Ohio Housing Finance Agency

9% LIHTC Qualified Allocation Plan

Program Years 2026-2027 with 2027 Technical Amendments

Draft 1

Office of Multifamily Housing | **July 1, 2026**

Seeking to provide input?

OHFA will accept comments on these draft guidelines beginning Thursday, July 2, 2026 through Friday, July 31, 2026 at 5:00 p.m. Comments may be submitted via e-mail to **QAP@ohiohome.org**.

Table of Contents

A. 9% LIHTC QAP Overview

9% LIHTC Qualified Allocation Plan Purpose

Pursuant to **26 U.S.C. §42(m)**, each state housing credit agency must craft a Qualified Allocation Plan (QAP) for the allocation of federal Low-Income Housing Tax Credits (LIHTC). Although the LIHTC program is governed by the Internal Revenue Service (IRS), each state housing credit agency must design and administer a QAP setting forth the “selection criteria to be used to determine housing priorities of the housing credit agency which are appropriate to local conditions.” The Ohio Housing Finance Agency (OHFA) is the state housing credit agency for the state of Ohio, therefore this document serves as the QAP for allocating 9% LIHTC—previously known as 70% Present Value LIHTC prior to enactment of Section 131 of the **Consolidated Appropriations Act, 2016** (P.L. 114-113)—subject to the state credit ceiling under 26 U.S.C. §42(h)(3).

For OHFA’s process administering 4% LIHTC—previously known as 30% Present Value LIHTC prior to passage of Section 201 of the Consolidated Appropriations Act, 2021 (P.L. 116-260)—which are not subject to the state credit ceiling, please see the Agency’s **4% LIHTC QAP**.

9% LIHTC

United States Code: **26 U.S.C. §42**
Code of Federal Regulations: **24 C.F.R. §§1.42-1 – 1.42-19T**

The LIHTC program was created by Section 242 of the **Tax Reform Act of 1986** (P.L. 99-514) and serves as the federal government’s central mechanism for the development of affordable rental housing. Although governed by the Internal Revenue Service (IRS), it is administered on a state-by-state basis through state housing credit agencies. As Ohio’s state credit agency, OHFA retains responsibility for allocating federal LIHTC to facilitate the development of affordable rental housing throughout the state.

Tax credits are dollar-for-dollar reductions in federal tax liability. Because affordable rental housing cannot be funded with LIHTC directly, developers enter into an agreement with investors directly or through syndicators—intermediaries that act on behalf of investors—to pass the benefits of LIHTC on to entities that can use them. In exchange, these direct investors or syndicators provide equity that, along with other resources, helps finance the development of affordable rental housing. Federal statute ensures properties funded with LIHTC equity serve low-income tenants by requiring LIHTC property owners execute an Extended Low-Income Housing Commitment per 26 USC §24(h)(6)(b) which regulates operations for a minimum 30-year period.

The LIHTC program includes two distinct types of LIHTC: 9% and 4%. The 9% LIHTC is a limited resource with an annual credit ceiling determined by multiplying the state’s population by a statutorily defined per capita multiplier. Since 2016, the 9% LIHTC value has been calculated as 9% of a proposed project’s qualified basis over 10 years. Contrarily, the 4% LIHTC is not limited by the state’s annual credit ceiling; however, it’s value is only worth 4% of a project’s qualified basis over 10 years, or 2.25 times less, on average. Exhibit 1 below details how 9% and 4% LIHTC are calculated.

Exhibit 1: Calculating LIHTC and LIHTC Equity, Example 9% vs. 4% LIHTC Project

Assume a hypothetical 60-unit new construction project is being proposed in which 100% of the units will be LIHTC-restricted and the site is located outside of a Qualified Census Tract (QCT)[1] or Difficult Development Area (DDA)[2].

LIHTC Calculation	4% LIHTC Project	9% LIHTC Project
Total Development Costs (TDC):	$17,000,000	$17,000,000
- Ineligible Costs[3]	$2,000,000	$2,000,000
= Eligible Basis	$15,000,000	$15,000,000
+ QCT/DDA Basis Boost:	N/A	N/A
= Qualified Basis:	$15,000,000	$15,000,000
X Credit Rate	4%	9%
= Annual LIHTC	$600,000	$1,350,000
X 10 Years (Total LIHTC):	$6,000,000	$13,500,000
X Equity Price[4]:	$0.85	$0.85
= Total LIHTC Equity:	$5,100,000	$11,475,000

TDC Funded with LIHTC Equity:	30%	68%

Annual Ohio 9% LIHTC Allocation

The 9% LIHTC is a limited resource with an annual credit ceiling determined by multiplying the state's population by a statutorily defined per capita multiplier referenced in **26 U.S.C. 42(h)(3)(C)**. The IRS typically posts the national per capita multiplier annually in October and state population figures in the following March through Revenue Procedures. OHFA will not be able to finalize its potential 9% LIHTC allocation for Program Year (PY) 2026 until both numbers are released by the IRS. Historical credit ceiling information and estimates for PY26 are referenced below in Exhibit 2.

Exhibit 2: Ohio's Annual 9% LIHTC Ceiling, 2022-2027 (Est.)

Program Year	2022	2023	2024	2025	2026	2027(Est.)
IRS Ohio Population Estimate	11,780,017	11,756,058	11,785,935	11,883,304	11,900,510	11,931,634
IRS Per Capita Multiplier	$2.6000	$2.7500	$2.9000	$3.0000	$3.416	$3.826
Annual 9% LIHTC Ceiling	$30,628,044	$32,329,159	$34,179,211	$35,649,912	$40,652,510	$45,650,432
9% LIHTC Reservations	31	31	24	23	25	TBD

Given the limited nature of the 9% LIHTC, Affordable Assisted Living Projects are ineligible to compete in this program.

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[1] The term Qualified Census Tract (QCT) is defined in **26 U.S.C. §42(d)(5)(B)(ii)** as any census tract designated by HUD in which either (a) 50% or more of households have an income less than 60% of the area median income (AMI) or (b) has a poverty rate of at least 25%.

[2] The term Difficult Development Area (DDA) is defined in **26 U.S.C. §42(d)(5)(B)(iii)** as any area defined by HUD which has high construction, land, and utility costs relative to AMI.

[3] Eligible basis is defined in the **Internal Revenue Code (IRC) §42 Audit Technique Guide** as the total allowable cost associated with the depreciable residential rental project. Chapter 8 identifies specific development costs that are ineligible and must be removed from eligible basis.

[4] Based on the March 2025 three-month average **LIHTC equity price** from Novogradac.

Federally Mandated QAP Preferences and Selection Criteria

Federal Statutory Preferences

In accordance with **26 U.S.C. §42(m)(2)(B)(ii)**, housing credit agencies must include, at a minimum, the following federal statutory preferences for allocating LIHTC. The table below details these preferences and indicates where OHFA's implementation of such preferences can be found in this document.

Statutory Reference	Preference of Allocating LIHTC	OHFA Implementation Reference
26 U.S.C. §42(m)(1)(B)(ii)(I)	Projects serving the lowest income tenants	See ELI Requirements
26 U.S.C. §42(m)(1)(B)(ii)(II)	Projects obligated to serve qualified tenants for the longest periods	See Extended Use Requirements
26 U.S.C. §42(m)(1)(B)(ii)(III)	Projects which are located in qualified census tracts (as defined in subsection (d)(5)(b)(ii)) and the development of which contributes to a concerted community revitalization plan	See Set Aside

Federal Statutory Selection Criteria

In accordance with **26 U.S.C. §42(m)(1)(C)**, housing credit agencies must include, at a minimum, the following 10 federal selection criteria for allocating LIHTC. The table below details these selection criteria and indicates where OHFA's implementation of such preferences can be found in this document.

Statutory Reference	Selection Criteria	OHFA Preference
26 U.S.C. §42(m)(1)(C)(i)	Project location	See Neighborhood Opportunity and Housing Needs Indices
26 U.S.C. §42(m)(1)(C)(ii)	Housing needs characteristics	See Housing Needs Index
26 U.S.C. §42(m)(1)(C)(iii)	Project characteristics, including whether the project includes the use of existing housing as part of a community revitalization plan	See Set Aside
26 U.S.C. §42(m)(1)(C)(iv)	Sponsor characteristics	See Experience and Capacity
26 U.S.C. §42(m)(1)(C)(v)	Tenant populations with special housing needs	See 811 PRA Requirements & Funding Pool
26 U.S.C. §42(m)(1)(C)(vi)	Public housing waiting lists	Allowable, but No Scoring Preference
26 U.S.C. §42(m)(1)(C)(vii)	Tenant populations of individuals with children	See New Affordability General Occupancy
26 U.S.C. §42(m)(1)(C)(viii)	Projects intended for eventual tenant ownership	See New Affordability – General Occupancy Tiebreaker and Appendix C: Single Family Lease Purchase
26 U.S.C. §42(m)(1)(C)(ix)	The energy efficiency of the project	See Design and Architectural Standards
26 U.S.C. §42(m)(1)(C)(x)	The historic nature of the project	See New Affordability Tiebreaker

B. Modification and Interpretation

OHFA's actions, determinations, decisions, or other rulings pursuant to this QAP are not a representation or warranty by OHFA as to a development's compliance with applicable legal requirements, the feasibility or viability of any development, or of any other matter whatsoever. The QAP is subject to modification pending developments in federal, state, and OHFA policy.

OHFA makes no representation that underwriting or competitive decisions from a prior year will be determinative in future application rounds. Identical year-over-year submissions may receive different treatment, with or without notice to an applicant, due to new insights gained during prior review periods, shifts in policy, the need for consistent in-year interpretation, increased applicant competition, or any other reason OHFA deems necessary.

OHFA will clarify and issue responses to commonly posed questions regarding the QAP through a Frequently Asked Questions (FAQ) document that will be posted on the Agency's website. The FAQ, as well as the OHFA Multifamily Rental Underwriting Guidelines, Design and Architectural Standards, and Affordable Housing Funding Application (AHFA) are specifically incorporated herein and binding on all applicants. Notwithstanding the foregoing, errors and omissions in the AHFA are not binding on OHFA and do not modify the QAP.

The allocation of LIHTC is made at the sole discretion of OHFA. The Agency will resolve all conflicts, inconsistencies, or ambiguities, if any, in this QAP or which may arise in administering, operating, or managing the reservation and allocation of LIHTC. This includes the interpretation of requirements and guidelines and the determination of a development meeting the intent of those requirements and guidelines. OHFA may modify or waive, on a case-by-case basis, any provision of this QAP that is not required by law. All such modifications or waivers are subject to written approval by the Executive Director.

C. 2027 Program Calendar

Date	Programmatic Benchmark
TBD December 2026	2027 9% LIHTC Technical Assistance Session
November 30, 2026 thru January 7, 2027	Submission window for 2027 9% LIHTC Experience and Capacity and CHDO Certifications. For more information, see OHFA's website **here**.
Friday, January 15, 2027, by 5:00 p.m. EST	Deadline to submit Frequently Asked Questions (FAQ)
Thursday, February 25, 2027, by 5:00 p.m. EST	Deadline to submit Proposal Applications
Friday, April 9, 2027	OHFA release of Preliminary Competitive Scoring and Minimum Financial and Threshold Review
Thursday, April 15, 2027, by 5:00 p.m. EDT	Deadline to respond to OHFA's Preliminary Competitive Score and Minimum Financial and Threshold Review
May 2027 OHFA Board Meeting	Results of 2026 9% LIHTC reservations presented for OHFA Board approval
Friday, May 21, 2027	Conditional Qualification Letters (CQL) issued
Thursday, September 16, 2027, by 5:00 p.m. EST	Deadline to submit Final Applications
Friday, December 3, 2027	Deadline to issue Carryover Allocation (COA) for reservations of 2027 9% LIHTC

For year two of this QAP, OHFA is providing a technical amendment to these guidelines to update the program calendar, cost containment, and data driven information for scoring.

D. 9% LIHTC Application Process

How to Submit

All Experience and Capacity/CHDO Certification, Proposal Application, and Final Application submissions must be made via the Agency's **Multifamily Development File Transfer Site** (FTS). If an applicant does not already have access to the FTS, the individual must email **MultifamilyFTP@ohiohome.org** prior to the Experience and Capacity deadline to secure user access. All application materials must be submitted in .ZIP format. Avoid using any special characters (e.g., "*", "&", or "@", among others) in naming conventions for projects. OHFA will not accept applications submitted via email, another online file sharing site (e.g., Dropbox, Google Drive), or flash drive. Projects must be individually uploaded to the FTS using the following process:

- Step 1. Upload one, singular .zip file for each individual application.
- Step 2. Insert project name and select funding round (9% LIHTC) and application type.
- Step 3. Click Validate File.

After submitting your project(s), a confirmation email will be automatically sent to the contact's email address.

Application Submission Disclaimer

All Experience and Capacity/CHDO Certifications, Proposal Application, and Final Application materials submitted become the property of OHFA and shall be public information unless a statutory exception exists which would thereby determine that such information cannot be released to the public. If you have information in your application that you believe has a good faith legal basis for an exemption to the public records laws, you must identify each and every occurrence of the information in the application a separate page titled "Exemptions to the Public Records Law" and clearly label the material as such. OHFA may publicly post materials received.

Experience and Capacity Package

Experience and Capacity must be completed by the date listed in the program calendar. OHFA will require an Experience and Capacity package submitted via the FTS. Applicants will not be allowed to submit a Proposal Application unless Experience and Capacity has been approved by OHFA staff for 9% LIHTC. The **Experience and Capacity Standards Policy** outlines the minimum eligibility and evaluation criteria. The Experience and Capacity package is available on the **OHFA website**.

A development entity that has been approved in the current calendar year, must submit its approval letter on OHFA letterhead with the Proposal Application. Applicants must disclose changes to any entity between the Experience and Capacity Review and Proposal and/or Final Application. OHFA may disqualify applications that do not maintain the core competency and experience necessary to successfully develop and manage a project.

For projects being sponsored by a Community Housing Development Organization (CHDO) as outlined in **24 C.F.R. §92.300(a)(4)** and seeking federal HOME Investment Partnerships Program (HOME) resources, the following items are required:

- CHDO Application (Due at Experience and Capacity)
- The Site and Neighborhood Standards Form for proposed New Affordability projects. Federal regulations require that any such projects financed with HOME meet Site and Neighborhood Standards in accordance with **24 C.F.R. §983.55(e)(2)-(3)**. (Due at Proposal Application)
- The Unit Comparability Form. For all projects financed with HOME, the architect must certify whether units are comparable in accordance with **CPD-16-15 Section V.B**. (Due at Proposal Application)

Ex Parte Discussions

After submission of the Experience and Capacity Review through the release of final competitive results to the OHFA Board, no staff member working on the application review or OHFA Board member shall discuss the merits of the application with any entity identified in the Development Team Entity Identification spreadsheet or Final Application AHFA, unless all similarly-situated applicants have been notified and given the opportunity to be present or to participate by telephone unless it is an official communication and response as provided for in the Program Calendar or a full disclosure of the communication insofar as it pertains to the subject matter of the application is made publicly on the OHFA application webpage.

When an *ex parte* discussion occurs, either verbally or in writing, a representative of the applicant or applicants participating in the discussion shall prepare a document identifying all the participants and the location of the discussion, and fully disclosing the communications made. Within two business days of the occurrence of the *ex parte* discussion, the document shall be provided to the OHFA chief legal counsel or their designee. Upon completion of the review, the final document with any necessary changes shall be publicly made available and communicated to all applicants. The document filed and served shall include the following language:

> *Any participant in the discussion who believes that any representation made in this document is inaccurate or that the communications made during the discussion have not been fully disclosed shall prepare a letter explaining the participant's disagreement with the document and shall file the letter with the chief legal counsel of OHFA who will transmit the letter to all known applicants and make it publicly available within two business days of receipt of this document.*

Failure of any staff member working on the application review process or OHFA Board Member or their designee to abide by this section may, at the discretion of the OHFA Board, lead to that individual's removal from the application review process and final award.

