2020-2021

Qualified Allocation Plan

2021 Technical Revisions

Office of Multifamily Housing, Development Division | **September 2020**

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GENERAL OVERVIEW & REQUIREMENTS

PURPOSE

The Housing Tax Credit (HTC) program, also known as the Low-Income Housing Tax Credit or LIHTC program, is a federal tax incentive designed to increase the supply of quality affordable rental housing. Created through the Tax Reform Act of 1986 and governed by Section 42 of the Internal Revenue Code (IRC), the HTC 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 HTC program in the State of Ohio, the Ohio Housing Finance Agency (OHFA) has facilitated the development of more than 140,000 affordable rental units since 1987.

Section 42 requires that state allocating agencies develop a Qualified Allocation Plan (QAP) for the distribution of HTC within its jurisdiction. The QAP describes policies and procedures for the allocation of HTC to affordable rental housing developments that address state housing needs and priorities.

MODIFICATION AND INTERPRETATION

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 refer to these materials for their proper interpretation. The actions, determinations, decisions, or other rulings made by OHFA pursuant to this QAP shall not be construed to be a representation or warranty by OHFA as to a development's compliance with applicable legal requirements, the feasibility or viability of any development, or of any other matter whatsoever.

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

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

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

Ohio Housing Needs and Priorities

OHFA's Office of Housing Policy develops an Annual Plan that addresses Ohio's housing needs on a yearly basis, in compliance with ORC 175.04 of the Ohio Revised Code. The annual planning process uses a Housing Needs Assessment (HNA), guidance from internal and external stakeholders, and public feedback to identify needs throughout the state and agency. The Annual Plan outlines the strategic priorities and goals for OHFA's work, in response to these needs.

As part of OHFA's Annual Plan, the HNA uses a wide range of state data to identify the scale and scope of the state's housing challenges. The HNA evaluates Ohio's current housing landscape to gauge housing needs, identify gaps, and highlight key trends. Findings from the HNA inform OHFA's programmatic and policy decisions throughout the year, including the QAP. As such, many items in the 2020-2021 QAP can be tied back to the findings of the FY20 HNA.

Additionally, strategic priorities as outlined in the Annual Plan are also reflected in the 2020-2021 QAP, including:

- Expand and preserve affordable housing opportunities through the continued development and administration of OHFA's core programs.
- Focus efforts on customer-driven, sustainable multi-sector solutions to promote public health, welfare, and prosperity of the people of the state through the production and preservation of affordable housing.

Fair Housing Requirements

The owner shall comply and ensure the project complies with all requirements of the federal Fair Housing Act, Ohio Revised Code Section 4112, and local fair housing requirements, as each may be amended. The owner shall itself ensure and shall ensure the project does not discriminate, as defined by 42 U.S.C. 3604, against any person because of sexual orientation or gender identity or expression. Also see the Quid Pro Quo and Hostile Environment Harassment and Liability for Discriminatory Housing Practices under the Fair Housing Act final rule from HUD. Additionally, OHFA directly and affirmatively seeks to promote the Olmstead and ADA integration principles through its policies and developments it provides funding for.

Domestic Violence Protection and Prevention

In conformity with the Violence Against Women's Act (VAWA) of 2013, an applicant for or tenant of housing assisted under the HTC program, or any affiliated individual thereof, may not be denied admission, denied assistance, terminated or evicted from the housing on the basis that they are a victim of domestic violence, dating violence, sexual assault or stalking, if the applicant, tenant, or affiliated individual otherwise qualifies for admission, assistance, participation, or occupancy. Every resident and applicant must be provided a Notice of Occupancy Rights when admitted as a tenant, denied admission, denied assistance, or being terminated/evicted.

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

Each owner/manager shall have an emergency transfer plan for victims seeking safety, which incorporates reasonable confidentiality measures to ensure that the owner or manager does not disclose the location of the dwelling unit of a tenant to a person that commits an act of violence or stalking against the tenant. Be advised that an emergency transfer plan incorporates many features in addition to a transfer plan, since an emergency transfer often may not be possible.

An owner/manager may request documentation from a victim before these protections are triggered. If the owner/manager requests documentation, the applicant, tenant, or affiliated individual may provide any one of the following documents and owner/manager shall accept it as adequate documentation: a letter or form signed by the victim, including HUD's Self-Certification Form 5382; a letter signed by a domestic violence service provider, attorney, or medical/mental health professional who assisted the victim; a police report; or a court or administrative record. This submission shall be confidential as defined in 81 FR 80724, 24 CFR §5.2007(C). Owners/managers shall also comply with all court orders.

