA will award 25 points to proposals identified as the highest priority of the applicable Continuum of Care (CoC).

OHFA will award 15 points to proposals identified as the second priority of the applicable CoC.

3. Land Uses – 20 Points Available

OHFA will prioritize developments sited in proximity to community improvements and amenities that enhance quality of life.

A. Positive Land Uses

Up to ten points will be awarded to proposals located in proximity to positive land uses and amenities. Eligible amenities are specified in the chart of approved primary and secondary amenities.

Points will be awarded based on the proposed developments' distance or proximity to positive land uses and amenities.

Distance to positive land uses and amenities should be calculated as linear distance ("as the crow flies") using Google Maps. An amenity that is within 500 feet of the required distance will be considered for points. All sites included in a scattered site proposal must meet the below criteria.

URBAN COUNTIES	• 10 points will be awarded to developments within a 0.25-mile linear distance of at least three amenities, or a 0.5-mile linear distance of at least six amenities • 9 points will be awarded to developments within a 0.25-mile linear distance of at least two amenities, or a 0.5-mile linear distance of at least four amenities • 6 points will be awarded to developments within a 0.25-mile linear distance of at least one amenity or a 0.5-mile linear distance of at least three amenities
NON-URBAN COUNTIES	• 10)points will be awarded to developments within a 1 mile linear distance of at least four amenities, or a 2 mile linear distance of at least seven amenities • 9 points will be awarded to developments within a 1 mile linear distance of at least three amenities, or a 2 mile linear distance of at least six amenities • 6 points will be awarded to developments within a 1 mile linear distance of at least two amenities, or a 2 mile linear distance of at least five amenities

Eligible Positive Land Uses and Amenities:

RETAIL	SERVICES	PUBLIC FACILITIES
• Clothing or department store • Farmer's market or community garden • Full service supermarket with fresh produce • Pharmacy • Restaurant, café	• Hospital • Medical clinic • Bank • Laundromat or dry cleaner	• Community recreation center or park owned and maintained by local government • Cultural arts facility • Educational facility or college • Government office serving the public • Place of worship • Police or fire station • Public library • Social services center • Transit stop or facility offering service at regular frequencies to local or regional destinations

B. Proximity to Detrimental Land Uses

OHFA will award 10 points to developments where there is no detrimental land use adjacent to the site of the proposed development. Detrimental land uses will be those deemed at OHFA's sole discretion and verified by completion of a site visit including without limitation adjacent parcels that are blighted. Blighted parcel shall have the same definition as in Ohio Revised Code §1.08. Final determination will be based on nuisance or otherwise adverse conditions such as high levels of noise, noxious odors, or incompatible uses.

Applicants may submit supplemental information to negate a finding of detrimental land use with the initial application or during the correction process. This information must contain the following:

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

4. Financial Characteristics – Up to 20 Points Maximum

OHFA will prioritize developments that demonstrate an efficient use of credits and that leverage other resources.

A. Credits per Affordable Unit — 10 Points Maximum

OHFA will award up to 10 points to proposed developments based on the housing tax credits requested per affordable unit. This will be calculated by dividing the total credit amount requested by the total number of affordable units.

- 10 points will be awarded to proposals with $15,000 credits per unit and below
- 9 points will be awarded to proposals with $15,001-$16,000 credits per unit
- 8 points will be awarded to proposals with $16,001 - $17,000 credits per unit
- 7 points will be awarded to proposals with $17,001 credits per unit and above

B. Leverage — 1 Point per Percent of Leverage — 20 Points Maximum

Proposals will be awarded 1 point for each one percent of total development costs leveraged through non-OHFA resources and conditionally committed, for up to a maximum amount of 20 points. All percentages will be rounded down. Equity from the sale of housing tax credits, deferred developer fee, and other OHFA gap financing (excluding the Multifamily Lending Program) will not be considered as leverage. Hard debt and/or loans provided by a local, state, or federal entity that must be repaid may count for up to 20 points earned for leverage. Seller financing will not be counted towards leverage. General Partner capital contributions may count towards leverage.

All sources of leverage must be evidenced by a conditional commitment letter or other acceptable documentation, as specified in the threshold requirements section. Leveraged resources must also be reflected in the permanent financing and pro forma at the time of application.

C. Local Financial Support — 5 Points per Criterion — 15 Points Maximum

Proposals that include one or more of the following will be awarded 5 points per criterion.

i. Developments evidencing commitment for a property tax abatement or payment in lieu of taxes resulting from improvements to a site, building or property through new construction or rehabilitation. A minimum of 50 percent of the increased valuation must be abated for a period of at least 7 years to be eligible for points under this criterion.

   Applicants must submit a letter from the local government confirming the abatement or payment in lieu of taxes including the length, amount and applicable terms. When preparing the cash flow analysis, applicants must show the net benefit of any abated taxes for each year received to document eligibility for points.

   Counties, townships or municipal/non-profit corporations that are exempted from property taxes under the Ohio Revised Code will also qualify for points under this criterion.

ii. Developments that will involve the redevelopment of land donated or sold at a nominal price by a city or county land bank, local government or unrelated party for the purpose of housing development. An application showing acquisition costs for a site that is no more than 10 percent of appraised market value, meets the definition of nominal under this criterion.

Applicants must submit a letter from the land bank, local government or unrelated party confirming the donation of the land. Eligibility will be confirmed by reference to an appraisal submitted at initial application that meets OHFA's requirements.

An appraisal will only be required for land or county bank parcels if the development budget will reflect a higher value for the land/buildings than the actual cost of acquisition.

iii. Developments in which the local government has waived all processing, permit, and impact fees related to the costs of development or waived processing, permit, and impact fees in an amount of at least $25,000 for the proposed development.

Applicants must submit a letter from the local government confirming the waiver of fees and the amount of which has been waived at application.

Permanent Supportive Housing Tie-Breakers:

1. Developments that serve at least 50 percent chronically homeless, as defined by the National Alliance to End Homelessness.
2. Developments evidencing partnership with a service provider who will provide Medicaid-funded or reimbursable services. A Memorandum of Understanding must be provided as evidence of this partnership at initial application.
3. Greatest number of credits from the maximum credit request limit for PSH.

SINGLE FAMILY INFILL DEVELOPMENT

Proposals involving new construction of single family homes intended for eventual resident ownership will be considered in the Single Family Infill Development allocation pool. This pool is designed to stabilize and improve neighborhoods through targeted homeownership investments.

Only developments located in an urban county, as defined in the Geographic Definitions section, shall be eligible for consideration in the Single Family Infill Development allocation pool. Applicants may refer to the competitive scoring summary and scoring workbook for additional guidance.

Threshold Requirements for Consideration in the Single Family Infill Development Pool:

All developments competing in the Single Family Infill Development Pool will first be evaluated for satisfaction of the below requirements. Applications that do not demonstrate compliance with the following may be removed from any further consideration at OHFA's sole and absolute discretion.

- All sites included in the proposed development must be located within the boundaries of a clearly defined area subject to a Revitalization Plan as defined in the State Development Priorities section. All sites must be within a half mile radius. Applicants will provide a map depicting all sites represented in the application and considered for the development.
- The initial application must include a description of how it will further revitalization in the neighborhood and any current and future investments planned for the area.
- A detailed description of the homeownership strategy will be submitted at initial application addressing the following:
    a. An ownership exit strategy that specifies the methods for determining the value of and calculation of purchase price(s) at the time of sale;
    b. The transition of any HOME funds and/or permanent debt from the project;
    c. A Supportive Services Plan that details the nature and frequency of services to be provided, including at minimum homeownership counseling, education, and training;
    d. Any amount of funds to be set-aside by the owner to assist residents with purchasing the home at year 16;
    e. The terms and conditions of any mortgage or loan product offered to assist residents with purchasing the home at year 16;
    f. What, if any, renovations or property improvements will be made prior to conveyance to a resident at year 16 and the financing mechanism for these repairs; and
    g. How, and at what intervals of time, eligible tenants of the proposed development will be notified of their option to eventually purchase the home and offered a right of first refusal.
- All architectural plans and specifications must demonstrate that the design and configuration of all units will meet applicable building and zoning code requirements and be consistent with the design and architecture of the surrounding neighborhood.

1. Local Partnerships – 20 Points Available

OHFA will prioritize developments that secure and maintain a broad and inclusive coalition of local partners with ongoing capacity and a high-level of commitment to assist with the implementation of the project.

A. Local Service Provider — 10 Points Maximum

Five points will be awarded to proposals demonstrating a commitment by an experienced local or regional service provider(s) to deliver comprehensive services to residents of the proposed development.

Comprehensive shall mean financial and credit counseling and in-person homebuyer counseling and education, including maintenance and home repair. All service providers must have a history of serving the targeted area and/or population and be located on-site, contiguous or accessible to the development.

Applicants may earn up to 5 additional points for providing three or more added services.

- Before and/or after school care, for the duration of the school year
- Early childhood education or daycare

- Educational assistance programs
- Financial counseling through partnership with a financial institution
- Health promotion, nutrition or wellness
- Job training, search and/or placement assistance

Applicants must evidence this requirement in the threshold Supportive Services Plan, detailing the specific services to be provided and identifying partnerships with qualified service agencies. Applicants must also submit a letter of intent from the local service provider that specifies the services, intended methods of delivery, and terms of the partnership. If awarded, a Memorandum of Understanding with each local service provider will be required at final application.

B. Local Partners **5 points per Criterion** **10 Points Maximum**

i. The development will include a local non-profit that can demonstrate a history of providing housing or supportive services for the target population in the target area. The organization must have at least 25 percent general partnership interest in the ownership of the proposed development. The applicant must reflect the minimum ownership percentage in their application.

ii. Prior to initial application, the development team will implement a community outreach plan that allows for the participation of area residents and stakeholders in the conception of the proposal and makes use of local input and feedback to define project characteristics and features. Applicants should submit a community outreach plan and summary report detailing key outreach strategies and supporting documentation demonstrating the involvement of community members throughout the pre-development process. Outreach strategies will be evaluated on the comprehensiveness of the applicant's approach and whether it is appropriate for the project type and location.

iii. The development has received a letter of support from a city or county land bank. The letter of support should outline any partnerships between the land bank and the proposed development, and include reference to any resources provided to the development by the land bank.

2. Land Uses – 20 Points Available

OHFA will prioritize developments sited in proximity to community improvements and amenities that enhance quality of life.

A. Positive Land Uses

Up to 10 points will be awarded to proposals located in proximity to positive land uses and amenities. Eligible amenities are specified in the chart of approved primary and secondary amenities.

Points will be awarded based on the proposed developments' distance or proximity to positive land uses and amenities.