Proposal Application Process

The Proposal Application process involves three major steps:

(1) Developer submission of Proposal Applications via the Agency's FTS

Proposal Applications must be submitted via the Agency's FTS by the deadline noted in the Program Calendar. Following the Proposal Application deadline, OHFA will post all individual project Proposal Summaries and a spreadsheet of basic information for all submitted projects on its **Pending Applications & Funded Projects Website**.

(2) OHFA Preliminary Competitive Scoring and Minimum Threshold and Underwriting Review

Staff analysts will review competitive scoring documentation submitted with the Proposal Application against the applicant's "self-score". Concurrently, OHFA will perform a Minimum Threshold and Underwriting Review for compliance with OHFA's most current Multifamily Underwriting Guidelines and threshold requirements detailed in this 9% LIHTC QAP to comport with **26 U.S.C. §42(m)(2)(C)(i)(I)**. Specifically, OHFA will be reviewing—at a minimum—compliance with cost containment, conditional financial commitments, debt service coverage ratio (DSCR) standards (if applicable), and documentation of rental subsidy commitments (if applicable). OHFA will provide (1) the Preliminary Competitive Scoring workbook and (2) a Minimum Threshold and Underwriting Review with any noted deficiencies to the applicant via the FTS by the date listed in the Program Calendar. Once OHFA uploads these documents to OHFA's FTS, an automated email from **MultifamilyFTP@ohiohome.org** will be sent to the applicant registered with OHFA's FTS to notify them a file has been uploaded to OHFA's FTS. This automated email will serve as notice OHFA has reviewed and uploaded the documents to the FTS.

Preliminary Competitive Scoring and Minimum Threshold and Underwriting Review Cure Period. Applicants will have a brief cure period, per the Program Calendar, to correct deficiencies identified in the Preliminary Competitive Scoring and/or Minimum Threshold and Underwriting Review workbooks. During this time, applicants may appeal any competitive scoring reductions by submitting supplemental or revised evidence to address preliminary scoring deficiencies where insufficient or incorrect evidence was initially provided. No new items can be submitted for point consideration. Further, applicants may submit missing or revised documentation related to the Minimum Threshold and Underwriting Review to cure any deficiencies during this period.

If the applicant does not respond to OHFA's Preliminary Competitive Score by the date listed in the Program Calendar, OHFA's Preliminary Competitive Score will become final. Unless otherwise stated, Minimum Threshold and Underwriting deficiencies must be cured; otherwise, the subject application will not move forward.

After receiving responses from applicants to OHFA's Preliminary Competitive Scoring and Minimum Threshold and Underwriting Review, OHFA staff will review such responses and determine whether any scoring reductions should be restored. Final scoring determinations will be noted on the competitive scoring workbook. Once all Proposal Application scores have been finalized, OHFA will rank competitive scores against each other for each funding pool. The top-scoring projects seeking one of OHFA's set asides (except the Community Impact Strategic Initiative) are funded first. Projects with the highest scores are then funded until most of the available 9% LIHTC resources are exhausted and all programmatic funding goals are achieved. Lastly, with the remaining available funds, OHFA will fund no more than two projects for the Community Impact Strategic Initiative.

(3) 9% LIHTC results presented to the OHFA Board

OHFA will present 9% LIHTC results on the date indicated in the Program Calendar. Following the OHFA Board presentation and approval, a spreadsheet of all 9% LIHTC applications that can move forward to Final Application will be uploaded to the **Pending Applications & Funded Projects Website**. Applicants with 9% LIHTC reservations will receive a Conditional Qualification Letter (CQL) indicating the amount of 9% LIHTC, gap financing (if applicable), and Housing Development Loan (HDL) reserved (if applicable). A CQL is not a funding commitment; a Final Application must be received, and all threshold and underwriting requirements must be met for OHFA to issue a Carryover Allocation Agreement.

Final Application Process

If invited to submit a Final Application, the Final Application process involves three major steps:

(1) Full Threshold, Underwriting, Competitive, and Architectural Review

Final Applications must be submitted via the Agency's FTS by the deadline noted in the Program Calendar. Applicants are welcome to submit a Final Application earlier than the deadline. Following receipt of a Final Application, OHFA analysts will complete a full Threshold and Underwriting Review. This review involves a comprehensive analysis of the project's compliance with the Multifamily Rental Underwriting Guidelines and threshold requirements outlined in these Guidelines. Additionally, OHFA analysts will review the Final Application to ensure that competitive scoring upon which the application was selected continues to be met. The assigned OHFA analyst will upload the Threshold and Underwriting Review tool detailing any deficiencies to OHFA's FTS. Applicants will have two weeks to cure any outlined deficiencies. Unless otherwise stated, deficiencies must be cured; otherwise, the application will not move forward to a Carryover Allocation Agreement.

Concurrently, OHFA staff will perform an architectural review for compliance with the most recent Design and Architectural Standards (DAS). Without architectural Conditional Approval, the application will not move forward to Carryover Allocation Agreement.

(2) OHFA Multifamily Committee and Board Approval

The OHFA Board has inherent authority to affirm all 9% LIHTC reservations. Additionally, the OHFA Board must approve all direct funding allocations such as HDL and Housing Development Assistance Program (HDAP) reservations made through the 9% LIHTC application process. OHFA Multifamily Committee and Board monthly calendar can be found on the **OHFA Board Website**. Once scheduled for a specific month, the assigned OHFA analyst will work with the applicant to complete an Executive Summary, which provides summary information about the project to the OHFA Multifamily Committee and Board. Once complete, the Executive Summary will be posted to **OHFA's BoardDocs Website**. Applicants are encouraged to attend the Multifamily Committee and Board meeting at which the project is to be presented.

(3) Carryover Allocation, Financial Closing, 10% Test

For same-year LIHTC reservations, (i.e. a 2026 LIHTC application with a reservation of 2026 LIHTC) OHFA will execute a Carryover Allocation Agreement, which provides a development team with two additional calendar years to place in service by the date listed in the Program Calendar. Forward-allocated LIHTC (i.e. a 2026 LIHTC application with a reservation of 2027 LIHTC) will receive a Carryover Allocation Agreement in the following July. In accordance with **26 U.S.C. §42(h)(1)(E)(ii) and 26 C.F.R. §1.42-6**, applicants must demonstrate that at least 10% of the reasonably-expected basis as expended within the close of the second calendar year following the calendar year the allocation is made (the "10% Test"). Once OHFA verifies that the 10% Test has been met, the project will be transferred to a Project Administration Analyst who will guide the development team through the construction, 8609 and closeout process. Requirements are posted on the OHFA **Project Administration webpage**.

Projects must submit their 8609 request within 365 days from the last building placed-in-service. If OHFA does not receive this request, the applicant may be noncompliant with the Good Standing Policy as outlined in Appendix B.

If seeking HDAP or HDL, the project team must compile and submit all required due diligence before requesting a closing date, as described in the OHFA Loan Closing Procedures document on the **OHFA Loan Closing webpage.** OHFA cannot commence the closing process without all due diligence being submitted no later than 30 days prior to the estimated loan closing date.

Within 30 days of LIHTC equity closing, applicants must electronically submit by email to **equitydocs@ohiohome.org**, executed copies of the following, as applicable:

(1) A copy of the Amended and Restated Limited Partnership/Operating Agreement admitting the limited partner/investor member;
(2) LIHTC equity documents;
(3) Loan documents;
(4) Final title policy; and
(5) Updated Phase 1 (collectively, the "Closing Documents").

The Closing Documents should state clearly if they are non-public or confidential at the time of submission.

Credit Refresh/Exchanges

OHFA may grant a credit refresh/exchange of credits to applicants unable to meet their 10% Test deadline due to circumstances outside their control that could not be reasonably anticipated before the final application date. The applicant must meet all the following requirements:

(1) Submit a formal request outlining reasons that the 10% Test deadline cannot be met;
(2) Agree to return the LIHTC allocation to OHFA prior to the 10% Test deadline and/or placed-in-service deadline;
(3) Demonstrate progress toward closing and/or completion of the construction and/or rehabilitation of the development at the time the request is submitted; and
(4) Pay a new reservation fee equal to 1% of the allocation amount.

For approved requests OHFA will make a new LIHTC allocation, which would extend the 10% Test deadline and placed-in-service deadline for up to one year.

Placed-In-Service Relief

OHFA may grant relief to applicants unable to meet their placed-in-service deadline due to circumstances outside their control that could not be reasonably anticipated before the Proposal and/or Final Application date. The applicant must meet all the following requirements:

(1) Submit a formal request outlining reasons that the placed-in-service deadline cannot be met;

(2) Agree to return the LIHTC allocation to OHFA prior to the placed-in-service deadline;

(3) Demonstrate significant progress (roughly 75%) toward completion of the construction and/or rehabilitation of the development at the time the request is submitted; and

(4) Pay a new reservation fee equal to 10% of the allocation amount.

For approved requests OHFA will make a new LIHTC allocation, which would extend the placed-in-service deadline for up to one year.

Future Credit Ceiling Special LIHTC Allocation

Any development team unable to meet the federal statutory placed-in-service deadlines associated with a LIHTC allocation made under this 9% LIHTC QAP may seek a special allocation of LIHTC in a future year. An applicant must meet all the following requirements:

(1) The applicant must have received an allocation of 9% LIHTC from OHFA under this 9% LIHTC QAP. The owner must have returned the allocation or OHFA must have revoked it 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 a final legal judgment in favor of the owner, a settlement among the parties (including, but not limited to, HUD, USDA Rural Development, a local government or property owner) that will enable the development to proceed, or other documentation as permitted by OHFA evidencing an imminent resolution.

(4) The applicant must complete a future-year LIHTC application in accordance with that year’s 9% LIHTC QAP. Any monetary damages received related to the development, less direct costs of litigation apportioned between damages related and unrelated to the development, must be pledged to the development.

(5) The request must be submitted no later than two calendar years after the previous LIHTC allocation was returned or revoked.

OHFA has no affirmative obligation to grant approval to any development seeking relief. Developments approved for a special allocation must pay a new reservation fee under the subsequent 9% LIHTC QAP. The original reservation fee will not be refunded.

Projects that received a Special Allocation in a prior program year, must conform to the QAP of the year in which they will receive credits, with the exception of scored items and max LIHTC credit request.

Construction Completion and Project Operations

Compliance Next Steps Meeting

Completion of the Compliance Next Steps (CNS) process is required for all properties as they transition from the Agency's Development office to the Office of Program Compliance. The Issuance of IRS Form 8609 will not occur until the compliance next steps process is complete. The **Compliance Next Steps Process webpage** contains information on the CNS process, including required forms and documents.

Ongoing Program Compliance

In accordance with **26 U.S.C. §42(m)(1)(B)(iii)**, OHFA provides monitoring procedures for identifying and notifying the IRS of non-compliance with the LIHTC program, including non-compliance with habitability standards through regular site visits. These requirements can be found on the **Compliance Policies** page of the OHFA website, which may be amended from time to time, and also in OHFA's LIHTC Compliance Manual . The manual is designed to assist owners and property management agents with maintaining compliance with the regulatory requirements associated with these funds in multifamily projects. This manual is to be used only as a supplement to compliance with the Code and all other applicable laws and regulations. This manual should not be considered a complete guide to LIHTC compliance. The responsibility for compliance with federal program regulations lies with the owner(s) of a LIHTC project.

A summary of such requirements is provided below:

Compliance Training

A representative of the owner and/or management company is required to attend a LIHTC training at least once every two years. The owner is required to certify attendance through the submission of the Annual Owner Certification (AOC) indicating this requirement has been met. OHFA will accept LIHTC training offered by nationally recognized trainers or consultants (e.g. US Housing Consultants, E&A Team, Costello Compliance, Zeffert & Associates, Quadel). The training must incorporate such items as LIHTC fundamentals, qualifying tenants, assets and income, and IRS regulations.

Compliance and Asset Management Monitoring

Owners receiving a 9% LIHTC allocation are responsible for compliance with all LIHTC requirements outlined in **26 U.S.C. §42** and **26 C.F.R. §1.42** including such statutes, regulations, administrative revenue proclamations and revenue rulings, which may be issued from time to time.

OHFA will monitor each development for compliance during the term of the Restrictive Covenant. Monitoring requirements and the protocol for compliance monitoring may be adjusted as deemed necessary or appropriate by OHFA which includes compliance with **24 C.F.R. §1.42-5** and **IRS Section 42 Audit Guide**, which may be amended from time to time by the IRS.

The initial audit for new properties must be conducted by the end of the second year after the last building is placed in service. The IRS permits agencies to monitor the lesser of 20% of the units on a project or the number provided in the minimum unit sample size delineated in **26 C.F.R. §1.42-5(c)(2)(iii)(B)**.

LIHTC owners must request access to a property in the Agency's online reporting system prior to qualifying residents. Once owners gain access, they must approve access for other users of the online reporting system.

Owners must ensure property managers and the appropriate on-site staff register and have access to necessary projects in the system.

Notice of Noncompliance

Should OHFA discover that a development is not in compliance with the LIHTC statute or regulations outlined in **26 U.S.C. §42** and **26 C.F.R. §1.42**, or that LIHTC has been claimed or will be claimed for units that are ineligible, OHFA will notify the owner promptly. The owner shall have a minimum of 30 days from the date of notification to cure the noncompliance. In mitigating circumstances, and only if OHFA determines that there is good cause, an extension of up to six months may be granted to complete a cure for noncompliance. OHFA will notify the Internal Revenue Service, utilizing Form 8823, no later than 45 days after the end of the correction period, and no earlier than the end of the correction period, of the nature of the noncompliance and will indicate to the IRS whether or not the owner has made appropriate corrections.

While OHFA will notify the owner of compliance issues, neither a finding of non-compliance nor a determination that non-compliance has been cured is binding on the Internal Revenue Service. Owners who have received a notification from OHFA that a project is in compliance may still be subject to an IRS audit and the possibility of loss or recapture of LIHTC.

Annual Reporting

Owners must annually submit certifications and reports to remain in compliance with program requirements. The owner will be required to prepare and submit to OHFA an Annual Owner Certification (AOC) which certifies for the preceding 12-month period the project met the requirements of **26 U.S.C. §42**. **26 C.F.R. §1.42-5(c)(1)** which lists the annual certification requirements. Owners are required to submit the AOC and Tenant Data to OHFA electronically. Owner reports are due March 1 of each year unless amended by OHFA. Owners must report all code violations issued by state and local authorities responsible for making inspections as a part of the AOC submission process. Failure to report code violations at AOC submission is grounds for noncompliance with the LIHTC program and OHFA guidelines. Refer to **OHFA's Compliance Policies webpage** in the Annual Reporting section for current information and requirements as may be amended from time to time.

Fair Housing Requirements

The owner shall comply with all applicable federal, state, and local fair housing laws, including the federal Fair Housing Act as codified in **42 U.S.C. Chapter 45**, including protections defined under **42 U.S.C. §3604**; the **Ohio Revised Code Section 4112**; and applicable local fair housing requirements, as each may be amended. The owner shall also comply with all U.S. Department of Housing and Urban Development (HUD) regulations, guidance, and enforcement policies implementing the Fair Housing Act, including but not limited to: **24 C.F.R. Part 100 Subpart H** – Quid Pro Quo and Hostile Environment Harassment and Liability for Discriminatory Housing Practices and reasonable accommodation and accessibility requirements under Section 504 of the Rehabilitation Act and the Americans with Disabilities Act (ADA). OHFA directly and affirmatively seeks to promote the Olmstead and ADA integration principles through its policies and funded developments.

Tenant Selection Plans

Owners will adopt Tenant Selection Plans (TSP) allowing individuals with a criminal record to access LIHTC housing while ensuring the safety of all residents. Compliance with the Mandatory Elements in OHFA's **Tenant**

Selection Plan (TSP) Guidelines, as may be amended from time to time, is a requirement for all properties funded by OHFA.

Owners should refer to **HUD's Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions** (HUD Guidance).

Domestic Violence Protection and Prevention

In conformity with the Violence Against Women's Act (VAWA) Reauthorization of 2022 as codified in **34 U.S.C. Chapter 121 Subchapter III**, an applicant for or tenant of housing assisted under the LIHTC program, or any affiliated individual thereof, may not be denied admission, denied assistance, terminated or evicted from the housing on the basis that they are a victim of domestic violence, dating violence, sexual assault or stalking, if the applicant, tenant, or affiliated individual otherwise qualifies for admission, assistance, participation, or occupancy. Every tenant and applicant must be provided a Notice of Occupancy Rights and Certification of Domestic Violence Form when admitted as a tenant, denied admission, denied assistance, being evicted, or termination of assistance.

