OHIO HOUSING FINANCE AGENCY

2016 - 2017 QUALIFIED ALLOCATION PLAN

Approved by the OHFA Board: June 17, 2015

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A Letter from the Office of Planning, Preservation and Development

Dear Partners,

We are pleased to present the 2016-2017 Qualified Allocation Plan (QAP). The process for arriving at this final product speaks to the remarkable partnership between the Ohio Housing Finance Agency (OHFA) and its partners, who everyday demonstrate deep commitment to our vision, values and mission, *We Open the Doors to an Affordable Place to Call Home*.

With nearly one in three renter households in Ohio burdened by housing costs, residing in substandard housing or living in overcrowded housing, the 2016-2017 Qualified Allocation Plan responds to a range of statewide housing needs that have grown far more complex in recent years. Over the past several months, together we have traveled far in pursuit of strategies and solutions to address this level of need with progress evidenced in the competitive scoring criteria for developments in urban and non-urban regions, and serving households, families, older adults and individuals with special needs.

Grounded in the goals of the 2016 Annual Plan, the first two-year allocation plan will reinforce the following objectives:

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

With an eye toward the future, we will continue to foster a Housing Tax Credit program guided by thoughtful analysis and spurring creative solutions to address emerging issues. Key areas of focus will include implementing a transparent allocation process in program year 2016, developing performance measurement tools to illuminate progress toward the strategic priorities and objectives of the Agency, and collaborating with our partners to ensure the long-term sustainability of developments awarded through the merits of this plan.

Respectfully Submitted,

Andrew Bailey
Director of Planning, Preservation and Development

Myia Batie
Program and Policy Manager

Stakeholder engagement was an essential part of developing the first two-year allocation plan that helps to further both public-private partnership and the mission of OHFA.

The Office of Planning, Preservation and Development utilized a multi-channel engagement process that extended over a nine month period beginning in October 2014 and ending with the close of the written comment period on Thursday, June 4, 2015.

Through these activities and others, government agencies, for-profit and nonprofit development organizations and advocacy groups participated in the process for developing the allocation plan. The following is a list of contributors who provided guidance in planning for the 2016-2017 Housing Tax Credit programs:

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Special thanks to our partners who attended forums, participated in discussions and submitted comments on the 2016-2017 Qualified Allocation Plan.

Ability Center of Greater Toledo
Advocates for Basic Legal Equality
American Community Developers
Athens Metropolitan Housing Authority
Buckeye Community Hope Foundation
Cincinnati Metropolitan Housing Authority
City of Cincinnati
City of Cleveland
City of Columbus
City of Dayton
City of Toledo
City of Kettering
Cleveland Housing Network
Coalition on Housing and Homelessness in Ohio
Columbus Metropolitan Housing Authority
Community Action Agency of Erie, Huron and Richland
Community Housing Network
Community Shelter Board
Corporation for Supportive Housing
Council for Rural Housing and Development of Ohio
Detroit Shoreway Community Development Organization
Diocese of Cleveland
Disability Rights Ohio
Emerald Development and Economic Network
Enterprise Community Partners
Episcopal Retirement Homes
Fairfield Homes
Famicos Foundation
Friendship New Vision, Inc.
Frontier Community Services
Galia Meigs Community Action Agency
Herman and Kittle
Hocking Metropolitan Housing Authority
Home Innovation Research Labs
Homeport
Homes on the Hill
Housing Opportunities Made Equal
Integrated Services
Jennings Center for Older Adults
Lawler Wood
Legal Aid Society of Cleveland
Legal Aid Society of Southwest Ohio
Lucas Metropolitan Housing Authority
LW Associates
Maximum Accessible Housing Ohio
Miami Valley Fair Housing Center
Miller Valentine
Model Group
National Church Residences
NRP Group
Oberer
Ohio Capital Corporation for Housing
Ohio CDC Association
Ohio Department of Developmental Disabilities
Ohio Department of Medicaid
Ohio Housing Authority Conference
Ohio Housing Council
Ohio Mental Health and Addiction Services Agency
Ohio Poverty Law Center
Ohio University
Pickaway Metropolitan Housing Authority
PIRHL
Poppe & Associates
Preferred Properties
Provident Management
Ralph A Falbo, Inc.
Showe Management
Smallridge Development
Southwestern Ohio Legal Services
Spire Development
Stock Development Corporation
Sunset Development
Talbert House
Testa Enterprises
The Community Builders
The Ohio State University
Toledo Fair Housing Center
Toledo LISC
Trumbull Metropolitan Housing Authority
United North
Vogt Santer Insights
Wallick
Woda
WSOS Community Action Commission
Yellow Springs Home, Inc.

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PURPOSE

The Housing Tax Credit program, also known as the Low Income Housing Tax Credit (LIHTC) program, is a federal tax incentive designed to increase the supply of quality affordable rental housing. Created through the Tax Reform Act of 1986 and governed by Section 42 of the Internal Revenue Code (IRC Section 42), the Housing Tax Credit program assists with the financing of development costs for eligible rental housing projects involving new construction, rehabilitation or acquisition with rehabilitation. As the allocating agency for the Housing Tax Credit program in the State of Ohio, OHFA has facilitated the development of more than 109,200 affordable rental units since 1987.

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

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

OHIO HOUSING NEEDS AND PRIORITIES

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

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

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

Distribution of credits for the production of new affordable housing and preservation of existing affordable housing are based on housing needs referenced in the assessment. Almost 2.5 million Ohioans meet the definition of very low-income and include households earning less than 50 percent of the area median income (AMI). More than four million Ohioans are defined as low-income, earning less than 80 percent AMI. As shown in the 2016 Ohio Housing Needs Assessment, households falling within these groups are more subject to housing cost burden and far more likely to experience housing problems, as discussed in later sections of this summary.

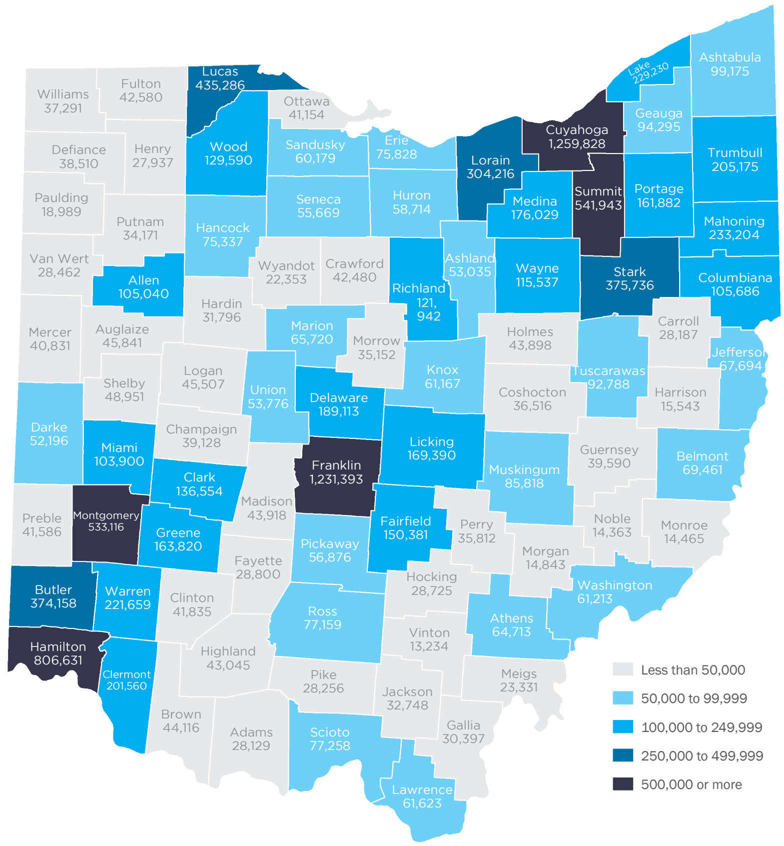
Population and Demographics

Total Population

The U.S. Census Bureau estimated 11,594,163 Ohio residents in 2014 with a majority of counties showing population loss from the 2010 decennial census. Projections from the Ohio Development Services Agency suggest this trend will continue over the next 25 years.

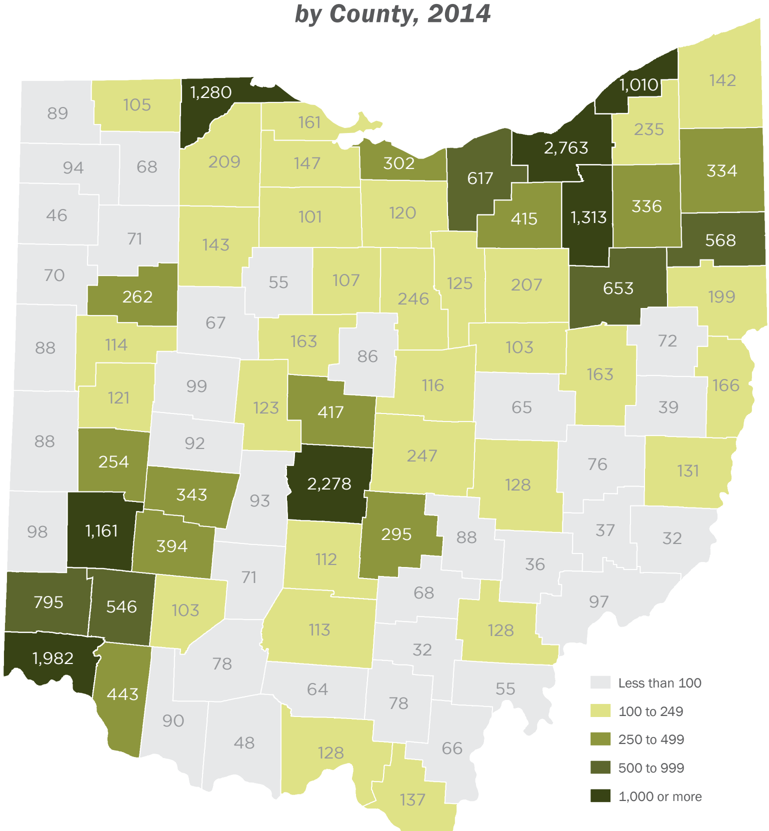
As shown in **Exhibit 1**, Ohio's most populated counties include Cuyahoga and Franklin Counties where there are more 1.2 million residents. As shown in **Exhibit 2**, Monroe, Vinton and Morgan counties were the least dense counties ranging from 32 to 36 residents per square mile.

Exhibit 1. Total Population by County, 2014



Source: U.S. Census Bureau Population Estimates (2014)

Exhibit 2. Residents per Square Mile by County, 2014



Source: U.S. Census Bureau Population Estimates (2014)

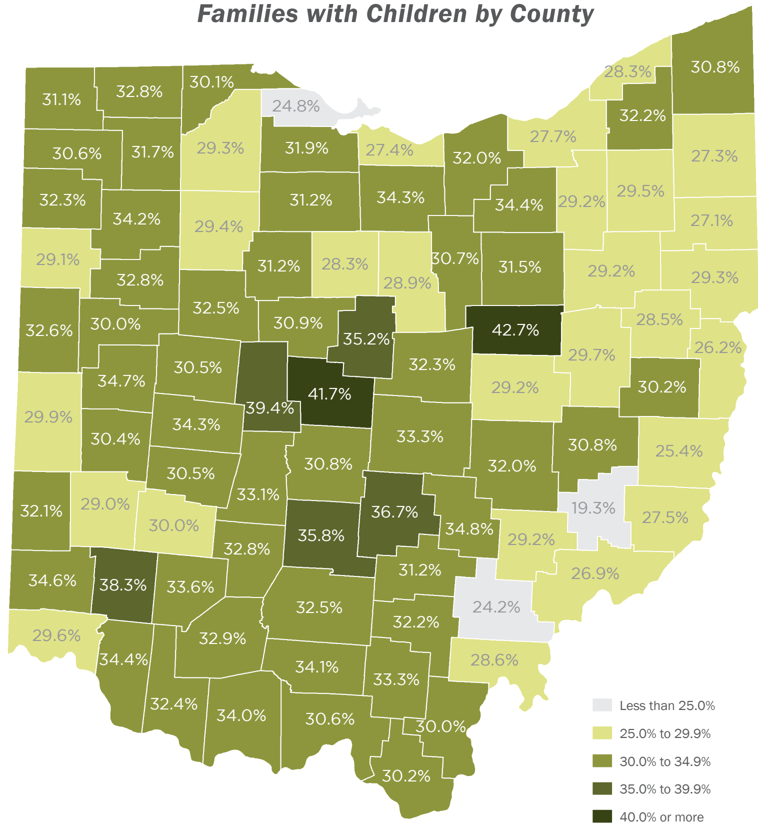
Households and Families with Children

More than 40 percent of renter-occupied households are comprised of one person, 26 percent include two or more people, and 19.1 percent include households with three to five people.

As shown in **Exhibit 3**, one in ten households statewide consist of families with children, ranging from 19.3 percent of all households in Noble County to 42.7 percent in Holmes County. A growing demographic in the State of Ohio includes grandparents living with grandchildren. An estimated 98,777 grandparents were raising grandchildren in 2013 which increased from 86,125 in 2005.

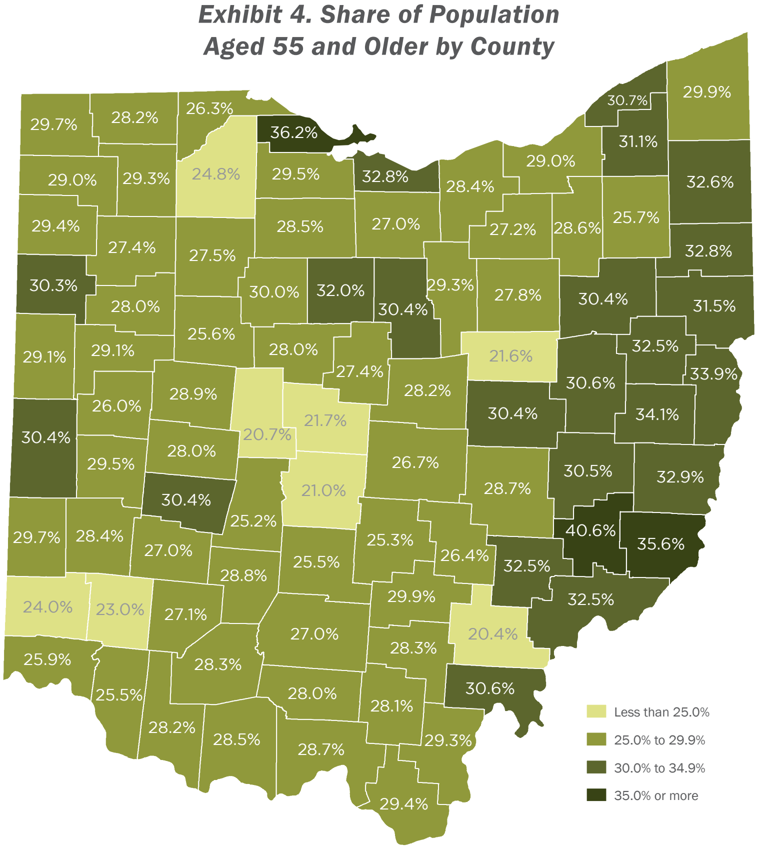
Poverty rates among children were higher than the general population with nearly one in four children aged 17 and younger living in poverty. Child poverty was most persistent in south eastern Ohio with rates in many of these counties showing nearly one in three children in poverty.

Exhibit 3. Percent of Households Consisting of Families with Children by County



Source: 2009-2013 American Community Survey

Exhibit 4. Share of Population Aged 55 and Older by County



Source: 2009-2013 American Community Survey

Households with Older Adults

Ohioans aged 55 and older comprise over a quarter of the total population, with many rural communities in eastern Ohio showing far greater proportions. As shown in **Exhibit 4**, Noble, Monroe and Ottawa Counties have the largest shares of adults aged 55 and older while the same demographic comprises less than 25 percent in counties such as Athens, Union, Franklin, Holmes, and Delaware Counties.