Distance to positive land uses and amenities should be calculated as linear distance ("as the crow flies") using Google Maps to the most central site. An amenity that is within 500 feet of the required distance will be considered for points. All sites included in a scattered site proposal must meet the below criteria.

URBAN COUNTIES	• 10 points will be awarded to developments within a 0.25-mile linear distance of at least three amenities, or a 0.5-mile linear distance of at least six amenities • 9 points will be awarded to developments within a 0.25-mile linear distance of at least two amenities, or a 0.5-mile linear distance of at least four amenities • 6 points will be awarded to developments within a 0.25-mile linear distance of at least one amenity or a 0.5-mile linear distance of at least three amenities

Eligible Positive Land Uses and Amenities:

RETAIL	SERVICES	PUBLIC FACILITIES
• Clothing or department store • Farmer's market or community garden • Full service supermarket with fresh produce • Pharmacy • Restaurant, café	• Adult or senior care (licensed) • Child care • Hospital, medical clinic • Bank • Laundromat or dry cleaner	• Community recreation center or park owned and maintained by local government • Cultural arts facility • Educational facility or college • Government office serving the public • School with any grades k-12 • Place of worship • Police or fire station • Public library • Senior center • Social services center • Transit stop or facility offering service at regular frequencies to local or regional destinations

B. Proximity to Detrimental Land Uses

OHFA will award 10 points to developments where there is no detrimental land use adjacent to the site of the proposed development. Detrimental land uses will be those deemed at OHFA's sole discretion and verified by completion of a site visit including without limitation adjacent parcels that are blighted. Blighted parcel shall have the same definition as in Ohio Revised Code §1.08. Final determination will be based on nuisance or otherwise adverse conditions such as high levels of noise, noxious odors, or incompatible uses.

Developments that will not include contiguous parcels must address within the application any treatment of blighted parcels that will be adjacent to a site considered or included in the application.

Applicants may submit supplemental information to negate a finding of detrimental land use with the initial application or during the correction process. This information must contain the following:

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

3. Financial Characteristics - Up to 30 Points Maximum

OHFA will prioritize developments that demonstrate an efficient use of credits and that leverage other resources.

A. Credits per Affordable Unit — 10 Points Maximum

OHFA will award up to ten (10) points to proposed developments based on the housing tax credits requested per affordable unit. This will be calculated by dividing the total credit amount requested by the total number of affordable units.

- 10 points will be awarded to proposals with $19,000 credits per unit and below
- 9 points will be awarded to proposals with $19,001-$20,000 credits per unit
- 8 points will be awarded to proposals with $20,001 - $22,000 credits per unit
- 7 points will be awarded to proposals with $22,001 credits per unit and above

B. Leverage — 1 Point per Percent of Leverage — 20 Points Maximum

Proposals will be awarded 1 point for each one percent of total development costs leveraged through non-OHFA resources and conditionally committed, for up to a maximum amount of 20 points. All percentages will be rounded down. Equity from the sale of housing tax credits, deferred developer fee, and other OHFA gap financing will not be considered as leverage. Hard debt and/or loans provided by a local, state, or federal entity that must be repaid may not count for leverage. Seller financing will not be counted towards leverage. General Partner capital contributions may count towards leverage.

All sources of leverage must be evidenced by a conditional commitment letter or other acceptable documentation, as specified in the threshold requirements section. Leveraged resources must also be reflected in the permanent financing and pro forma at the time of application.

C. Local Financial Support — 5 Points per Criterion — 15 Points Maximum

Proposals that include one or more of the following will be awarded 5 points per criterion.

i. Developments evidencing commitment for a property tax abatement or payment in lieu of taxes resulting from improvements to a site, building or property through new construction or rehabilitation. A minimum of 50 percent of the increased valuation must be abated for a period of at least seven years to be eligible for points under this criterion.

   Applicants must submit a letter from the local government confirming the abatement or payment in lieu of taxes including the length, amount and applicable terms. When preparing the cash flow analysis, applicants must show the net benefit of any abated taxes for each year received to document eligibility for points.

ii. Developments located within a quarter mile of significant economic investment by the local government of no less than $5 million that will be completed between 2010-2020. Maintenance and related activities, such as resurfacing of roads, will not qualify under this criterion.

   The local development priority letter provided by the local government will confirm the required level of investment.

   Counties, townships or municipal/non-profit corporations that are exempted from property taxes under the Ohio Revised Code will also qualify for points under this criterion.

iii. Developments that will involve the redevelopment of land donated or sold at a nominal price by a city or county land bank, local government or unrelated party for the purpose of housing development. An application showing acquisition costs for a site that is no more than 10 percent of appraised market value, meets the definition of nominal under this criterion.

   Applicants must submit a letter from the local government confirming the abatement or payment in lieu of taxes including the length, amount and applicable terms. When preparing the cash flow analysis, applicants must show the net benefit of any abated taxes for each year received to document eligibility for points.

   Counties, townships or municipal/non-profit corporations that are exempted from property taxes under the Ohio Revised Code will also qualify for points under this criterion.

iv. Developments in which the local government has waived all processing, permit, and impact fees related to the costs of development or waived processing, permit, and impact fees in an amount of at least $25,000 for the proposed development.

   Applicants must submit a letter from the local government confirming the waiver of fees and the amount of which has been waived.

4. Single family Infill Development Priorities – Up To 35 Points Maximum

OHFA will prioritize developments that expand affordable housing opportunities in active housing markets and encourage redevelopment in areas with a need of investment.

A. Development Characteristics **5 Points per Criterion** **15 Points Maximum**

Five points will be awarded for each criterion listed below, up to fifteen (15) points.

i. Developments located within half mile of significant economic investment of no less than $5,000,000 that will be completed between 2010-2020. Maintenance and related activities, such as resurfacing of roads, will not qualify under this criterion.

ii. Developments that are located within half mile of market rate development including an equal or greater number of newly constructed and/or substantially renovated single family homes with an investment (per permit) of greater than $50,000 per unit completed within the past five years.

iii. Developments in which at least 25 percent of the sites will include vacant sites, acquired through a county land bank, which were funded under OHFA's Neighborhood Initiative Program (NIP). All NIP sites must be under control at the time of initial application for consideration of points.

iv. Developments in which the developer and/or member of the general partnership has invested at least $1,000,000 in community services or revitalization efforts between 2013-2016. Prior housing tax credit projects will not count towards this criterion.

v. Developments in which at least 10 percent of the units will be market rate units for sale or purchase by households between 80-120 percent of AMI and an additional 10 percent will be market rate units for sale or purchase by households above 120 percent AMI. All units must be part of the same development project.

Applicants seeking proposed points for market rate integration must provide a map identifying all qualifying market rate units and their proximity to all proposed affordable units.

B. Asset Building Characteristics **5 points per Criterion** **15 Points Maximum**

Five points will be awarded for each criterion listed below, up to fifteen (15) points.

i. Developers/owners that will capitalize a prefunded replacement reserve in the amount of $2,500 per unit and set aside in an escrow to be matched over 15 years. $5,000 must be available (for each unit) to cover major capital expenditures prior to transitioning the home to a buyer at year 16.

ii. Developers/owners committing to expand access to mainstream financial services, including without limitation banking, tax preparation, and assistance with resolving credit issues, for eligible tenants.

iii. Developers/owners that will report rent payments to credit bureaus over a period of 15 years.

iv. Developers/owners that will commit to establishing an Individual Development Account (IDA) for all eligible residents. A current list of IDA participants can be found here.

C. Development Team Experience and Capacity **5 points per Criterion** **15 Points Maximum**

OHFA will evaluate the experience and capacity of the development team, which will include without limitation any general partners, developers, management companies, and development consultants. OHFA will evaluate each organization individually and as a whole to determine whether the team meets the criteria contained herein; a team that lacks sufficient experience and capacity to manage an award will be removed from consideration. Points for the below criteria will be determined in part through an evaluation of the applicant's experience and track record and by recommendation from the OHFA Office of Program Compliance.

Five points will be awarded for each criterion listed below, up to 15 points.

i. The developer has developed one or more successful lease purchase communities, evidenced by an average occupancy rate of 90 percent or greater over the past seven years.

ii. The management company has experience marketing and leasing one or more lease purchase communities, evidenced by an average occupancy rate of 90 percent or greater over the past seven years. To qualify for this criterion, there can be no outstanding or uncorrected UPCS violations and/or 8823s.

iii. The owner controls majority general partnership interest in one or more lease purchase communities and can demonstrate disposition of no less than 50 percent of eligible units to income-qualified buyers over the past ten years from the date of application.

Single Family Infill Development Tie-Breakers:

1. Developments that have scored the greatest number of points for Exceptional Development Characteristics.
2. Developments that earn points for criteria "iii" under Development Team Experience and Capacity.
3. Developments that earn 35 points for Single Family Infill Development Priorities.
4. Greatest number of credits from the maximum credit request limit for Single Family Infill Development.

EXCEPTIONAL DEVELOPMENT CHARACTERISTICS

Developments that will incorporate exceptional characteristics as defined by the below criteria may earn a maximum of 10 points under this category. Applicants seeking points for all characteristics must submit supporting documentation in the form and to the extent specified. The Exceptional Development workbook and narrative forms specific to each characteristic will provide additional guidance on applicable requirements.

Not more than 50 percent of initial applications seeking points for any one characteristic in each pool will be awarded points (with an exception for Local Development Priority). For each Exceptional Development characteristic, and in each pool, applications will be scored and categorized in two tiers distinguishing the highest and lowest scoring applications; only applications in the top tier will receive competitive points. Permanent Supportive Housing (PSH) developments shall be exempt from these criteria.

OHFA will release initial Exceptional Development assessments with the preliminary scores.

LOCAL DEVELOPMENT PRIORITY

Applicants to the Family, Senior, and Single Family Infill Development pools may earn 5 points for local development priority. Partial points will not be awarded. An executed letter of priority signed by the appropriate chief administrative officer must be submitted at application.

The cities of Cincinnati and Cleveland may select up to three priority designations. Akron, Columbus[1], and Toledo may select two designations. Dayton and all other local municipalities (including cities, townships and other governing bodies) may select up to one priority designation.

Applicants seeking points for local initiatives must receive local development priority, but will not earn points for this requirement.

ECONOMIC DEVELOPMENT

Developments competing in all allocation pools may earn 3 points for integrating land use and economic development strategies that will lead to economic investment in areas in need of revitalization. Partial points will not be awarded. The overall economic development strategy must complement or coordinate with the goals of the local government.