An incident of domestic violence, dating violence, sexual assault, or stalking shall not be considered a lease violation by the victim, nor shall it be considered good cause for an eviction of the victim. If a tenant or affiliated individual who is a victim requests an early lease termination, lease bifurcation from the abuser, or transfer to another unit because she/he is in danger, the owner/manager shall make every effort to comply with the request and shall not penalize the tenant.

Guidance related to complying with Violence Against Women Act at OHFA-funded projects can be found on the **OHFA Compliance Policies webpage**.

Violence Against Women Act (VAWA) Ongoing Compliance

Adherence to the requirements of VAWA is required for all projects receiving funding through one or more of OHFA's Multifamily Housing programs. Properties that receive HOME, HOME-ARP, Ohio Housing Trust Fund (OHTF), and/or National Housing Trust Fund (NHTF) funding are required to follow the HUD 2022 VAWA Final Rule. Although the IRS has not provided guidance on how to comply with the VAWA, OHFA requires properties with LIHTC funding follow the HUD 2022 VAWA Final Rule when implementing VAWA Rule protections for their tenants. For more information on ongoing compliance with VAWA, visit **OHFA's Compliance Policies webpage**.

Evictions

Owners will neither advertise "no evictions" screening policies nor deny an application for tenancy based on the following:

- An eviction proceeding that sealed, or was filed against tenants subsequent to a foreclosure of the rental property;
- An eviction judgment by agreement or a judgement that has been either vacated or marked satisfied;
- Cases in which the tenant:
    - prevailed on any significant defense or setoff claim, even if possession was awarded to the landlord; or
    - was named but at the time of the eviction suit was either a minor or not residing in the premises;

- Cases filed based on lease violations from household members who will not be included in the proposed future household; or
- Any eviction case filed, or eviction judgment entered, four or more years before the application to rent was submitted.

Affirmative Fair Housing Marketing Plans

Affirmative Fair Housing Marketing Plans (AFHMP) and affirmative marketing procedures are required for all projects receiving funding through one or more of OHFA's Multifamily Housing programs, including but not limited to LIHTC, HOME, OHTF, and/or NHTF funds and any recipients of federal funds such as Section 8, 202, 236, BMIR projects or USDA/Rural Development Section 515. Projects receiving any of these funding sources are required to have Affirmative Fair Housing Marketing Plans. Federal regulations for Affirmative Fair Marketing are in **24 C.F.R. Part 200, Subpart M**.

Information and guidance related to completing the AFHMPs can be found on **OHFA's Compliance Policies webpage** under "Affirmative Fair Housing Marketing". The project's AFHMP must be submitted to OHFA's Compliance Office for approval. For developments allocated OHFA funding on or after 2021, the AFHMP must be approved by OHFA prior to issuance of IRS Form 8609.

Note: This is subject to update based on any federal regulatory updates.

Asset Management

All LIHTC projects must submit annual, independently prepared audited financial statements throughout the 15-year Compliance Period. During the Extended Use Period, projects with 50 or more units or those that include HDAP will continue to submit independently prepared audited financial statements; projects with less than 50 units and do not have HDAP will submit independently prepared reviewed financial statements. OHFA may request additional information.

Changes in owner and/or management companies or sale of the project that occur after a project has placed-in-service must be submitted to OHFA's Division of Asset Management.

For more information, visit OHFA's Asset Management website **here**.

E. Threshold Requirements

Compliance with OHFA Policy Documents and other Requirements

Except as specifically waived or modified in these Guidelines, applications must comply with the most recently published Agency Guidelines:

- **Experience and Capacity Standards**
- **Multifamily Rental Underwriting Guidelines**
- **Design and Architectural Standards and Process Manual**
- **HOME Investment Partnership Program Guidelines**, if seeking HOME
- **Housing Development Loan Program Guidelines**, if seeking HDL

Broadband Infrastructure

All developments must install broadband infrastructure in compliance with **Federal Register 81 FR 31181 "Narrowing the Digital Divide through Installation of Broadband Infrastructure"**. Installation must result in speeds in each unit (living or dining room and each bedroom) and all common areas meeting the Federal Communications Commission's **Fourteenth Broadband Deployment Report** or the speed required to qualify as Tier 2 broadband service under **Ohio Revised Code 122.40**, whichever speed requirement is higher at the time of generating pre-construction estimates. Owners are not required to pay for tenants' service but must provide free access in all common areas (exclusive of circulation space) through the Extended Use Period (does not apply to developments in areas that lack adequate broadband service according to the most recent Federal Communications Commission maps).

Extended Use Agreement

In accordance with **26 U.S.C. §42(h)(6)**, all LIHTC developments must record a minimum 30-year Extended Use Agreement in the form of a restrictive covenant. In accordance with the statutory preference outlined in **26 U.S.C. §42(m)(1)(B)(II)** to "…serve qualified tenants for the longest periods", applicants, OHFA requires all LIHTC development teams to waive the right of the owner to petition OHFA to have the extended use period terminated as described in **26 U.S.C. §42(h)(6)(F)**.

Building, Unit, and Lifestyle Amenities

All projects must include at least two building amenities, two unit amenities, and two lifestyle amenities from OHFA's provided list (see below). Documentation for these claimed amenities will be due with the project's Final application in the Competitive Support Documents folder (#8) with specific threshold items highlighted and other documentation highlighted that is noted below.

Exception Request: Applicants may request an Amenity Waiver to meet a threshold amenity requirement if the required amenity is located within ½ mile of the project site. Further, no more than 50% of the amenities may be waived. This exception request is due with the project's Proposal Application.

The following list of amenities and required documentation are as follows:

Building Amenity (at least two)	**Eligible Projects**	**How to demonstrate to OHFA at Final Application?**
Property-wide Wi-Fi at no cost to residents	All	The AHFA operating budget must include the annual cost of providing Wi-Fi throughout the project, the AHFA Development Budget must include the initial cost of equipment and installation, and the applicant must provide a quote from an internet provider matching cost outlined in the AHFA.
Business Center/Computer Room with Wi-Fi at no cost to residents and 1:15 resident to computer ratio	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
A minimum 500-square-foot Community Kitchen or Multipurpose Room with Wi-Fi at no cost to residents	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
A minimum 400-square-foot, outdoor patio area for residents with at least 200-square-feet covered.	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
An outdoor playground area designed for children	Projects serving general occupancy populations	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
Designated outdoor smoking area with seating	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
Outdoor Bike Racks and interior secured Bike Storage Lockers	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
A minimum 1,500- square-foot, securely fenced dog park that has double-gated entry, waste disposal station, and seating for residents	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
A minimum 400-square-foot exercise or fitness room	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity. A narrative must also be provided with a description of the space, dimensions, and equipment to be included.

24/7 secured entrance and security cameras around property	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
On-site supportive services offices	Projects proposing supportive services	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
A minimum 200-square-foot community resource pantry (food, clothes, etc.)	Tenant populations with Special Housing Needs	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
Any construction features (e.g., solar panels) that qualifies the project for Investment Tax Credits and generates equity included in the project's sources, provided these features result in either (a) reduced utility costs for residents or (b) lower owner-paid operating expenses.	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity. A narrative must also be provided that details how the construction feature reduces utility costs for either the residents or owner.
Unit Amenity (at least two)	**Eligible Projects**	**How to demonstrate to OHFA at Final Application?**
Private Patio or Balcony for at least 20% of units	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
Energy Star-certified washer and dryer in all units	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
Washer/dryer hookups in all units (except efficiency units) with on-site laundry facilities	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
Energy Star-certified dishwasher in all units	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
Roll-in showers in at least 30% of the total units	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
A minimum of 15-square-foot of additional enclosed storage space per unit, separate from bedroom and kitchen cabinetry	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.

Fixed pantry storage closet/cabinet with shelving	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
At least 15% of total units are constructed and fully compliant with Section 504	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity. Further, the AHFA must designate the addition of 504 units.
Owner-paid utilities	All	The AHFA must demonstrate owner-paid utilities.
Fully furnished units by owner	Projects serving tenant populations with special housing needs	The developer must provide a narrative detailing the furnishing provided in all units by the owner and state that this feature will be maintained throughout the 15-year Compliance Period.
Ceiling fans in all bedrooms and living room	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
Grab bars (and load-bearing in-wall blocking) installed in lieu of towel bars in 100% of resident bathrooms	Projects serving seniors	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity.
Lifestyle Amenity (at least two)	**Eligible Projects**	**How to demonstrate to OHFA at Final Application?**
Tenant credit reporting system participation	Projects serving general occupancy outside of tenant populations with special housing needs	The owner must provide an executed commitment to report on-time rent payments made by residents that opt-in to the three national credit bureaus using a service acceptable to OHFA. The AHFA operating budget must include the annual cost of providing the service. The service must be free to participating residents for the 15-year Compliance Period.
Pet Lease Addendum that includes no additional, nonrefundable fees for pets; no breed restrictions; no weight limitations	All	Owner must provide sample lease addendum.
On-Demand Transportation Service: Transportation is available to residents on an on-demand basis, coordinated by the property, and provided at no charge or reduced charge for residents.	All	The developer must submit a written certification that they will provide transportation services that meet the stated requirements and specify how the transportation services will be paid for

Public transit stop within 0.5 miles offering service at regular frequencies (at least 5 outbound and 5 inbound trips per weekday)	All	Developer must provide a map and documentation that the property is located within 0.5 miles of a public transit stop and that it offers regular services.
On-site childcare or early childhood education partnerships	Projects serving general occupancy	The developer must submit a written certification that they will provide on-site childcare or will partner with an early childhood education partner.
Dedicated outdoor walking path (standard sidewalks, driveways, or internal parking lot walkways do not qualify)	All	The developer must provide a screenshot of the architectural plans in the Competitive Support Documentation and highlight the subject amenity or connection to a larger outdoor walking path.
On-site resident services/service coordination	Projects proposing supportive services	The developer must submit a written certification that they will provide on-site resident services/service coordination. If the project is in the New Affordability Seniors or Tenant Population with Special Housing Needs funding pools, then they must comply with those requirements.
On-site wellness programming such as exercise and cooking classes	All	The developer must submit a written certification that they will provide on-site wellness programming such as exercise and cooking classes.
Security deposit of no more than 50% of rent	All	The developer must submit a written certification that they will charge no more than 50% of rent for security deposit.
Located near an establishment intended for the primary purpose of providing older adults a space to congregate (i.e., senior center, YMCA Silver Sneakers)	Projects serving seniors	The developer must submit a written certification that the property will be located near an establishment intended for the primary purpose of providing older adults a space to congregate.
All on-site staff trained on trauma informed care, harm reduction, and de-escalation	Projects serving tenant populations with special housing needs	The developer must submit a written certification that all on-site staff are trained on trauma informed care, harm reduction, and de-escalation.
Grocery store within 2 miles in Metropolitan Counties and 3 miles for Rural Counties	All	The developer must submit a written certification that the property will be located near a grocery store.

Fraud, Waste, and Abuse

Documented instances of fraud, waste, or abuse may result in any action listed in the Penalties section herein and/or any other action OHFA deems necessary.

Penalties

Violations of the QAP, missed deadlines, failure to honor commitments made in the application process, failure to properly complete the Annual Owner Certification (AOC), a pattern of uncorrected IRS Form 8823s within the developer's portfolio (owned or managed), failure to address local inspection findings associated with developer's properties (owned or managed) within Ohio in a timely and appropriate manner, or other instances of noncompliance with OHFA requirements may result in any or all of the following actions:

- Reduction in the number of applications an entity may submit or awards an entity may receive in future funding cycles;
- Removal from application consideration (if during the current application round);
- Cancellation or reduction of an award;
- Monetary fee in an amount determined by OHFA;
- Referral for independent cost audit (commissioned by OHFA but paid for by the owner/developer);
- Additional and/or enhanced physical inspection/site visit at the applicant's cost; and/or
- Other actions at the sole discretion of OHFA.

Rent and Income Restrictions

Minimum Set Asides

All LIHTC applications must select one of three federally mandated Minimum Set Asides as referenced in **26 U.S.C. §42(g)** and listed below:

(1) 20-50 Set Aside:

At least 20% of the residential units must be both rent restricted and occupied by households at or below 50% of the Area Median Income (AMI).

(2) 40-60 Set Aside:

At least 40% of the residential units must be both rent restricted and occupied by households at or below 60% AMI.

(3) Average Income:

At least 40% of the residential units must be both rent restricted and occupied by households that do not exceed the imputed income limitation of the respective unit so long as the average of the imputed income limitations does not exceed 60% AMI. Imputed income limits can range from 20% to 80% AMI in 10% increments. Please see OHFA's **Average Income Policy** for more details.

HOME Gap Financing for Community Housing Development Organization - Sponsored Projects

To assist the state of Ohio in meeting its Community Housing Development Organization (CHDO) set-aside referenced in **24 C.F.R. §92.300(a)**, applications in any pool may request up to $1 million in HOME Investment Partnerships Program (HOME) funds if sponsored by a state-certified CHDO as defined in **24 C.F.R. §92.300(a)(4)**. Applicants seeking to be CHDO certified must submit a CHDO Certification request by the date listed in the Program Calendar and secure certification from OHFA.

Any award of HOME funds will be made in a manner consistent with **24 C.F.R. §92.250(b)**. Projects seeking HOME funds, but are not awarded HOME funds, will be shown as having a financial gap and may not receive competitive consideration unless a conditional financial commitment is submitted with the Proposal Application to replace these HOME funds.

Further, developers and/or owners who have received an award of HDAP in Program Year 2025 or earlier and have not yet closed with OHFA's Legal Office as of the Proposal Application deadline may not request CHDO-HOME funds for the current 9% LIHTC round.
See the most recently published HOME Guidelines for more information on federal and state requirements related to a request of HOME resources.

Previously Assisted Project Eligibility

As detailed in **24 CFR 92.214(a)(6),** HOME funds may not be used to provide assistance to a project previously assisted with HOME funds (OHFA-HDAP or Local) during the period of affordability established by the funding agreement. Notwithstanding, **24 CFR 92.210** provides provisions to an existing HOME-assisted rental project within the HOME period of affordability that is no longer financially viable or its physical viability has substantively deteriorated due to unforeseen circumstances. Therefore, projects with any prior OHFA-issued HDAP (HOME or OHTF) or local HOME funds still in their affordability period as detailed in the original unamended funding agreement at the date of Proposal Application must submit documentation verifying the property is troubled. Note: As the OHTF is the state of Ohio's HOME-match, it shall be treated the same as HOME funds and included in this eligibility requirement. NHTF started in 2016, therefore a project previously assisted with NHTF would not be eligible to apply as the project would still be in the 15-year compliance period.

The project shall provide documentation it meets one of the following:

- **(1)** For purposes of this section, a HDAP-assisted rental project is no longer financially viable through the period of affordability if:
  - **(i)** The project's operating costs exceed its operating revenue, considering project reserves;
  - **(ii)** The owner is unable to pay for necessary capital repair costs or ongoing expenses for the project; or
  - **(iii)** The project reserves are insufficient to be able to operate the project.
- **(2)** For purposes of this section, physical viability means a project's current or future ability to maintain affordability based on the physical characteristics and factors of the project's site and improvements.

Eligible Basis Boost

(1) Codified Basis Boost

In accordance with **26 U.S.C. §42(d)(5)(B)**, buildings located in Qualified Census Tracts (QCT) or Difficult Development Areas (DDA) are statutorily eligible for an increase in eligible basis of up to 130%. Such designations are typically determined by HUD in October of the prior year in which such buildings are eligible. To determine if a building is located in a QCT or DDA, visit HUD's Office of Policy Development and Research (PD&R) Web site **here**.