Similar to the share of Ohioans aged 55 and older, those aged 65 and 75 years or older comprised larger shares of the population in the eastern regions of the state. Since 1950, the proportions of persons aged 65 and older have increased, a trend that will continue and likely accelerate as baby boomers reach retirement age.

Households and Persons with Special Needs

Thirteen percent of Ohioans report at least one type of disability with figures much higher for rural counties in southern regions of the state. Statewide, 2.7 percent of Ohioans receive Supplemental Security Income (SSI) benefits, a program which provides additional income to households with children and adults with long-term disabilities. The 2015 Out of Reach Report shows that the gap between affordable rent and income levels range from $111 for the average renter wage earner to $515 for an SSI recipient in Ohio.

A total of 11,823 people were counted as homeless in Ohio in January 2014, representing a decrease of nearly four percent from 2013. Of those persons, 4,119 were members of homeless families, 1,481 were chronically homeless and 1,236 were veterans. While the incidence of chronic and family homelessness declined overall, veteran homelessness increased slightly statewide.

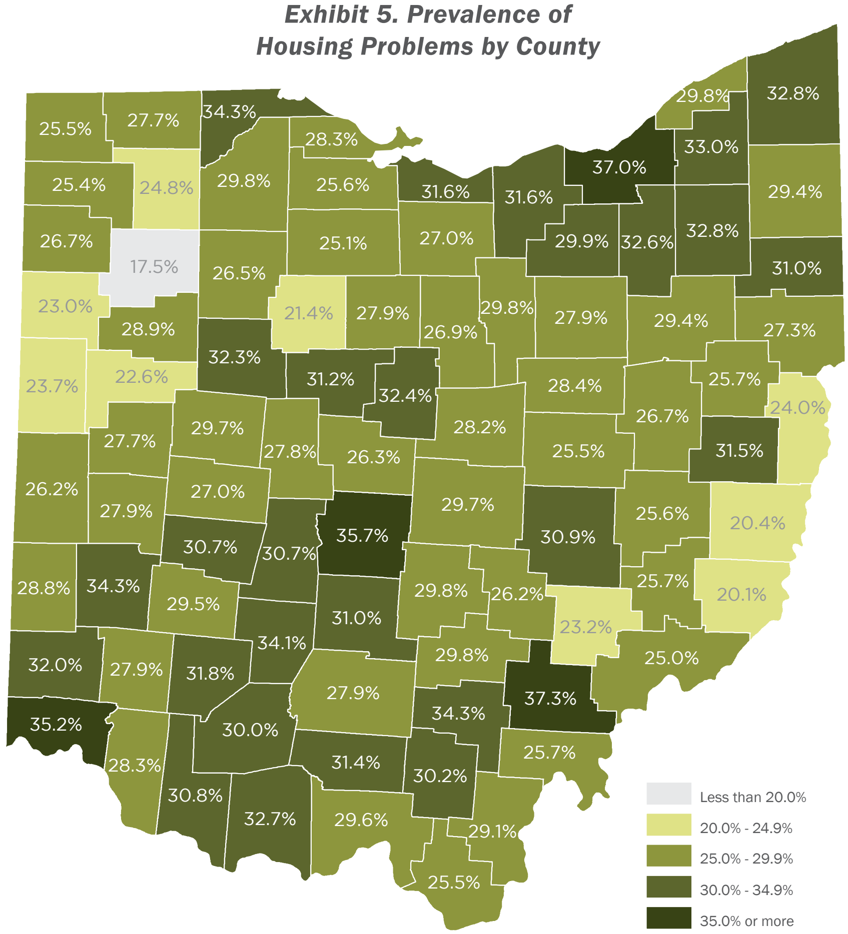
Housing Needs and Affordability

Housing Problems

Nearly half of all renter-occupied households in Ohio experience a housing problem, meaning that they are cost burdened, overcrowded or living in functionally substandard housing. For very low-income households this rate rises to nearly 70 percent. As shown in **Exhibit 5**, housing problems are most acute in Athens, Cuyahoga, Franklin and Hamilton counties.

Regional maps show that aging housing stock is also an issue in both urban and non-urban counties, particularly post-industrial and less populated areas in northeast and northwest Ohio.

Exhibit 5. Prevalence of Housing Problems by County



Source: HUD CHAS Data, 2007-2011 American Community Survey

Federal Rental and Operating Subsidies

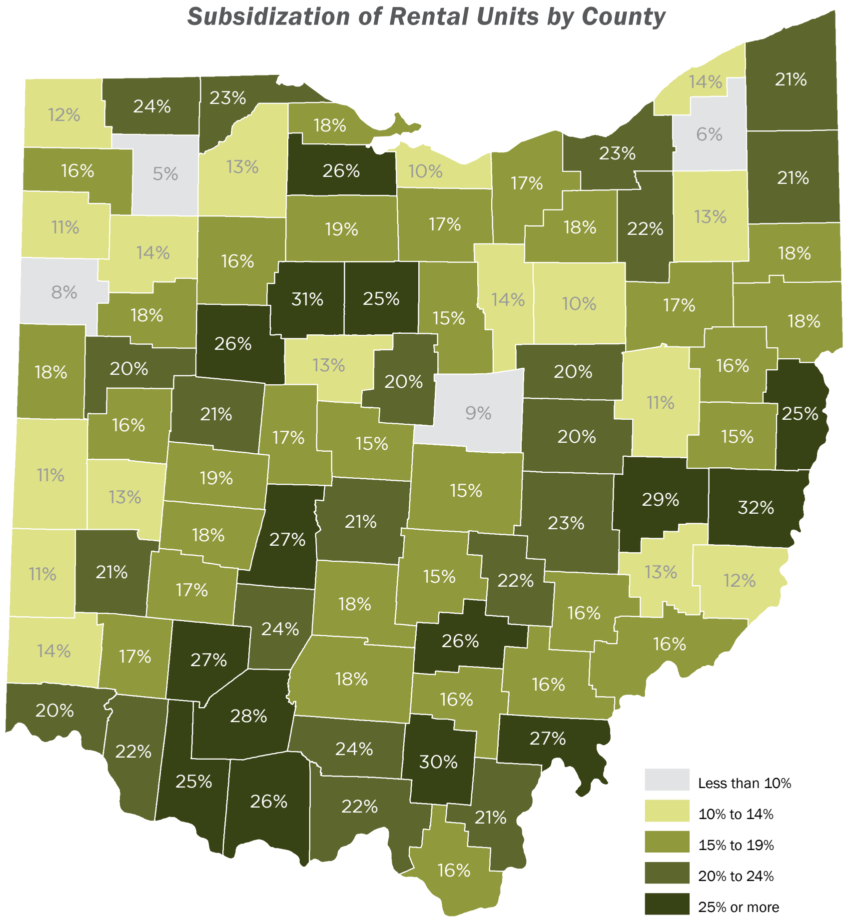
Statewide, there are 289,140 rental units receiving a subsidy from a federal program with over half of all subsidized households located in Ohio's six most populated counties.

The U.S. Department of Housing and Urban Development (HUD) partners with owners of private multifamily housing to make units affordable to low-income households. HUD provides mortgage subsidies to assist private owners with the financing of development costs in conjunction with rental and other assistance that may be fixed to a property or tenant. Assisted properties agree to use restrictions targeting occupancy to income eligible households. In Ohio, there are 1,568 active multifamily properties with project-based rental assistance representing 99,220 units.

The USDA Rural Development (RD) office began the Section 515 program in 1963. The direct loan and project based rental subsidy program has been instrumental in serving the mission to provide multifamily rural rental housing that is affordable to low- and moderate-income families, seniors and persons with disabilities.

In recent years, production of new 515 units has dramatically decreased. There are currently 381 properties in need of preservation, composed of 14,367 units (8,710 of which have rental assistance) in Ohio. The 515 Portfolio faces many challenges, the most critical being the maturation of many 515 loans which results in the loss of vital rental subsidies.

Exhibit 6. Rate of Federal Project-Based Subsidization of Rental Units by County



Sources: National Housing Preservation Database and 2009-2013 American Community Survey

APPLICATION PROCESS

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

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

The preferred method of contact for questions regarding the application process is via email to 2016QAPMailbox@ohiohome.org.

General contact information for the Agency is as follows:
Ohio Housing Finance Agency
Office of Planning, Preservation & Development
57 E. Main Street
Columbus, Ohio 43215

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

A. COMPETITIVE 9% PROCESS

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

Competitive Application Limitations

OHFA will evaluate the experience and capacity of the development team, which will include without limitation the general partner(s), developer(s) and development consultant(s). The following criteria will be considered in evaluating the applicant's experience and track record:

i. Financial capacity to construct and operate the proposed project;

ii. Experience developing and managing communities similar to the proposed project;

iii. Record of completing affordable housing developments within the required time frames;

iv. Management team experience marketing and leasing affordable housing units; and

v. Compliance with the requirements of the Housing Tax Credit program, and other programs administered by OHFA.

Consideration may be made for applicants who do not meet the above criteria, but will partner with a development team or consultant with experience in the housing tax credit program.

Developers and owners with previous experience in the Housing Tax Credit program may submit up to four applications for competitive review in the 2016-2017 allocation years. Unless otherwise noted or approved by OHFA, developers and owners who have not placed in service at least one affordable housing development in the State of Ohio will be limited to one competitive award.

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

Developers and/or general partners awarded an allocation of competitive housing tax credits for multiple proposals and exceeding the limit will be given five business days to select which proposals will move forward. If the developer and/or general partner elects not to make a decision, the proposal with the lowest credit request will be removed from consideration.

Community Housing Development Organization Certification

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

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

Questions and correspondence regarding CHDO certification may be directed to Deborah Leasure at dleasure@ohiohome.org.

Requests for Exceptions

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

Proposal Summaries

The proposal application will include a summary containing basic information about each development proposed. The summary will be completed by the applicant in the format specified in the AHFA. Proposal summaries for all applications will be posted to the OHFA website by the date shown in the program calendar. Additional application materials will not be made available to the public until the results of the competitive selection process have been released.

Public Notification and Comment

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

Site Visits

OHFA will conduct a site review for all proposals to evaluate and determine the suitability of a prospective site for housing development. If a prospective site is deemed unsuitable based on the site review, the application will be removed from further consideration.

The application will include a detailed map clearly depicting the physical location of the site and all roads leading to the site. Up to two representatives of the applicant who are familiar with the proposal application are encouraged to accompany OHFA staff to answer any questions. The applicant may request in advance that additional representatives be present if necessary and acceptable to OHFA. Applicants for scattered-site developments must be available to provide a tour of the sites and surrounding areas. All site visits will be scheduled at a time convenient to OHFA review staff.

Cost Containment

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

Any proposal application that is two or more standard deviations from the mean of the pool for both total development cost per affordable unit and total development cost per square foot will be removed from further consideration.

OHFA will exclude assumed debt from calculations on existing rental unit developments.

Scoring

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

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

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

Final Application

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

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

B. NON-COMPETITIVE 4% HOUSING TAX CREDITS PROCESS

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

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

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

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

In addition to the foregoing requirements, applicants should also note the following:

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

ii. A representative of the developer or management company must contact the OHFA Office of Program Compliance within six months following issuance of the 42m Letter of Eligibility to review management practices and establish a timetable for the placed-in-service review.

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

The owner has the option to elect the housing tax credit rate during the month in which the bonds are issued or the month the development is placed-in-service. Please note that the rate election period is tied to the month the notice of issuance indicates. If a development closes in escrow, the rate election applies to that month, not when the final closing occurs. Furthermore, if a bond closes in escrow and does not make a rate election in that month, the credit rate utilized will be the credit rate applicable at the time and for the month in which each building is placed-in-service. The owner has up to five days following the month in which the bonds are issued to notify OHFA of the rate election, otherwise the month the development is placed-in-service will be used.

C. 2016 HOUSING TAX CREDIT PROGRAM CALENDAR (COMPETITIVE)

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

DATES	APPLICANT	OHFA
Tuesday, September 1, 2015		2016-2017 AHFA and application materials posted to the OHFA website
Monday, September 14, 2015	Enterprise Green Communities and National Green Building Standards Training	
Tuesday, September 15, 2015		2016 Affordable Housing Funding Training
Friday, October 16, 2015	Deadline for submission of the following: Applications for pre-proposal CHDO certification	
Friday, December 4, 2015	Deadline to submit request for pre-proposal meetings with OHFA (optional)	
Friday, December 18, 2015		Decisions issued for pre-proposal CHDO certification
Friday, January 8, 2016	Deadline to commission market studies and submit requests for exceptions	
Monday, February 1, 2016		Decisions issued for exceptions to program requirements
Friday, January 15, 2016		DevCo online application opens
Thursday, February 18, 2016	Deadline to submit proposal applications	Consideration of public comments begins
Friday, February 26, 2016		Proposal summaries posted to the OHFA website
Tuesday, March 1, 2016		Competitive scoring, underwriting and site visits begin
Thursday, March 3, 2016	Deadline to complete and submit DevCo online application	
Friday, April 15, 2016		Consideration of public comments ends
Friday, April 29, 2016		Site visits conclude
Tuesday, May 10, 2016		Notice of preliminary scores and underwriting issues sent to applicants
Friday, May 20, 2016	Deadline to respond to preliminary scores and underwriting issues	
Wednesday, June 15, 2016		Final results of competitive scoring released and presented to the OHFA board
Friday, June 17, 2016		Binding reservation agreements and notice of threshold deficiencies issued
Monday, June 20, 2016	Partners may begin requesting debriefing meetings	Next steps meetings begin
Friday, June 24, 2016	Deadline to schedule next steps meeting	
Friday, July 1, 2016	Deadline to return binding reservation agreements and cures for all threshold deficiencies	
Friday, August 26, 2016		Next steps and debriefings conclude
Thursday, September 22, 2016	Deadline to submit final applications	
Thursday, November 3, 2016	Deadline to complete public notification process (scattered-site developments only)	
Friday, December 16, 2016	Final date for issuance of carryover agreements	

D. 2016 HOUSING TAX CREDIT PROGRAM CALENDAR (NON-COMPETITIVE)

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

Dates	Applicant
Monday, September 7 – Thursday, September 10, 2015	Deadline to submit final application
Monday, January 4 – Thursday, January 7, 2016	Deadline to submit final application
Monday, March 7– Thursday, March 10, 2016	Deadline to submit final application
Monday, June 6– Thursday, June 9, 2016	Deadline to submit final application

E. THRESHOLD REQUIREMENTS FOR PROPOSAL APPLICATIONS

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

Meets Section 42 Requirements

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

Complete and Organized Application

The DevCo online application, AHFA and all required materials must be submitted no later than the date indicated in the program calendar. The AHFA and supporting documents will be submitted on a compact disc, organized and formatted according to the index provided with the application. Proposal applications must be complete and consistent with all supporting documentation. An original signature of a representative of each general partner/managing member is required in the program certification section of the application and must be submitted in its original paper form. Any proposal applications that are incomplete, inconsistent, and/or illegible will be removed from consideration.

Application Fee

An application processing fee will be invoiced after all proposal applications are received. This fee will be assessed based on the number of proposal applications submitted in the competitive funding round by any given developer, general partner, managing member or any other authorizing entity as follows:

First application:	$2,000.
Second application:	$3,500.
Third application:	$5,500.
Fourth application:	$7,500.

Fees will be invoiced by OHFA within 30 days of application receipt and must be paid before preliminary scores will be released to the applicant.

Design and Construction Features Agreement

All proposal applications must include a Design and Construction Features Agreement. A copy of the Design and Construction Features Agreement must be submitted as an attachment to preliminary plans. The Design and Construction Features Agreement will be made available on the OHFA website.