Required Submission: At initial application, applicants must submit a narrative form for economic development with a map of the target area showing the location of all evaluation criteria and amenities claimed. If any components of the development plan will be provided by a third party, they must be clearly specified in a Memorandum of Understanding or commitment letter.

Evaluation: Preference will be given to applications that (1) reflect the most of the following and (2) evidence the greatest amount of investment:

- New affordable housing via redevelopment or demolition of vacant and blighted structures.
- New affordable housing via redevelopment of historic structures.
- Streetscaping and infrastructure improvements to improve pedestrian access and safety.[2]
- Enhanced access to public transit in areas that are lacking adequate service.
- Neighborhood investments[3] within a two mile radius between 2005-2016 of:
    - Urban Counties: Over $2 million
    - Non-Urban Counties: Over $1 million
- Neighborhood investments within a two mile radius between 2016-2026 of:
    - Urban Counties: Over $2 million
    - Non-Urban Counties: Over $1 million

Investments must be clearly documented and shall include the distance of each investment from the proposed project. This information shall be divided between “completed,” “in progress” and “planned”.

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[1] Columbus and Dayton forfeited one local development priority by receiving a two-year funding commitment in 2016.

[2] Streetscaping includes aesthetic, safety, walkability, and interactive features but excludes road maintenance.

[3] Housing, economic, job-creation/workforce development, or other investment by government or private parties unrelated to the applicant that show a clear and proximate link to the local residents or community. Past LIHTC investment will not be counted. OHFA retains full discretion in determining whether claimed investments meet the objectives identified in this section.

EDUCATION AND OPPORTUNITY

Developments may earn three (3) points for strategies to increase educational opportunities for children, adults, and/or seniors onsite or in a surrounding target area or neighborhood. Partial points will not be awarded.

Required Submission: At initial application, applicants must submit a narrative form for education and opportunity and supporting documentation showing evidence of long-term commitment from a local partner(s) who will assist in implementing the planned strategy or initiative. If elements of the described strategy are not provided on-site or on-campus, applicants must describe what transportation will be made available to residents. The applicant must submit a Memorandum of Understanding or other formal commitment documenting the partnership.

Please note that owners are required to comply with the Student Status rule for Housing Tax Credit properties. Units composed of entirely full-time students must meet one of the exceptions to the student rule as outlined in Internal Revenue Service, Section 42. And, owners must comply with the HUD student status rule for projects with project-based voucher assistance in accordance with HUD 4350.3. Additionally, owners are required to comply with annual income requirements for student financial assistance in accordance with HUD 4350.3.

Evaluation: Applicants must incorporate at least one of the three following options:

- **Children**. Partnership with at least one K-12 school[4] rated "B" or better by the Ohio Department of Education in the 2014 Performance Index Ratings that provides residents at least two of the following free components:
    - Literacy programming
    - Free tutoring and/or afterschool academic support
    - Vocational courses resulting in a certification or degree
    - Licensed child care or preschool facility
    - Education-based health, nutrition, or behavioral programming
    - Wrap-around parent/student programming including family-school engagement opportunities, English as a Second Language courses for adults and children, parenting classes, family counseling or mental health services, and mentoring.
- **Adults**. Partnership with a licensed education provider, including but not limited to a skilled trade or post-secondary institution, which will provide financial assistance, scholarships, and or grants to offset the cost of tuition, fees, and expenses for adult students. Supported programs must result in an officially recognized degree or certification. Partnerships with Ohio Means Jobs sites only, and the provision of collateral services, such as resume writing and interview trainings, do not satisfy this requirement.
- **Seniors**. Programing that offers residents at least one of the following free components:
    - Partnership with a Certified Health Education Specialist to provide education promoting, encouraging, and/or contributing to the advancement of resident health.
    - Partnership with a Lifelong Learning Institute to provide continuing education opportunities for retirement-aged residents.
    - Partnership with a K-12 school to provide intergenerational service-learning programs.

Highest priority will be given to developments that serve two or more populations (children, adults, and seniors). Secondary consideration will be given to developments with the most two-, three-, and four-bedroom units.

[4] Note: For the purposes of this section only, ranking is based on individual schools, not school districts.

WORKFORCE

Developments in all pools may earn three (3) points for strategies that provide housing opportunities for the local workforce. Partial points will not be awarded. Proposals must meet both of the following requirements to qualify:

1. Minimum number of jobs within a four-mile radius as set forth below:
    a. Urban Counties: 20,000
    b. Non-Urban Counties: 3,000
2. Minimum percentage of workers within a four-mile radius who travel over ten miles to their place of work as set forth below:
    a. Urban Counties 50 percent of workers
    b. Non-Urban Counties: 60 percent of workers

Required Submission: At initial application, applicants must submit a copy of report from the Census Bureau's "OnTheMap" website demonstrating that the site meets requirements. To obtain this data:

1. Visit http://onthemap.ces.census.gov/
2. Enter the address of the site, or the address of the nearest address used in the AHFA
3. Click "Search"
4. Select the "Geocoder Result" that is returned for your address
5. Click the "Selection" tab at the top of the page
6. Click "Simple Ring" under "Add Buffer to Selection"
7. Enter "4" into the "Radius" box
8. Click "Confirm Selection"
9. Click "Perform an Analysis on Selection Area."
10. Within the Analysis Settings box that will appear, choose "Work" under the first column, "Distance/Direction" under the second column, 2014 under the third column, and "All Jobs" under the fourth column.
11. Click "Go" for results

Applicants must also submit a narrative form for workforce housing and a market studying highlighting the workforce housing need.

Evaluation: Preference will be given to proposed developments where the highest numbers of workers travel over ten miles to their place of work.

Developments that are awarded points for this criterion may have 100 percent of all affordable units at 60 percent AMI but will not be eligible for HDAP resources.

CREATIVE DESIGN

Developments in all pools that include exceptional design features may earn three points. Partial points will not be awarded. Exceptional elements must be appropriate to the population served. Proposals will receive weighted consideration for their incorporation of any or all of the following exceptional elements:

WEIGHTED VALUE: 1 EACH	WEIGHTED VALUE: 3 EACH	WEIGHTED VALUE: 5 EACH
• Community Garden(s) • Exterior open spaces and paths • Play areas and/or pocket parks • Rain garden or bioswale • Smoke-free campus • Smart thermostats or resident-controlled smart metering • Dual flush toilets throughout • Annual, on-site, free dental and/or vision services • Monthly, staffed Ohio Benefit Bank on-site	• Dedicated fitness center with exercise machines • Dedicated business/work-from-home center • Computer/tablet lending program in lieu of dedicated computer room[5] • Reuse of NIP-funded site acquired from county land bank • Free resident Wi-Fi • DOE Zero Energy Ready Home[6] • Free Medicaid/Medicare billing services • Free access to on-site, licensed physician or nurse practitioner at least once per week.	• On-site renewable energy generation • PHIUS+ Project Certification (Passive House) • DOE Zero Energy Ready Home with renewable energy system • Platinum LEED rating; OR Emerald NGBS ICC 700 National Green Building Standard; OR Exceeding minimum Enterprise Green Communities Criteria by 20 or more points. • Gray water system(s) • Dedicated health clinic[7]

Required Submission: At initial application, applicants must submit a narrative form and detailed preliminary plans and specifications showing all physical elements. Applicants must include a written statement indicating which certification and level they are seeking at initial application. If awarded, developments seeking Enterprise Green Communities certification must enroll the development for prebuild approval in the Enterprise Green Communities portal prior to final application and submit prebuild approval with final application. Enterprise Green Communities requires 30 days to review and approve projects. If seeking LEED certification, the certification checklist must be submitted with the final application to evidence that certification will be achieved. If seeking NGBS certification, the preliminary scoring spreadsheet and proof of enrollment, including a unique project identification number, must be submitted with the final application to evidence that certification will be achieved.

Evaluation: Applications receiving the highest weighted score will receive 3 points.

[5] Lending program must have computer/tablet available for at least 15 percent of residents.

[6] DOE Zero Energy Ready may only be counted for weighted value in one category.

[7] Private or condominiumized operation is permissible.

SCORING REASSESSMENTS

All applications that receive a reservation of housing tax credits will be reassessed for scoring at final application and again at issuance of form 8609. If changes to the scoring would have resulted in not receiving an award of housing tax credits, one of the following penalties will be processed at the full discretion of the Agency:

a. Cancellation of the reservation of housing tax credits;

b. Removal from a position of Good Partnership for a period of one year;

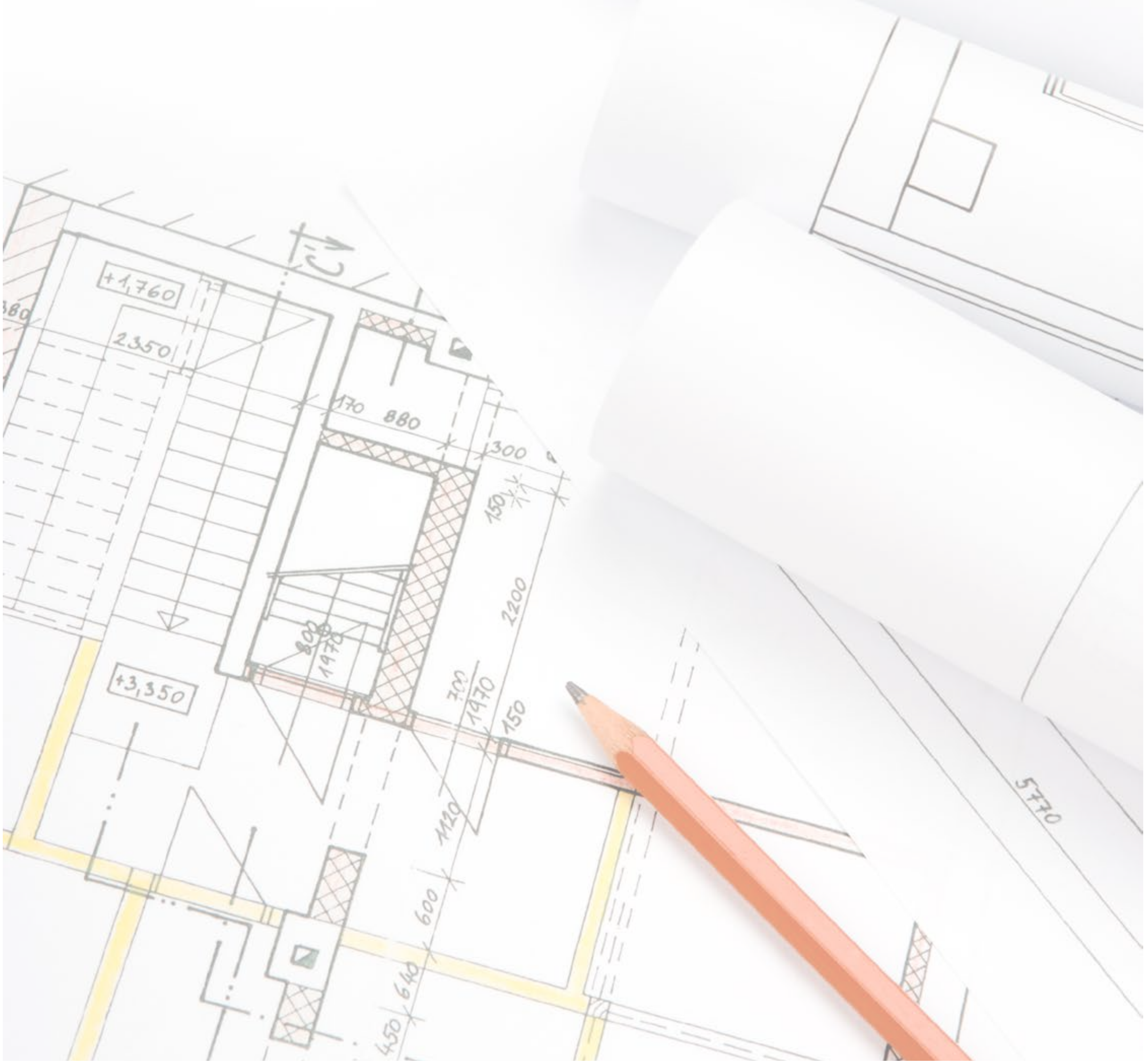
c. Reduction in the amount of applications the partners may submit or receive in the next funding cycle(s);