Preserving an expiring QCT or DDA: If an area is not on a subsequent list of QCT or DDA, an applicant may submit a request to the 9% Housing Tax Credit Section Chief to preserve its respective QCT(s) or DDA(s) if the Carryover Allocation Agreement is made no later than the end of the 730-day period after the applicant submits a Final Application to OHFA needing no more than de minimis clarification, and the Final Application submission is made before the effective date of the subsequent lists. OHFA will execute a QCT(s)/DDA(s) preservation letter after meeting the aforementioned items.

(2) Discretionary Basis Boost

In accordance with **26 U.S.C. §42(d)(5)(B)(v)**, state housing credit agencies may allow for buildings to be considered located in a DDA and therefore eligible for an increase in eligible basis of up to 130% if needed for such buildings to be financially feasible as part of a qualified 9% LIHTC project. To qualify for the agency discretionary basis boost, OHFA will require the deferral or recontribution of 1% of the total developer fee for every 1% in state-designated basis boost. Such deferral or recontribution must be permanent financing in the form of a deferred developer fee, general partner/managing member capital contribution, sponsor loan, or any combination thereof.

Maximum LIHTC Requests

Applicants may request **no more** than the below amounts, which will be adjusted to the **Multifamily Residential Construction Index** and updated with the Final draft submitted for OHFA Board Approval, estimated September 2026. No Exception Requests may be submitted to exceed such maximum requests.

Funding Pool	Maximum Annual LIHTC Request	Total 10-Year LIHTC Request
New Affordability	$1,800,000	$18,000,000
Preserved Affordability	$1,550,000	$15,500,000
Tenant Populations with Special Housing Needs	$1,800,000	$18,000,000

Application Limits

	Maximum Proposal Application Submissions	Maximum Application Reservations
Development Teams meeting OHFA's Experience and Capacity Minimum Requirements and has successfully placed at least three LIHTC projects in service, as evidenced by IRS Form 8609, **in Ohio within the last 10 years** as of the date of the Proposal Application deadline indicated in the Program Calendar.	4	2
Development Teams meeting OHFA's Experience and Capacity Minimum Requirements and has successfully placed at least one LIHTC project in service, as evidenced by IRS Form 8609, in **Ohio within the last 10 years** as of the date of the Proposal Application indicated in the Program Calendar.	3	1
Development Teams meeting OHFA's Experience and Capacity Minimum Requirements and has successfully placed at least one LIHTC project in service, as evidenced by IRS Form 8609, in **another state within the last 10 years** as of the date of the Proposal Application deadline indicated in the Program Calendar.	2	1

Cost Containment

Applicants will be required to meet the Cost Containment standards outlined below, which will be adjusted to the **Multifamily Residential Construction Index** and updated with the Final draft submitted for OHFA Board Approval, estimated September 2026. Applicants must use the Total Development Cost (TDC) per unit and the TDC per Gross Square Foot (GSF) caps that most closely align with their project type. OHFA will evaluate projects to ensure compliance at Proposal Application, Final Application, and at IRS Form 8609 submissions. Projects that do not demonstrate compliance with the caps will be removed from consideration, unless an Underwriting Exception Request is submitted at Proposal and/or Final Application. Cost Containment Underwriting Exception Requests will only be considered for the following reason(s): if one of the two cost containment standards fails to be met, but can be explained (e.g., larger unit sizes, less common space, scattered-site developments, projects using Federal Historic Tax Credits, Davis-Bacon wage rates, etc.).

	Metropolitan County		Rural County		Any County
Cost Standard	New Construction	Preservation	New Construction	Preservation	Adaptive Reuse
TDC* per Unit	$382,909	$270,896	$323,327	$260,995	$499,854
TDC* per GSF	$388	$314	$344	$279	$433

*Total development cost (TDC) is the sum of acquisition, predevelopment, site, hard construction, interim/finance, professional fees, compliance, and reserve costs. It includes the cost of all items that will be considered within the legal description incorporated as part of the Agency's LIHTC restrictive covenant. For a detailed list of these items, please refer to the Sources and Uses tab in our AHFA located here: **https://ohiohome.org/ppd/resources.aspx**

Fees

Non-refundable fees (see below) must be submitted with the respective item.

Fee Type	When is it due?	Fee Amount
Proposal Application Fee	Proposal Application	$5,000
Final Application Fee	Final Application	$3,000
HDL Application Fee (if applicable)	Final Application	See the **most current HDL Guidelines**
Reservation Fee	Final Application	6% of the annual LIHTC reservation
Amendments to a funding agreement	With request	$1,000 per request
Extensions of a funding agreement	With request	$1,000 per extension
Compliance Monitoring Fee	With IRS Form 8609 request	$2,550/unit

Application fees must be paid using Automated Clearing House (ACH) by the Proposal Application or Final Application deadline, as applicable. OHFA will not accept checks. Please note, OHFA does not have an online ACH payment portal. Payments should be submitted via your bank. ACH/Wiring payment instructions are included on **OHFA's File Transfer Site (FTS)**.

Developer Fee Limit

Maximum Budgeted Developer Fee

The maximum budgeted developer fee includes the Developer Fee plus any of the following developer-charged fees:

- Application/development consultant fees
- Construction management fees
- Guarantee fees
- Developer-charged financing fees
- Developer-charged asset management fees

The maximum budgeted developer fee for the 9% LIHTC program is 20% of the project's LIHTC eligible basis (net of the Developer Fee and the fees listed above), capped at $3 million.

Exception Requests

OHFA will review Exception Requests as outlined in the Multifamily Rental Underwriting Guidelines, Design and Architectural Standards, and those outlined specifically in these Guidelines. Applicants must submit Programmatic, Underwriting, and Design Exception Requests with the Proposal Application as outlined in the Program Calendar. Each individual Exception Request must be submitted on its own Exception Request Form, which will be made available with other application materials in accordance with the Program Calendar.

F. Award Sequence & Regional Distribution of 9% LIHTC Credit Ceiling

For each program year, the 9% LIHTC ceiling received from the Internal Revenue Service (IRS) will be allocated proportionally across Ohio based on regional population data. This policy ensures a geographic distribution of credits across Ohio.

Before calculating regional allocations, OHFA will first reserve and award credits for the following projects.

Please note: Applicants seeking to compete in a set aside or subpool allocation must review the applicable section for full eligibility, documentation, and/or threshold requirements.

1. Community Housing Development Organization (CHDO) - Sponsor Set Aside (two highest scoring eligible projects; max one per region; max one per funding pool)

OHFA will reserve LIHTC resources for the two highest-scoring projects sponsored by a CHDO as referenced on **OHFA's Website** and defined in **24 C.F.R. §92.300**.

Projects competing for CHDO-HOME funds **must** also submit a backup conditional financial commitment in case CHDO-HOME funds are no longer available so the project may be considered under "general funding". Failure to submit a backup conditional financial commitment may result in the application being removed from consideration from "general funding".

2. Tenant Populations with Special Housing Needs Set Asides

a. CoC Referral Partnership (two highest scoring eligible projects; max one per region)

OHFA will reserve resources for the two highest scoring projects that serve target populations at or below 30% AMI with a disability, as identified and outlined in the **Ohio Interagency Council on Homelessness and Affordable Housing Permanent Supportive Housing Policy Framework** and meet the prioritization factors set forth in Section II.B.3 of HUD Coordinated Entry Notice CPD-17-01.

Further, to be eligible for this set aside, the project must meet the following:

- At least 50% of total units must target the populations outlined in the PSH Policy Framework.
- 100% of the total units serving the target population must have a firm commitment for project-based rental subsidy or rental assistance, excluding HUD 811 PRA.
- Has a referral partnership with the applicable local Continuum of Care (CoC).
- Must maintain eligibility with other funding pool requirements.

b. Non-CoC Referral Partnership (the highest scoring eligible project)

OHFA will reserve resources for the highest-scoring project that serves populations with a referral partnership **outside** of the local Continuum of Care and falls within the funding pool's list of eligible target populations.

- For projects specifically targeting people with a disability, the maximum number of units that can be set aside for the population is 25% of the total project units.

c. *Balance of State (the highest scoring eligible project)*

OHFA will reserve resources for the highest-scoring project in a county other than Cuyahoga, Franklin, Hamilton, Montgomery, or Summit serving a Tenant Population with Special Housing Needs and meets the funding pool definition and threshold requirements.

d. *OHFA will reserve resources for the next highest scoring project that can be fully funded within the funding pool allocation. If there are remaining resources that cannot be used to fully fund a Tenant Populations with Special Housing Needs project, then these resources will be reallocated to the regional distribution.*

3. Preserved Affordability Subpools (max one per region)

a. *Preserved Affordability – Rental Assistance (highest scoring eligible project)*

Projects meeting the definition of Preserved Affordability that will have project-based rental assistance or project-based operating subsidies on at least 50% of units, such as U.S. Department of Agriculture's Rural Development office subsidy preservation projects or public housing authority Rental Assistance Demonstration (RAD) projects. Projects do not need to have a prior LIHTC award to be eligible for this subpool.

b. *Preserved Affordability – LIHTC Resyndication (highest scoring eligible project)*

Projects meeting the definition of Preserved Affordability and are seeking a new allocation of credits to preserve an existing LIHTC property but have less than 50% of units encumbered by a project-based rental assistance or project-based operating subsidy. The subject property must meet the federal LIHTC requirements of a LIHTC resyndication (e.g., the project has exited its 15-year compliance period).

c. *OHFA will repeat the above order by reserving resources for the next highest scoring project that can be fully funded within the funding pool allocation. If there are remaining resources that cannot be used to fully fund a Preserved Affordability project, then these resources will be reallocated to the regional distribution.*

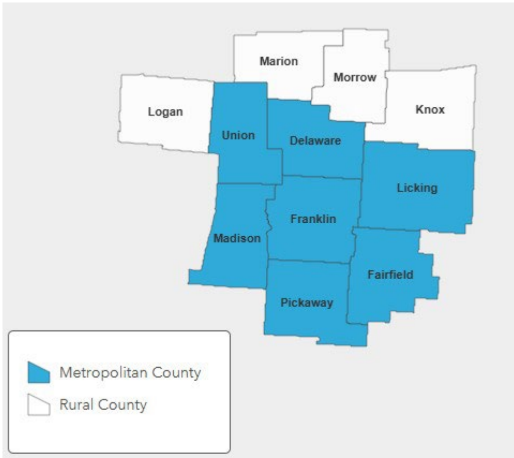
4. Statewide Regional Allocation by Population

After the above projects are awarded, which do not count toward a region's base allocation or county cap, OHFA will calculate the remaining credit ceiling available for regional distribution. These resources will be used to fund the New Affordability – General Occupancy and New Affordability – Senior projects.

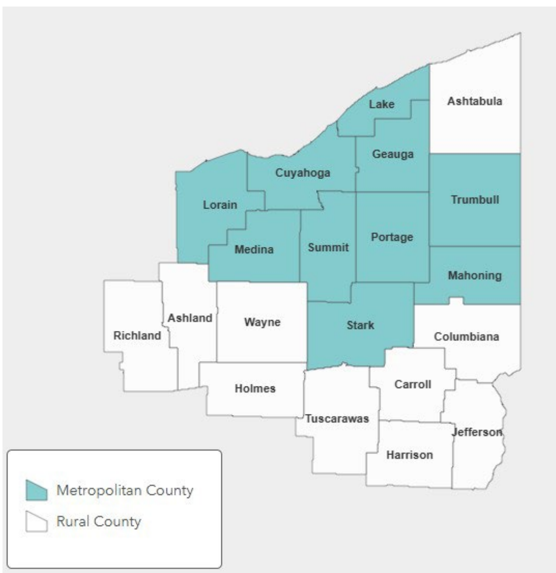
The regional allocation calculation will use the most recent 5-year American Community Survey (ACS) data, as of OHFA Board's approval of the QAP, to determine each county's share of Ohio's total population.

Counties will then be grouped into the five regions: Central, Northeast, Northwest, Southeast, and Southwest, as defined by **Ohio Department of Development, TourismOhio**, with each county classified as either Metropolitan (M) or Rural (R) as defined in **R.C. §122.23**.

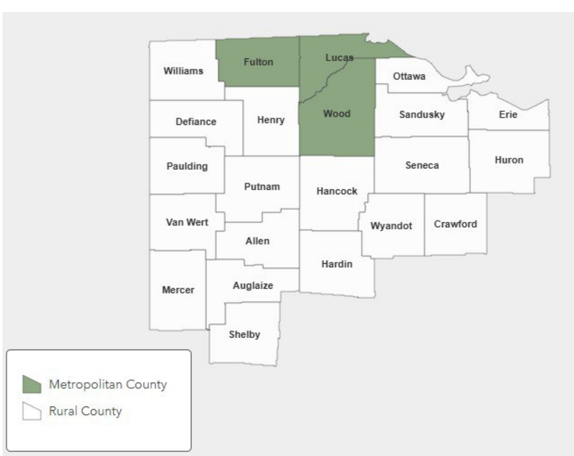

Northwest Ohio
Northeast Ohio
Central Ohio
Southwest Ohio
Southeast Ohio



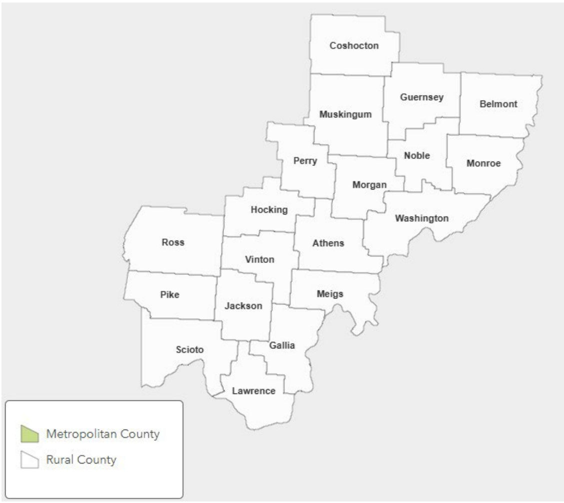
The **Central Region** includes the following counties: Delaware (M), Fairfield (M), Franklin (M), Knox (R), Licking (M), Logan (M), Madison (M), Marion (R), Morrow (R), Pickaway (M), and Union (M).



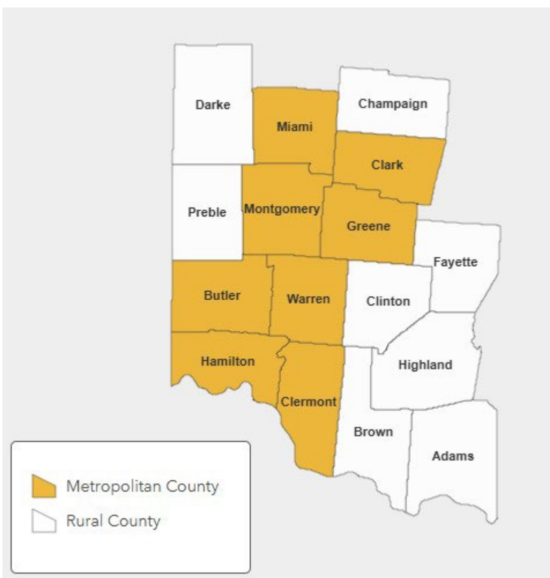
The **Northeast Region** consists of Ashland (R), Ashtabula (R), Carroll (R), Columbiana (R), Cuyahoga (M), Geauga (M), Harrison (R), Holmes (R), Jefferson (R), Lake (M), Lorain (M), Mahoning (M), Medina (M), Portage (M), Richland (R), Stark (M), Summit (M), Trumbull (M), Tuscarawas (R), and Wayne (R).



The **Northwest Region** includes Allen (R), Auglaize (R), Crawford (R), Defiance (R), Erie (R), Fulton (M), Hancock (R), Hardin (R), Henry (R), Huron (R), Lucas (M), Mercer (R), Ottawa (R), Paulding (R), Putnam (R), Sandusky (R), Seneca (R), Shelby (R), Van Wert (R), Williams (R), Wood (M), and Wyandot (R).



The **Southeast Region** is composed entirely of rural counties and includes Athens (R), Belmont (R), Coshocton (R), Gallia (R), Guernsey (R), Hocking (R), Jackson (R), Lawrence (R), Meigs (R), Monroe (R), Morgan (R), Muskingum (R), Noble (R), Perry (R), Pike (R), Ross (R), Scioto (R), Vinton (R), and Washington (R).