Extended Use Agreement

All developments must commit to an extended use period of a minimum of 30 years of affordability at the time of application. If an allocation of housing tax credits is awarded, the owner must file a Restrictive Covenant (provided by OHFA), which waives the right of the owner to petition OHFA to have the extended use period terminated (as described in Section 42 of the IRC).

Evidence of Site Control

If the current owner is a general partner or limited partner in the development, the proposal application will include copies of the executed and recorded deed(s) at the time of application.

If the current owner is not a general partner or limited partner in the development, then evidence of site control must be submitted. Acceptable forms of site control include, but are not limited to, a purchase contract, a purchase option or a lease option for a minimum term of 35 years.

If parcels will be acquired from a city land bank, a copy of the final city council resolution approving the transfer of all applicable sites may be submitted as evidence of site control; a copy of a city resolution or city council ordinance approving the legal description and transfer of all applicable sites will also be accepted.

If parcels will be acquired from a county land bank, a letter from the board of control or a designated official approving the transfer of all applicable sites may be submitted as evidence of site control.

With respect to option agreements, the proposal application must include evidence of the agreement to purchase the property within a specified time period. Evidence of site control may not expire until a reasonable period following the scheduled announcement date for housing tax credit awards.

OHFA reserves the right to require, as needed, additional documentation that evidences proper site control.

Green Standards

OHFA requires that all applicants meet green building standards outlined in the 2015 Enterprise Green Communities Criteria and successfully achieve program certification for the proposed development. The criteria are a comprehensive set of building standards specifically designed to help affordable housing developers deliver healthy and efficient homes. Instructions for submission for Green Communities Certification and other references will be made available on the OHFA website.

Applicants may substitute Leadership in Energy & Environmental Design (LEED) Certification by the U.S. Green Building Council or ICC 700 National Green Building Standards (NGBS) by Home Innovation Research Labs (formerly the NAHB Research Center) to meet this requirement.

Applicants must include a written statement indicating which certification and level they are seeking at proposal application.

Developments will be notified of deficiencies to green standards at the time of notification for other threshold deficiencies.

If awarded an allocation of housing tax credits, developments seeking Enterprise Green Communities certification must enroll the development for prebuild approval in the Enterprise Green Communities portal prior to final application and submit prebuild approval with final application. Enterprise Green Communities requires 30 days to review and approve projects.

If seeking LEED certification, the certification checklist must be submitted with the final application to evidence that certification will be achieved.

If seeking NGBS certification, the preliminary scoring spreadsheet and proof of enrollment, including a unique project identification number, must be submitted with the final application to evidence that certification will be achieved.

Evidence of final certification with Enterprise Green Communities, LEED or NGBS will be required upon completion of construction and prior to request of form 8609.

Market Study

The proposal application will include a market study conducted by an OHFA-approved market study professional. For developments that competed in the 2015 funding round but were not awarded an allocation of housing tax credits, the applicant may submit a new market study or update dated no more than 12 months prior to the 2016 proposal application deadline. Applicants should refer to the OHFA Market Study Standards for additional requirements and to the program calendar for applicable deadlines.

Notifications to Statewide Accessibility Organizations

Applicants must notify the applicable statewide accessibility group at the time of application that accessible housing is being proposed. Applicants must further agree to accept referrals for prospective residents and consider design recommendations for the property. If the proposed development is awarded an allocation of housing tax credits, notification must take place again when the development is placed into service. Copies of correspondence between the applicant and accessibility group will be submitted at proposal application to show compliance with the foregoing requirements. A list of statewide accessibility groups will be made available on the OHFA website.

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

The proposal application will include a Phase I Environmental Site Assessment for all single-site developments at application. For scattered-site developments, the applicant may submit either a Mini-Phase I or a full Phase I ESA for all sites represented in the application. OHFA reserves the right to reject any sites indicated to have environmental problems or hazards.

Developments receiving an allocation of housing tax credits must submit a Phase I ESA valid in accordance with the most current ASTM Standard. One of the following will be acceptable to OHFA:

i. A Phase I ESA report dated within six months of the funding announcement

ii. If the Phase I ESA report is dated between six months and one year prior to the funding announcement, the applicant may submit an update to the report dated within six months of the funding announcement

iii. If the Phase I ESA report is dated over one year prior to the date of the funding announcement, the applicant will submit a new and complete Phase I ESA report

Preliminary Architectural Plans

The proposal application will include preliminary architectural plans meeting all requirements outlined in the Design Requirements section of the allocation plan. All preliminary architectural plans will be reviewed for approval by OHFA's staff architect.

Project Capital Needs Assessment and Scope of Work

Proposal applications for the rehabilitation of existing housing units and adaptive reuse of buildings not originally constructed as housing must submit a Capital Needs Assessment and Scope of Work for all buildings represented in the proposal. The assessment must conform to the standards outlined in the OHFA Capital Needs Assessment Standards. OHFA will use this assessment to determine whether the costs indicated in the proposal application are appropriate to the level of rehabilitation required.

Proposal Summary

The proposal application will include a summary containing basic information about each development proposed for consideration of a competitive award of housing tax credits. The summary will be completed by the applicant in the format specified in the AHFA and submitted as a PDF. Proposal summaries will be posted on the OHFA website for public review and comment no later than the date indicated in the program calendar.

Public Notification

The proposal application will include evidence that the public notification process for local elected officials was completed.

The applicant must notify, in writing, certain officials from:

i. The political jurisdictions in which the development will be located; and
ii. Any political jurisdiction whose boundaries are located within one-half mile radius of the development's location.

The officials to be notified include:

i. The chief executive officer and the clerk of the legislative body for any city or village (i.e. mayor and clerk of council)
ii. The clerk of the board of trustees for any township
iii. The clerk of the board of commissioners for any county
iv. State Representative(s)
v. State Senator(s)

The applicant will use the OHFA letter template and include all information requested. The notification must state the applicant's intent to develop housing using OHFA funding. The notification must be in writing and sent via certified mail, return receipt requested. Applicants will 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.

Scattered-site developments must complete the public notification process for all sites represented in the proposal application. If awarded an allocation of housing tax credits, this requirement must be completed again for all sites represented in the final application prior to issuance of a Carryover Allocation Agreement, and no later than November 3, 2016.

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

Scattered-Site Developments

A development qualifies as scattered site if there are 10 or more sites and 50 percent fewer of the sites are contiguous. Scattered site developments must have at least 35 percent of the sites under control at the time of application. All sites represented in the application must be within the boundaries of one Primary Market Area (PMA). OHFA reserves the right to reduce eligible basis when issuing a Carryover Allocation Agreement if the minimum site control percentage required at application is not maintained.

Applicants submitting a proposal application which includes scattered sites located in multiple counties or jurisdictions and/or scattered throughout a county or jurisdiction will provide a detailed map clearly identifying the location of all buildings and parcels under ownership or control and otherwise considered for the application.

Scoring Workbook

The proposal application will include a complete scoring workbook, in the format specified in the AHFA. Proposal applications that do not include a scoring workbook at the time of application will be removed from further consideration.

Supportive Services Plan

Developments receiving an allocation of housing tax credits are required to provide service coordination to the resident population and/or linkages to information and resources appropriate to the population. The proposal application will include evidence of salaried or in-kind service coordination on-site, contiguous or accessible to the development at the time of application. The final application must also include a Supportive Services Plan that addresses methods to:

i. Assess the needs of residents and develop a plan for service delivery;
ii. Provide residents with information and referrals to state, federal and local resources; and
iii. monitor and evaluate service delivery and outcomes.

Permanent Supportive Housing

In addition to the aforementioned requirements, the proposal application for Permanent Supportive Housing (PSH) must include a plan submitted to a local Continuum of Care or other entity that addresses the following:

i. Population(s) to be served and the experience the supportive services provider(s) have serving the target population(s)
ii. Formal and informal methods that will be used to evaluate the success of the supportive services plan in meeting the individual needs of the residents, addressing overall issues of homelessness, and how this information will be conveyed to OHFA and other organizations
iii. Methods to provide assistance in applying for Medicaid and other benefits to ensure the needs of residents are met
iv. Methods to link residents to services not offered on-site
v. Physical characteristics of the site, design and/or location that will enhance the lives of residents
vi. Sources of funding for all supportive services and how the supportive services will be sustained over the 30 year extended use period

Utility Allowance Information

The proposal application will include utility allowance information consistent with the requirements of Section 42 of the IRC, IRS Regulation 1.42-10 and OHFA's Utility Allowance Policy. Applicants may refer to the OHFA Utility Allowance Policy for guidance on methods available to calculate utility allowances for various project types.

Zoning

The proposal application will include evidence that all sites are currently zoned for the proposed use in the form of a valid building permit or a letter from the local municipality stating that the current zoning will permit the proposed development.

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

Evidence must be dated within one year of the proposal application due date.

F. THRESHOLD REQUIREMENTS FOR FINAL APPLICATIONS

OHFA will conduct a threshold review of the final application to determine completion, submission of necessary forms and supporting documentation and satisfaction of minimum program requirements. After reviewing for threshold requirements, OHFA will offer the applicant an opportunity to correct any deficiencies.

Changes from Proposal

Any substantive changes made to the development represented in the proposal application must be disclosed to OHFA simultaneous to submission of the final application. Substantive changes may include, but are not limited to, changes in ownership or development team, design, construction or configuration, site(s) (with an exception for scattered- site developments), targeted populations including special needs populations and any items affecting competitive scoring. Such changes may be permitted only at the discretion of the Director of Planning, Preservation and Development.

Complete and Organized Application

The DevCo online application, AHFA and all required materials will be submitted no later than the date indicated in the program calendar. The AHFA and supporting documents must be submitted on a compact disc, organized and formatted according to the index provided with the application. Final applications must be complete and consistent with all supporting documentation. An original signature of a representative of each general partner/managing member is required in the program certification section of the final application and must be submitted in its original paper form. Any final applications that are incomplete, inconsistent and/or illegible will be rejected.

Additional Rent Restrictions

Applicants awarded an allocation of competitive housing tax credits must select one of the following elections based on the location of the proposed development:

1. Urban Counties: A minimum of 40 percent of the low-income units affordable to households with incomes at or below 50 percent of Area Median Income (AMI)
2. Non-Urban Counties: A minimum of 35 percent of the low-income units affordable to households with incomes at or below 50 percent of AMI
3. Single Family Infill Development: 100 percent of units affordable to households with incomes at or below 60 percent of AMI

Affirmative Fair Housing Marketing Plan

The final application will include an Affirmative Fair Housing Marketing Plan consistent with the most current policies of the OHFA Office of Program Compliance. Applicants that own a property with project based Section 8, HUD Section 236 or USDA contracts may submit a current and approved Affirmative Fair Housing Marketing Plan to satisfy the requirement. If the plan's current approval date is within six months of expiration, the applicant must submit the current plan with supporting documentation demonstrating that an updated plan needs or does not need renewal by HUD, USDA and OHFA.

If an approved plan is not already in place, the final application will include a complete Affirmative Fair Housing Marketing Plan and OHFA Form PC-E45, consistent with the most current policies of the OHFA Office of Program Compliance. The form will include a description of the outreach, marketing and advertising methods used to affirmatively market the development. A separate plan is required for each census tract in which the development is located.

HUD, USDA and the OHFA Office of Program Compliance require that the Affirmative Fair Housing Marketing Plan be reviewed every five years.

Applicants may contact the OHFA Office of Program Compliance with questions regarding the Affirmative Fair Housing Marketing Plan.

Appraisal

The final application will include an as-is appraisal for all development site(s) represented in the application. Appraisals must meet OHFA's appraisal standards and requirements as outlined in the most current Multifamily Underwriting Guidelines.

Authorization to Release Tax Information

The final application must include the Authorization to Release Tax Information Form for all members of the general or limited partnership. OHFA will use this information to determine if an organization with an ownership interest in the development has outstanding tax liens with the State of Ohio.

Community Outreach

The final application will include a community outreach plan describing processes for providing notification to residents, businesses, local governments and other community stakeholders of a planned housing tax credit development. The plan may include involving local elected officials, police and fire departments, community development corporations, nonprofit community organizations and groups or posting notices in libraries or other public places where residents may congregate. Public meetings, design charrettes and notices in local papers and/or social media are other acceptable methods to provide notice to the community.

The final application will include documentation and evidence that the outreach plan has been completed before the final application deadline. The applicant will submit copies of any written notices or announcements placed or published, sign-in sheets from public meetings and support letters from community groups and contacts established through the outreach process.

If community outreach was completed prior to proposal application and the development is awarded an allocation of housing tax credits, the applicant must conduct an additional meeting with the local government and public between proposal and final application and provide evidence that this meeting occurred at final application.

Conditional Financial Commitments

All non-OHFA construction and permanent financing, grants, equity sources and deferred fees or expenses shall be conditionally committed at application. The final application will include a conditional commitment letter for all sources of financing. A conditional financing commitment must contain the following:

i. the amount of the financing; and
ii. the interest rate, term and amortization period or repayment terms of the loan

Applicants seeking funding from a local government, Federal Home Loan Bank or other public or quasi-public funding source that will not issue funding decisions prior to the final application deadline must include a letter of application or letter of intent from the funding source. The letter must identify a date when final determination for funding awards will be made. The final application will also include a statement from the applicant identifying at least one viable alternative to fill any gaps should the funding source be removed from the development budget.

A conditional equity commitment must be submitted and contain the following:

i. the amount of housing tax credit equity (net and gross);
ii. the pay-in schedule for the equity;
iii. the cents per housing tax credit dollar factor used; and
iv. the amount of historic equity (if any).

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

Consistency with Housing Development Assistance Program Funding

Developments that will request Housing Development Assistance Program (HDAP) funding must submit a final application consistent with the requirements outlined in the Housing Credit Gap Financing section of the allocation plan.

Design and Construction Features Agreement

The final application will include an executed Design and Construction Features Agreement at final application included with 80 percent plan sets. The most current Design and Construction Features Agreement will be made available on the OHFA website.

Eighty Percent Completed Architectural Plans and Specifications

The final application will include one set of 11x17 drawings including Civil, Landscape, Architectural, Mechanical, Electrical and Plumbing specifications. Plans must be certified by the development architect to be 80 percent complete or better, and meet all requirements outlined in the Design Requirements section of the allocation plan. All architectural plans will be reviewed for approval by OHFA's staff architect.

Federal Tax Identification Number

The final application will include evidence that a Federal Tax Identification Number (FTIN) has been obtained for the ownership entity.

Good Cause Lease Addendum

The final application will include a written statement from the owner certifying that the Good Cause Lease Addendum will be included in all new leases and upon renewal of existing leases for all residents. The Good Cause Lease Addendum will be made available on the OHFA website. Developments that will include project-based rental assistance from a federal agency are exempt from this requirement.

Green Standards

OHFA requires that all applicants meet green building standards outlined in the 2015 Enterprise Green Communities Criteria and successfully achieve program certification for the proposed development. The criteria are a comprehensive set of building standards specifically designed to help affordable housing developers deliver healthy and efficient homes. For more information about the 2015 Enterprise Green Communities Criteria please visit the Green Communities website.

Applicants who will meet and certify through Enterprise Green Communities and earn points for project data collection and monitoring (see criteria 8.6 of the Enterprise Green Communities Criteria) using the Energy Star Portfolio Manager must allow OHFA full access to this data for a minimum of five years. To share a property with OHFA, users should send a connection request to "OHFAPPD16." Applicants who will use a comparable third party system to measure and maintain energy consumption data must also share information with OHFA in a manner that allows the Agency access to key metrics and the ability to compare the energy performance of applicable buildings to other developments.

If awarded an allocation of housing tax credits, developments seeking Enterprise Green Communities certification must enroll the development for prebuild approval in the Enterprise Green Communities portal prior to final application and submit prebuild approval with final application. Enterprise Green Communities require 30 days to review and approve projects.