d. A reduction in the developer fee in an amount to be determined by OHFA.

DESIGN REQUIREMENTS

It is OHFA's intent to provide affordable housing that is durable, energy efficient, healthy, and cost effective across all programs administered by the Agency. The following requirements are intended to result in lower operating and maintenance costs and ensure that those in need of affordable housing are provided with a safe, clean, and durable home in which to live.

Deviations from OHFA standards are discouraged, and applicants may only request exceptions where specified. Any requests for an exception to specific requirements must be submitted to OHFA by the date indicated in the program calendar. Since awards are based on the development proposed at preliminary submittal, exceptions after an award has been made will only be considered for extenuating circumstances.



SUBMISSION REQUIREMENTS

Preliminary Architectural Plan Submission

Competitive housing tax credit applications must include one set of half-sized preliminary drawings at the time of initial application in addition to the following items:

1. A cover sheet with the name of the development, members of the development team, drawing index, building areas and code information;
2. A site plan;
3. A landscape plan;
4. A floor plan with dimension, room designations and proposed finishes;
5. Typical wall sections;
6. Drawings and specifications for HVAC or similar items in the scope of work;
7. For existing buildings, the applicant will provide exterior elevations with material notations and pictures with notations

Preliminary drawings will be submitted in both paper and/or electronic (both PDF and DXF) formats. A copy of the Design and Construction Features Agreement, and copy of the Architect Certification page with original signatures (see AHFA) must be included as an attachment to preliminary plans.

Final (80 percent) Architectural Plan Submission

Applicants to the competitive and non-competitive housing tax credit programs must submit 80 percent complete permit sets at the time of final application including one set of 11X17 drawings showing Civil, Landscape, Architectural, Mechanical, Plumbing, and Electrical specifications. Where applicable, plans must show consistency with the preliminary architectural submission and the Design and Construction Features Agreement.

Plans must be submitted in PDF format that include all site plans, dimensioned floor plans, elevations, wall sections, structure, finishes, details and mechanical plans (separate PDF files for drawings and specifications).

A copy of the final and fully executed Design and Construction Features Agreement must be included with plan sets.

Additionally, each development must have dimensioned floor plans submitted in DXF or DWG AutoCAD R-14 format.

OHFA SQUARE FOOTAGE CALCULATION

All multifamily developments must use BOMA (Building Owner Management Association) Multifamily Standards using the "gross method". Single family developments must use BOMA "Gross Area Measurement Standards". All square footages must be calculated and certified in the Affordable Housing Funding Application (AHFA) by the Architect of Record.

MINIMUM DEVELOPMENT STANDARDS

All developments financed with assistance from OHFA must meet the minimum development standards specified in the Qualified Allocation Plan and other OHFA guidance.

Unless otherwise noted or approved, developments involving any element of new construction shall include new appliances and hard surface flooring.

Requests for exceptions to minimum design standards may only be submitted for the following requirements: (1) common area restrictions, (2) minimum unit and bedroom sizes – required for new units only, (3) parking requirements, and (4) single room occupancy – available to existing units only.

All requests for exceptions must be submitted to OHFA by the date indicated in the program calendar.

The OHFA staff architect will review requests and make a recommendation to the Director of Planning, Preservation and Development who will issue a final determination, also by the date indicated in the program calendar.

Common Area Restrictions

The maximum common area (including required circulation space) in any development is 20 percent of the total gross building square footage. OHFA defines common area space as libraries, fitness areas, computer rooms, or meeting space. Dedicated program space shall be excluded from this calculation. Spaces that are considered dedicated program space include counseling space for individuals or families, health or wellness areas, or child care centers.

Existing rental housing units shall be exempt from common area restrictions.

Minimum Unit Size

Minimum unit sizes (residential living space only) shall apply to all developments involving new construction or adaptive reuse and are inclusive of required bedroom space. Existing rental housing units shall be exempt from minimum unit size restrictions.

Efficiency Units:	Exceed 450 S.F.
1-Bedroom Units:	Exceed 650 S.F.
2-Bedroom Units:	Exceed 850 S.F.
3-Bedroom Units:	Exceed 1,000 S.F.
4-Bedroom Units:	Exceed 1,200 S.F.

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. At a minimum, three- and four-bedroom units must support double occupancy in each bedroom under local zoning and building requirements.

OHFA reserves the right to limit the size of any units during the application and architectural plan review process.

Permanent Supportive Housing:

Proposals serving populations defined in the Interagency Council Homelessness and Affordable Housing Permanent Supportive Housing Policy Framework (PSH) may contain one-bedroom units that are 540 square feet or larger. OHFA will also consider developments which meet HUD minimum property standards. Applicants must request consideration for this allowance through the exception request process.

OHFA will not fund developments that contain single-room occupancy units. OHFA will consider exception requests to allow for SRO's only in existing buildings serving populations defined in the Interagency Council Homelessness and Affordable Housing Permanent Supportive Housing Policy Framework (PSH). Applicants must request consideration for this allowance through the exception request process.

Minimum Bedroom Size

Minimum bedroom size requirements shall apply to all developments involving new construction and adaptive reuse. OHFA will evaluate proposals involving rehabilitation of existing units to ensure that bedrooms are large enough to provide adequate living space.

1. For a one-bedroom unit, the bedroom must be at least 120 square feet.
2. For a two-bedroom unit, the master bedroom must be at least 120 square feet, and the second bedroom must be at least 110 square feet.

3. For a unit with three or more bedrooms, the third and fourth bedrooms must be at least 100 square feet.
4. Bedrooms must have walls and doors separating them from adjacent spaces to be considered as bedrooms. Any room shall be considered as a portion of the adjoining room when at least one-half of the area of the common wall is open and unobstructed.
5. Each bedroom must be at least seven (7) feet in each direction, and contain a closet in addition to the minimum square footage.

Parking

Single-site multifamily developments must provide a parking lot with concrete curbs or wheel stops and at least one parking space for each unit in the development.

Exceptions to this requirement may be permitted on a case-by-case basis for developments located in dense urban areas, or for developments serving the elderly or permanent supportive housing populations.

Additional Requirements for Developments with Two or More Story Townhomes and Single family Homes

1. Townhome and Single Family developments involving new construction and exclusively serving households with a head of household age 55 and older must provide a bathroom or half bath on the main floor with clear floor space of 30 inches by 48 inches.
2. Single family homes must contain three or more bedrooms.
3. Single family homes must include washer/dryer hook-ups.
4. Single family homes must include adequate storage for the residents.

Additional Requirements for Housing Developments Exclusively Serving Persons Aged 55 and Older

1. Proposals for senior housing are required to have all units with no more than two bedrooms and no more than one and one-half baths.
2. Proposals for senior housing are required to have all buildings with only one story unless an elevator is provided.

ACCESSIBLE DESIGN

Visitability

Requirements for visitability shall only apply to Senior and Permanent Supportive Housing developments.

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 development's proposed buildings will be unable to meet the visitability requirements due to topography, other site/design limitations or existing unit conditions, the applicant must complete form PPD-E01 for Reconsideration of Visitability requirements by the date indicated in the program calendar. The OHFA staff architect will identify recommendations and /or make a determination as to whether one or more requirements should be waived.

Universal Design Requirements

OHFA values developing housing designed to be used by all. This concept is generally referred to as Universal Design. 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."

All units developed with OHFA resources will be designed to meet the following principles of Universal Design. Applicants submitting an initial application for an award of funding must submit designs addressing the following principles and a narrative detailing the Universal Design features to be included in proposed development. The narrative, which is a component of the Design and Construction Features Agreement, should be accompanied by a list or matrix organized by room and functional area (such as hallway, stairway, and general circulation). A template for the list and/or matrix will also be made available in the Design and Construction Features Agreement.

OHFA staff will work with each applicant to help achieve maximum application of Universal Design principles. Any features that will not comply with this policy must be disclosed in the Universal Design narrative at the time of application and will be reviewed by the OHFA staff architect. Applicants must receive design approval from OHFA before proceeding with any element of construction or rehabilitation.

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 and Use**:

   Appropriate size and space is provided for approach, reach, manipulation, and use, regardless of the user's body size, posture, or mobility.

Additional Requirements for Accessible Design:

Conformity to Fair Housing Requirements:

1. Unless otherwise exempted herein, all newly constructed units developed under OHFA guidelines shall be designed to comply with the Fair Housing Act (FHA) - even those units not covered by the Act.
2. Units that are being rehabilitated shall be designed to incorporate all required features to the greatest extent possible, including visitability, Universal Design, and green standards.
3. Unless otherwise exempted herein, in a two or more story single family house or townhome, all floors must be designed in accordance with criteria three through seven, as identified below. To be clear, this means that all bathrooms, kitchens, hallways, doors, light switches, electrical outlets, thermostats and other environmental controls must conform to those requirements.

Compliance with the Fair Housing Act Calls for Seven Basic Design and Construction Requirements:

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 must be 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.