The **Southwest Region** comprises Adams (R), Brown (R), Butler (M), Champaign (R), Clark (M), Clermont (M), Clinton (R), Darke (R), Fayette (R), Greene (M), Hamilton (M), Highland (R), Miami (M), Montgomery (M), Preble (R), and Warren (M).

5. Within-Region Allocation: Metropolitan vs. Rural

Each region's allocation will be divided into **Metropolitan** and **Rural** county suballocations based on population share. This division will be based on the percentage of the region's population residing in metropolitan counties versus rural counties.

This split will be adjusted to ensure that the highest scoring rural project will be funded in each region.

6. Regional Award Sequence

Within each region, OHFA will rank the remaining New Affordability – General Occupancy and New Affordability – Senior projects by score and fund them in the sequence below. This sequence will be repeated until the region's allocation is exhausted. Funding will begin in the least populated region and proceed in order of population size, with the most populated region funded last.

Funding Steps:

Step 1: Fund the highest-scoring **Rural** project (General Occupancy or Senior)

Step 2: Fund the highest-scoring project from the opposite funding pool of Step 1. (e.g., If Step 1 funds a General Occupancy project, Step 2 will fund the highest-scoring Senior project).

Ongoing Allocation:

If more than two projects are funded in a region, OHFA will seek to maintain the funding pool allocation targets for New Affordability – General Occupancy (60%) and New Affordability – Senior (40%) by utilizing the following funding sequence orders.

Funding Sequence:

If Step 1 funds a **General Occupancy** project:
Step 2: Senior project
Step 3: General Occupancy project
Step 4: Senior project
Step 5: General Occupancy project
Step 6: Senior project
Step 7: General Occupancy project
Step 8: Senior project
Step 9: General Occupancy project
Step 10: General Occupancy project

If Step 1 funds a **Senior** project:
Step 2: General Occupancy project
Step 3: General Occupancy project
Step 4: Senior project
Step 5: General Occupancy project
Step 6: Senior project
Step 7: General Occupancy
Step 8: Senior project
Step 9: General Occupancy project
Step 10: General Occupancy project

OHFA will implement the above funding sequence, reserving resources for the next highest scoring project that can be fully funded within the region's Metropolitan and Rural suballocations.

Any remaining credits will be pooled at the regional level and awarded to the next highest-scoring project that can be fully funded, provided it does not exceed the county limit.

Please note: For the Southeast region, OHFA will give priority consideration to projects in counties that have received fewer LIHTC awards (9% and 4% LIHTC) in the past five program years. This ensures that all parts of the region have access to development opportunities while maintaining a competitive scoring framework.

7. Statewide Redistribution of Unused Regional Credits

If a region cannot fully fund the next eligible project, these remaining credits will "roll up" to a statewide pool. OHFA will use this pool to meet the following priorities:

a. QCT with Concerted Community Revitalization Plan (two projects)

If two projects located in a Qualified Census Tract with Concerted Community Revitalization Plan are not funded through the prior award sequence, OHFA will give priority to funding such projects during the redistribution of remaining regional credits. To qualify:

- Projects must be located in a program year qualified census tract (QCT) (as defined in subsection (d)(5)(b)(ii)) and the development of which contributes to a concerted community revitalization plan as referenced in **26 U.S.C. §42(m)(1)(B)(III)**. The applicant must supply the community revitalization plan and demonstrate how the project contributes to the community revitalization plan, including a description of project's proposed impact on the community. The applicant must also submit a local support letter from the local municipal corporation and township in which the project is proposed to be constructed, detailing how this the development supports the local community revitalization plan.
- Please note: The AHFA will automatically determine whether the project is located in a QCT for the year in which the application is being submitted. To demonstrate that the project contributes to a concerted community revitalization plan, the plan must meet the standards outlined in Concerted Community Revitalization Plan in Appendix A. Applicants must include a copy of such plan in the 8. Competitive Support Documents folder with specific threshold items highlighted and other documentation highlighted above.

b. Community Impact Strategic Initiatives (at least one project)

OHFA will reserve LIHTC resources for at least one new construction housing development (New Affordability – General Occupancy or New Affordability – Senior) that meets the Agency's threshold, underwriting, and architectural standards and was not funded in the above sequence and meets the Community Impact Strategic Initiatives set aside. Requirements include:

- The project must submit the Community Impact Strategic Initiative narrative to be considered and must clearly describe:
  - How the project addresses a documented need;
  - The project's proposed impact on the community; and
  - The project's connection to workforce demand.
- The project must also demonstrate support, evidenced by a letter of support and/or resolution from:
  - All municipal corporations in which the project is proposed to be constructed;
  - Any municipal corporation located within one-half mile of the project's boundaries; and
  - The County in which the project is proposed to be constructed.
- Decisions will be made at OHFA Board's discretion based on staff recommendation with preference given to:
  - Projects located in a county that have not received a LIHTC award (9% or 4%) in the last five program years;

    - Projects meeting a quantifiable need and targeted policy; and
    - Projects that were not funded competitively or through one of the other Agency set asides.
  - All documentation/narrative, support letters, resolutions and/or any other supporting documentation must be provided under #. Community Impact Strategic Initiative.

8. Forward Allocation Adjustment

If credits remain after statewide redistribution and cannot be used to fully fund a second or further eligible Community Impact Strategic Initiative project, OHFA may apply those credits to reduce forward commitments from future program years to maintain program sustainability.

County Limits and Census Tract Limiter

OHFA will limit the number of awards in each county based on the higher of the most recent 5-year American Community Survey (ACS) county population data or the Projected 2050 County Populations as determined by the **Ohio Department of Development's Office of Research**, adjusted for the number of projects receiving a Conditional Qualification Letter (CQL) in the prior 9% LIHTC round.

County limits only apply to New Affordability – General Occupancy and New Affordability – Senior projects. Projects funded through the CHDO-Sponsor set aside are excluded and do not count toward the county limit.

County Limits:

- Four: Franklin
- Three: Cuyahoga
- Two: Hamilton
- One: All other counties

Further, to increase geographic distribution, census tracts will be limited to one award per QAP. Census tracts that received a 9% LIHTC award for Preserved Affordability in 2026, are eligible to receive an additional award in 2027. The remaining 20 census tracts that received a 2026 9% LIHTC award are ineligible to receive an award in 2027, unless it is awarded under the Community Impact Strategic Initiative.

Please note: Community Impact Strategic Initiative projects are exempt from both County Limits and Census Tract Limiters.

G. Funding Pools

To be eligible to compete, each project must meet the applicable funding pool definition and threshold requirements outlined above in section E. Threshold Requirements and below.

New Affordability – General Occupancy

Allocation Targets and Definitions

Allocation Goal: 39% of total 9% LIHTC ceiling (≈60% of the New Affordability pool)

Eligible developments include those in which either (1) the majority of units are newly constructed—including those that are adaptively reused from a non-housing use—or (2) existing units are neither currently income-restricted nor occupied and will be rehabilitated. General occupancy housing is that which is not restricted to any specific population such as seniors or tenant populations with special housing needs as referenced in the Tenant Populations with Special Housing Needs pool.

Threshold Requirements – New Affordability - General Occupancy
Extremely Low-Income (ELI) Units In accordance with the statutory preference outlined in **26 U.S.C. §42(m)(1)(B)(I)** for "…serving the lowest-income tenants", applicants seeking 9% LIHTC in the New Affordability – General Occupancy funding pool must include units that target households at or below 30% AMI. The percent of units at or below 30% AMI will be determined as follows: • In a census tract with a Housing Needs Index score of greater than 45: 10% • In a census with a Housing Needs Index score less than or equal to 45: 15%
Three- or more Bedroom Units All projects competing in the New Affordability – General Occupancy pool must designate at least 15% of total units as three- or more bedroom units.
811 PRA Units All projects competing in the New Affordability – General Occupancy pool must commit 15% of the total LIHTC units or 11 units total, whichever is lower, to being encumbered by 811 PRA and accept referrals from the Interagency 811 PRA team. All 811 PRA units must be one-bedroom units. The AHFA's rent breakdown must include 15% of the total LIHTC units (rounded up to the nearest whole unit) or 11 total units, whichever is lower, being underwritten at or below 50% AMI or Fair Market Rent (FMR), whichever is lower. These units do not count towards the ELI unit requirement outlined above. The **federal 811 Project Rental Assistance (PRA) program** provides rental subsidy for Extremely Low-Income households with at least one or more disabled adults between the ages of 18 and 62 to live in an integrated setting with access to supportive services. OHFA—along with its state interagency partners including the Ohio Department of Medicaid (ODM), the Ohio Department of Developmental Disabilities (DODD), and the Ohio Department of Behavioral Health (FKA Ohio Department of Mental Health and Addiction Services (OhioMHAS))—have collectively committed to serve 232 households through its FY19 grant with HUD. By incentivizing General Occupancy projects to set aside 811 PRA units, OHFA can bolster the number of units serving this important population and meet its commitment to HUD. For more information on the 811 PRA Program, please visit OHFA's Web site **here**. **Please note**: Based on demand and federal requirements, OHFA may reduce or fully release a reservation of 811 PRA units encumbered through this threshold criterion. Scattered-site single-family developments are exempt from the HUD 811 PRA threshold requirement. However, these projects must submit a programmatic exception request with the project application to receive such a waiver.

New Affordability – General Occupancy Tiebreakers

1. The project is located in a census tract that has received fewer LIHTC awards under either the 9% or 4% LIHTC programs within the past three program years (Program Years 2024-2026; State Fiscal Years 2025-2027 for Ohio LIHTC)
2. Highest number of bedrooms
3. Highest number of LIHTC units
4. Highest Neighborhood Change Index raw score
5. Highest Housing Needs Index raw score
6. Historic nature of the development via the use of Federal Historic Tax Credits
7. Developments intended for eventual tenant ownership
8. Highest Neighborhood Opportunity General Occupancy Index raw score
9. Highest percentage of ELI units (30% AMI) to total units
10. OHFA Discretion

New Affordability – Seniors

Allocation Targets and Definitions

Allocation Goal: 26% of total 9% LIHTC ceiling (≈40% of the New Affordability pool)

Developments in which the majority of units are newly constructed or existing units that are neither currently income-restricted nor occupied and will be rehabilitated may participate in this pool. Senior housing is that which is restricted to households with at least one member age 55 or above. In accordance with **42 U.S.C. §3607(a)(2)** and **24 C.F.R. §100.304** properties that are restricted to households with at least one person age 55 or above can receive a Housing for Older Persons exemption from the Federal Fair Housing Act so long as, among other requirements, at least 80% of the total units are restricted to households with at least one person age 55 or above. Projects that are restricted to households with at least one person age 62 or above must be solely occupied by persons 62 years of age or older.

Threshold Requirements – New Affordability - Seniors

Extremely Low-Income (ELI) Units

In accordance with the statutory preference outlined in **26 U.S.C. §42(m)(1)(B)(I)** for "…serving the lowest-income tenants", applicants seeking 9% LIHTC in the New Affordability – Seniors funding pool must include units that target households at or below 30% AMI. The percent of units at or below 30% AMI will be determined as follows:

- In a census tract with a Housing Needs Index score of greater than 45: 10%
- In a census tract with a Housing Needs Index score less than or equal to 45: 15%

Experienced Service Coordinator

Projects competing in the New Affordability – Seniors funding pool must demonstrate at Proposal and Final Application a commitment by an experienced local or regional service entity to coordinate appropriate services on-site or allows for the resident to connect to services while on-site (e.g., remote services) at least 15 minutes per unit per week for the duration of the compliance period. The service coordinator must have a history of serving the targeted area.

In addition, the general partner, managing member, or a contracted third-party entity of the local or regional service entity that will be providing the services must obtain at least one of the following prior to the first building placing in service and maintain such designation for the duration of the compliance period:

a. Certified Organization for Resident Engagement & Services (CORES); or
b. Organization participates in the Professional Service Coordinator Program through The Ohio State University and the American Association of Service Coordinators; or
c. Entities whose service coordinators are community health workers certified through the Ohio Board of Nursing; or
d. Designation as an Area Agency on Aging by the Ohio Department of Aging as established by the Older Americans Act of 1965.

Resident participation in service coordination must be optional in accordance with **26 C.F.R. §1.42-11**.

Applicants must evidence this requirement in the Supportive Services Plan due at Proposal Application, Final Application, and IRS Form 8609 (requirements outlined in the document submission section), identifying partnerships with qualified service coordination agencies, detailing the specific services to be provided, including at least 15 minutes of on-site services or allows for the resident to be connected to services while on-site per unit per week for the 15-year Compliance Period, the commitment to achieve one of (a) through (d) above, and the service coordinator's demonstrated history of serving the target area.

New Affordability - Seniors Tiebreakers

1. The project is located in a census tract that has received fewer LIHTC awards under either the 9% or 4% LIHTC programs within the past three program years (Program Years 2024-2026; State Fiscal Years 2025-2027 for Ohio LIHTC)
2. Highest number of LIHTC units
3. Highest Neighborhood Change Index raw score
4. Highest Housing Needs Index raw score
5. Highest Neighborhood Opportunity Senior Index raw score
6. Highest percentage of ELI units (30% AMI) to total units
7. OHFA Discretion

Preserved Affordability

Allocation Targets and Definitions

Allocation Goal: 13% of the total annual credit ceiling

Developments in which the majority of units preserve existing affordability by maintaining project-based rental assistance, project-based operating subsidies, and/or LIHTC can participate in this pool.

Projects located in a program year Qualified Census Tract <u>and</u> include more than 70 total units are ineligible to compete in the 9% LIHTC round unless the development team can demonstrate project infeasibility with the 4% LIHTC program.

To seek an exception, the development team must provide a clear and data-supported narrative and documentation that substantiates why the proposed project cannot proceed using 4% LIHTC with tax-exempt bonds. The explanation should convincingly outline financial, market, and structural limitations such as identifying a funding gap that cannot be reasonably bridged with 4% LIHTC only. These exceptions must be received to OHFA via **QAP@ohiohome.org** no more than 60 days prior to the Proposal Application deadline as noted in the program calendar. Projects that do not receive approval from OHFA at least 30 days prior to the Proposal Application deadline will not be permitted to submit a Proposal Application.

Threshold Requirements – Preserved Affordability

Minimum Rehabilitation Hard Construction Costs per Unit

By incentivizing higher hard construction costs beyond the minimum $40,000 per unit, development teams are encouraged to reinforce the scope of work with enough improvements that will allow for long-term sustainability while leveraging construction mobilization. All projects competing in the Preserved Affordability pool must:

1) Have a minimum rehabilitation hard construction costs per unit of $80,000, which will be adjusted to the **Multifamily Residential Construction Index** and updated with the Final draft submitted for OHFA Board Approval, estimated September 2026; and
2) Meet the definition of Moderate Rehab B or Substantial Rehab as outlined in the most recently published Design and Architectural Standards.

Hard construction costs are calculated as the sum of the following costs and are detailed in the AHFA:

- Hard Construction (Residential Rehabilitation)
- Construction Contingency
- Furniture, Fixtures, and Equipment

There is no maximum rehabilitation hard construction costs per unit as development teams are encouraged to reinforce the scope of work with enough improvements that will allow for long-term sustainability.