Applicants may substitute Leadership in Energy & Environmental Design (LEED) Certification by the U.S. Green Building Council or National Green Building Standards (NGBS) by the National Association of Homebuilders to meet this requirement.

If seeking LEED certification, the certification checklist must be submitted with the final application to evidence that certification will be achieved.

If seeking NGBS certification, the preliminary scoring spreadsheet and proof of enrollment, including a unique project identification number, must be submitted with the final application to evidence that certification will be achieved.

Evidence of final certification with Enterprise Green Communities, LEED or NGBS will be required upon completion of construction and prior to request of form 8609.

Legal Description(s)

The final application will include a legal description of each parcel that will be included in the development must be submitted at application in Word format. The description(s) must include the street address and permanent parcel number of each parcel.

Local Service Provider Memorandum of Understanding

The final application will include a Memorandum of Understanding or other contractual agreement for all partnerships with local service providers. The agreement must outline the specific services to be offered, methods of delivery and terms of the partnership(s).

Ohio Housing Locator

The final application will include a written statement from the owner certifying that developments financed with assistance from OHFA will be listed with the Ohio Housing Locator at www.ohiohousinglocator.org as soon as the units are placed in service. It will be the responsibility of the owner and/or property manager to update listings at least on an annual basis.

Phase I Environmental Site Assessment (ESA)

The final application will include a Phase I ESA for all sites included in the development. If a full Phase I ESA was submitted with the proposal application, one need not be resubmitted with the final application. The report(s) must comply with current OHFA standards. The owner must submit a narrative that addresses any issues raised in the report(s). OHFA reserves the right to reject any sites indicated to have environmental problems or hazards. The Phase I ESA must have been completed or updated by the author within one year prior to the application deadline for housing tax credits.

Relocation Plan (Existing Rental Units Only)

Any development involving acquisition and rehabilitation of existing and occupied units that will result in permanent displacement of any residents will submit a complete Acquisition, Relocation and Demolition Questionnaire and Relocation Assistance Plan at final application.

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

If the development includes HDAP funding, applicants must refer to the Housing Credit Gap Financing section of the allocation plan for additional guidance.

Single Family Infill Development

All units must be affordable to households with incomes at 60 percent of AMI and to buyers with incomes meeting housing tax credit eligibility requirements at the end of 15 years. The final application will include a statement from the owner certifying that a housing inspection from an independent third party approved by OHFA will be provided to the buyer at no cost and that any corresponding issues will be addressed before the home is transitioned to the buyer at year 15.

Developments competing for funding will complete and submit the Single Family Infill Development narrative form at application which will be made available on the OHFA website. Prior to sale of a lease purchase home at year 15, the owner must notify the OHFA Office of Program Compliance 90 days prior to sale and in accordance with the most current policies of the Agency.

Subsidy Layering Review Application

If a Public Housing Authority requests that OHFA complete a Subsidy Layering Review (SLR) for a development including new project-based vouchers or a Housing Assistance Payment Contract, the final application for housing tax credits will include all necessary application materials, documents and fees required for an SLR, submitted on a separate disc. Applicants may refer to the OHFA SLR guidelines and Federal Register Notices Vol. 70 No. 187, and Vol. 75 No. 131 for additional guidance.

G. THRESHOLD REVIEW FOR 4% APPLICATIONS

OHFA will conduct a threshold review of 4% housing tax credit applications to determine completion, submission of necessary forms and supporting documentation and satisfaction of minimum program requirements. After reviewing for threshold requirements, OHFA will offer the applicant an opportunity to correct any deficiencies.

Minimum requirements for review of a 4% housing tax credit application shall include all criteria listed in the Threshold and Final Requirements sections of the allocation plan, with the following exceptions:

i. The fee for 4% housing tax credit applications is $2,000. OHFA may assess fees with respect to its other programs, where applicable

ii. 4% housing tax credit developments that will not request HDAP funds are exempt from additional rent restrictions and minimum requirements for HDAP funding

iii. OHFA may waive the requirement of green standards for 4% housing tax credit developments demonstrating financial need. Applicants may request an exception simultaneous to submission of the final application

iv. OHFA may allow additional time for 4% housing tax credit developments to submit 80 percent complete architectural plans and specifications. However, a review period of at least 60 days is necessary between the submission of 80 percent plans and the issuance of a 42m Letter of Eligibility

H. COMPLIANCE WITH MULTIFAMILY UNDERWRITING GUIDELINES

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

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

Developments will be subject to the following financial evaluations:

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

I. 2015 BASIS BOOST POLICY

Developments located in a qualified census tract (QCT) as defined by reference to IRC Section 42 are eligible for an allocation of credits up to 130 percent of the eligible basis for new construction or rehabilitation. The following projects may also be considered for the 130 percent basis boost:

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

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

iii. Developments in the Permanent Supportive Housing pool that earn 15-25 points for Continuum of Care priority

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

The basis boost policy may be subject to change if Congress elects to extend the fixed 9% rate. OHFA will issue a clarifying memo as necessary.

J. LIMITS ON HOUSING DEVELOPMENT ASSISTANCE PROGRAM FUNDS

The following applies to applicants seeking an allocation of competitive housing tax credits:

- PSH developments and developments located in a non-urban county may request up to $300,000 in OHTF
- Applications in all pools that will meet HOME set-aside requirements may request up to $600,000 in HOME funds. To qualify for the HOME set-aside; and the development must be owned, developed or sponsored by a nonprofit housing development organization that will certify as a state-certified CHDO
- Single family infill and lease-purchase developments will not qualify for an award of HDAP

HDAP funds, including housing credit gap financing, are subject to appropriation of funds to OHTF by the State Legislature, allocation by the OHTF Advisory Committee and HUD approval of the State Consolidated Plan. Based on demand and funding availability, OHFA reserves the right to change limits on housing credit gap financing for individual applications.

HOUSING POLICY POOLS

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

A. NEW UNIT PRODUCTION

Family Housing:

Approximate Funding Target: $4,000,000
Maximum Per Application: $1,000,000

Proposed developments involving the production of new affordable units, and not restricted to a senior head of household aged 55 and older, will be considered in the Family Housing allocation pool. A family housing development may be available to all income eligible households with or without children. Single family lease purchase developments, which will compete in the Single Family Infill Development allocation pool, are not eligible for competition in the Family Housing allocation pool.

Set-Aside: Family Housing in an Area of High Opportunity
A set-aside for allocation to a minimum of one family housing development in a high opportunity census tract, as defined by reference to the Opportunity Index, will be administered by OHFA. Developments sited in an eligible tract will compete against like applications for the extent of the set-aside.

Senior Housing:

Approximate Funding Target: $4,500,000
Maximum Per Application: $1,000,000

Proposed developments involving the production of new affordable units for households that will include a head of household aged 55 and older will be considered in the Senior Housing allocation pool.

Non-Urban Housing:

Approximate Funding Target: $5,000,000
Maximum Per Application: $800,000

Proposed developments involving the production of new affordable housing units in non-urban counties will be considered in the Non-Urban allocation pool. New developments sited in an eligible jurisdiction may apply and compete only to the extent of the Non-Urban allocation pool, including housing for families and heads of household aged 55 and older. Non-urban counties shall be defined by reference to the Geographic Definitions section.

Set-Aside: Low Population and Mid-Sized Counties

A set-aside for allocation to a minimum of one housing development in a low population county and one housing development in a mid-sized county will be administered by OHFA.

A low population county is defined as a county with a total population of less than 50,000. A mid-sized county is defined as a county with a total population of 50,000 or more but less than 99,000. Developments sited in an eligible county will compete against like applications for the extent of the set-asides. A map of eligible counties is presented in the 2016 Ohio Housing Needs Assessment (see Exhibit 1-2, Total Population by County, 2014).

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

B. PRESERVATION OF AFFORDABLE HOUSING

HUD Rental Subsidy Preservation:

Approximate Funding Target: $4,000,000
Maximum Per Application: $1,000,000

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

Rural Asset Preservation:

Approximate Funding Target: $3,000,000
Maximum Per Application: $700,000

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

C. PERMANENT SUPPORTIVE HOUSING

Approximate Funding Target: $4,000,000
Maximum Per Application: $1,000,000

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

HUD-Designated Continuums of Care (CoC):

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

Set-Aside: Balance of State and Smaller CoCs

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

D. SINGLE FAMILY INFILL DEVELOPMENT (NEW CONSTRUCTION ONLY)

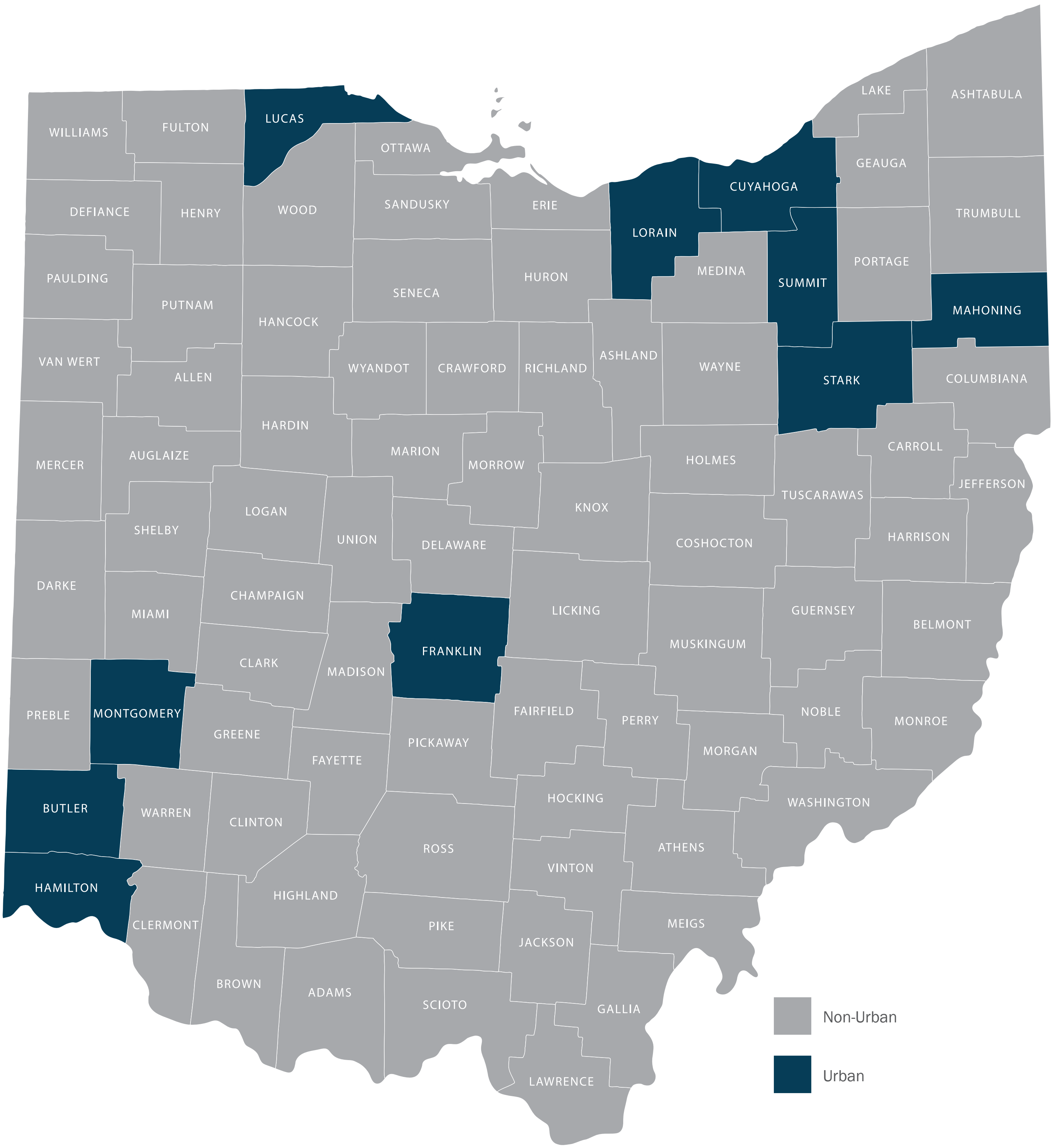
Approximate Funding Target: $1,500,000
Maximum Per Application: $750,000

Proposals involving new construction of single family homes intended for eventual resident ownership will be considered in the single family infill development pool. To be eligible for competition in this pool, a prospective development must be recognized by the applicable unit of government as assisting in the stabilization of a neighborhood or target area by demolishing or redeveloping properties and/or sites that have been foreclosed, abandoned and which constitute blight. Only prospective developments located in an urban county, as defined in the Geographic Definitions section, shall be eligible for consideration in the Single Family Infill Development allocation pool.

E. STRATEGIC INITIATIVES

Proposals that address priority housing needs evidenced in the 2016 Ohio Housing Needs Assessment may be considered for an award of housing tax credits in the Strategic Initiatives allocation pool. Applications evidencing local support, meeting a quantifiable need and targeting areas left underserved through the competitive selection process will be given priority selection consideration. Credits remaining in all other pools will be distributed to the Strategic Initiatives allocation pool and awarded to eligible developments.

F. GEOGRAPHIC DEFINITIONS



COMPETITIVE CRITERIA

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

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

A. EXCEPTIONAL DEVELOPMENTS

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

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

1. Creative Design

Developments in all pools that exemplify exceptional architecture and design may earn three points for utilizing creative approaches to achieve affordability in housing and provide an environment that promotes quality of life for residents. Partial points will not be awarded. Proposals must incorporate two or more of the following features:

- Advanced energy saving technologies
- Alternate sources of energy
- Creative site design or land use
- Creative layout of interior space
- Healthy housing features
- On-site renewable energy generation
- Open spaces and paths
- Playgrounds and play areas
- Sustainable and 50-year or more durable materials
- Unique building form, scale or massing

Required Submission: At proposal application, applicants must submit a narrative form for creative design and supporting documentation in the form of detailed preliminary plans and specifications showing all features and amenities that will exceed the mandatory requirements of OHFA's green standards.

Evaluation: Analysis of affordability in housing or cost-effectiveness will take into account the configuration of the development and the impact on development, operating, or household expenses. Preference will be given to developments showing the greatest measurable savings and cost-efficiency over the initial 15 year compliance period.

2. Community Investment

Developments in all pools may earn three points for investment or reinvestment activities implemented within a two mile radius of the proposed development. Partial points will not be awarded. Eligibility will be limited to proposals showing a clear and proximate link to the following:

- Investments resulting in neighborhood or community improvements of at least $250,000 to support housing development, economic development or provide services to local residents and completed between 2005 and 2015.
- All investments and improvements represented in the application must be financed exclusively by the developer and/or member of the general partnership, which may include an owner/master developer or local neighborhood organization with a history of serving the community.

Required Submission: At proposal application, applicants must submit a narrative form for community reinvestment and supporting documentation addressing the extent of the investment activities, the impact of the activities on the surrounding neighborhood, the relationship of these investments to the proposed development and how the value of the investment is determined. The applicant must also include a map showing the location of the development in relation to any investments represented in the narrative.

Evaluation: Preference will be given to developments that evidence the greatest amount of investment/reinvestment exceeding $250,000, are located in closest proximity to investment/reinvestment completed between 2005 and 2015 and demonstrate a strong relationship to the neighborhood or community.

3. Local Development Priority

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

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

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

4. Economic Development

Developments competing in all allocation pools may earn three points for integrating land use and economic development strategies that will lead to economic investment in areas in need of revitalization. Partial points will not be awarded. The overall economic development strategy must meet the following criteria:

- A target or catchment area not exceeding a two mile radius
- Coordination with the goals of the local government
- Tax or other incentives in the development or operating budget provided by a local, regional or state entity
- Commercial, market rate housing, and other real estate development in the target area

Required Submission: At proposal application applicants must submit a narrative form for economic development with a map of the target area and a letter from the local government expressing support and commitment of incentives represented in the application. The value of all incentives must be clearly specified in the letter.