POST AWARD

BINDING RESERVATION AGREEMENT

After OHFA has determined the initial applications that will receive a reservation of housing tax credits, a Binding Reservation Agreement will be sent to the contact person indicated in the initial application. The original Binding Reservation Agreement and Election Statement must be signed and notarized by an authorized representative of the ownership entity during the month the agreement was issued. The original Binding Reservation Agreement and Election Statement, a reservation fee equal to six (6) percent of the reservation amount, and any additional documentation indicated in the agreement must be returned to OHFA by the date indicated in the program calendar. The amount of housing tax credits and other OHFA resources reserved to a proposal may not increase after the initial reservation.

All applications that receive a reservation of housing tax credits will be reassessed for scoring at final application and again at issuance of form 8609. If changes to the scoring would have resulted in not receiving an award of housing tax credits, one of the following penalties will be processed at the full discretion of the Agency:

1. Cancellation of the reservation of housing tax credits;
2. Removal from a position of Good Partnership for a period of one year;
3. Reduction in the amount of applications the partners may submit or receive in the next funding cycle(s);
4. A reduction in the developer fee from 5 percent to 50 percent of the developer fee presented in the Initial application.

OHFA will discuss options with the development partners; however, the final decision will be at OHFA's sole discretion. OHFA will take into consideration the level of participation and the number of successful projects the owner and/or developer has delivered in prior years.

WAITING LIST

Initial applications that do not receive an award will be placed on a waiting list for housing tax credits that become available via returns or in the national pool later in the year.

Housing tax credits that are reserved and later returned during the same calendar year will be put back into the same allocation pool. The next highest scoring application in that allocation pool will be funded, provided there are sufficient credits available. Any other available credits will be distributed according to the order of the waiting list.

If an applicant returns the entire award of credits for their application, then all other OHFA funds awarded to that application must also be returned. OHFA will contact applicants on the waiting list when housing tax credits become available, and will set a deadline for the applicant to respond to any offer.

NEXT STEPS AND DEBRIEFING MEETINGS

OHFA will schedule an individual next steps meeting with each applicant that receives a reservation of housing tax credits. The purpose of this meeting is to review the requirements for the final application, and work with applicants to schedule the threshold review, underwriting review and presentation of the proposal to the OHFA Board for consideration of any gap financing or other funding sources in addition to housing tax credits.

OHFA will also schedule an individual debriefing meeting with applicants that did not receive a reservation of housing tax credits and who wish to discuss the results. These meetings will be scheduled upon request at specific dates and times during the period indicated in the program calendar.

DEVELOPMENT CHANGES

All development changes require approval from the Director of the Office of Planning, Preservation and Development and will be reviewed on a case-by-case basis. OHFA reserves the right to reduce or revoke a reservation of housing tax credits if changes are made without prior approval, or if applicants fail to complete a development as approved. A new application, processing fee, public notification letters and competitive review may be required if any development characteristics change. New owners with no previous experience in the Housing Tax 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 development structure at any time may cause the application to be rejected or the housing tax credit reservation to be revoked.

OHFA may allow the admission of an additional general partner after housing tax 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, and a letter signed by both the new general partner and the controlling general partner must be submitted to confirm the following:

1. The new general partner will own no more than 24 percent of the general partner shares;
2. The new general partner will not materially participate in the development;
3. The new general partner will gain little or no financial benefit from the development; and
4. The new general partner will not count the development 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 developments that received financing from the HDLP and HDAP programs in addition to Housing tax credits.

OWNERSHIP AND/OR MANAGEMENT CHANGES

Changes in owner and/or management companies that occur after a development has placed-in-service must be approved by OHFA's Office of Program Compliance. The owner must request approval from the Office of Program Compliance by written request to the assigned compliance analyst no later than 60 days prior to terminating the services of the current management company or sale of the property. Owners will be required to submit the request in accordance with OHFA's Ownership and Management Company Change Policy, to be made available on the OHFA website.

To ensure the proposed company or owner is sufficiently qualified to manage and/or operate a housing tax credit development in Ohio and in accordance with applicable state and federal requirements, a representative of the proposed management company must submit evidence of an active Ohio Brokers License in accordance with 4735.022 of the Ohio Revised Code, where applicable. Any request for consideration of a management company who does not meet this requirement will be denied. Owners who fail to provide 60-day notice of an owner or management company change may further be subject to a fine of $500 and removal from a position of good partnership with the Agency.

SPECIAL ALLOCATION

An owner of a development with a housing tax credit allocation that is unable to proceed resulting from actions by unrelated parties (including, but not limited to, the U.S. Department of Housing and Urban Development, USDA Rural Development, a local government or property owner) may seek a special allocation of housing tax credits in the current year. An applicant must meet the following requirements to request a special allocation:

1. The applicant must have received an allocation of competitive housing tax credits from OHFA in a previous year. The owner must have returned the allocation to OHFA, or OHFA must have revoked the allocation prior to the required placed-in-service date.
2. The underlying reason for the inability of the development to proceed must relate to actions by unrelated parties that affect the purchase of the site, plan approval or building permit issuance.
3. The applicant must obtain either a final legal judgment in favor of the owner or a settlement among the parties that will enable the development to proceed. OHFA legal counsel will determine if these requirements are met.
4. The applicant must complete a current year application and request OHFA Board consideration to obtain a special allocation of housing tax credits. The amount of the new housing tax credit allocation may not exceed the amount of the previous allocation. OHFA staff will review the application to ensure that all current threshold and underwriting criteria are met. Any monetary damages received that are related to the development, less direct costs of litigation apportioned between damages that are related and unrelated to the development, must be pledged to the development. Consideration and approval of changes to the development are at the complete and sole discretion of OHFA staff.
5. A request for a special allocation must be submitted no later than three years after the previous allocation was returned or revoked.

Requests that meet these requirements or that receive approval from the Director of the Office of Planning, Preservation and Development will be presented to the OHFA Multifamily Committee and the OHFA Board for consideration of a special allocation. OHFA has no affirmative obligation to grant approval to any development seeking relief.

Applicants must pay the $2,000 application fee upon request of the special allocation.

PLACED-IN-SERVICE RELIEF

OHFA will consider granting relief to applicants that are unable to meet their placed-in-service deadline due to circumstances outside their control that 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 tax credit allocation to OHFA prior to the placed-in-service deadline.
3. Significant progress toward completion of the construction and/or rehabilitation of the development must be demonstrated at the time the request is submitted. OHFA will use 75 percent completion as a general guideline when judging significant progress toward completion.

If the request is approved, then a new housing tax credit allocation 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 housing tax credit allocation.

CARRYOVER ALLOCATION

All developments must meet the carryover allocation requirements described in Section 42 of the Internal Revenue Code (IRC) and in Treasury Regulation 1.42-6.

A Carryover Allocation Agreement will be issued to recipients of a competitive award of housing tax credits by the end of the calendar year in which credits were awarded. Items must then be submitted by the carryover submission deadline indicated in the Binding Reservation Agreement. All forms and instructions are available on the OHFA web site. The following items must be submitted:

1. Completed OHFA Carryover cost certification forms signed by a representative of the owner and by the accountant or attorney who prepared the forms. A paper copy of the forms with original signatures of the owner and preparer is required, along with an electronic copy in Excel format, must evidence that the "10 percent test" required by Section 42 of the IRC has been met.
2. The development 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 (or memorandum of lease) for each site.
3. Any additional conditions indicated in the binding reservation agreement with a performance date by the carryover submission deadline.

A carryover allocation agreement is considered to be binding and will give the applicant twenty-four (24) months from the end of the year of allocation to complete the development 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.

HOUSING TAX CREDIT ELIGIBILITY (42M) LETTER FOR 4%CREDITS

After OHFA has determined that the application meets the threshold and underwriting requirements, a 42m Letter of Eligibility and Election Statement will be sent to the contact person indicated in the application.

The original 42m Letter of Eligibility must be signed by an authorized representative of the ownership entity, and returned by the deadline indicated in the letter with a reservation fee equal to 6 percent of the reservation amount, and any additional documentation indicated in the letter.

The original Election Statement must be completed and signed by an authorized representative of the ownership entity, and returned to OHFA no later than the fifth calendar day following the end of the month in which the bonds are closed.

Tax-exempt bond-financed developments will not receive a Carryover Allocation Agreement, but the owner must follow all 8609 Form request procedures and any conditions outlined in the 42m Letter of Eligibility, which will include the following items:

1. The applicant must submit a legal description of each parcel that will be part of the development by the date specified in the Letter of Eligibility. The description(s) must include the street address and permanent parcel number of each parcel.
2. The applicant will have 24 months from the end of the year in which the 42m Letter of Eligibility is issued to meet the placed-in-service requirements of the Housing Tax Credit program.

GROSS RENT FLOOR ELECTION

In accordance with Revenue Procedure 94-57, the Internal Revenue Service will treat the gross rent floor described in Section 42 of the Internal Revenue Code (IRC) as taking effect on the date OHFA initially allocates tax credits to a project. The allocation date is the date that a Carryover Allocation Agreement is issued, or, if a project is financed with tax-exempt bonds, the date that a Housing Tax Credit 42m Letter of Eligibility is issued.

However, the IRS will treat the gross rent floor as taking effect on a building's placed-in-service date if the building owner designates that date, and informs OHFA no later than the date on which the building is placed-in-service. If an owner wishes to designate the placed-in-service date for the gross rent floor, the Gross Rent Floor Election form must be completed and submitted to OHFA before any building is placed-in-service. If this form is not received, or if it is received after the placed-in-service date of any building in a project, then the gross rent floor will take effect on the date OHFA initially allocates tax credits to the project.

CONSTRUCTION MONITORING AND REPORTS

The owner and/or developer is required to submit quarterly summary reports at minimum detailing progress with construction or rehabilitation projects to OHFA Project Administration staff. The primary purpose of submitting quarterly summary reports is to monitor the progress of developments financed with assistance from OHFA and to ensure that all agreements between OHFA and the developer/owner are met. OHFA shall be notified and receive copies of any change orders prior to execution or other documentation altering the approved design, contract work scope and/or completion date.

The quarterly summary report of construction activities must verify the construction start date, the current percentage of completion, and provide an estimated completion or placed-in-service date as outlined in the OHFA Construction Monitoring Quarterly Report form. At OHFA's discretion, photographic evidence of construction activities may be requested in more frequent intervals to assure quality of work and site safety.