Preserved Affordability Tiebreakers

1. The project is located in a census tract that has received fewer LIHTC awards under either the 9% or 4% LIHTC programs within the past three program years (Program Years 2024-2026; State Fiscal Years 2025-2027 for Ohio LIHTC)
2. Highest number of units with Rental Assistance (Rental Assistance subpool only)
3. Oldest LIHTC Award (LIHTC Resyndication subpool only)
4. Highest number of LIHTC units
5. Highest Neighborhood Change Index raw score
6. Highest Housing Needs Index raw score
7. Highest Neighborhood Opportunity (General Occupancy or Senior) Index raw score
8. Highest percentage of ELI units (30% AMI) to total units
9. OHFA Discretion

Tenant Populations with Special Housing Needs

Allocation Targets and Definitions

Allocation Goal: 22% of the total annual credit ceiling

To fulfill selection criteria of 26 U.S.C. §42(m)(1)(C)(v): Tenant populations with special housing needs, all projects competing in this funding pool must meet the following criteria:

1) At least 25% of the total units serve target populations with special housing needs at or below 30% AMI. Eligible target populations include:
   - i) Populations at or below 30% AMI with a disability, as defined in the Interagency Council on Homelessness and Affordable Housing **Permanent Supportive Housing (PSH) Policy Framework** and, as evidenced by one of the following factors set forth in Section II.B.3 of HUD Coordinated Entry Notice **CPD-17-01**:
     - (a) significant challenges or functional impairments, including physical, mental, developmental, or behavioral health challenges, which require a significant level of support in order to maintain permanent housing;
     - (b) high utilization of crisis or emergency services to meet basic needs, including but not limited to emergency rooms, jails, and psychiatric facilities;
     - (c) vulnerability to illness or death;
     - (d) high risk of homelessness; and/or
     - (e) vulnerability to victimization, including physical assault, trafficking, or sex work;
   - ii) Transition-Aged Youth (TAY), those 18-24 years of age who are exiting or formerly involved in the foster care, juvenile justice, or behavioral health systems without a qualifying disability under item (i);
   - iii) Expectant mothers or parents experiencing housing instability, particularly those engaged with public health or maternal health programs aimed at reducing infant mortality;
   - iv) Parenting students that are 18 years of age, the custodial parent of at least one child, and are enrolled in a degree-seeking program at an accredited college or university (e.g., Scholar House model);
   - v) Refugees identified by a Refugee Resettlement Agency, as referenced on the Ohio Department of Job and Family Services website, that are experiencing housing barriers.
2) 100% of the total units serving the target population must have a firm commitment for project-based rental subsidy or rental assistance, excluding HUD 811 PRA.
3) The majority general partner or managing member must be a non-profit organization with experience developing, owning, or managing housing for the proposed target population(s).
4) Supportive services must be available and appropriate to the needs of the target population.
5) The proposed project must comply with 26 CFR § 1.42-9, the general public use requirement.

Threshold Requirements – Tenant Populations with Special Housing Needs

Expert Recommendation

Projects competing in this pool must have a designation of a primary or secondary priority/recommendation at the time of Proposal Application from the applicable CoC for those targeting populations outlined in the PSH Policy Framework or, for PSH Framework populations that utilize a parallel public coordination system such as individuals with developmental disabilities, from the applicable County Board of Developmental Disabilities, or from a public entity (e.g., Mental Health and Recovery Board, County Board of Developmental Disabilities, local child welfare system of care, maternal health agency, refugee resettlement agency, post-secondary institution, local ADAMH board, etc.) which has no affiliation with any member of the Development Team for those targeting populations outside of the PSH Framework.

Applicants must submit the applicable letter of designation or recommendation in the 8. Competitive Support Documentation of the Proposal Application that includes the following:

1. Summarizing what, if any, relationship the development will have with the local partner, below;
2. Confirming there is sufficient market demand for the project and its target population in its defined market area;
3. Identifying funding resources that the expert entity has allocated, committed, or can access to support the target population, and confirming whether the proposed project would be eligible to apply for such funding if constructed;
4. Confirming that the expert entity has evaluated the proposed project's Supportive Services Plan, including the project's service provider, service plan budget, and identified funding sources, and agrees the plan is reasonable, incorporates documented best practices, and has a strong likelihood of success; and
5. Stating that the expert entity will either serve as a coordinated referral agency for the community to the project or will provide long-term support by marketing the project and its units to the target population for a minimum of 15 years (LIHTC compliance period).

Please note: For projects serving populations with a statutory or regulatory 'free choice of provider' requirement, the expert entity may, in lieu of evaluating a single designated service provider, attest that it has reviewed and approved a comprehensive Service Delivery Plan. This Plan must detail the robust process for connecting residents to a wide array of Medicaid-funded service providers, the formal role of the County Board of DD in service coordination and quality assurance, and the mechanisms for ensuring individual resident needs are met through person-centered planning.

Local Partners/Tenant Referral System The parent entity of the non-profit majority general partner of the project competing in this pool must have an established memorandum of understanding (MOU) with a referral agency (e.g., Continuum of Care, Mental Health and Recovery Board, County Board of Developmental Disabilities, local child welfare system of care, maternal health agency, refugee resettlement agency, post-secondary institution, local ADAMH board, etc.) that has: 1. A county-wide level reach for the proposed Special Housing Needs target population. 2. An agreement for priority or preference in place with the local Housing Authority for the proposed Special Housing Needs target population. 3. Policies and procedures that have been reviewed to ensure compliance with all Fair Housing Laws. Applicants must submit the MOU with the referral agency outlining the above criteria in the 8. Competitive Support Documentation of the Proposal Application.
Experienced Service Coordinator Projects competing in this funding pool must demonstrate at Proposal and Final Application a commitment by an experienced local or regional service entity to coordinate appropriate services on-site or allows for the resident to connect to services while on-site (e.g., remote services) at least 15 minutes per unit per week for the duration of the compliance period. The service coordinator must have a history of serving the targeted area. In addition, the general partner, managing member, or a contracted third-party entity of the local or regional service entity that will be providing the services must obtain at least one of the following prior to the first building placing in service and maintain such designation for the duration of the compliance period: a. Certified Organization for Resident Engagement & Services (CORES); or b. Organization participates in the Professional Service Coordinator Program through The Ohio State University and the American Association of Service Coordinators; or c. Entities whose service coordinators are community health workers certified through the Ohio Board of Nursing; or d. Council on Accreditation (COA); or e. Commission on Accreditation of Rehabilitation Facilities (CARF); or f. The Joint Commission; or g. Ohio Department of Medicaid; or h. Department of Developmental Disabilities (DODD). Resident participation in service coordination must be optional in accordance with **26 C.F.R. §1.42-11**. Applicants must evidence this requirement in the Supportive Services Plan due at Proposal Application, Final Application, and IRS Form 8609 (requirements outlined in the document submission section), identifying partnerships with qualified service coordination agencies, detailing the specific services to be provided, including at least 15 minutes of on-site services or allows for the resident to be connected to services while on-site per unit per week for the 15-year Compliance Period, the commitment to achieve one of (a) through (d) above, and the service coordinator's demonstrated history of serving the target area.

Tenant Populations with Special Housing Needs Tiebreakers

1. Highest percentage of units for Targeted Population to total units
2. Projects with the greatest number of units with project-based rental subsidy or rental assistance, excluding HUD 811 PRA
3. Highest number of LIHTC units
4. Highest Neighborhood Change Index raw score
5. Highest Housing Need Index raw score
6. Highest Neighborhood Opportunity General Occupancy Index raw score
7. OHFA Discretion

H. Competitive Scoring

The following competitive criteria will be used to evaluate all projects, with the goal of prioritizing projects in high-opportunity areas while addressing housing need and ensuring efficient use of tax credits.

Please note: Each individual criterion will be auto-calculated in the AHFA (excel) and summed. Only the calculated total score will be rounded to the nearest hundredth (two decimal places). If a tie occurs within a funding pool, OHFA will apply the tiebreakers outlined in the respective funding pool section. If a tie must be broken across funding pools such as within the same set aside, OHFA will apply the New Affordability - Senior tiebreaker list.

Scoring Criteria	Maximum Points	Maximum Points as a Percent of Total Points
1. Neighborhood Opportunity Index	40	40%
2. Housing Needs Index	35	35%
3. Annual LIHTC Request per LIHTC Unit	25	25%
Total	**100**	**100%**

1. Neighborhood Opportunity Index

Maximum points: 40

Rationale: The Neighborhood Opportunity Index is created in partnership with the Urban Institute and will be updated on an annual basis to ensure the latest available data is used. Two Neighborhood Opportunity Indices have been created to identify opportunity based on the project's targeted population: General Occupancy and Senior.

The Neighborhood Opportunity – General Occupancy Index distills four critical categories of neighborhood opportunity with 20 total indicators into one Neighborhood Opportunity – General Occupancy Index Score number that aims to identify access to economic and social opportunity by individual Census Tracts. These categories include opportunity-rich and inclusive neighborhoods, high-quality education, rewarding work, and healthy environment and access to good healthcare.

The Neighborhood Opportunity – Senior Index distills three critical categories of neighborhood opportunity with 15 total indicators into one Neighborhood Opportunity – Senior Index Score number that aims to identify access to economic and social opportunity by individual Census Tracts. These categories include opportunity-rich and inclusive neighborhoods, rewarding work, and healthy environment and access to good healthcare.

Projects that serve seniors, must use the Neighborhood Opportunity – Senior Index. All other projects must use the Neighborhood Opportunity – General Occupancy Index.

The project's raw Neighborhood Opportunity Index Score is delineated in OHFA's 2026-2027 **Neighborhood Opportunity Index** Technical Amendment and will be worth 40% of the project's total score.

How can points be demonstrated to OHFA?
Neighborhood Opportunity Index: The AHFA will automatically calculate the Neighborhood Opportunity Index score based on the project's location (majority of LIHTC units) within a 2020 Census Tract and the population served. Calculation: Census Tract raw Neighborhood Opportunity Index score × 0.40

2. Housing Needs Index

Maximum points: 35

Rationale: The Housing Needs Index is created in partnership with the Urban Institute and will be updated on an annual basis to ensure the latest available data is used. The Housing Needs Index distills three critical categories of Housing Need with four indicators total into one Housing Need Index Score, which aims to identify census tracts with the greatest housing need across Ohio. These categories include housing supply, affordable housing stock, and affordability.

The census tract's raw Housing Needs Index Score is delineated in OHFA's 2026-2027 **Housing Needs Index** Technical Amendment and will be worth 35% of the project's total score.

How can points be demonstrated to OHFA?
Housing Needs Index: The AHFA will automatically calculate the Housing Needs Index score based on the project's location (majority of LIHTC units) within a 2020 Census Tract. Calculation: Census Tract raw Housing Needs Index Score × 0.35

3. Annual LIHTC Request per LIHTC Unit

Maximum points: 25

Rationale: To incentivize cost efficiency and maximize the impact of limited 9% LIHTC resources, OHFA will award up to 25 points based on the annual LIHTC amount requested per LIHTC unit. Projects that request $27,935 or less in annual LIHTC per LIHTC unit will receive the full 25 points. For requests above $27,935, points are reduced proportionally, with no points awarded for requests of $48,252 or more.

Please note that these minimum and maximum amounts will be adjusted to the **Multifamily Residential Construction Index** and updated with the Final Draft submitted for OHFA Board Approval, estimated September 2026.

How can points be demonstrated to OHFA?
Annual LIHTC Request per LIHTC Unit: The AHFA will automatically calculate this criterion by dividing the project's total annual 9% LIHTC request by the total number of LIHTC units in the project and then applying the formula below. Calculation: =MAX(0, MIN(25, ((48252 - [Annual LIHTC Request per LIHTC Unit]) / 20317) * 25))

Appendix A: Submission Requirements

1. Affordable Housing Financing Application (AHFA)

When is this due?	Experience & Capacity (E/C)		**Proposal Application**	**X**	**Final Application**	**X**	IRS Form 8609 (8609)	

Applicants must submit a completed AHFA, OHFA's proforma, designed specifically for the 9% LIHTC program, which will be posted with other application materials by the deadline indicated in the Program Calendar. Please note, OHFA will not accept applications that use the incorrect AHFA (e.g., the 4% LIHTC with BGF AHFA, 4% LIHTC Only AHFA, or previous 9% LIHTC AHFAs).

2. Application Fee Proof of Payment

When is this due?	E/C		**Proposal Application**	**X**	**Final Application**	**X**	8609	

At both proposal application and final application, projects must submit evidence of payment of the application fee. Applicants should include a PDF version of proof of payment/ACH transaction. Please note, payment of the application fee itself is a non-curable item. If the fee is not paid (initiated) by the deadline, the application will be deemed ineligible. If documentation is missing or incomplete, applicants may be given an opportunity to provide the required proof.

Proposal Application Fee: $5,000
Final Application Fee: $3,000

3. Appraisal

When is this due?	E/C		Proposal Application		**Final Application**	**X**	8609	

Applications must include an as-is appraisal for all development site(s) which complies with all Appraisal Requirements in the **Multifamily Rental Underwriting Guidelines**.

4. Architectural Plans and Design & Construction Features Form (DCFF)

When is this due?	E/C		**Proposal Application**	**X**	**Final Application**	**X**	8609	

Applications must include architectural plans for all development site(s) in accordance with the OHFA Design & Architectural Standards, Design & Architectural Process Manual, and a completed Design & Construction Features Form, including the Construction Certification.

5. Articles of Incorporation (Non-Profit Developers Only)

When is this due?	E/C	**Proposal Application**	Final Application	8609
		X		

Applications submitted by non-profit developers and/or co-developers must include the organizational articles of incorporation evidencing 501(c)(3) or 501(c)(4) status.

6. Audited Financial Statements for Existing Properties (Preserved Affordability Only)

When is this due?	E/C	**Proposal Application**	Final Application	8609
		X		

Applications for projects submitted in the Preserved Affordability pool must include the most recent two years of audited financial statements for the project. If the project's audit is more than 2 years old, reviewed financials from an independent CPA will be required. Additionally, the two most recent years of internally prepared balance sheets and income statements are required.

7. Authorization to Release Tax Information

When is this due?	E/C	Proposal Application	**Final Application**	8609
			X	

Final Applications must include a completed **Authorization to Release Tax Information Form** for the parent company of each member of the ownership entity. If the title of the Authorized signer is other than President, Vice-President, Director, Executive Director, or CEO, the form must be accompanied by a letter from the ownership entities legal staff indicating that the title of the authorized signor is the highest official and authorized to sign on behalf of the entity.

8. Build America, Buy America (CHDO Projects Only)

When is this due?	E/C	Proposal Application	**Final Application**	8609
			X	

Applicants of HOME funds must adhere to Build America, Buy America (BABA). The **BABA applicability checklist** follows the analysis steps as described in **Notice CPD 2023-12** and must be submitted with the Final Application. BABA waivers must be submitted with the project's Final Application. This **Certification form** can be used to document compliance during construction.

9. Board Resolution (Non-Profit Developers Only)

When is this due?	E/C	Proposal Application	Final Application	8609
			X	

Applications submitted by non-profit developers and/or co-developers must include a board resolution authorizing an application for the LIHTC resources. The resolution must be dated and executed within 60 days of the Final Application deadline as outlined in the Program Calendar, specify the amount of the request, and identify the individuals authorized to execute legal documents on behalf of the nonprofit.

10. Community Impact Strategic Initiative Documents & Letters of Support

When is this due?	E/C	**Proposal Application**	Final Application	8609
		X		

Applicants applying for the Community Impact Strategic Initiatives must include:

- A narrative that clearly describes:
  - How the project addresses a documented need;
  - The project's proposed impact on the community; and
  - The project's connection to workforce demand.
- Support, evidenced by a letter of support and/or resolution, from:
  - All municipal corporations in which the project is proposed to be constructed;
  - Any municipal corporation located within one-half mile of the project's boundaries; and
  - The County in which the project is proposed to be constructed.

Projects with support letters, resolutions and/or any other supporting documentation must be provided under this item.

11. Competitive Support Documents

When is this due?	E/C	**Proposal Application**	**Final Application**	8609
		X	X	

For any threshold, set aside, or competitive scoring criterion which requires additional documentation, the application must include a separate folder titled "Competitive Support Documents", which includes such documentation in PDF format. Each competitive scoring criterion that requires supporting documentation must have a separate PDF file in this folder. Applicants wishing to be considered for any of the funding pool set asides must include supporting documents in this folder to be considered.

If a development has multiple sites and crosses scoring boundaries, regardless of whether it meets the definition of scattered site, the competitive support documents must be targeted to the development area with <u>the most units</u>.