Evaluation: Preference will be given to applications leveraging the greatest amount of incentives provided by a local, regional or state entity and that accomplish at least two of the following:

- Creation of new housing opportunities through redevelopment of abandoned or deteriorated commercial or industrial buildings and/or sites
- Streetscape and infrastructure improvements that improve pedestrian access and safety
- Enhance access to public transit in areas that are lacking adequate service

5. Education and Opportunity

Developments not solely restricted to heads of household aged 55 and older may earn three points for strategies to increase educational opportunities for children and adults onsite or in a surrounding target area or neighborhood. Partial points will not be awarded. Proposals must include supportive services and supports tailored to one or more of the following groups:

- Children and young adults in grades K-12
- Adults pursuing education at a skilled trade or post-secondary institution

Required Submission: At proposal application, applicants must submit a narrative form for education and opportunity and supporting documentation showing evidence of long-term commitment from a local partner(s) who will assist in implementing the planned strategy or initiative.

Evaluation: Preference will be given to strategies that will accomplish two or more of the following:

- Partnership with an accessible neighborhood K-12 school rated "D" or better by the Ohio Department of Education to develop, fund and implement a focused, comprehensive and school-specific improvement strategy to reform low-performing schools.

  School ratings are defined by reference to the most current Performance Index Ratings and Value-Added Progress Rankings. The applicant must submit a comprehensive reform plan supported or approved by the school district and a letter of support from the applicable school. The reform plan must detail how principal/teacher quality, curriculum and any performance mandates required by the school district or State of Ohio will be addressed.
- Partnership with a local partner, including but not limited to a skilled trade or post-secondary institution, which will provide assistance, scholarships and or grants to offset the cost of tuition, fees and expenses for adult students.
- Provide continuous wraparound supports to the resident population and promote an active student and/or parent body within the school.

Highest priority will be given to developments that utilize a dual approach to strengthening and supporting children and adults through programs, services and outreach targeting residents of all ages, including expecting parents, infants and toddlers, children, young adults and adults.

6. Healthcare

Developments that will serve adults aged 55 and older may earn three points for strategies that will align housing and health care services to reduce measurable costs to health systems or services funded through state or federal programs including Medicaid and Medicare. Partial points will not be awarded.

Proposals must include the following:

- Coordinated strategy to stabilize persons with chronic illnesses and/or behavioral conditions
- Long-term commitment from a local partner(s) who will assist in implementing the planned strategy

Required Submission: At proposal application, applicants must submit a narrative form for healthcare and supporting documentation showing evidence of projected cost savings to state and federal programs.

Evaluation: Preference will be given to applications that will provide interventions to the resident population on-site or accessible to the proposed development and that produce the greatest quantifiable savings through reimbursable services.

7. Workforce

Developments in all pools may earn three points for strategies that will create new employment opportunities and/or provide housing opportunities for the local workforce. Partial points will not be awarded.

Required Submission: At proposal application, applicants must submit a narrative form for workforce housing in conjunction with a partnership agreement or Memorandum of Understanding with an employer or multiple employers located within a five mile radius of the proposed development (10 miles for developments in non-urban counties).

The applicant will include a statement from the employer confirming that the business or firm will be relocating to the area and/or expanding operations to create new employment opportunities in conjunction with the proposed development.

The agreement must specify the total number of employees employed by the firm, the average salary of workers that would qualify for the proposed development, the expected number of new jobs to be created, proximity to the proposed development and how the workforce will be directed or referred to the proposed development.

Evaluation: Preference will be given to proposed developments meeting one of the following criteria:

- Developments located in a census tract where more than 60 percent of households earn $40,000 per year or less, as defined by reference to 2011 Longitudinal Employment and Household Data, and that will create new employment opportunities for the local workforce. A list of eligible census tracts will be made available on the OHFA website.
- Developments located in a census tract where more than 60 percent of jobs pay $40,000 per year or less, as defined by reference to 2011 Longitudinal Employment and Household Data, and the development will provide housing opportunities for the local workforce. A list of eligible census tracts will be made available on the OHFA website.

Highest priority will be given to developments located in a county showing the highest net new stable job creation between January 2009 and December 2013, defined by reference to the 2016 Ohio Housing Needs Assessment (see Exhibit 3-6, Net New Stable Job Creation) and which are located in closest proximity to new or existing employment opportunities represented in the application. Proximity will be defined by linear distance.

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

8. Local Initiatives

Developments in the Family, Senior and Non-Urban allocation pools that will contribute to a comprehensive, multi-phase or transformative community development effort may seek consideration of three points for local initiatives. A maximum of one development in each of the above referenced new production pool may be awarded under this criterion. Partial points will not be awarded.

To earn points for this criterion, the development must meet the following criteria:

- The development is recognized as contributing to a community, economic or neighborhood development plan
- The development provides for a mix of land uses and housing types, including market rate housing
- The development includes a minimum of 125 units (50 units if located in a non-urban county)
- The development has received local development priority from the local government; and if located in a non-urban county, the governing body of the municipality in which the project is located may provide a letter of support
- The development leverages significant investment and equity through partnership with public and private organizations, local corporations, and other institutions -- accounting for no less than 25 percent of total development costs

Development teams completing a local initiatives project may not compete in the 2017 competitive allocation round in any pool. Additionally, the local government providing development priority or support will forgo one priority designation in program year 2017.

Applicants meeting the above criteria may request up to $1,000,000 in program year 2016 and a conditional commitment for up to $1,000,000 in program year 2017 at proposal application. If awarded an allocation of housing tax credits, the applicant will submit a proposal application for the second phase in program year 2017 to confirm project feasibility. The second phase of the development must meet the criteria established under this category in addition to the requirements of the 2017 allocation plan. A development that is not successful in achieving these requirements may be deemed infeasible and thereby, not receive a two year allocation.

Required Submission: At proposal application, applicants must submit a narrative form for local initiatives and supporting documentation evidencing receipt of local development priority, or support where applicable, and required leverage.

Evaluation: Preference will be given to developments including the greatest number of affordable units for the pool in which the project is competing and leveraging the greatest amount of resources.

B. NEW UNIT PRODUCTION

Applicants proposing construction of new affordable units for family and senior households may compete for an allocation of housing tax credits in one of three allocation pools for new unit production: (1) Family Housing, (2) Senior Housing and (3) Non-Urban Housing. Applicants may refer to the Competitive Scoring Summary and Scoring Workbook for additional guidance.

1. Local Partnerships - Up to 15 Points Maximum

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

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

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

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

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

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

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

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

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

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

v. The development will be owned, developed or sponsored by a community-based housing development organization that has been certified as a CHDO by the State of Ohio during the proposal phase.

vi. A letter from the local municipality stating that all planning and zoning is complete and the proposed development will not require additional local approvals.

2. State Development Priorities - Up to 20 Points Maximum

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

A. Location Based Priorities ***Five Points per criterion*** ***15 Points Maximum***

i. Developments located in a county showing net new stable job growth between January 2009 and December 2013, defined by reference to the 2016 Ohio Housing Needs Assessment (see Exhibit 3-6, Net New Stable Job Creation). A list of eligible counties will be made available on the OHFA website.

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

ii. Developments located in a county where 30 percent or more of households experience one or more housing problems, as defined by reference to the 2016 Ohio Housing Needs Assessment (see Exhibit 4-5, Prevalence of Housing Problems). Households with housing problems include those that (i) occupy substandard units, (ii) are overcrowded, and/or (iii) have a cost burden of greater than 30% of annual median income for gross housing costs. A list of eligible counties will be made available on the OHFA website.

   A list of eligible counties will be made available on the OHFA website.

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

iii. Developments located in a census tract where the median family income from the 2009-2013 American Community Survey (ACS) is 160 percent or more of the county's current median family income. A list of eligible counties census tracts will be made available on the OHFA website.

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

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

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

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

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

vi. Developments located in areas that are part of a revitalization, stabilization or economic development plan.

   Applicants must submit a letter from the municipal planning department that details the specific development, how it will further the goals of the initiative and planned investments committed to or occurring in the area.

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

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

B. Development Based Priorities ***Five points per criterion*** ***15 points maximum***

i. Developments involving the adaptive reuse of a vacant or foreclosed site in which 100 percent of the proposed units will be located.

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

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

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

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

Applicants must submit supporting documentation evidencing the contiguity of the new phase and audited financials confirming the required occupancy rate for the past two years.

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

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

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

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

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

All buildings in the proposed development must be eligible for listing on the National Register of Historic Places evidenced in the form of an approved Part I application submitted at application. Eligibility for points under this criterion will also be confirmed by reference to the development budget represented in the application. Developments that have been awarded State Historic Tax Credits may also earn points for this criterion if credits were awarded prior to submission of the proposal application.

3. Land Uses – 20 Points Available

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

A. Positive Land Uses ***10 Points Maximum***

Up to 10 points will be awarded to proposals located in proximity to positive land uses and amenities.

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

Eligible amenities are specified in the chart of approved amenities. Distances should be calculated as linear distances within Google Maps. OHFA may give consideration to developments that are within 500 feet of an amenity. Scattered site developments must reference the most central site.

URBAN COUNTIES	• Ten points will be awarded to developments within a quarter-mile linear distance of at least three amenities, or a half-mile linear distance of at least six amenities • Nine points will be awarded to developments within a quarter-mile linear distance of at least two amenities, or a half-mile linear distance of at least four amenities • Six points will be awarded to developments within a quarter-mile linear distance of at least one amenity or a half-mile linear distance of at least three amenities
NON-URBAN COUNTIES	• Ten points will be awarded to developments within a one-mile linear distance of at least four amenities, or a two-mile linear distance of at least seven amenities • Nine points will be awarded to developments within a one-mile linear distance of at least three amenities, or a two-mile linear distance of at least six amenities • Six points will be awarded to developments within a one-mile linear distance of at least two amenities, or a two-mile linear distance of at least five amenities

Eligible positive land use amenities:

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

B. Proximity to Detrimental Land Uses ***10 Points Maximum***

OHFA will award 10 points to developments where there is no detrimental land use adjacent to the site of the proposed development. Detrimental land uses will be those deemed at OHFA's sole discretion and verified by completion of a site visit. Final determination will be based on nuisance or otherwise adverse conditions such as high levels of noise, noxious odors or incompatible uses.

Financial Characteristics – Up to 30 Points Maximum

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

A. Credits per Unit ***10 Points Maximum***

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

- Ten points will be awarded to proposals with $18,000 credits per unit and below
- Nine points will be awarded to proposals with $18,001-$19,000 credits per unit
- Eight points will be awarded to proposals with $19,001 - $20,000 credits per unit
- Seven points will be awarded to proposals with $20,001 credits per unit and above

B. Leverage ***One Point per Percent of Leverage*** ***20 Points Maximum***

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

C. Local Financial Support ***Five Points per Criterion*** ***15 Points Maximum***

Proposals that contain one or more of the following will be awarded five points per criterion:

i. Developments evidencing commitment for a property tax abatement resulting from improvements to a site, building or property through new construction or rehabilitation. A minimum of 50 percent of the increased valuation must be abated for a period of at least 12 years to be eligible for points under this criterion.

   Applicants must submit a letter from the local government or county auditor confirming the abatement including the length, amount and applicable terms. Counties, townships or municipal/nonprofit corporations that are exempted from property taxes under the Ohio Revised Code will also qualify for points under this criterion.

ii. Developments that will involve the redevelopment of land donated or sold at a nominal price by a land bank, local government or unrelated party for the purpose of housing development.

   Applicants must submit a letter from the land bank, local government or unrelated party confirming the donation of the land.

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

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

5. Income Targeting – 10 Points Available

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

A. Extremely Low Income Targeting ***Five Points Maximum***

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

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

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

B. State Initiatives ***Five Points Maximum***

OHFA will award an additional five points to developments that will commit to the following:

i. Consideration for an award of Section 811 project based rental assistance or a set-aside of units for special needs populations referred through a network sponsored by the State of Ohio and receiving a rental subsidy from a participating state agency.
ii. Set-aside five percent of units to be occupied by and affordable to households at or below 30 percent of AMI. The five percent will be in addition to any portion of units that will be targeted to Extremely Low-Income households for competitive points under income targeting.

Applicants seeking points for state initiatives must submit a written statement confirming commitment to the foregoing requirements. If awarded an allocation of housing tax credits, applicants selecting must meet the applicable requirements of applicable programs. Where requirements cannot be achieved or delivery of the subsidy is unfeasible, developments will be restructured to provide an additional five percent of units at or below 30 percent of AMI. OHFA will work with the applicant during its next steps meeting to determine which of these options will be applied.

Units subsidized under the Section 811 program may not include other project-based rental subsidies.

Family Housing

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

6. Family Housing Priorities – 10 Points Available

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

i. Developments in which at least 25 percent of the total affordable units are three bedroom units.

   Eligibility for points under this criterion will be confirmed by reference to the application which must reflect the required unit mix.

ii. Developments in which at least five percent of the total affordable units are four bedroom units and will be offered on a preferential basis to current voucher holders on an MHA wait list for an available unit.

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

iii. Developments in which at least 25 percent of the affordable units will be offered on a preferential basis to households with a head of household aged 55 and older, and with children. The development must offer supportive services appropriate for residents of all ages.

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

iv. Developments located within the boundary lines of an elementary school, junior high or middle school, high school, K-12 charter school or alternative school accessible to the resident population and rated “B” or better by the Ohio Department of Education, defined by reference to the most current Performance Index Ratings and/or Value-Added Progress Rankings.

   Applicants must submit evidence that the development is sited within the boundary lines of an eligible school to earn points for this criterion. Where individual school rankings are unavailable, evidence that the development is sited within the boundaries of an eligible district may be submitted at application.

v. Developments sited in an area of moderate to high opportunity, defined by reference to the Opportunity Index to be made available on the OHFA website.

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

Family Housing Tie-Breakers:

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

Senior Housing

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

7. Senior Housing Priorities – 10 Points Available

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

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

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

ii. Developments providing a range of unit configurations for adults aged 55 and older and in which at least 25 percent but no more than 80 percent of the total affordable units in the proposed development will include two bedrooms.

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

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

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

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

iv. Developments located in a county where the share of population aged 55 and older is 25 percent or greater, as defined by reference to the 2016 Ohio Housing Needs Assessment (see Exhibit 1-7 Share of Population 55 and Older). A list of eligible counties will be made available on the OHFA website.

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

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

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

Senior Housing Tie-Breakers:

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

Non-Urban Housing

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

8. Non-Urban Housing Priorities – Five Points Available

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

i. Developments located in the following counties which have been most impacted by shale drilling activity defined as counties with 10 or more permitted drilling wells. Applicants must refer to the 2016 Ohio Housing Needs Assessment, Exhibit 3-8 Permitted Horizontal Drilling Wells by County to confirm eligibility for points under this criterion.

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

ii. Developments located in an underserved county, defined as counties with a population of 50,000 or less and that have not received an allocation of housing tax credits in the past five years (2009-2014). A list of eligible counties will be made available on the OHFA website.

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

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

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

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

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

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

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

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

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

vii. Developments located in a non-urban county showing population growth between years 2010-2014, defined by reference to the 2016 Ohio Housing Needs Assessment (see Exhibit 1-4 Population Change). A list of eligible counties will be made available on the OHFA website.