DEVELOPMENT COMPLETION STAGE / 8609 REQUEST

Upon development completion, the owner must notify OHFA of the placed-in-service date of each building and submit the following items to request 8609 Forms. The request is required to include a paper copy of the cost certification forms with original signatures of the owner and preparer, along with an electronic copy in Excel format. All other items must be submitted on a compact disc (CD) in PDF format. All forms and instructions are available on the OHFA web site. Forms that are out of date, altered or modified will be rejected. The following items must be submitted:

1. Completed OHFA Owner's Cost Certification forms with original signatures of the owner and the independent accountant who prepared the forms. The accountant will be required to conduct a complete audit of the development costs. The required audit language is included on the forms.
2. Completed OHFA Contractor's Cost Certification forms with original signatures of the owner and general contractor.
3. Final Certificate of Occupancy for each building from the issuer of the building permits. Certificates of completion or similar information from the owner will be accepted for rehabilitation developments 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 forms 8609s to the owner.
4. 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 thirty (30) days of the request for the 8609 Forms may be submitted. Supporting documentation must be submitted for financing sources where a note is not available (such as accrued interest or existing reserves).
5. 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.
6. A copy of the executed and recorded Restrictive Covenant (issued by OHFA), and a copy of an executed and recorded Consent of Recorded

Lienholder form from each non-OHFA lending source with a mortgage filed on the property prior to the recordation of the OHFA Restrictive Covenant.

7. A check for payment of the appropriate compliance-monitoring fee, made payable to "Ohio Housing Finance Agency".
8. Evidence that the individual(s) responsible for final approval of resident files, or the site manager or leasing consultant who processes the Tenant Income Certifications, has attended the OHFA Tax Credit Compliance Training within six months prior to the placed-in-service date for the first building completed. Attendance at the compliance training must have occurred no more than two years from the date of application for housing tax credits. Compliance trainings offered by other organizations (e.g. Quadel Consulting) will not be accepted. Additionally, once the project is placed-in-service and has received 8609s, a representative of the owner and/or management company representative must attend the OHFA Tax Credit Compliance Training every two years.
9. Evidence that the owner or property manager has conducted a placed-in-service meeting with the OHFA Office of Program Compliance. The placed-in-service meeting is an opportunity to ensure all parties responsible for compliance with a development are aware of regulatory responsibilities. This meeting must occur approximately six months and no less than three months before a development places in service.
10. Evidence that written notification was submitted to the OHFA Office of Program Compliance within fifteen (15) days of the placed-in-service date of the building (or last building in a multiple building development).
11. Evidence of final certification with Enterprise Green Communities, LEED or NGBS is required.
12. Narrative describing any material changes to the development 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 fee.

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 development must also be completed before 8609 Forms are issued. Any corrections or clarifications requested by OHFA must be submitted within threemonths or a resubmission fee of $250 will be charged. OHFA reserves the right to defer processing Form 8609 requests that are received during a future competitive funding round.

Building Identification Number (BINs) 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 BINs to individual buildings prior to that time.

DEVELOPMENT TEAM

OHFA will evaluate the experience and capacity of the development team, which will include without limitation any general partners, developers, management companies, and development consultants. OHFA will evaluate each organization individually and as a whole to determine whether the team meets the criteria contained herein; a team that lacks sufficient experience and capacity to manage an award will be removed from consideration.

INDIVIDUAL ORGANIZATIONS IN THE TEAM

Each organization will supply information in the Affordable Housing Funding Application (AHFA) that describes the affordable housing properties placed-in-service, under construction and under review by OHFA in which they have been an owner, developer, sponsor (if applicable), or property manager, and the number of applications in which they will be a member of a development team that will be submitted for consideration. They will also document the roles that each organization will be assuming in the development process. If a member of the development intends to become a state-certified Community Housing Development Organization (CHDO) during the initial application phase, the potential CHDO will document how the proposed development furthers their mission to provide housing to eligible residents in their service area. Lastly, each member of the team will disclose to OHFA any organizational financial issues that will adversely impact this development should they be selected.

General Partner and Developer Characteristics:

1. Past experience developing 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 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 developments 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. All guarantees must be provided by the developer/general partners.
5. The organization must conduct business with OHFA according to the Good Partnership policy.

Property Management Company Characteristics:

1. The company must currently be a member of the National Affordable Housing Management Association (NAHMA), the Midwest Affordable Housing Management Association (MAHMA), Council for Rural Housing & Development of Ohio (CRHDO), or Council for Affordable & Rural Housing (CARH).
2. A representative of the company must have earned one of the following certifications: Housing Credit Certified Professional (HCCP) sponsored by the National Association of Home Builders; Specialist in Housing Tax 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.
3. The company must have managed at least five housing tax credit and/or federally-subsidized developments (each consisting of at least 10 units) for at least one year each; or must have managed two housing tax credit developments (each consisting of at least 10 units) for at least three 3 years each.
4. All developments currently managed by the 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 company, such as a casualty loss, or non-compliance issues that are inherited from the prior property manager.
5. Management companies with no prior experience with an OHFA property will be evaluated by the information contained in their completed OHFA Management Company Capacity Review Survey. Management companies with prior OHFA experience will be evaluated in part on information contained in the Property Status Report generated from the Office of Program Compliance.
6. Past experience managing affordable housing using OHFA programs. 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 team members.
7. Other affordable housing management experience using government funded programs.
8. The company must conduct business with OHFA according to the Good Partnership policy.
9. If third-party managing, a representative of the company has an active Ohio Broker's License in accordance with 4735.022 of the Ohio Revised Code, where applicable. Developments where the owner has an ownership interest are exempt from the Ohio Broker's License requirement.

THE TEAM AS A WHOLE

The following criteria will be used to evaluate the team as a whole for the proposed development:

1. Development history: OHFA will review the experience of the development team with the housing type, location or type of geographic area, and scope of the development being proposed. Developments financed by OHFA, tax credit developments in other states, and other types of affordable housing in any state will be considered.
2. Sufficient documentation of the specific roles of each member of the team. If a member intends to become certified as a CHDO during the initial application phase, submit documentation which indicates that the CHDO maintains effective development control during the development process. Effective development control is demonstrated when the CHDO is the sole general partner of the development and the CHDO will make the key decisions regarding the selection, financing, improvement, management, and disposition of the development.
3. Present capacity: OHFA will review all developments that the team members presently have in development and determine whether there is sufficient capacity to successfully complete all developments and any new development awards in a timely and efficient manner. The amount of resources awarded to a particular team may be limited based on OHFA's judgment of capacity.
4. Good Partnership: OHFA will evaluate the degree to which the development team members have acted in accordance with the Good Partnership policy in all phases of current and previous development efforts.
5. Financial strength: The financial capacity of the team as a whole will be reviewed and must be found acceptable.
6. Outstanding financial obligations: All financial obligations to OHFA must be current. Any delinquent obligations of any team member may disqualify the team from competing for an award.

OHFA will use information submitted with the application and other reasonable sources available to make all determinations, including reports and opinions of other public funding sources. OHFA reserves the right to place additional restrictions on development team members, limit the number of awards, applications or amount of resources available to a development team, and limit awards due to identities of interest between organizations applying for OHFA funding.

COMPLIANCE AND MONITORING GUIDELINES

INTRODUCTION

The monitoring process determines if a property is complying with requirements of the Internal Revenue Code (IRC). The housing tax credit monitoring process is outlined in IRC Section 42, IRS Regulation 1.42-5, the QAP, 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 tax credit was allocated.

The term "extended use period" shall be defined as: "Beginning on the first day in the 15-year compliance period … and ending 15 years after the close of the compliance period." (See Internal Revenue Code Section 42(h)(6)(D) for more information).

This definition shall apply to any references of "extended use period" made in the 2016-2017 Qualified Allocation Plan.

MONITORING PROCESS

Housing Tax Credit projects are required to comply with the following, in addition to other requirements described in guidance published on the OHFA web site.

1. All residents must be income qualified, to ensure they meet income restrictions as adjusted for household size prior to moving into the unit. Units must be rent restricted as provided for in the IRC. All units allocated housing tax 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 Analyst assigned to the project to discuss the lease up of the tax credit project. This meeting must be scheduled within six but no less than three months prior to the placed-in-service date. 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 resident 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 Tax Credit Compliance Training within the previous six months. Attendance at the Compliance Training must have occurred no more than two years from the date of application for housing tax credits. Compliance trainings offered by other organizations (e.g. Quadel Consulting) will not be accepted. Additionally, once the project is placed-in-service and has received form 8609s, a representative of the owner and/or management company must attend the OHFA Tax Credit Compliance Training every two years.
4. Within 15 days of placing the last building in service, the project owner must forward a letter to the OHFA Program 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 tax credit development 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:
    a. The 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);
    b. The percentage of residential rental units in the building that are low-income units;
    c. The rent charged on each residential rental unit in the building (including any utility allowances);
    d. The number of occupants in each low-income unit;
    e. The unit vacancies in the building and information showing when, and to whom, the next available units were rented;
    f. The annual income certification of each low-income resident per unit (if applicable);

    g. Annual student status certification;
    h. Demographic information;
    i. Documentation to support each low-income resident's income certification. Resident 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;
    j. The eligible basis and qualified basis of the building at the end of each year of the credit period, compliance and extended use periods; and
    k. The 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 tax credit development is required to retain the records described in Item 5 above for the entire period of extended use.
7. The Office of Program Compliance will review resident files and conduct physical inspections of the buildings, common areas and units throughout the 15-year compliance period and 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. Some of the factors that determine the frequency and the number of units and buildings inspected include the type of funding in the property, whether the property is in Extended Use, whether the property is on OHFA's Watch List, changes in ownership or management company, scores compiled through an internal Risk Assessment, systemic non-compliance issues from past inspections, and resident complaints. Properties may be inspected every year or some may have inspections every three years. Pursuant to Treasury Regulation 1.42-5(c)(2)(ii)(B), at least once every three years, OHFA will conduct on-site inspections of all buildings in the project, and for at least 20 percent of the project's low-income units, OHFA will inspect the units and review the low-income certifications, the documentation supporting the certifications, and the rent records for the tenants in those units.
8. The owner/property management company will receive written notice of the inspection generally 30 days prior to the date of the inspection. The owner/property management company is responsible for ensuring all requested pre-inspection documentation (e.g. current rent roll) is submitted no later than 10 days from the date of OHFA's notice of the scheduled review. Owners/property management companies that fail to timely submit the requested pre-inspection information may be subject to placement on OHFA's Multifamily Watch List and/or in Not in Good Partnership status unless an extenuating circumstance prohibits the timely submission. OHFA will provide prompt written notice to the owner (generally 15 business days after the inspection) of the inspection findings. If the project is found not in-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.
    a. During the correction period, an owner must correct any non-compliance and provide evidence to OHFA of such corrections. Failure to correct non-compliance may warrant OHFA to issue Uncorrected Form 8823 to the IRS
9. When instances of non-compliance are identified, OHFA is required to file form 8823, "Low-Income Housing Tax 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. Form 8823 will be issued in accordance with the Uniform Physical Condition Standards (UPCS) even if the physical non-compliance is corrected on the date of the inspection or the end of the correction period. 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]). In addition to notifying the IRS of non-compliance, OHFA may place the project on its Multifamily Watch List or consider the owner or manager not in good partnership with OHFA programs.
10. 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.
11. 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 partnership 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.

