

July 31, 2026

QAP@ohiohome.org

RE: CHN Housing Partners - Comments to the First Draft 2026-27 9% LIHTC QAP Technical Amendment

OHFA Leadership,

Thank you for providing the development community with the opportunity to comment on the First Draft of the Technical Amendment to the 2026-27 9% LIHTC QAP. CHN Housing Partners would like to offer the following comments for OHFA's consideration.

- *Architectural Submission:* First, we would like to offer our sincere gratitude to OHFA for the proposed removal of the physical 11" x 17" architectural drawing submission requirement. Overnighting architectural drawings to OHFA was an added stress during application season, and has grown quite costly over the past few years, so we appreciate OHFA re-evaluating the necessity of this submission.
- *HUD 811 Applicability:* We would also like to thank OHFA for the inclusion of the HUD 811 PRA threshold exception request path for scattered-site single-family developments based on our inquiry prior to the 2026 application round. We are grateful to OHFA for evaluating the applicability and eligibility of 811 PRA further with HUD and incorporating necessary adjustments into the technical amendment.
- *BABA Waivers:* We are tremendously grateful to OHFA for taking the lead on BABA compliance with ODOT and HUD, and for the continued support and guidance on waiver requests. However, we believe the submission of BABA waivers with Final Application to be slightly premature. While 80% set drawings provide a significant level of detail regarding materials and specifications, the design period from 80% to 100% construction drawings is when the bulk of these assumptions and selections are vetted, refined, and formalized. We recommend making the BABA waiver requirement a condition of going to OHFA Board rather than a requirement for Final Application.
- *Tenant Populations with Special Needs:* We recommend OHFA reconsider the rental subsidy requirements for participation in the Tenant Populations with Special Needs (TPSN) pool for the 2027 Technical amendment.

- **PBRA & PBV Requirement:** Over the past year, we have encountered a lack of available project-based vouchers from our local housing authorities, rendering us ineligible from competing in the TPSN pool. While we understand the need for rental subsidy for many TPSN-eligible populations, as an example, we have explored the potential for a Scholar House model which does not rely on rental subsidy. Given the limited participation in the TPSN pool in 2026, we recommend OHFA waive the rental subsidy requirement for TPSN projects as long as all other requirements are met, with an added emphasis on the market study to confirm that the proposed nonsubsidized rents are achievable.
 - **811 PRA Availability:** To assist OHFA in allocating 811 PRA, we further recommend that OHFA offer a path for projects to apply for 811 rental subsidy for up to 25% of units. These projects would initially compete in the General Occupancy pool, but, in the event the TPSN pool is under-subscribed, could instead be reevaluated for a competitive award in the TPSN pool.
- **Preserved Affordability:** Because projects competing in the Preserved Affordability pool are geographically fixed, we recommend OHFA reconsider the scoring criteria for preserved affordability developments to focus less weight on location. As an alternative, we recommend OHFA reinstate Rehabilitation Hard Costs per Unit as a competitive criteria rather than a threshold requirement.
- **Zoning:** We recommend the reinstatement of the exception request path for zoning approvals. While we have rarely, if ever, relied on the exception request path, we believe this language provides a reasonable accommodation, particularly for projects in Rural markets.
- **Census Tract Limiter:** We strongly encourage OHFA to remove the added language that prohibits Census tracts which received a 2026 award from receiving a 2027 award. As a point of practice, particularly given the financial strain projects are operating under, we believe it critical that OHFA maintain consistency under a two-year QAP to allow developers to adequately assess the risk of undertaking the significant expense required to submit a 9% application. While this recommendation does not impact CHN's 2027 pipeline, we acknowledge that current scoring is driven almost entirely by Census tract-based geographic scoring criteria, and we feel it reasonable for developers who may not have been awarded a project in 2026 to resubmit those developments for consideration in 2027.
- **ELI Unit Threshold Requirement:** Under the 2026-27 QAP, OHFA requires that developments provide either 10% or 15% ELI units, depending on Housing Needs Index score. Lease purchase is not well-suited to accommodate 30% units, as 30% AMI tenants do not have the incomes needed for ultimate homeownership execution in Year 16. This poses an ongoing challenge regarding achievable rents and incomes that are conducive to a successful homeownership transition in Year 16, and therefore, effectively necessitates that some of the single-family homes will permanently be held as rentals. ELI unit thresholds in Ohio and Michigan contributed to the stress on a number of prior awarded scattered site deals. We recommend this criteria be Not Applicable (N/A) for lease purchase developments.

- *Appendix C – Single Family Lease Purchase:* We encourage OHFA to remove the following language from Appendix C: *“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. Includes, but is not limited to yardwork, maintenance, or repairs.”*
 - Integral to the success of CHN's Lease Purchase program is its Contract of Care, which details the division of responsibility between the resident and the property manager in maintaining the resident's home. CHN's lease purchase residents have historically been responsible for upkeep and minor maintenance such as yard/landscaping care and snow removal, trash disposal, lightbulb replacement, furnace filter replacement, painting (for which CHN has a paint voucher program to supply materials), and other basic items. This is allowable under Section 42, the Ohio Revised Code, and is consistent with how the market property manages scattered site lease purchase deals.
 - CHN's goal is to empower our residents to ultimately have the option to purchase their home and provide an opportunity for generational wealth building, for which CHN has a proven track record of success using these very standards of care. These ongoing responsibilities for basic, routine home maintenance activities align with our mission of preparing residents for homeownership during the rental period, and thus is critical to residents' long-term success as homeowners.
 - Recommendation: We firmly believe the outcomes of the lease purchase program as they relate to homeowner preparedness will be diminished by the on-going implementation of this requirement, and therefore the inclusion of this language is both an unnecessary barrier to lease purchase development, and a disservice to future homeowners in the lease purchase program and should be deleted. Additionally, there is a lack of feasibility for an owner of scattered-site single-family homes, even at the scale of CHN's portfolio, to undertake certain maintenance described above, such as yard/landscaping care, snow removal, and trash disposal, and the market for scattered-site single-family home rental typically requires tenants to undertake such maintenance. These market and operational realities are another reason these items should be removed as specifically required under Appendix C.

Thank you again for the opportunity to provide comments on the first draft of the 2027 9% LIHTC Technical Amendment. CHN would be happy to discuss any of the above recommendations further.

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