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

9. Non-Urban Population Priorities – Five Points Available

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

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

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

ii. Developments in which at least five percent of the total affordable units are three bedrooms. (Family)

   Eligibility for points under this criterion will be confirmed by reference to the application which must reflect the required unit mix.

iii. Developments in which at least five percent of the total affordable units are four bedrooms and will be offered on a preferential basis to current voucher holders on an MHA wait list for an available unit. (Family)

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

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

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

Non-Urban Housing Tie-Breakers:

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

C. PRESERVATION OF AFFORDABLE HOUSING

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

1. Local Partnerships – 15 Points Available

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

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

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

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

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

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

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

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

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

iv. The development will be owned, developed or sponsored by a community-based housing development organization that has been certified as a Community Housing Development Organization (CHDO) by the State of Ohio during the proposal phase.

2. State Preservation Priorities – Up to 30 Points Maximum

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

A. Location Based Priorities ***Five Points per criterion*** ***20 points maximum***

i. Developments located in a county showing net stable job growth between January 2009 and December 2013, defined by reference to the 2016 Ohio Housing Needs Assessment (see Exhibit 3-6 Net New Stable Job Creation). A list of eligible counties will be made available on the OHFA website.

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

ii. Developments located in a county where 30 percent or more of households experience one or more housing problems, as defined by reference to the 2016 Ohio Housing Needs Assessment (see Exhibit 4-5 Prevalence of Housing Problems). Households with housing problems include those that (1) occupy substandard units, (2) are overcrowded, and/or (3) have a cost burden of greater than 30 percent of annual median income for gross housing costs. A list of eligible counties will be made available on the OHFA website.

   The applicant must submit evidence that proposed development is located in an eligible county at application. A list of eligible counties will be made available on the OHFA website

iii. Developments located in areas that are part of a revitalization or economic development plan.

   The applicant must submit a letter from the municipal planning department that details the specific development, how it will further or contribute to revitalization and any current or future investments committed to the area.

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

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

v. Developments located in a census tract where the median family income from the 2009-2013 American Community Survey (ACS) is 160 percent of the county's current median family income. A list of eligible census tracts will be made available on the OHFA website.

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

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

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

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

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

B. Development Based Priorities ***Five points per criterion*** ***20 points maximum***

i. Developments that will be completed in two or more phases, one of which will be a 4% housing tax credit development. All phases must meet and certify through Enterprise Green Communities, LEED or NGBS standards. The development may include only one building or multiple buildings located on contiguous parcels.

   The proposal application will include a completed AHFA for the 4% housing tax credit phase consistent with the minimum requirements for allocation of the 4% housing tax credit and the most current Multifamily Underwriting Guidelines. A final application for the 4% housing tax credit award, including all supporting documentation will be required at final application if the development is awarded an allocation of competitive housing tax credits. The proposal must also include a written statement from the owner/developer certifying that the development will receive green certification without request for waivers from any mandatory criteria or specifications.

ii. Developments in which a financially troubled asset will be acquired by an applicant who will serve as the owner/manager for the entire period of compliance.

The applicant must submit documentation describing the troubled asset and those steps which will be taken to put the asset back into productive use. Additionally, the applicant must demonstrate at least a six year history of good ownership/management of housing tax credit developments in Ohio.

iii. Developments that have been maintained through good management but contain major components that are past their effective useful life. Major components shall refer to the following: structural integrity, building envelope, roof and site drainage, plumbing and sanitation systems, mechanical systems, electrical systems, elevators, and parking surfaces.

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

iv. Developments that have been acquired by the applicant for the purpose of rehabilitation and for which the as-is condition does not meet Uniform Physical Condition Standards (UPCS) and/or the most current REAC score endangers sustained operations under a federal assistance program. Dwelling unit and common area inspection findings must include three or more life threatening health and safety deficiencies.

The applicant must submit a Compliance Disposition Enforcement (CDE) or other corrective plan approved by the authorizing Agency demonstrating an effort to bring the project in compliance and evidence that the physical needs of all buildings exceed available reserves. The applicant must also submit a narrative describing the management history, efforts to obtain funding, and use of the project's replacement reserves. OHFA will determine eligibility for points under this criterion in part by a site visit to verify the overall condition of all buildings in the proposed development as well as the critical needs identified and supported in the Capital Needs Assessment.

v. Developments which have a significant risk of conversion to unregulated (market) use.

The applicant must submit a narrative detailing the risk for market conversion. Additionally, the market study submitted at application should provide information on market rents for units with comparable features and amenities.

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

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

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

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

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

All buildings in the proposed development must be eligible for listing on the National Register of Historic Places evidenced in the form of an approved Part I application submitted at application. Eligibility for points under this criterion will also be confirmed by reference to the development budget represented in the application. Developments that have been awarded State Historic Tax Credits may also earn points for this criterion if credits were awarded prior to submission of the proposal application.

3. Financial Characteristics – Up to 20 Points Maximum

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

A. Credits per Unit **10 Points Maximum**

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

- Ten points will be awarded to proposals with $11,000 credits per unit and below
- Nine points will be awarded to proposals with $11,001 - $13,000 credits per unit
- Eight points will be awarded to proposals with $13,001 - $15,000 credits per unit
- Seven points will be awarded to proposals with $15,001 credits per unit and above

B. Leverage **One Point per Percent of Leverage** **20 Points Maximum**

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

4. Income Targeting – 10 Points Available

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

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

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

HUD Rental Subsidy Preservation

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

5. Rental Subsidy – 15 Points Available

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

i. Fifteen points will be awarded to developments in which 95-100 percent of the affordable units have project based rental subsidy, or preserve at least 50 subsidized units.
ii. Thirteen points will be awarded to developments in which 85-94 percent of the affordable units have project based rental subsidy, or preserve at least 40 subsidized units.
iii. Ten points will be awarded to developments in which 75-84 percent of the affordable units have project based rental subsidy, or preserve at least 30 subsidized units.
iv. Ten points will be awarded to developments in which 74 percent or less of the affordable units have project based rental subsidy or that involve the conversion and/or modernization housing funded through HUD programs that do not have rental subsidies. No permanent displacement of current residents may result from the preservation of units in the developments.

HUD Rental Subsidy Tie-Breakers:

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

Rural Asset Preservation

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

6. Rental Subsidy – 10 Points Available

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

i. Ten points will be awarded to developments in which 80-100 percent of the affordable units have project based rental subsidy.
ii. Eight points will be awarded to developments in which 60-79 percent of the affordable units have project based rental subsidy.
iii. Six points will be awarded to developments in which 25-59 percent of the affordable units have project based rental subsidy.

7. USDA Priority - Five Points Available

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

Rural Asset Preservation Tie-Breakers:

1. Developments that earn five points for USDA Priority
2. Developments that have scored the greatest number of points for Exceptional Development Characteristics
3. Developments that meet the highest number of State Preservation Priorities
4. Developments with the greatest number of subsidized units
5. Greatest number of credits from the maximum credit request limit for Rural Asset Preservation

D. PERMANENT SUPPORTIVE HOUSING

Proposal applications serving populations defined in the Interagency Council on Homelessness and Affordable Housing Permanent Supportive Housing Policy Framework may seek consideration in the Permanent Supportive Housing (PSH) pool. A minimum of 50 percent of all units must have a commitment for rental subsidy that covers the difference between 30 percent of the resident's income and the fair market rent for the unit. Additionally, the majority general partner(s) must be a nonprofit organization with experience in developing, owning and managing supportive housing for the homeless or formerly homeless, and individuals and families with special needs. Applicants may refer to the competitive scoring summary and scoring workbook for additional guidance.

1. Local Partnerships – 25 Points Available

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

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

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

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

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

B. Local Partners ***15 Points Maximum***

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

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

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

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

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

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

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

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

3. Land Uses – 20 Points Available

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

A. Positive Land Uses

Up to 10 points will be awarded to proposals located in proximity to positive land uses and amenities.

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

Eligible amenities are specified in the chart of approved amenities. Distances should be calculated as linear distances within Google Maps. OHFA may give consideration to developments that are within 500 feet of an amenity. Scattered site developments must reference the most central site.

URBAN COUNTIES	• Ten points will be awarded to developments within a quarter-mile linear distance of at least three amenities, or a half-mile linear distance of at least six amenities • Nine points will be awarded to developments within a quarter-mile linear distance of at least two amenities, or a half-mile linear distance of at least four amenities • Six points will be awarded to developments within a quarter-mile linear distance of at least one amenity or a half-mile linear distance of at least three amenities
NON-URBAN COUNTIES	• Ten points will be awarded to developments within a one-mile linear distance of at least four amenities, or a two-mile linear distance of at least seven amenities • Nine points will be awarded to developments within a one-mile linear distance of at least three amenities, or a two-mile linear distance of at least six amenities • Six points will be awarded to developments within a one-mile linear distance of at least two amenities, or a two-mile linear distance of at least five amenities

Eligible Positive Land Uses and Amenities:

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

B. Proximity to Detrimental Land Uses

OHFA will award 10 points to developments where there is no detrimental land use adjacent to the site of the proposed development. Detrimental land uses will be those deemed at OHFA's sole discretion and verified by completion of a site visit. Final determination will be based on nuisance or otherwise adverse conditions such as high levels of noise, noxious odors, or incompatible uses.

4. Financial Characteristics – Up to 20 Points Maximum

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

A. Credits per Unit ***10 Points Maximum***

OHFA will award up to 10 points to proposed developments based on the Housing Tax Credits requested per unit. This will be calculated by dividing the total credit amount requested by the total number of units.

- Ten points will be awarded to proposals with $15,000 credits per unit and below
- Nine points will be awarded to proposals with $15,001-$16,000 credits per unit
- Eight points will be awarded to proposals with $16,001 - $17,000 credits per unit
- Seven points will be awarded to proposals with $17,001 credits per unit and above

B. Leverage ***One Point per Percent of Leverage*** ***20 Points Maximum***

Proposals will be awarded one point for each one percent of the total development cost leveraged through non-OHFA resources and conditionally committed, for up to a maximum amount of 20 points. All percentages will be rounded down. Equity from the sale of housing tax credits, conventional debt, deferred developer fee, and other OHFA gap financing (excluding the Multifamily Lending Program) will not be considered as leverage. The leverage must be reflected in the permanent financing and pro forma at the time of application.

C. Local Financial Support ***Five Points per Criterion*** ***15 Points Maximum***

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

i. Developments evidencing commitment for a property tax abatement resulting from improvements to a site, building or property through new construction or rehabilitation. A minimum of 50 percent of the increased valuation must be abated for a period of at least 12 years to be eligible for points under this criterion.

   Applicants must submit a letter from the local government or county auditor confirming the abatement including the length, amount and applicable terms at application. Counties, townships or municipal/nonprofit corporations that are exempted from property taxes under the Ohio Revised Code will also qualify for points under this criterion.

ii. Developments that will involve the redevelopment of land donated or sold at a nominal price by a land bank, local government or unrelated party for the purpose of housing development.

   Applicants must submit a letter from the land bank, local government or unrelated party confirming the donation of the land.

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

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

Permanent Supportive Housing Tie-Breakers:

1. Developments that serve at least 50 percent chronically homeless
2. Developments evidencing partnership with a service provider who will provide Medicaid-funded or reimbursable services
3. Greatest number of credits from the maximum credit request limit for PSH

E. SINGLE FAMILY INFILL DEVELOPMENT

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

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

Developments must be located within the boundaries of a clearly defined area targeted for revitalization and within a half mile radius. Applicants must provide a map depicting all sites represented in the application and considered for the development and a letter from the municipal planning department detailing the specific development, how it will further revitalization in the neighborhood, and other current and future investments planned for the area.

A detailed description of the homeownership strategy should be submitted at proposal addressing the following:

i. An ownership exit strategy that incorporates a valuation estimate or calculation of purchase price at the time of sale;
ii. a supportive services plan that details the nature and frequency of services to be provided, including homeownership counseling, education and training;
iii. a minimum amount of funds to be set-aside by the owner to assist the resident in the purchase; and
iv. how eligible tenants will be identified and offered a right of first refusal.

In addition to the aforementioned requirements, plans and specifications must demonstrate that the design and configuration of all units will meet applicable building and zoning code requirements and be consistent with the design and architecture of the surrounding neighborhood.

Developments competing for funding must complete and submit the single family infill development narrative form at application which will be made available on the OHFA website.

1. Local Partnerships – 20 Points Available

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

A. Local Service Provider ***10 Points Maximum***

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

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

Applicants may earn up to five additional points for providing three or more added services:

- Before and/or after school care, for the duration of the school year
- Early childhood education or daycare
- Educational assistance programs
- Financial counseling through partnership with a financial institution
- Health promotion, nutrition or wellness
- Job training, search and/or placement assistance

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

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

Five points will be awarded to developments including one of the following. Up to 10 points will be awarded to proposals meeting at least two criteria:

i. The development will include a local nonprofit that can demonstrate a history of providing housing or supportive services for the target population in the target area. The organization must have at least 25 percent general partnership interest in the ownership of the proposed development. The applicant must reflect the minimum ownership percentage in their application.
ii. Prior to final application, the development team will implement a community outreach plan that allows for the participation of area residents and stakeholders in the conception of the proposal and makes use of local input and feedback to define project characteristics and features. Applicants should submit a community outreach plan and summary report detailing key outreach strategies and supporting documentation demonstrating the involvement of community members throughout the pre-development process. Outreach strategies will be evaluated on the comprehensiveness of the applicant's approach and whether it is appropriate for the project type and location.
iii. The development has received a letter of support from a city or county land bank. The letter of support should outline any partnerships between the land bank and the proposed development and include reference to any resources provided to the development by the land bank.

2. Land Uses – 20 Points Available

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

A. Positive Land Uses

Up to 10 points will be awarded to proposals located in proximity to positive land uses and amenities.

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

Eligible amenities are specified in the chart of approved amenities. Distances should be calculated as linear distances within Google Maps. OHFA may give consideration to developments that are within 500 feet of an amenity. Scattered site developments must reference the most central site.

URBAN COUNTIES	• Ten points will be awarded to developments within a quarter-mile linear distance of at least three amenities, or a half-mile linear distance of at least six amenities • Nine points will be awarded to developments within a quarter-mile linear distance of at least two amenities, or a half-mile linear distance of at least four amenities • Six points will be awarded to developments within a quarter-mile linear distance of at least one amenity or a half-mile linear distance of at least three amenities

Eligible Positive Land Uses and Amenities:

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

B. Proximity to Detrimental Land Uses

OHFA will award 10 points to developments where there is no detrimental land use adjacent to the site of the proposed development. Detrimental land uses will be those deemed at OHFA's sole discretion and verified by completion of a site visit including without limitation adjacent properties that are severely blighted or cannibalized and that threaten health and safety. Final determination will be based on nuisance or otherwise adverse conditions such as high levels of noise, noxious odors or incompatible uses. Developments that will not include contiguous parcels must address within the application any treatment of blighted parcels that will be adjacent to a site considered or included in the application.

3. Financial Characteristics - Up to 30 Points Maximum

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

A. Credits per Unit ***10 Points Maximum***

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

- Ten points will be awarded to proposals with $19,000 credits per unit and below
- Nine points will be awarded to proposals with $19,001-$20,000 credits per unit
- Eight points will be awarded to proposals with $20,001 - $22,000 credits per unit
- Seven points will be awarded to proposals with $22,001 credits per unit and above

B. Leverage ***One Point per Percent of Leverage*** ***20 Points Maximum***

Proposals will be awarded one point for each one percent of the total development cost leveraged through non-OHFA resources and conditionally committed, for up to a maximum amount of 20 points. All percentages will be rounded down. Equity from the sale of housing tax credits, conventional debt, deferred developer fee and other OHFA gap financing (excluding the Multifamily Lending Program) will not be considered as leverage. All sources of leverage must be reflected in the permanent financing and pro forma at the time of application.

C. Local Financial Support ***Five Points per Criterion*** ***15 Points Maximum***

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

i. Developments evidencing commitment for a property tax abatement resulting from improvements to a site, or property through new construction. A minimum of 50 percent of the increased valuation must be abated for a period of at least 12 years to be eligible for points under this criterion.