12. 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 Tax Credit restrictive covenant(s), Housing Development Assistance Program (HDAP) funding agreement, or other gap financing agreements.
13. Compliance requirements are communicated to owners and managers of housing tax credit developments through the OHFA web site, training sessions, email updates, 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.

ANNUAL OWNER CERTIFICATION REQUIREMENTS

1. The owner is responsible for reporting to OHFA annually through the DevCo online system. The reporting process currently requires the submission of an Annual Owner Certification and resident and project data using the XML upload or housing credit software (e.g. Yardi) as well as other reports and certifications necessary to evidence compliance with any gap financing provided through an OHFA program. OHFA requires owners of properties in Extended Use to also submit the Annual Owner Certification and both existing and new resident tenant data. Owners of properties financed solely with Ohio Housing Trust Funds must submit the Annual Owner Certification and tenant data. New projects or those in lease-up phase must submit an Annual Owner Certification if one or more residents were income qualified during the reporting year. If a property was sold at any time during a reporting year, the owner/property management company that was in place as of December 31 of the reporting year is responsible for completing and submitting the Annual Owner Certification and tenant data for that reporting year. The Annual Owner Certification and tenant data is due March 1 of each calendar year.

   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 resident, as appropriate, and documentation to support that certification; or, in the case of a resident 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. Pursuant to requirements under Treasury Regulation 1.42-5, the buildings and low-income units were suitable for occupancy, taking into account local health, safety, and building codes, and the State or local government unit responsible for making local health, safety, or building code inspections did not issue a violation report for any building or low-income unit in the project. If a violation report or notice was issued by the governmental unit, attach a statement summarizing the violation report or notice or a copy of the violation report or notice to the annual certification and state whether the violation has been corrected;
   g. There was no change in the eligible basis (as defined in Section 42[d]) for any building in the development, 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 resident facility formerly provided without charge);
   h. All resident 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 residents 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 residents having a qualifying income before any units in the project were or will be rented to residents not having a qualifying income;

j. If the income of residents 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 residents 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 residents 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.

2. OHFA requires that the owner of a housing tax credit development annually certify the residents' incomes and assets using the form(s) specified by OHFA. Projects that are 100 percent occupied by qualified low-income households may discontinue recertifications as described in Section 42 of the Internal Revenue Code. However, Section 42 of the Internal Revenue Code requires owners with Housing Tax Credit funding to continue verifying resident student status annually. Owners must use OHFA's Student Form as published on our website. Projects with other funding such as Housing Development Assistance Program (HDAP) Home Investment Partnership (HOME) must continue to follow 24 CFR Part 92 and OHFA policy on resident certification requirements.

PROPERTY CHANGES

1. Changes in owner and/or management companies that occur after a development has placed-in-service must be approved by the OHFA Office of Program Compliance. The owner must request approval from the Office of Program Compliance by written request to the assigned compliance analyst no later than 60 days prior to terminating the services of the current management company or sale of the property. Owners will be required to submit the request in accordance with OHFA's Ownership and Management Company Change Policy, to be made available on the OHFA website. Owners who fail to comply with the 60 day notification period will be placed on OHFA's Watch List.

   To ensure the proposed company or owner is sufficiently qualified to manage and/or operate a housing tax credit development in Ohio and in accordance with applicable state and federal requirements, a representative of the proposed management company must submit evidence of an active Ohio Brokers License in accordance with 4735.022 of the Ohio Revised Code, where applicable. A Broker's License is required if the owner/property management company does not have an ownership interest in the property, and are not a real estate licensee affiliated with a licensed brokerage, are a third-party managing a property without an Ohio Broker's License, or are not conducting the property management business through a licensed brokerage,

   Any request for consideration of a management company who does not meet this requirement will be denied. Owners who fail to provide 60-day notice of an owner or management company change may further be subject to a fine of $500 and removal from a position of good partnership.

COMPLIANCE FEE

1. OHFA requires housing tax credit owners to pay a one-time compliance monitoring fee. The fee amount for projects receiving a reservation in 2016 will be $1500 per unit. OHFA reserves the right to reevaluate this policy at any time in the future.

2. OHFA reserves the right to charge the owner and/or management company for costs.

HOUSING CREDIT GAP FINANCING

PURPOSE

The Housing Credit Gap Financing guidelines provide guidance to developers and owners seeking funding through the Housing Development Assistance Program (HDAP). Resources and program requirements are subject to appropriation of funds to the Ohio Housing Trust Fund (OHTF) by the State Legislature, allocation by the OHTF Advisory Committee, and U.S. Department of Housing and Urban Development (HUD) approval of the State Consolidated Plan.

STATE AND FEDERAL FUNDING REQUIREMENTS

Where these guidelines do not provide specific information with respect to state and federal program requirements, OHFA will first seek guidance in the statutes that govern the funds being used. For HOME funds, OHFA will refer to the Code of Federal Regulations that governs the use of HOME dollars. For OHTF funds, OHFA will refer to Ohio Revised Code §174 as well as the Code of Federal Regulations governing the use of OHTF funds used to meet the HOME "Match" requirement.

It is the responsibility of the owner/developer/borrower and any of its employees, agents or sub-contractors 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, the Americans With Disabilities Act as well as any state and local Civil Rights legislation along with any required related codes and laws.

TYPES OF FUNDING AVAILABLE

Developments that are eligible for housing credit gap financing may be provided financial assistance including the following HDAP resources:

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

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

Funds will be awarded in the form of a loan or a grant. Applicants receiving an award of HDAP funds must meet all program requirements and will be subject to approval from the OHFA Board.

OHFA will award HOME and Trust Fund dollars based on the need to meet set-asides specific to each funding source and based on the source most appropriate for the applicant/ project. Applicants that have compelling reasons to request a specific source of funding can do so in a separate letter sent to the attention of the Operations Manager in the Office of Planning, Preservation and Development prior to the submission of their housing tax credit application. OHFA may or may not be able to honor the request for a specific type of funds.

REPORTING REQUIREMENTS

The recipient of the HDAP funds will be responsible for compliance with applicable reporting, file and physical inspections, and record keeping requirements associated with the federal HOME dollars, OHFA, and State requirements.

The recipient of the HDAP funds will be responsible for compliance with applicable implementation, reporting, file and physical inspections, and record keeping requirements associated with the federal HOME dollars, OHFA, and State requirements. Refer to the Compliance Monitoring Guidelines section of this document for specific compliance requirements.

The owner is responsible for reporting to OHFA annually through the DevCo online system. The reporting process currently requires the submission of an Annual Owner Certification and resident and project data using the XML upload or housing credit software (e.g. Yardi) as well as other reports and certifications necessary to evidence compliance with any gap financing provided through an OHFA program.

In accordance with the 2013 Final Home Rule (24CFR 92.210), OHFA must review and approve rents for each HOME-assisted rental project each year to ensure that the project complies with the HOME limits and do not result in undue increases from the previous year. In the pre-2013 Rule, OHFA was required to approve initial rents, then provide the published maximum HOME rents to project owners, and examine reports submitted by owners that report the rents and occupancy data of all HOME-assisted units on an annual basis. OHFA will require owners to certify on an annual basis what HOME rent will be used at the subject property. HOME rent certifications must be submitted to OHFA Program Compliance, specifically the compliance analyst assigned to the property.

The 2013 Final HOME Rule requires Participating Jurisdictions to determine an individual utility allowance for each HOME rental project by using the HUD Utility Schedule Model, utility company estimate, or energy consumption model. Public Housing Authority (PHA) estimates or other estimates that are not project specific are no longer acceptable. For projects awarded HOME funding after August 23, 2013, OHFA will approve an individual utility allowance on an annual basis in accordance with the 2013 Final Home Rule {24CFR 92.252}. Effective January 1, 2017, Owners must submit a utility allowance request by using either the HUD Utility Schedule Model or a utility allowance methodology as described in OHFA's Utility Allowance Policy (Utility Allowance Policies and Procedures) available on the OHFA website. Owners of projects that received OHFA HOME funds prior to August 23, 2013 are not impacted by the new UA requirement and may continue to use any utility method described in OHFA's Utility Allowance Policy to include PHA estimates.

RENTAL DEVELOPMENT ELIGIBILITY

All applicants must act as a general partner or sole owner of the project during the construction phase.

Ineligible Projects

If any construction or construction related activity is initiated, prior to a commitment of HDAP funds and receipt of all appropriate clearances (i.e. environmental review, if applicable), the entire project may be ineligible for funding.

Projects previously awarded HDAP funds through a program administered by OHFA or the Ohio Development Services Agency, Office of Community Development, may not be eligible for additional HDAP funds. Applicants must contact OHFA prior to submitting an application for additional HDAP resources.

Eligible Uses

HDAP funds may only be applied in the development budget toward non-related party acquisition, hard costs associated with new construction or rehabilitation, and developer fees associated with the project.

	ELIGIBLE	INELIGIBLE
USES	The following development budget line items are permitted: • Acquisition (non-related party only) • Demolition (not applicable for preservation projects) • On-site improvements construction and/or renovation costs including construction fee items, construction contingency, and contractor overhead and profit (excluding costs associated with construction of commercial property) • Furnishings and appliances • Architectural and engineering fees • Developer fees and developer overhead • Consultant fees • Legal fees	The following development budget line items are not permitted: • Costs associated with creating market rate housing and/or commercial spaces • Single family lease purchase developments • Free-standing, non-residential buildings • Infrastructure dedicated back to the local municipality

Multifamily Bond Financing

Additional requirements for developments leveraging HDAP funds, housing tax credits and multifamily bond financing can be found in the most current Bond Gap Financing and Multifamily Bond Financing guidelines, available on the OHFA website.

PROJECT REQUIREMENTS

Financing Terms

Applicants that appropriately evidence status as a not-for-profit organization may request either an HDAP funds in the form of a loan or grant. However, OHFA reserves the right to award either a loan or a grant based on the financial underwriting of the project. Applicants should refer to the most current Multifamily Underwriting Guidelines available on the OHFA website.

