

Frequently Asked Questions (FAQ) 2012-13 Multifamily Bond Gap Guidelines

OHFA is often asked how it will interpret program guidelines with respect to specific issues. Such questions regarding the above noted guidelines can be submitted to Karen M. Banyai at kbanyai@ohiohome.org. This FAQ will be updated weekly to address new questions that may arise.

August 16, 2012

1. **Question:** If HOME monies are available, would they only be made available to CHDO projects? If yes, what does that mean?

Answer: OHFA typically uses the federal HOME program resources to provide gap financing to successful project in the Competitive LIHTC round. If any HOME funds are not used in that round, OHFA will target those resources to projects that have a CHDO as a majority partner/member (at least 51% ownership interest). This allows OHFA to meet a set-aside requirement of the HOME program. However, OHFA will also consider the overall quality of the projects.

2. **Question:** With respect to the HTF monies, I thought you said at least 50% were going to rural areas? Did I hear that correctly, and if I did, what is the definition of rural areas?

Answer: OHFA will use the definition of rural in the Ohio Revised Code 174.02(A)(6): "rural areas and small cities that are not eligible to participate as a participating jurisdiction under the "HOME Investment Partnerships Act." OHFA reserves the right to bypass higher scoring projects to achieve this goal; however, OHFA will also consider the overall quality of the projects.

August 27, 2012

1. **Question:** I noticed that applicants in the 2013 competitive round are asked to self-score, and identify where supporting documentation for the scoring can be found. Will that also apply to those applying under the Bond RFP?

Answer: Yes. OHFA is finalizing the 2013 AHFA to include competitive worksheets for applicants applying under the Bond RFP. Also included in the 2013 AHFA will be self-scoring sheets for applicants to use.

September 10, 2012

1. **Question:** The information required in the Bond RFP does not agree with the information required as identified in the AHFA (Instructions Tab). In addition, there are some documents required that are not identified in the AHFA. How should applicants submit this information?

Answer: The RFP identifies what needs to be submitted and should not be confused with how the information is to be submitted. The AHFA will determine how the information is numbered and labeled. Those submitting applications under the Bond RFP are required to submit few documents with the Proposal Application. So while the numbering of the documents will be progressive, they will not be consecutive. For the additional documentation required in the Bond RFP, applicants should simply use the next available number: 45. Below is the documentation required in the RFP with the numbering as identified in the AHFA:

1. AHFA: Experience & Capacity Review Documentation
 - a. Detailed in the 2013 Affordable Housing Funding Application, Development Team Worksheet AHFA Completed 2013 Affordable Housing Financing Application (AHFA)
 - b. For the competitive scoring only, please use the worksheets labeled: "MFB New Units Scoring" or "MFB Existing Units Scoring."
7. Evidence of Site Control
8. Evidence of Zoning
9. Market Study (New Rental Units only)
12. Preliminary Architectural Plans & Specifications
18. Capital Needs Assessment (existing rental units only)
19. Scope of work (existing rental units only)
20. Evidence of Public Notification
- 29-33. Supporting documentation for points claimed
45. A letter from the project's Bond Underwriter that outlines the proposed bond structure and all steps required, including a timeline, for closing the financing for the project
46. Identity of Interest Form
47. Rent rosters for the past 5 years evidencing 93% occupancy or higher; or, a full market study (existing rental units only)

September 17, 2012

Question: What Local Government Notification letters should bond applicants use? The rehabs won't have a market study to complete the form letter that has been used in the past.

Answer: For the HDAP-Bond Proposal Application, the following information may be excluded from the Public Notification letters if a market study is not required:

1. Description of the Primary Market Area (third paragraph).
2. Lease-up period and estimated stabilized occupancy rate (under "Timeline").

3. Median market rent for comparable units in the PMA (under “Proposed Rents”).

Question: Where can I find the Identity of Interest form?

Answer: The actual name of this form is the Related Party Transaction Questionnaire, and it is located at:

<http://www.ohiohome.org/lihtc/documents.aspx>

It is found under the heading OHFA Standards, Standard Forms.

September 24, 2012

Question: Will OHFA accept documentation other than rent rosters to evidence occupancy rates for the previous three years?

Answer: Yes. Applicants are encouraged to submit the audited financials of the project for the prior three years, provided occupancy/vacancy rates are noted. OHFA requests that applicants highlight or otherwise “flag” the information in the financials.

Question: Is there an application fee for this round?

Answer: There is a \$2,000 application fee for the 4% credits. For those projects participating in the Bond RFP, successful applicants will submit this fee with the final application due January 24, 2013. This final application will be used for the both the HDAP and 4% underwrite. Applicants who are not selected in this round but still wish to pursue the 4% credits will be required to resubmit an application which would include the application fee and all of the documentation required in the QAP.