   Applicants must submit a letter from the local government or county auditor confirming the abatement including the length, amount and applicable terms. Counties, townships or municipal/nonprofit corporations that are exempted from property taxes under the Ohio Revised Code will also qualify for points under this criterion.

ii. Developments that will involve the redevelopment of land donated or sold at a nominal price by a land bank, local government or unrelated party for the purpose of housing development.

   Applicants must submit a letter from the land bank, local government or unrelated party confirming the donation of the land.

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

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

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

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

A. Infill Development Characteristics ***Five Points per Criterion*** ***15 Points Maximum***

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

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

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

iii. Developments in which at least 25 percent of the sites will include vacant sites acquired through a county land bank utilizing OHFA's Neighborhood Initiative Program (NIP).

iv. Developments in which the developer and/or member of the general partnership has invested at least $1,000,000 in community services or revitalization efforts between 2012-2015. Prior housing tax credit projects will not count towards this criterion.

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

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

i. Developments that include capitalized prefunded replacement reserves in the amount of $2,500 per unit, set aside in an escrow and matched over 15 years, to cover major capital expenditures prior to transitioning the home to a buyer at year 15.

ii. Developments that include a microenterprise program and/or provide business development training for residents. The narrative submitted at proposal application must detail goals and projected program outcomes of all initiatives related to this criterion including without limitation, increasing access to capital, promoting business startup and growth and increasing household income.

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

iv. Developments that utilize an established Individual Development Accounts (IDA), matched over 15 years, for all residents. A current list of IDA participants can be found here.

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

The development team must demonstrate sufficient capacity to develop, complete, maintain and operate a single family infill development. OHFA will consider the experience and capacity of the development team in its review of proposals including without limitation, the developer, general contractor, architect, management company and service coordinator. Points for the below criteria will be determined in part through an evaluation of the applicant's experience and track record and by recommendation from the OHFA Office of Program Compliance.

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

i. The developer has developed one or more successful lease purchase communities, evidenced by an average occupancy rate of 90 percent or greater over the past 10 years.

ii. The management company has experience marketing and leasing one or more lease purchase communities, evidenced by an average occupancy rate of 90 percent or greater over the past 10 years. To qualify for this criterion, there can be no outstanding or uncorrected UPCS violations and/or 8823s.

iii. The owner controls majority general partnership interest in one or more lease purchase communities and can demonstrate disposition of no less than 50 percent of eligible units to income-qualified buyers over the past 10 years.

Single Family Infill Development Tie-Breakers:

1. Developments that have scored the greatest number of points for Exceptional Development Characteristics
2. Developments that earn points for criteria "iii" under Development Team Experience and Capacity
3. Developments that leverage the greatest number of land bank parcels
4. Developments that earn 45 points for Single Family Infill Development Priorities
5. Greatest number of credits from the maximum credit request limit for Single Family Infill Development

F. SCORING REASSESSMENTS

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

i. Cancellation of the reservation of housing tax credits;
ii. Removal from a position of Good Partnership for a period of one year;
iii. Reduction in the amount of applications the partners may submit or receive in the next funding cycle(s); or
iv. A reduction in the developer fee in an amount to be determined by OHFA.

DESIGN REQUIREMENTS

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

All developments financed with assistance from OHFA must meet the OHFA design guidelines. Additional design requirements may be applicable if competitive points are awarded for specific design elements.

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

A. SUBMITTAL REQUIREMENTS

Preliminary Submissions

Competitive applications must include preliminary drawings that are 11”x17” (“half size”) and the following items:

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

Preliminary drawings must be submitted in both paper and/or electronic (both PDF and DXF) formats. A copy of the Design and Construction Features Agreement must be included as an attachment to preliminary plans. A template form will be made available on the OHFA website.

Final Submissions

Applicants to the competitive and non-competitive housing tax credit programs must submit 80 percent complete permit sets at the time of final application. Sets must show compliance with the preliminary submittal, including the Design and Construction Features Agreement.

Eighty percent plans must be submitted in PDF format (separate PDF files for drawings and specifications) that include all site plans, dimensioned floor plans, elevations, wall sections, structure, finishes, details and mechanical plans. A copy of the final executed Design and Construction Features Agreement must be included in 80 percent plan sets. Additionally, each development must have dimensioned floor plans submitted in DXF or DWG AutoCAD R-14 format and an 11”x17” plan hard copy (dimensioned floor plans only).

B. OHFA SQUARE FOOTAGE CALCULATION

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

C. MINIMUM DEVELOPMENT STANDARDS

Requests for exceptions to minimum development standards may only be submitted for the following requirements: (1) common area restrictions, (2) minimum unit size – new units only, (3) parking requirements, (4) single room occupancy, and (5) visitability. All requests for exceptions must be submitted to OHFA by the date indicated in the program calendar. The OHFA staff architect will review requests and make a recommendation to managers who will issue a final determination, also by the date indicated in the program calendar.

Bedroom Requirements

Requirements for bedrooms shall apply to all new construction and adaptive reuse developments.

OHFA will evaluate proposals including rehabilitation of existing units to ensure that bedrooms are large enough to provide adequate living space.

1. For a one-bedroom unit, the bedroom must be at least 120 square feet.
2. For a two-bedroom unit, the master bedroom must be at least 120 square feet, and the second bedroom must be at least 110 square feet.
3. For a unit with three or more bedrooms, the third and fourth bedrooms must be at least 100 square feet.
4. Bedrooms must have walls and doors separating them from adjacent space to be considered as bedrooms. Any room shall be considered as a portion of the adjoining room when at least one-half of the area of the common wall is open and unobstructed.

Common Area Restrictions

The maximum common area (including required circulation) in any development is 20 percent of the total gross building square footage. Dedicated program space is excluded from this calculation. Such spaces include counseling spaces for adults and children, wellness areas, day care, etc. Spaces that would not be considered dedicated program space include libraries, fitness areas, computer rooms, common meeting space, etc. Existing rental housing units are exempt from this criterion. OHFA will consider exception requests for this requirement.

Additional Requirements for New Construction and Adaptive Reuse

1. Single-site multifamily developments must provide a parking lot with concrete curbs or wheel stops and at least one parking space for each unit in the development. Exceptions to this requirement may be permitted on a case-by-case basis for developments located in dense urban areas, or for developments serving the elderly or permanent supportive housing populations.
2. Each bedroom must be at least seven feet in each direction, and contain a closet in addition to the minimum square footage.
3. Minimum unit sizes (residential living space) are as follows, inclusive of the above bedroom sizes.

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

4. OHFA will not fund developments that contain single-room occupancy units. OHFA will consider exception requests for this requirement for PSH projects.
5. Developments including new units must provide a bathroom or half bath on the main floor with clear floor space of 30 inches by 48 inches.
6. Proposals for PSH may contain one-bedroom units that are 540 square feet or larger. OHFA will also consider developments which meet HUD minimum property standards. Applicants may request consideration through the exception request process.
7. OHFA reserves the right to limit the size of units during the application review process.
8. Three-bedroom units must contain at least one and a half bathrooms and units with four or more bedrooms must contain at least two full bathrooms.
9. New construction proposals must include new appliances.

Additional Requirements for Single Family Homes

1. Single family homes must contain three or more bedrooms.
2. Single family homes must include washer/dryer hook-ups.
3. Single family homes must include adequate storage for the residents.

Additional Requirements for Senior Housing Developments

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

Visitability

Requirements for visitability shall apply to all developments financed with OHFA resources.

1. **No step entrance:**
   Provide at least one “no step” entrance into the unit. The required “no step” entrance shall be accessed via an accessible route (driveway, sidewalk, garage floor, etc.). Ramps that extend out into the front or back yards are usually not the appropriate solution. OHFA can provide technical assistance or referral to appropriate resources at the applicant’s request.

2. **Doors/Openings:**
   All doors and openings shall have a minimum net clear width of 32 inches.
3. **Bathroom/Half Bath:**
   Provide a bathroom or half bath on the main floor with clear floor space of 30 inches by 48 inches.

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

Universal Design Requirements

OHFA values developing housing designed to be used by all. This concept is generally referred to as Universal Design. Universal Design is defined as, "the design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialization."

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

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

Principles of Universal Design:

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

Additional Requirements

Conformity to Fair Housing Requirements:

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

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

1. An accessible building entrance on an accessible route.

   All units must have at least one no-step entrance and be on an accessible route. An accessible route means a continuous, unobstructed path connecting accessible elements and spaces within a building or site that can be negotiated by a person with a disability who uses a wheelchair, and that is also safe for and usable by people with other disabilities. An accessible entrance is a building entrance connected by an accessible route to public transit stops, accessible parking and passenger loading zones, or public streets and sidewalks.

2. Accessible common and public use areas.

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

3. Usable doors (usable by a person in a wheelchair).

   All doors that allow passage into and within all premises must be wide enough to allow passage by persons using wheelchairs.

4. Accessible route into and through the dwelling unit.

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

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

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

6. Reinforced walls in bathrooms for later installation of grab bars.

   Reinforcements in bathroom walls must be installed, so that grab bars can be added when needed.

7. Usable kitchens and bathrooms.

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

POST AWARD

A. BINDING RESERVATION AGREEMENT

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

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

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

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

B. WAITING LIST

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

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

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

C. NEXT STEPS AND DEBRIEFING MEETINGS

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

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

D. DEVELOPMENT CHANGES

All development changes require OHFA approval and will be reviewed by OHFA on a case-by-case basis. OHFA reserves the right to reduce or revoke a reservation of housing tax credits if changes are made without prior approval, or if applicants fail to complete a development as approved. A new application, processing fee, public notification letters and competitive review may be required if any development characteristics change. New owners with no previous experience in the Housing Tax Credit program must contact the Office of Program Compliance prior to consideration by OHFA.

Failure to inform OHFA of any changes in the applicant's situation or development structure at any time may cause the application to be rejected or the housing tax credit reservation to be revoked.

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

1. The new general partner will own no more than 24 percent of the general partner shares;
2. The new general partner will not materially participate in the development;
3. The new general partner will gain little or no financial benefit from the development; and
4. The new general partner will not count the development toward their experience in future funding applications to OHFA.

OHFA will review and issue a decision for each request on a case-by-case basis. Approval of the OHFA Board may also be necessary for developments that received financing from the HDLP and HDAP programs in addition to Housing Tax Credits.

E. OWNERSHIP AND/OR MANAGEMENT CHANGES

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

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

F. SPECIAL ALLOCATION

An owner of a development with a housing tax credit allocation that is unable to proceed resulting from actions by unrelated parties (including, but not limited to, local governments or property owners) may seek a special allocation of housing tax credits in the current year. An applicant must meet the following requirements to request a special allocation:

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

Requests that meet these requirements will be presented to the OHFA Multifamily Committee and the OHFA Board for consideration. OHFA has no affirmative obligation to grant approval to any development seeking relief.

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

G. PLACED-IN-SERVICE RELIEF

OHFA will consider granting relief to applicants that are unable to meet their placed-in-service deadline due to circumstances outside their control that could not be reasonably anticipated before the initial application date. The following requirements must be met:

1. The applicant must submit a formal request outlining reasons that the placed-in-service deadline cannot be met. A request may be submitted after September 1 and no later than November 30 of the year of the placed-in-service deadline.
2. The applicant must agree to return their housing tax credit allocation to OHFA prior to the placed-in-service deadline.
3. Significant progress toward completion of the construction and/or rehabilitation of the development must be demonstrated at the time the request is submitted. OHFA will use 75 percent completion as a general guideline when judging significant progress toward completion.

If the request is approved, then a new housing tax credit allocation will be granted in the following calendar year, and the placed-in-service deadline will be extended for up to one year. OHFA reserves the right to levy a reservation fee for the new housing tax credit allocation.

H. CARRYOVER ALLOCATION

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

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

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

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

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

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

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

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

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

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

J. GROSS RENT FLOOR ELECTION

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

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

K. CONSTRUCTION MONITORING AND REPORTS

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

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

L. DEVELOPMENT COMPLETION STAGE / 8609 REQUEST

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

1. Completed OHFA Owner's Cost Certification forms with original signatures of the owner and the independent accountant who prepared the forms. The accountant will be required to conduct a complete audit of the development costs. The required audit language is included on the forms.
2. Completed OHFA Contractor's Cost Certification forms with original signatures of the owner and general contractor.
3. Final Certificate of Occupancy for each building from the issuer of the building permits. Certificates of completion or similar information from the owner will be accepted for rehabilitation developments if certificates of occupancy are not issued. Temporary Certificates of Occupancy are required if the dates on such certificates will be used as the placed-in-service dates for the buildings. OHFA reserves the right to conduct a site visit of a property to verify completion before issuing forms 8609s to the owner.
4. All permanent financing sources (except for the first or primary mortgage) must be closed before the 8609 Forms are issued. An executed promissory note that includes the amount, interest rate, term, and amortization or repayment terms of the loan must be submitted for each source. In lieu of a note for the first or primary mortgage, a firm financing commitment signed by the lender and owner within 30 days of the request for the 8609 Forms may be submitted. Supporting documentation must be submitted for financing sources where a note is not available (such as accrued interest or existing reserves).
5. Final limited partnership agreement executed by the limited and general partners. The agreement must include all equity amounts and the pay-in schedule for the equity.

6. A copy of the executed and recorded Restrictive Covenant (issued by OHFA), and a copy of an executed and recorded Consent of Recorded Lienholder form from each non-OHFA lending source with a mortgage filed on the property prior to the recordation of the OHFA Restrictive Covenant.
7. A check for payment of the appropriate compliance-monitoring fee, made payable to "Ohio Housing Finance Agency."
8. Evidence that the individual(s) responsible for final approval of resident files, or the site manager or leasing consultant who processes the Tenant Income Certifications, has attended the OHFA Tax Credit Compliance Training within 6 months prior to the placed-in-service date for the first building completed. Attendance at the compliance training must have occurred no more than two years from the date of application for housing tax credits. Compliance trainings offered by other organizations (e.g. Quadel Consulting) will not be accepted. Additionally, once the project is placed-in-service and has received 8609s, a representative of the owner and/or management company representative must attend the OHFA Tax Credit Compliance Training every two years.
9. Evidence that the owner or property manager has conducted a placed-in-service meeting with the OHFA Office of Program Compliance. The placed-in-service meeting is an opportunity to ensure all parties responsible for compliance with a development are aware of regulatory responsibilities. This meeting must occur approximately six months and no less than three months before a development places in service.
10. Evidence that written notification was submitted to the OHFA Office of Program Compliance within 15 days of the placed-in-service date of the building (or last building in a multiple building development).
11. Evidence of final certification with Enterprise Green Communities, LEED or NGBS is required.
12. Narrative describing any material changes to the development since time of application.

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

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

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

DEVELOPMENT TEAM

The Development Team consists of the General Partner(s), Developer and Property Management Company. OHFA will evaluate each organization individually and as a whole to determine whether the team is acceptable based on the criteria outlined below. A team found to be unacceptable will not be eligible for an award of OHFA resources.

A. INDIVIDUAL ORGANIZATIONS IN THE TEAM

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

General Partner and Developer Characteristics:

1. Past experience developing affordable housing using OHFA programs. Properties presently in service and those under construction will be considered, and the quality and success of previous developments will be taken into account. OHFA will also consider location and experience in the geographic areas to be served, experience with the type of housing product proposed, and the past working relationships of the proposed development and ownership partners.
2. Other affordable housing development experience using government funded programs, including existing properties and those under construction.
3. The development capacity of the organization to complete construction of all current developments on time and within program requirements and application commitments.
4. The financial capacity of the developer/general partner to ensure that construction will be completed on time and that work will be guaranteed for quality. All guarantees must be provided by the developer/general partners.
5. The organization must conduct business with OHFA according to the Good Partnership policy.