12. Concerted Community Revitalization Plan

When is this due?	E/C		**Proposal Application**	**X**	Final Application		8609	

To qualify for the set aside related to a concerted community revitalization plan, applicants must provide a copy of the plan and proof that the proposed development is located within its target area and consistent with the plan. The Revitalization Plans must be sanctioned by either the city, county, or by the Department of Housing and Urban Development and must satisfy the substance of the components below.

a. Scope: The Revitalization Plan must include a delineated target area and an assessment of the conditions existing in the community. If the Community Revitalization Plan is more than ten years old, the Applicant must also provide a supplemental letter or other evidence from the administrator describing progress made and confirming that the proposal continues to meet target area needs.

b. Community Input & Ownership: The Revitalization Plan must have been developed through a public process as evidenced by any of the following:

   i. creation of the Revitalization Plan by a Community Development Corporation;

   ii. adoption or endorsement of the Revitalization Plan by the local government; or

   iii. proof of solicitation of public and stakeholder input.

c. Housing Policy: The Revitalization Plan must include:

   i. the incorporation and integration of affordable and other housing throughout the geographic area, including but not necessarily limited to the use of existing housing.

The following plans are not eligible: draft plans, short-term work plans, consolidated plans, municipal zoning plans, planned unit developments, or plans OHFA determines were created exclusively for the purposes of satisfying QAP criteria.

13. Conditional Financial Commitments

When is this due?	E/C		**Proposal Application**	X	**Final Application**	X	8609	

Applications must include financial commitments for all non-OHFA sources. All commitments must be fully executed and dated within 60 days of the application deadline.

Conditional financial commitments must be evidenced by a letter from the funding entity stating the following:

- up to loan or grant amount;
- loan term and amortization schedule/term (and/or payment requirements);
- interest rate;
- fees associated with the loan or grant;
- reserve requirements; and
- lien position of the loan.

The applicant must provide supporting documentation detailing the terms and conditions of any assumed or restructured debt including the current outstanding balance.

Competitive sources that have not been conditionally committed do not meet OHFA requirements. Applicants submitting a competitive source that is not conditionally committed will be considered to have a funding gap and the application will be rejected.

<u>HOME Investment Partnerships Program (HOME) and other federal funds not administered by OHFA:</u> The applicant must submit a preliminary award letter or commitment letter reserving the funds that includes the anticipated term, amortization, rate, fees or specify that the funds will be a grant.

<u>Federal Historic Tax Credits (FHTC):</u>

Developers seeking FHTC for a project must submit the following items at Proposal Application:

1. A Historic Part 1 – Evaluation of Significance that has been approved by the State Historic Preservation Office (SHPO).
2. A conditional equity commitment letter from the syndicator with the proposed terms and conditions and a detailed equity installment schedule.
3. A Scope of Work, DCF, and applicable Design Exception Request(s) that are consistent with the Historic Part 1's Description of Physical Appearance, outlining the project's historic features.

If the developer cannot supply an approved Historic Part 1 (item 1) by the Proposal Application deadline as indicated in the program calendar, the developer must submit the following piece of evidence in lieu of item 1 with the Proposal Application:

- The Historic Part 1 application sent to SHPO that documents the eligibility of the project/building to receive FHTC along with confirmation that SHPO has received the application.

The developer is then required to send evidence that SHPO has approved the project's Historic Part 1 to the project's assigned analyst with the project's response to OHFA's Preliminary Competitive Score and Minimum Financial and Threshold Review as indicated in the program calendar.

If the property is deemed not eligible by SHPO or if OHFA does not receive the project's approved Historic Part 1 by the project's response to OHFA's Preliminary Competitive Score and Minimum Financial and Threshold

Review as indicated in the program calendar, then OHFA will remove this project from consideration in the 9% LIHTC round.

If the project receives a 9% LIHTC award and has an approved Historic Part 1, the developer must submit the following with the final application:

- An approved Historic Part 1 from National Park Service.
- A copy of the submitted Historic Part 2 application.

A SHPO Part 2 application approval must be submitted prior to closing.

14. Conditional Financial Commitments – Backups and Alternative Plans

When is this due?	E/C		**Proposal Application**	**X**	**Final Application**	**X**	8609	

- Projects competing for CHDO-HOME funds **must** also submit a backup conditional financial commitment in case CHDO-HOME funds are no longer available so the project may be considered under “general funding”. Failure to submit a backup conditional financial commitment will result in the application being removed from consideration from “general funding”.
- Projects planning to submit for Federal Home Loan Bank or other competitive funds that have not yet been awarded or conditionally committed to the project must provide notice to OHFA that this is the anticipated plan for the project and which source(s) this is planning to replace. For example, the project would supply a conditional financial commitment of a GP/MM Capital Contribution as part of item 13, but would notify OHFA of its plan to swap out these funds for FHLB AHP with an anticipated award notice of November as part of item 14.

15. Condominiumized Space Description

When is this due?	E/C		Proposal Application		**Final Application**	**X**	8609	

If any portion of the development will be condominiumized, the application must include a brief description of the governing agreement (costs and maintenance of common space, parking availability, air rights, default remedies, commercial uses, and tenant selection).

A preliminary condo document and/or master lease agreement should also be provided at final application. The agreement should define all spaces within the property boundary (commercial/LIHTC/market rate/etc.) that share a building(s). This should be reflected consistently in the AHFA (Details tab/ Floor area breakdown) & Design Construction Features Form (Dev & Floor Area Details tab).

Items that should be listed in the documentation include:

• Gross area including all spaces (commercial/LIHTC/market rate/etc.)

• A list of shared features (site, parking, exterior facade, utility access, common roof, etc.) shared by multiple tenants.

• Ratio of LIHTC vs non-basis elements

• All non-basis elements should be identified on drawings with (measurable graphics) shading(poche) and noted as "not in contract/ NIC".

16. Development Team Consultant Statement

When is this due?	E/C		**Proposal Application**	X	Final Application		8609	

The application must include a statement regarding any development consultant(s) describing:

- their role in the project;
- scope of their authority to negotiate for and bind the development team; and
- a summary of all projects they are currently advising and the scope of those agreements.

For the purposes of this section, development consultants include any person or entity providing professional advice or assistance with the preparation of an application to the LIHTC program, but do not include syndicators.

Consultants may not serve as the primary point of contact for OHFA or as the Project Manager as listed on the Development Tab of the AHFA.

17. Development Team Experience and Capacity Review

When is this due?	**E/C**	X	**Proposal Application**	X	Final Application		8609	

Experience and Capacity must have approval prior to the Proposal Application. The **Experience and Capacity Standards Policy** outlines the minimum eligibility and evaluation criteria. Applicants will not be allowed to submit a Proposal Application unless each entity of the Development Team have Experience and Capacity approval by OHFA staff for the calendar year. Applicants should allow one month for OHFA to review and respond to Experience and Capacity submission.

Each entity of the Development Team must submit its approval letter on OHFA letterhead with the Proposal Application. Applicants must disclose changes to any entity between the experience and capacity review and Proposal and/or Final Application. Changes to the Development Team and Ownership Structure are not permitted after Proposal Application unless otherwise approved by the 9% LIHTC Section Chief. OHFA may disqualify applications that do not maintain the core competency and experience necessary to successfully develop and manage a project.

The Development Team tab of the AHFA must be completed with each member of the development team, including general partners, managing members, developers, co-developers, and management companies' information must be completed. This includes every entity name, all parent entities, addresses, and contact information. While the LIHTC Ownership Entity may be noted as "To Be Determined" or "To Be Formed", developer, co-developer, and general partner/managing member parent entities must be disclosed.

18. Evidence of Site Control

When is this due?	E/C		**Proposal Application**	X	**Final Application**	X	8609	

The application must comply with the following. Any updates to site control documents from the proposal application must be submitted with the Final Application. All forms of site control may not expire within six months of the Proposal and Final Application.

a. Related Party: If a related party of the ownership entity currently owns the real estate, copies of the executed and recorded deed(s) and an executed purchase or ground lease contract.

b. Arm's-Length: If the current owner is not a related party of the ownership entity, then:

   i. a purchase contract or option;

   ii. a ground lease contract or option; or

   iii. documentation from the local government/land bank regarding the transfer of property.

      1. If parcels will be acquired from a city land bank a copy of the final city council resolution, city council ordinance, letter from a board of control or designated official, or contingent purchase agreement approving the legal description and transfer of all applicable sites.

      2. 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.

c. Ground Lease: Any ground lease must be for a minimum term of 35 years. Evidence of site control may not expire until a reasonable period following the scheduled announcement date for 9% LIHTC awards.

d. Scattered Site Developments: Scattered site developments must have 100% of the sites under control at the time of Proposal Application.

19. Exception Requests

When is this due?	**E/C**	X	**Proposal Application**	X	Final Application		8609	

OHFA will consider exceptions only for those items specifically allowed under these Guidelines and represented in the Exception Request Form. Any response issued applies exclusively to the year in which the application was submitted and cannot be used for future applications. All project related Exception Requests are due at Proposal Application, including the Amenity Waiver. Experience and Capacity (E/C) related Exception Requests are due as detailed in the Experience and Capacity Standards.

20. Federal Tax Identification Number

When is this due?	E/C		Proposal Application		**Final Application**	X	8609	

The application must include the ownership entity's Federal Tax Identification Number.

21. Green Certification Documentation

When is this due?	E/C		Proposal Application		Final Application		**8609**	X

The request for IRS Form 8609 must include evidence required green certification or other documentation as evidenced in the 2027 Design and Architectural Standards.

22. Legal Description

When is this due?	E/C		Proposal Application		**Final Application**	X	8609	

The application must include a legal description, street address, and permanent parcel number in Microsoft Word format of each parcel that will be included in the development.

23. Lien and Litigation

When is this due?	E/C		Proposal Application		**Final Application**	X	8609	

Lien and Litigation Report shall be submitted for each parent entity of the Ownership Entity(ies) and each development entity. The Lien and Litigation Report for the county in which the project will be located, the state of Ohio, and any federal courts must be dated within 30 days of the submission of the application.

24. LIHTC Lease Addendum

When is this due?	E/C		Proposal Application		**Final Application**	X	8609	

The application must include a written statement from the owner certifying use of the LIHTC Lease Addendum (other than units under a HUD model or USDA model lease). Owners must also certify that all leases will be for at least one year, including developments designed for transitional housing.

25. Limited Partnership Agreement

When is this due?	E/C		Final Application		**LIHTC Closing**	**X**	**8609**	**X**

Applicants must submit a copy of the Amended and Restated Limited Partnership Agreement and/or Operating Agreement for the LIHTC ownership entity detailing the roles and responsibilities of each partner or entity at LIHTC equity closing and again at request of IRS Form 8609. It must include all exhibits such as the project proforma.

26. List of Changes from Proposal Application

When is this due?	E/C		Proposal Application		**Final Application**	**X**	8609	

The Final Application must include a description of any substantive changes made to the development represented in the proposal, including but are not limited to changes in ownership or development team, design, construction or configuration, site(s) excluding scattered site developments, targeted populations including special needs populations, and any items affecting competitive scoring. OHFA must approve any changes. If proposed changes are not approved and an agreement cannot be reached, OHFA reserves the right to rescind the LIHTC award.

27. Market Study

When is this due?	E/C		**Proposal Application**	**X**	**Final Application**	**X**	8609	

Applications must include a market study conducted by an OHFA-approved market study professional updated or approved within 12 months of the application submission date. Refer to the **Multifamily Rental Underwriting Guidelines** for OHFA's market study requirements. The rent and income restriction breakdown must match those referenced in the submitted AHFA. **If any rent and income restrictions change between Proposal Application and Final Application, the market study must be updated at Final Application.**

All multi-site developments must be within the boundaries of a single Primary Market Area (PMA) other than the following exceptions:

- The market analyst determined that an entire county constitutes a single PMA.
- Scattered site Service Enriched developments that span multiple submarket areas if the Primary or Secondary Priority Letter specifies how supportive services will be provided in a manner that is accessible to all residents despite being geographically dispersed.
- Proposals seeking to combine multiple existing developments into one project for financing purposes with an explanation of the Sponsor and Management Agent's capacity to continue operating these properties under a single financing structure (may include documentation from other government entities giving permission to combine projects).

28. Notification to Accessibility Groups (newly affordable units only)

When is this due?	E/C		Proposal Application		**Final Application**	**X**	8609	

Applicants proposing newly affordable units must notify all **accessibility groups** in the county of the proposal. Applicants agree to accept referrals for prospective residents and consider design recommendations for the property. The application shall include copies of all correspondence between the applicant and accessibility groups.

If requested by an accessibility group, the applicant will provide the most current copy of the development's architectural plans prior to submitting the Final Application.

29. Ohio Housing Locator

When is this due?	E/C		Proposal Application		Final Application		**8609**	**X**

Owners must list properties on the **Ohio Housing Locator** (or other equivalent substitute at OHFA's direction) and new construction on the Lead-Safe Rental Registry. Owners are responsible for keeping the property listings current.

30. Organizational Chart (for the LIHTC Ownership Entity)

When is this due?	E/C		Proposal Application		**Final Application**	**X**	8609	

An organizational chart for the lower-tier LIHTC entity must be provided indicating all general partners, managing members, investor members, limited partners, and any other entities with an interest in the lower-tier LIHTC entity. Ownership percentages for each entity must be disclosed. All principals must be identified. Trusts must list all beneficiaries that have the legal ability to control or direct activities of the trust.

31. Environmental Site Assessments

When is this due?	E/C		**Proposal Application**	**X**	**Final Application**	**X**	8609	

Applications must include a Phase I Environmental Site Assessment (ESA) for all sites dated no later than six months prior to the Proposal Application deadline completed in accordance with the most current ASTM Standard and include an acknowledgement of the likelihood of the following OHFA non-scope considerations: mold; asbestos-containing building materials; radon; lead-based paint; lead-in-drinking-water; and wetlands. Applicants may submit a Phase I ESA dated between six months and one year prior to the application deadline but must submit an update at Final Application.

Owners must complete a Phase II ESA and/or additional testing if recommended in the Phase I ESA and submit the Phase II ESA at Final Application.

OHFA may reject any sites indicated to have environmental problems or hazards.

32. Physical Capital Needs Assessment (rehabilitation or adaptive reuse only)

When is this due?	E/C		**Proposal Application**	**X**	Final Application		8609	

Applications for the rehabilitation of existing housing units and adaptive reuse must include a Physical Capital Needs Assessment (PCNA). The PCNA must reflect current building conditions, conform to the standards in the **Multifamily Rental Underwriting Guidelines** and **Design and Architectural Standards**.

OHFA will use the PCNA and AHFA to determine if the project meets the threshold requirement of rehabilitation.

33. Prior OHFA Funding Documents

When is this due?	E/C		**Proposal Application**	**X**	Final Application		8609	

If a submitted project was previously funded with OHFA resources, including LIHTC, HDAP, or MLP, the applicant must provide copies of all legal documents and amendments associated with the project's OHFA funding, including, but not limited to, the following:

- LIHTC restrictive covenant(s)
- HDAP restrictive covenant(s)
- HDAP mortgage(s)
- HDAP note(s)
- HDAP Funding Agreement(s)
- HDAP loan agreement(s)
- MLP mortgage(s)
- MLP note(s)

34. Proposal Summary (.PDF format)

When is this due?	E/C		**Proposal Application**	**X**	Final Application		8609	

The Proposal Application must include a copy of the Proposal Summary tab. Please note, OHFA posts the Proposal Summary on its **Pending Applications and Funded Projects website** upon submission of a Proposal Application and may be shared with other interested parties, if requested.

35. Public Notification (All Projects)

When is this due?	E/C		**Proposal Application**	**X**	**Final Application**	**X**	8609	

In accordance with **26 U.S.C. §42(m)(1)(A)(ii)** and **O.R.C. §175.07**, at Proposal Application, the applicant must include evidence of completing the public notification process using the **OHFA template letter**, and the notification must include all information requested, be in writing, and be sent via certified mail, return receipt requested. Applicants must submit a copy of the stamped post office receipt, return receipt not required, for certified mail and copies of notification letters with the Proposal Application. The name and address of the officials must be on the return receipts. Public notification must be submitted to the following individuals:

- The chief executive officer and the clerk of the legislative body of any municipal corporation in which the project is proposed to be constructed or that is within one-half mile of the project's boundaries.
- The clerk of any township in which the project is proposed to be constructed or that is within one-half mile of the project's boundaries; and
- The clerk of the board of county commissioners of any county in which the project is proposed to be constructed or that is within one-half mile of the project's boundaries.