Loan Terms and Criteria

- Up to a two percent interest rate;
- The loan will mature at the end of the affordability period. The affordability period is defined as the minimum term required in 24 CFR Part 92 plus an extended affordability period required by OHFA – total term will be up to 40 years. If USDA-RD or HUD is involved as a direct lender, not a guarantor, the total term will be up to 45 years. The affordability term must agree with the loan term.
- Collateral will be a subordinate mortgage position. OHFA prefers a second or shared second position. If a lower position is necessary, the applicant should indicate so in the application along with an explanation and supporting documentation.

Year 1 is calculated from the date all close-out documentation is approved by OHFA.

- Loans will be made to the HDAP Recipient as the project's general partner, managing member or equivalent. The HDAP Recipient may loan the HDAP funds to the project. If the project has more than one general partner/managing member (or equivalent), OHFA reserves the right to determine which will be the HDAP Recipient.
- OHFA will consider alternate terms prior to the approval of the award by the OHFA Board.

If the property is sold prior to loan maturity, OHFA may require that all or a pro-rated amount of the outstanding principal and interest become due and payable.

OHFA reserves the right to allow for the forgiveness of all or a portion of the outstanding debt if, at the end of the 30-year loan period, OHFA determines that the property has been maintained as a safe, decent, and sanitary affordable housing project (as defined by the Uniform Physical Condition Standards or current standards used in the OHFA Program Compliance Office) throughout the term.

Eligibility for Grant Funding

To be eligible for a grant, the following criteria must be met:

1. A grant has been requested by the HDAP recipient
2. the controlling general partner, managing member or equivalent (HDAP recipient) is a 501(c)(3) or 501(c)(4) – a 25 percent owner will not qualify for a grant;
3. at least 20 percent of the units in the project will be affordable to and occupied by households earning at or below 35 percent AMI; and
4. the HDAP Recipient cannot loan the HDAP funds to the project.

For housing credit projects that request a direct grant of HDAP funds, the HDAP funds may be included in eligible tax credit basis if the HDAP funds are a general partner's capital contribution and provided that the project can provide a tax-opinion certifying the funds as part of eligible basis. The project must still meet all of the above noted requirements to be eligible for a grant. However, when considering eligibility for a grant, OHFA will apply the regulations governing the funds awarded (HOME or OHTF) when considering how the HDAP-recipient passes the award onto the project.

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

Environmental Reviews (ER) and Project Eligibility

OHFA will conduct a supplemental Environmental Review for all projects receiving HDAP funds. Projects are not permitted to begin construction prior to the completion of the environmental review process and the issuance of a funding agreement. In addition, projects receiving Federal HOME dollars may not acquire the site prior to completion of the Part 58 HOME Environmental Review.

Projects that do begin any construction or construction related activity prior to the issuance of a funding agreement and receipt of all appropriate clearances (i.e. environmental review clearance, if applicable), at a minimum, the project will be subject to the following penalty:

- HOME-funded projects: The funding agreement will be rescinded. OHFA cannot guarantee the availability of other funds to fill the gap.
- OHTF-funded projects: The project may request to keep the award of funds. However, the recipient must provide a letter detailing the reasons construction began prior to the completion of the ER process; the applicant must detail what measures will be taken to ensure this does not happen with future projects and request that OHFA not rescind the OHTF award.

The Multifamily Committee of the OHFA Board will review all requests either to change the source of the HDAP award, or to keep the award of OHTF dollars if construction begins prior to the completion of the environmental review process. If approved, the recipient will not be able to draw HDAP funds until construction has been completed. The Multifamily Committee may choose to impose additional requirements or restrictions.

Regardless of the funding source, OHFA reserves the right to take further action if the recipient violates this restriction on future projects, or has violated this restriction on prior projects.

All projects will be subject to an environmental review conducted by the Ohio Housing Finance Agency (either a Part 58 or similar review), regardless of source of funds committed to the project. OHFA will allocate $1,000 per project funded with HOME funds for the publication of the environmental review Public Notice.

Rehab Standards

Developments that involve the rehabilitation of structures must adhere to the Office of Community Development (OCD) Residential Rehab Standards (RRS) or other standard approved by OCD. Refer to OCD's website for the RRS Handbook.

Lead-Based Paint Strategy

All projects originally constructed prior to 1978 must adhere to the Lead-Based Paint Guidelines (found in the annual Consolidated Plan) maintained by the Ohio Development Services Agency. Such projects must submit a lead-based paint strategy that includes the following:

1. Indicate whether or not the property(ies) has (have) been tested for lead-based paint.
2. If the units/buildings have been tested, describe the test results. If the project has not been tested, describe how you derived an estimated cost for testing and confirm that these costs were incorporated in the project's development budget.
3. Describe how the cost to treat lead-based paint will be covered by the project budget, and how you estimated the cost to treat lead-based paint.
4. Describe the availability of licensed lead testers, contractors and workers in your area, and if there is a shortage of licensed personnel, how might that effect the construction of your project regarding timeline and what strategies you will use to find licensed personnel.

For the Department of Development's Lead-Based Paint Guidelines, please contact the Office of Community Development (OCD) at the Ohio Development Services Agency.

Appraisals

All projects will be required to submit an "as-is" appraisal that supports those costs. Appraisals must meet OHFA's requirements and must be submitted with the final application submission. The purchase price should be less than or equal to the appraised value. If the purchase price is greater than the appraised value, the applicant must explain why. OHFA reserves the right to limit funding of acquisition costs to the appraised value of the site.

Projects that do not provide an appraisal prior to the approval of the HDAP award will be required to provide it prior to closing the HDAP.

Appraisals cannot be more than six (6) months old at the time of application. If the applicant submits the appraisal to meet a closing condition, the appraisal cannot be more than six (6) months old when received by OHFA.

Uniform Relocation Act (URA) Relocation Standards

1. Relocation Forms:

   The application will include Real Property Acquisition and Relocation Certifications and Voluntary Acquisition Forms for all developments involving acquisition of real property or easements, or rehabilitation as follows:

   a. A complete URA Attachment "Acquisition, Relocation and Demolition Questionnaire".

   b. A complete URA Attachment "Residential Anti-Displacement & Relocation Assistance Plan".

   c. Complete URA Attachments "Sample Voluntary Acquisition, Donation and Waiver of Real Estate Appraisal and/or Voluntary Acquisition Public Entity" forms for each seller of land and/or building acquired for use in the development, where applicable. Forms must be submitted with original signatures.

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

2. Relocation Plan:

   The application will include a complete Acquisition, Relocation and Demolition Questionnaire and Relocation Plan, for all developments involving the rehabilitation of (an) existing occupied unit(s). If the development is receiving federal funds, the plan must meet the requirements set forth in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

The Relocation Plan submitted with the HDAP application must address the following:

a. During renovation, residents will: (1) stay in place, (2) be temporarily relocated within the project, (3) be temporarily relocated off-site, (4) be permanently relocated. The applicant may choose a strategy that includes a combination of the foregoing.

b. If some or all residents will stay in place, the applicant must describe the rehabilitation items to be completed and strategies to complete those items without requiring resident relocation.

c. If residents will be temporarily relocated or permanently relocated, the applicant must describe what resources are anticipated to be needed to accomplish the relocation (including the applicant's basis for estimates for the cost of relocation), the notices that will be provided to residents, how the applicant will staff relocation activities, and source of funds to cover the cost of relocation activities.

For additional questions on relocation, please contact the Office of Community Development at 614-466-2285.

Affirmative Fair Housing Marketing Plan

OHFA must ensure that all projects financed with Agency resources are affirmatively marketed. A completed Affirmative Fair Housing Marketing Plan with required attachments must be submitted in the HDAP application, in accordance with the most current policies of the OHFA Office of Program Compliance.

Wage Rate Compliance

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

Rent Requirements

Developments that will include HDAP funds must meet the following requirements in addition to requirements of the Additional Rent Restrictions section of the allocation plan.

HDAP Restricted Units

Developments located in Participating Jurisdictions (PJ) areas must show:

a. A minimum of 40 percent of the affordable units occupied by and affordable to households at or below 50 percent AMI for the entire affordability period. The HDAP/HOME-assisted units cannot exceed the HUD Low- and High-HOME rent for the county where the development will be located.

b. A minimum of 10 percent of units occupied by and affordable to households at or below 35 percent of AMI for the entire affordability period. These units may count toward requirements for Additional Rent Restrictions.

Developments located in Non-Participating Jurisdiction (Non-PJ) areas must show:

c. A minimum of 35 percent of the affordable units occupied by and affordable to households at or below 50 percent AMI households for the entire affordability period.

d. A minimum of 5 percent of units occupied by and affordable to households at or below 35 percent AMI for the entire affordability period. These units may count toward requirements for Additional Rent Restrictions.

HDAP Assisted Units

All projects will be required to maintain HDAP-Assisted Units, which are determined by the amount of HDAP provided, the 221(d)(3) limits, and the costs to develop the unit.

Affordable units are defined as units that are affordable to households at or below 60 percent AMI.

Projects with federal project-based subsidy on the greater of a) at least 50 percent of the units or b) the number of restricted and assisted units will set rents (with utilities) as allowed by that project-based assistance. Existing tenants may not be displaced to achieve the minimum percentage of occupancy by very low-income households. Occupancy in up to 60 percent of the development by households with higher incomes is to occur over time; at turnover, units may be leased to higher income households.

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

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

POST AWARD

Loan Closing Requests

OHFA will enter into a Funding Agreement with the HDAP-Recipient and Limited Partnership. Once the Funding Agreement has been signed by all appropriate parties, the HDAP-Recipient may formally request a closing of the HDAP.

A template closing checklist and closing procedures are available on the OHFA website. The template checklist does not include any project-specific closing conditions determined during the underwriting process. Project-specific closing conditions will be detailed in the Funding Agreement.

OHFA requires a minimum of 30 days to complete its review once all of the required checklist items have been received.

Subsequent Changes

The HDAP-Recipient is required to notify OHFA immediately and request approval of any changes that occur in the project at any time after project approval through the affordability period. Such changes include, but are not limited to, changes in the development team; changes in the number of units or unit mix; changes to the target population; etc.

The request should be sent to:

Ohio Housing Finance Agency
Office of Planning, Preservation and Development
57 East Main St., 4th Floor
Columbus, OH 43215

OHFA reserves the right to assess fees for the following:

Amendment to a funding agreement:	$ 500 per request
Extension of a funding agreement:	$ 500 per extension
Reinstatement of an expired funding agreement:	$1,000

Project Administration and Drawing HDAP

A Guide to Drawing the HDAP has been created to assist applicants as they work with OHFA staff during the construction phase. This document may be found on the Project Administration Page of the OHFA website.

OHIO HOUSING
FINANCE AGENCY

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