Property Management Company Characteristics:

1. The company must currently be a member of the National Affordable Housing Management Association (NAHMA), the Midwest Affordable Housing Management Association (MAHMA), Council for Rural Housing & Development of Ohio (CRHDO) or Council for Affordable & Rural Housing (CARH).
2. A representative of the company must have earned one of the following certifications: Housing Credit Certified Professional (HCCP) sponsored by the National Association of Home Builders; Specialist in Housing Tax Credit Management (SHCM) sponsored by NAHMA; or equivalent certification from a nationally recognized consultant or association, including, but not limited to, TheoPro Compliance & Consulting Inc., Quadel Consulting or Spectrum Seminars.
3. The company must have managed at least five housing tax credit and/or federally-subsidized developments (each consisting of at least 10 units) for at least one year each; or must have managed two housing tax credit developments (each consisting of at least 10 units) for at least three years each.
4. All developments currently managed by the company must not have any uncured Forms 8823. Exceptions may be granted on a case-by-case basis for 8823 events that are not the fault of the company, such as a casualty loss, or non-compliance issues that are inherited from the prior property manager.
5. Management companies with no prior experience with an OHFA property will be evaluated by the information contained in their completed OHFA Management Company Capacity Review Survey. Management companies with prior OHFA experience will be evaluated in part on information contained in the Property Status Report generated from the Office of Program Compliance.
6. Past experience managing affordable housing using OHFA programs. The quality and success of previous developments will be taken into account. OHFA will also consider location and experience in the geographic areas to be served, experience with the type of housing product proposed, and the past working relationships of the proposed development team members.
7. Other affordable housing management experience using government funded programs.
8. The company must conduct business with OHFA according to the Good Partnership policy.
9. A representative of the company has an active Ohio Broker's License in accordance with 4735.022 of the Ohio Revised Code, where applicable. Developments where the management company has an ownership interest are exempt from the requirement for an Ohio Broker's License.

B. THE TEAM AS A WHOLE

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

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

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

C. NEW DEVELOPERS AND/OR GENERAL PARTNERS

New Developers and/or General Partners that have not previously worked with OHFA will be limited to one award of competitive housing tax credits. New Developers and/or General Partners will not be able to apply for additional awards of competitive credits until their first OHFA development has received its 8609 forms.

COMPLIANCE AND MONITORING GUIDELINES

Introduction

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

Compliance with the requirements of the IRC is the sole responsibility of the owner of the building for which the housing tax credit was allocated.

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

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

Monitoring Process

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

1. All residents must be income qualified, adjusted for family size prior to moving into the unit. Units must be rent restricted as provided for in the IRC. All units allocated housing tax credits must be safe, decent and sanitary housing units complying with local building, health, safety and zoning codes.
2. Before placing the project in service, the owner/agent must schedule a "placed-in-service meeting" with the OHFA Program Compliance Analyst assigned to the project to discuss the lease up of the tax credit project. This meeting must be scheduled within six but no less than three months prior to the placed-in-service date. OHFA will attempt to combine placed in service meetings when an owner/agent is placing several projects into service within the same general time period. OHFA may elect to waive this requirement.
3. Prior to the placed-in-service date, the owner/agent individual(s) responsible for final approval of resident files or the site manager/leasing consultant who processes the Tenant Income Certifications for buildings receiving 8609 Forms will be required to attend the OHFA Tax Credit Compliance Training within the previous six months. Attendance at the Compliance Training must have occurred no more than two years from the date of application for housing tax credits. Compliance trainings offered by other organizations (e.g. Quadel Consulting) will not be accepted. Additionally, once the project is placed-in-service and has received form 8609s, a representative of the owner and/or management company must attend the OHFA Tax Credit Compliance Training every two years.
4. Within 15 days of placing the last building in service, the project owner must forward a letter to the OHFA Program Compliance Analyst assigned to the project indicating the date on which the last building was placed-in-service. Based on this communication, the project will be preliminarily scheduled for a lease-up monitoring visit.
5. The owner of a housing tax credit development must keep records for each qualified low-income building in the project for each year of the compliance and extended use period. These records must include but are not limited to the following for each building in the project:
    i. The total number of residential rental units in the building (including the number of bedrooms and the size in square feet of each residential rental unit);
    ii. The percentage of residential rental units in the building that are low-income units;
    iii. The rent charged on each residential rental unit in the building (including any utility allowances);
    iv. The number of occupants in each low-income unit;
    v. The unit vacancies in the building and information showing when, and to whom, the next available units were rented;
    vi. The annual income certification of each low-income resident per unit (if applicable);

vii. Annual student status certification;
viii. Demographic information;
ix. Documentation to support each low-income resident's income certification. Resident income is calculated in a manner consistent with the determination of annual income under Section 8 of the United States Housing Act of 1937 ("Section 8"), not in accordance with the determination of gross income for federal income tax liability;
x. The eligible basis and qualified basis of the building at the end of each year of the credit period, compliance and extended use periods; and
xi. The character and use of the non-residential portion of the building included in the building's eligible basis under IRC Section 42(d).

6. The owner of a Housing Tax Credit project is required to retain the records described in Item 5 above for the entire period of extended use.
7. The owner is responsible for reporting to OHFA annually through the DevCo online system. The reporting process currently requires the submission of an Annual Owner Certification and resident and project data using the XML upload or housing credit software (e.g. Yardi) as well as other reports and certifications necessary to evidence compliance with any gap financing provided through an OHFA program. OHFA requires owners of properties in Extended Use to also submit the Annual Owner Certification and both existing and new resident tenant data. Owners of properties financed solely with Ohio Housing Trust Funds must submit the Annual Owner Certification and tenant data. New projects or those in lease-up phase must submit an Annual Owner Certification if one or more residents were income qualified during the reporting year. If a property was sold at any time during a reporting year, the owner/property management company that was in place as of 12/31 of the reporting year is responsible for completing and submitting the Annual Owner Certification and tenant data for that reporting year.

   When completing the owner certification, the owner is certifying that, for the preceding 12-month period, the owner met the following requirements:

   i. The 20-50 test under IRC Section 42(g)(1)(A), or the 40-60 test under section 42(g)(1)(B), whichever minimum set-aside test was applicable to the project; and if applicable to the project, the 15-40 test under sections 42(g)(4) and 142(d)(4)(B) for "deep rent skewed" projects;
   ii. There was no change in the applicable fraction (as defined in section 42(c)(1)(B)) of any building in the project, or that there was a change, accompanied by a description of the change;
   iii. The owner has received an annual income certification from each low-income resident, as appropriate, and documentation to support that certification; or, in the case of a resident receiving Section 8 housing assistance payments, the statement from a public housing authority described in paragraph (b)(1)(vii) of this section;
   iv. Each low-income unit in the project was rent-restricted under Section 42(g)(2);
   v. All units in the project were for use by the general public and used on a non-transitional basis (except for transitional housing for the homeless provided under Section 42 [i][3][B][iii]);
   vi. Pursuant to requirements under Treasury Regulation 1.42-5, the buildings and low-income units were suitable for occupancy, taking into account local health, safety, and building codes, and the State or local government unit responsible for making local health, safety, or building code inspections did not issue a violation report for any building or low-income unit in the project. If a violation report or notice was issued by the governmental unit, attach a statement summarizing the violation report or notice or a copy of the violation report or notice to the annual certification and state whether the violation has been corrected;
   vii. There was no change in the eligible basis (as defined in Section 42[d]) for any building in the development, or if there was a change, the nature of the change (e.g. a common area has become commercial space, or a fee is now charged for a resident facility formerly provided without charge);
   viii. All resident facilities included in the eligible basis under Section 42(d) of any building in the project, such as swimming pools, other recreational facilities, and parking areas, were provided on a comparable basis without charge to all residents in the building;
   ix. If a low-income unit in the project became vacant during the year, that reasonable attempts were or are being made to rent that unit or the next available unit of comparable or smaller size to residents having a qualifying income before any units in the project were or will be rented to residents not having a qualifying income;

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

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

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

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

xiv. An extended low-income housing commitment as described in Section 42(h)(6) was in effect. OHFA reserves the right to adjust the above requirements according to changes in federal regulations.

8. OHFA requires that the owner of a housing tax credit development annually certify the residents' incomes and assets using the form(s) specified by OHFA. Projects that are 100 percent occupied by qualified low-income households may discontinue recertifications as described in Section 42 of the Internal Revenue Code.

9. The Office of Program Compliance will review resident files and conduct physical inspections of the buildings, common areas and units throughout the 15-year compliance period and Extended Use Period. OHFA has the right to perform on-site inspections of any low-income housing project through the end of the Extended Use Period. Buildings receiving new allocations of credit will be inspected no later than the end of the second calendar year following the year the last building in the project is placed-in-service. Some of the factors that determine the frequency and the number of units and buildings inspected include the type of funding in the property, whether the property is in Extended Use, whether the property is on OHFA's Watch List, changes in ownership or management company, scores compiled through an internal Risk Assessment, systemic non-compliance issues from past inspections, and resident complaints. Properties may be inspected every year or some may have inspections every three years. Pursuant to Treasury Regulation 1.42-5(c)(2)(ii)(B), at least once every three years, OHFA will conduct on-site inspections of all buildings in the project, and for at least 20 percent of the project's low-income units, OHFA will inspect the units and review the low-income certifications, the documentation supporting the certifications and the rent records for the tenants in those units.

10. The owner/property management company will receive written notice of the inspection generally 30 days prior to the date of the inspection. The owner/property management company is responsible for ensuring all requested pre-inspection documentation (e.g. current rent roll) is submitted no later than 10 days from the date of the OHFA's notice of the scheduled review. Owners/property management companies that fail to timely submit the requested pre-inspection information may be subject to placement on OHFA's Multifamily Watch List and/or in Not in Good Partnership status unless an extenuating circumstance prohibits the timely submission. OHFA will provide prompt written notice to the owner (generally 15 business days after the inspection) of the inspection findings. If the project is found not in-compliance. The owner will have up to 60 days from the date of the notification to correct any non-compliance issues found and give a written response to OHFA of corrective actions taken. OHFA may, with good cause, extend the correction period for up to six months.

    i. During the correction period, an owner must correct any non-compliance and provide evidence to OHFA of such corrections.

11. When instances of non-compliance are identified, OHFA is required to file form 8823, "Low Income Housing Tax Credit Agencies Report of Non-Compliance" with the IRS no later than 45 days after the end of the correction period, and no earlier than the end of the correction period, whether or not the non-compliance is corrected. Form 8823 will be issued in accordance with the Uniform Physical Condition Standards (UPCS) even if the physical non-compliance is corrected on the date of the inspection or the end of the correction period. OHFA must explain on Form 8823 the nature of the non-compliance or failure to certify (reference 26 CFR Par. 2. 1.42-5 [e][3]). In addition to notifying the IRS of non-compliance, OHFA may place the project on its Multifamily Watch List or consider the owner or manager not in good partnership with OHFA programs.

12. Compliance with the requirements of Section 42 of the IRC is the responsibility of the owner of the building(s) for which the tax credit is claimed. OHFA's obligation to monitor for compliance does not make OHFA liable for owner/agent non-compliance.

13. If OHFA is unable to serve notice on the property owner by mail and/or telephone during the compliance and extended use periods as defined by the IRS, OHFA will consider the property out-of-compliance and will notify the IRS by filing Form 8823, or take other appropriate action such as designating the project and its owner/agent as not in good partnership with the Agency. Please note that OHFA will maintain one contact person per project. The owner/agent will agree upon the contact person and notify OHFA immediately of any change.
14. OHFA requires housing tax credit owners to pay a one-time compliance monitoring fee. The fee amount for projects receiving a reservation in 2016 will be $900 per unit. This policy may be reevaluated in program year 2017.
15. OHFA reserves the right to charge the owner and/or management company for costs incurred as the result of compliance reviews conducted outside of the normal inspection cycle.
16. It is the responsibility of the owner and its agents to ensure that the property management agent has all documents and information necessary to meet all rent, income or other requirements attached to all sources of funding used to develop the project. Such documents may include, but are not limited to, the Housing Tax Credit restrictive covenant(s), Housing Development Assistance Program (HDAP) funding agreement or other gap financing agreements.
17. Compliance requirements are communicated to owners and managers of housing tax credit developments through the OHFA web site, training sessions, email updates and other means such as the Agency newsletter. Owners and managers are expected to consult these and other resources to ensure they are up-to-date regarding policies and procedures established by OHFA.
18. Changes in owner and/or management companies that occur after a development has placed-in-service must be approved by the OHFA Office of Program Compliance. The owner must request approval from the Office of Program Compliance by written request to the assigned compliance analyst no later than 60 days prior to terminating the services of the current management company or sale of the property. Owners will be required to submit the request in accordance with OHFA's Ownership and Management Company Change Policy, to be made available on the OHFA website.

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

HOUSING CREDIT GAP FINANCING

A. PURPOSE

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

B. STATE AND FEDERAL FUNDING REQUIREMENTS

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

It is the responsibility of the owner/developer/borrower and any of its employees, agents or sub-contractors doing business with OHFA to adhere to and comply with all Federal Civil Rights legislation inclusive of the Fair Housing Laws, Section 504 of the Rehabilitation Act of 1973, the Americans With Disabilities Act as well as any state and local Civil Rights legislation along with any required related codes and laws.

C. TYPES OF FUNDING AVAILABLE

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

> **HOME Investment Partnerships Funds**: Federal regulations relating to environmental review, federal wage rates, federal accessibility, federal acquisition and relocation laws [URA and Section 104(d)], long-term affordability, etc. apply.
>
> **Ohio Housing Trust Fund**: OHTF provides funding to projects predominantly serving low income households with incomes at or below 50 percent of area median income. OHTF gives preference to those projects that benefit households with incomes at or below 35 percent of area median income for the county in which the project is located, as established by HUD. Applicants receiving an award of OHTF dollars may be subject to State of Ohio Prevailing Wage Rate rules, including a sole for profit applicant.

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

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

D. REPORTING REQUIREMENTS

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

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

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

For projects awarded HOME funding after January 24, 2015, OHFA will approve an individual utility allowance on an annual basis in accordance with the 2013 Final Home Rule {24CFR 92.252}. Owners must submit a utility allowance request by using either the HUD Utility Schedule Model or a utility allowance methodology as described in OHFA's Utility Allowance Policy (Utility Allowance Policies and Procedures) available on the OHFA website.

E. RENTAL DEVELOPMENT ELIGIBILITY

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

Ineligible Projects

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

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

Eligible Uses

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

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

Multifamily Bond Financing

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

F. PROJECT REQUIREMENTS

Financing Terms

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

Loan Terms and Criteria

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

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

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

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

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

Eligibility for Grant Funding:

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

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

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

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

Environmental Reviews and Project Eligibility

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

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

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

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

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

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

Rehab Standards

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

Site and Neighborhood Standards for New Construction Projects

New construction projects will need to meet the site and neighborhood standards found in 24 CFR 983.6.

Lead-Based Paint Strategy

All projects must adhere to the Lead-Based Paint Guidelines (found in the annual Consolidated Plan) maintained by the Ohio Development Services Agency. All projects that involve the demolition and/or renovation of structures built prior to 1978 must submit a lead-based paint strategy that includes the following:

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

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

Appraisals

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

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

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

Uniform Relocation Act Relocation Standards

1. Relocation Forms:

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

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

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

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

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

2. Relocation Plan:

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

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

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

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

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

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

Affirmative Marketing Plan

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

Wage Rate Compliance

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

Rent Requirements

HDAP Restricted Units:

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

Developments in Participating Jurisdictions must show:

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

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

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

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

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

HDAP Assisted Units:

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

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

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

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

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

G. POST AWARD

Loan Closing Requests

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

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

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

Subsequent Changes

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

The request should be sent to:

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

OHFA reserves the right to assess fees for the following:

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

Project Administration and Drawing HDAP

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

OHIO HOUSING FINANCE AGENCY

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