Updated evidence of completing the public notification process must be provided at Final Application if there are any changes to the information listed on the **OHFA template letter**.

36. Related Party Transaction Questionnaire

When is this due?	E/C		Proposal Application		**Final Application**	**X**	8609	

Applications must include the **Related Party Transaction Questionnaire** for any transactions between related parties.

37. Relocation Plan (existing, occupied rental units only)

When is this due?	E/C		Proposal Application		**Final Application**	**X**	8609	

Any development involving rehabilitation of occupied units that will result in permanent displacement must submit a complete **Acquisition, Relocation, and Demolition Questionnaire** and **Relocation Assistance Plan**. OHFA may prohibit, limit, or mitigate any permanent displacement.

If a development will result in resident relocation during the construction period, the application must include a narrative detailing the tenant relocation plan addressing the method(s) for relocating residents, provide a breakdown of any associated costs, and identify if tenants will be permanently displaced.

38. Rental Subsidy Contract

When is this due?	E/C		**Proposal Application**	**X**	**Final Application**	**X**	8609	

OHFA will only consider subsidy that is awarded to a specific project (project-based) by a third-party such as a public housing authority, the U.S. Department of Agriculture Rural Development (USDA) or other entity. If the public housing authority is part of the development team, the third-party requirement is waived. All rental subsidy contracts or commitments must include the number of units and bedroom types with rents matching those being assumed in the AHFA. If, at Proposal Application, rents cannot be estimated by the rental subsidy provider, OHFA will underwrite such rents at the achievable LIHTC rents referenced in the market study.

For existing Section 8 Housing Assistance Payment (HAP) contracts, the application must include the following:

- Original HAP contract,
- The most recent renewal contract (if applicable),
- The current rent schedules,
- For applications in which the development team is seeking an Option 1: Mark-Up-To-Market Renewal, the Proposal Application must include the rent comparability study (RCS) submitted to HUD with documentation evidencing that HUD has received such RCS for review.

For projects seeking Project-Based Voucher (PBV) contracts from a local Public Housing Authority (PHA), the application must include a rent reasonableness determination at Proposal Application.

For projects seeking to utilize the HUD Rental Assistance Demonstration (RAD) program under Components 1 or 2 must have a Commitment to Enter into a Housing Assistance Payments (CHAP) at Proposal Application.

For all other forms of project-based rental assistance, the following information is required:

- The number of units per bedroom size that will receive rent subsidies;
- The amount of rent subsidy that will be provided for each unit;
- Utility allowances for each unit type;
- If the subsidy will increase as rents increase;
- The history of success in receiving the rent subsidies;
- Statement of understanding that there is a 30-year rent restriction associated with the HDAP; and
- How long the subsidy will be provided.

39. Scattered Site Development Map

When is this due?	E/C		**Proposal Application**	**X**	Final Application		8609	

Any application with 10 or more sites, 50% or fewer of which are contiguous, must provide a detailed map clearly identifying the location of all buildings and parcels considered for the application.

40. Scope of Work

When is this due?	E/C		**Proposal Application**	**X**	**Final Application**	**X**	**8609**	**X**

At Proposal Application, only rehab projects must include a complete **Scope of Work Form**.

At Final Application and 8609, all applications must include a complete **Scope of Work Form**.

41. Site and Neighborhood Standards Form (New Construction seeking HOME Only)

When is this due?	E/C		**Proposal Application**	**X**	Final Application		8609	

Applications sponsored by a CHDO seeking HOME resources must include a completed Site and Neighborhoods Standards Form at Proposal Application. Federal regulations require that any new construction projects financed with HOME meet Site and Neighborhood Standards in accordance with **24 C.F.R. §983.55(e)(2)-(3)**.

42. Site Visit Documents

When is this due?	E/C		**Proposal Application**	**X**	Final Application		8609	

Unless required at an earlier stage, OHFA may conduct a site review prior to Final Application submission and may deem the site unsuitable.

Applications must include:

- a detailed aerial map clearly depicting the physical location of the site, the nearest intersection, and all roads leading to the site; and
- photos of the site and surrounding properties.

43. Supportive Services Plan & Providers

When is this due?	E/C		**Proposal Application**	**X**	**Final Application**	**X**	**8609**	**X**

At Proposal & Final Application: For projects that propose providing supportive services (including all Senior projects and Tenant Population with Special Housing Needs applications), the applicant must provide a narrative detailing the specific services to be provided, the proposed service provider(s), its (their) history providing such services, and a budget.

At 8609 Submission: For projects with supportive services, the Supportive Services Plan (SSP) is due no later than the request for IRS Form 8609. Applications or requests for Form 8609 must include evidence of salaried or in-kind service coordination on-site, contiguous, or accessible to the development and linkages to information and resources appropriate to the population. All service coordinators must have a history of serving the targeted area or population.

44. Troubled HDAP-assisted rental housing project (Applicants seeking HOME only)

When is this due?	E/C		**Proposal Application**	X	Final Application		8609	

This provision of **24 CFR 92.210**, only applies to an existing HDAP (HOME or OHTF)-assisted rental project that, within the period of affordability, is no longer financially viable or its physical viability has substantively deteriorated due to unforeseen circumstances. The project must submit documentation it meets one of the following:

(1) For purposes of this section, a HDAP-assisted rental project is no longer financially viable through the period of affordability if:

- **(i)** The project's operating costs exceed its operating revenue, considering project reserves;
- **(ii)** The owner is unable to pay for necessary capital repair costs or ongoing expenses for the project; or
- **(iii)** The project reserves are insufficient to be able to operate the project.

(2) For purposes of this section, physical viability means a project's current or future ability to maintain affordability based on the physical characteristics and factors of the project's site and improvements.

45. Unit Comparability Form (Applicants seeking HOME only)

When is this due?	E/C		**Proposal Application**	X	Final Application		8609	

An architect certification of the Unit Comparability Form must be completed at Proposal Application. This form verifies whether units are considered comparable per **CPD-16-15 Section V.B.** so the correct cost allocation methodology for determining the number of Assisted Units is used.

46. Utility Allowances

When is this due?	E/C		**Proposal Application**	X	**Final Application**	X	8609	

Applications must include a utility allowance projection determined using any permissible or reliable calculation method consistent with **26 C.F.R. §1.42-10** and **OHFA's Utility Allowance Request Procedure**. Please note that OHFA does not approve utility allowances until a project has been placed in service.

Applications seeking HOME funds may use the PHA utility allowance to be used for HOME units in addition to the HUD's Utility Schedule Model, estimates, and an engineer's consumption model for HOME units.

Applications that include 100% owner-paid utilities as evidenced in the AHFA do not need to supply a utility allowance.

41. Zoning

When is this due?	E/C		**Proposal Application**	**X**	Final Application		8609	

Applications must include either:

- a valid building permit, or
- a letter from the local municipality stating that either the current zoning will permit the proposed development, or no zoning regulations are in effect.

Sites located in areas with no zoning regulations must comply with all applicable state and local laws.

For preserved affordability/rehabilitation projects, Applicants must submit a zoning certification letter as well as the zoning ordinance that provides evidence that the property conforms to existing zoning requirements or that the project is nonconforming existing and can or cannot be rebuilt upon a casualty loss.

Evidence must be dated within 60 days of the Proposal Application deadline as referenced in the Program Calendar.

For scattered site developments only, any sites added to the project after Proposal Application must be identified in the final AHFA and applicable zoning documentation provided at Final Application.

Appendix B: Good Standing Policy

OHFA will evaluate the Good Standing Policy for each participant at Experience and Capacity, Proposal Application, Final Application, and at any time as necessary during the process.

Program participants will be considered to be in Good Standing unless one or more of the following apply to a project in which a member of the Development Team has:

(1) Outstanding uncorrected IRS Form 8823.

(2) Default on any OHFA loan.

(3) Failure to submit an AOC.

(4) Before the issuance of IRS Form 8609, the project has non-compliance issues that would be reported to the IRS if Form 8609 had been issued.

(5) Failure to request Form 8609 within 365 days of construction completion.

(6) Failure to abide by the regulations of the Housing Development Assistance Program (HDAP).

(7) Violating the terms of a HDAP funding agreement.

(8) Failure to pay applicable program fees within 30 days of invoicing.

(9) Failure to maintain good standing with an Ohio Department of Development program.

(10) Deviating from an approved project plan without OHFA approval.

(11) Providing false, misleading, or incomplete information on an application or other document required by the OHFA.

(12) Failure to respond in a reasonable period to requests for information or documentation.

(13) Changing a management company or other approved project participant without OHFA approval.

(14) Other determinations made by OHFA based on a pattern of mismanagement or noncompliance as evidenced by monitoring reviews or other information. Determinations may be directly appealed to the OHFA Multifamily Committee as described below.

The OHFA Board and Multifamily Committee Members will be notified of any applicant that is not in good standing. A designation of not in good standing will result in the entity or individual so designated being unable to participate in any OHFA programs until the violations resulting in such designation are resolved. Parties deemed to be not in good standing under any of the above items may, upon submission of additional information, request that OHFA remove such designation. In the event OHFA denies a request, the applicant may appeal to the Multifamily Committee of the OHFA Board. The Multifamily Committee will make a recommendation to the OHFA Board. Designations of not in good standing resulting from Item 14 (above) may be appealed directly to the Multifamily Committee. The Multifamily Committee will make a recommendation to the OHFA Board. The decision of the OHFA Board is final.

Projects may request that the OHFA waive violations of the good standing policy as described in Items 1-13 above. Examples of circumstances where a waiver may be issued include when a management company or owner “inherits” uncorrected Forms 8823, or in the event of a casualty loss. The OHFA Staff will make a recommendation to the OHFA Board who may waive violations.

Appendix C: Single Family Lease Purchase

Development Team Requirements

OHFA will only accept applications that include owners, developers, and property managers with experience in overseeing single-family lease-purchase LIHTC housing in Ohio. The minimum experience requirements are as follows and proof must be provided by the applicant:

- The development team must include a local nonprofit owner 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% general partner or managing member interest in the proposed development. The applicant must reflect the minimum ownership percentage in its application.
- The development must include a local nonprofit owner that is certified to and will provide HUD-approved credit, financial, homebuyer, and/or rental counseling to residents. The organization must have at least 25% general partner or managing member interest in the proposed development. The applicant must reflect the minimum ownership percentage in its application.
- The owner/developer has developed one or more successful lease-purchase communities, evidenced by an average occupancy rate of 90 percent or greater over the past 10 years.
- The management company has experience marketing and leasing one or more lease-purchase communities. To qualify for this criterion, there can be no outstanding Uniform Physical Condition Standards (UPCS) violations and/or uncorrected IRS Form 8823s.
- The majority General Partner also controls majority General Partnership interest in one or more lease-purchase communities and can demonstrate disposition of no less than 50 percent of sale-eligible, affordable units to income-qualified buyers over the past ten years from the date of application.

Project Requirements

Single-family lease purchase projects are ineligible for HDAP.

Single-family lease purchase projects must not be age-restricted to seniors (i.e. they must be general occupancy).

Single-family lease purchase projects may not transfer any of the responsibilities of the owner or management company to the renter or prospective homeowner until and unless the project has transitioned to homeownership. This includes, but is not limited to yardwork, maintenance or repairs.

In addition to meeting all requirements of the most recently published Design and Architectural Standards, all architectural plans and specifications must demonstrate that the design and configuration of all units is consistent with the design and architecture of the surrounding neighborhood. All single-family homes or townhomes must include at least three bedrooms.

Transition Reserve

The applicant must commit to capitalize a prefunded replacement reserve in the amount of $2,500 per unit set aside in an escrow account and matched over 15 years. The funds (a minimum of $5,000 per unit) must be used to either provide down-payment assistance or assistance with closing costs.

The Escrow Account must be maintained as a separate account on the LIHTC ownership's financial statements and may not be accessed without prior written approval from OHFA.

Applicants must submit evidence of sources of financing for the transition funds, including, but not limited to: general partner or managing member capital contributions, private and/or foundation funding, etc. The applicant must provide firm commitment letters which indicate the funding is to be used for the development.

Supportive Services and Homeownership Strategy Plan

Single-family lease purchase projects must include a Supportive Services and Homeownership Strategy Plan detailing the following:

- An ownership exit strategy that specifies the methods for determining the value and calculation of purchase price(s) at the time of sale;
- The transition of any local HOME funds and/or permanent debt from the project;
- The service provider's history of providing services;
- A commitment from the service provider detailing the nature and frequency of services. The commitment must include homeownership counseling, education, and training;
- The terms and conditions of any mortgage or loan product offered to assist residents with purchasing the home after Year 15; and
- When and how often eligible tenants of the proposed development will be notified of their option to eventually purchase the home and offered a right of first refusal.

Transition to Homeownership

Within 90 days of the transition to homeownership, the owner must commission a third-party Physical Capital Needs Assessment (PCNA) at its own expense to determine the capital needs of the property. The ownership must ensure that all issues identified by the PCNA and any major component with an Expected Useful Life (EUL) of less than five years are repaired and/or replaced prior to sale. Prior to transition, the ownership must commission a third-party appraisal to establish the value of the property.

Any loan or mortgage must include escrow for taxes and insurance.

Appendix D: HOME Investment Partnerships Requirements

Applicable Statutory and Regulatory Authority

United State Code (USC):	**42 U.S.C. §§12721-12840**
Code of Federal Regulations (CFR):	**24 C.F.R. Part 92**

Background

The HOME program was created by Title II, Subtitle A of the 1990 **Cranston-Gonzalez National Affordable Housing Act** "to expand the supply of decent, safe, sanitary, and affordable housing with primary attention to rental housing, for very low-income and low-income Americans." HOME resources are administered by the U.S. Department of Housing and Urban Development (HUD), with state and local Participating Jurisdictions serving as allocating entities. Of the total annual HOME resources, 40% are allocated to state Participating Jurisdictions and 60% are allocated to local Participating Jurisdictions. 15 Ohio cities and eight counties serve as local Participating Jurisdictions and receive formula allocations in addition to the State of Ohio. Development serves as the State Participating Jurisdiction and OHFA is one of several subgrantees. HOME resources must be allocated according to the applicable Participating Jurisdiction's four-year Consolidated Plan and an Annual Action Plan.

Rent and Income Restrictions

State-Required Restricted Units

Regardless of the amount of OHTF resources, the state of Ohio through its **Ohio Consolidated Plan** (ConPlan) requires a minimum of 35% of the affordable units must be affordable to and occupied by households with incomes at or below 50 percent of AMI for projects located outside of Participating Jurisdictions (PJs).

Federally Required Assisted Units

The HOME program's cost allocation method is referenced in **24 C.F.R. §92.205(d)(1)** and **CPD-16-15** to determine the number of HOME-Assisted Units.

- Less than 5 Assisted Units: Assisted Units must be restricted at the lower of (1) 65% AMI or (2) Fair Market Rent (High HOME) per **24 C.F.R. §92.252(a)**.
- Greater than or equal to 5 Assisted Units: At least 20% of the Assisted Units must be restricted at the lower of (1) 50% AMI, (2) Fair Market Rent (Low HOME) , or (3) LIHTC rent not greater than the gross rent for rent-restricted residential units as determine by under 26 U.S.C. 42(g)(2). The remaining 80% may meet the High HOME requirements outlined above.

Appendix E: Build America, Buy America

Applicable Statutory and Regulatory Authority

United State Code (USC):	**41 U.S.C. Chapter 83**
Code of Federal Regulations (CFR):	**2 C.F.R. Part 184**

HOME Investment Partnership Program (HOME) and national Housing Trust Fund (NHTF) resources obligated on or after August 23, 2024 are subject to the "Buy America Preference" (BAP), imposed by the Build America, Buy America Act (BABA), enacted under Division G, Title IX of the Infrastructure Investment and Jobs Act (IIJA, Pub. L. No. 117-58). The BAP requires that all iron, steel, manufactured products, and construction materials must be produced in the United States as outlined in **2 C.F.R. §184.3 "Produced in the United States"**. For more information, see **CPD-2023-12**.

OHFA will incorporate language referenced in Addendum 3 of CPD-2023-12 for all HOME and NHTF Funding Agreements beginning in Calendar Year 2024.