All guidance related to complying with VAWA at OHFA-funded properties can be found on the OHFA Compliance Policies webpage.

Application Process

All applications to the HTC program must meet all requirements set forth in Section 42 of the IRC, as amended, and all relevant U.S. Department of Treasury regulations, notices, and rulings. The following process helps ensure these requirements are satisfied:

1. **Pre-Application Meeting (optional).** Applicant may request a pre-application meeting with OHFA in the following circumstances:
    a. Developer has not worked with OHFA in the past; or
    b. The proposed project is unique and the development team needs specific guidance on submitting the application; and
    c. The meeting is requested and held according to the dates listed in the Program Calendar.
2. **Development Team Pre-Approval Process.** Applicant submits an Experience & Capacity pre-approval form to OHFA as outlined in the Document Submission Requirements for Development Team Experience & Capacity Review, and OHFA receives it by the date listed in the Program Calendar.
3. **Development Team Pre-Approval Review.** OHFA reviews pre-approval submissions and notifies applicants of their ability to move forward with the development team as proposed or of any deficiencies to be resolved.
4. **Proposal Application Submission.** Applicant submits a proposal application in accordance with the document submission requirements identified in the QAP and the AHFA, and OHFA receives it by the date listed in the Program Calendar.
5. **Proposal Review.** OHFA reviews proposals for eligibility, ability to proceed, and compliance with IRS requirements. Concurrently, OHFA evaluates proposals for financial feasibility and conducts a competitive scoring review. OHFA notifies applicants of deficiencies during the review process and provides one week to clarify.
    a. Apart from this clarification period or in response to specific request for information from OHFA, applicants may not communicate with OHFA Office of Multifamily Housing staff in regards to their application during this time.

6. **Pre- or Post-Award Site Visit.** OHFA may conduct a site review to confirm the suitability of a prospective site for the proposed use. If a site is deemed unsuitable based on the site review, OHFA will remove the application from further consideration.
7. **Announcement of HTC Awards.** OHFA announces award recipients on its website and by phone and/or in writing. Applicants may schedule a meeting with OHFA to plan next steps.
8. **Final Application Submission.** Applicants must submit a final and complete application, including all supporting documentation, by the deadline shown in the Program Calendar.

Contact Information

Questions regarding the QAP or HTC application process may be directed to QAP@ohiohome.org. General contact information for OHFA is as follows:

Ohio Housing Finance Agency
Office of Multifamily Housing, Development Division
57 E. Main Street
Columbus, Ohio 43215
888.362.6432
www.ohiohome.org

2021 Program Calendar: Competitive HTC

Deadlines reflected in the following program calendar apply to the Competitive HTC application process and are subject to change based on the quantity of applications received and other conditions outside OHFA's control.

Dates	Applicant	OHFA
Oct. 30, 2020	Deadline for submission of CHDO Certification Pre-Application	
Nov. 2020		Application materials posted to the OHFA website
Nov. 2020		HTC training – details will be posted on the OHFA website
Dec. 1, 2020	Last day to request a pre-application meeting	
Dec. 4, 2020	Deadline to request approval for a Part 1 from the State Historic Preservation Office[1] for historic tax credits	
Dec. 11, 2020		Decisions issued for CHDO Certification Pre-Application
Dec. 14, 2020	Last day pre-application meetings will be held	Last day pre-application meetings will be held

[1] Applicants seeking a Preliminary Determination of Listing from the State Historic Preservation Office should complete the Part 1 Evaluation of Significance application, utilizing the Checklist provided in Appendix E.

Jan. 4, 2021	Last day Development Team Pre-Approval forms may be submitted	
Jan. 15, 2021	Deadline to submit FAQ	
	Recommended deadline to commission market studies	
	Deadline to submit Exception Requests (program exceptions only)	
Jan. 22, 2021		Last date by which Development Team Pre-Approvals will be issued
Feb. 5, 2021		Decisions issued for Exception Requests
Feb. 11, 2021	Deadline to submit proposal applications, due no later than 5:00 p.m. ET	Consideration of public comments begins
Feb. 22, 2021		Proposal summaries posted to the OHFA website
		Competitive scoring, underwriting, and select site visits[2] begin
April 2, 2021		Site visits conclude
Apr. 5, 2021		Notice of preliminary scores and underwriting issues sent to applicants
		Consideration of public comments ends
Apr. 12, 2021	Deadline to respond to preliminary scores and underwriting issues	
May 19, 2021		Final results of competitive scoring released and presented to the OHFA Board of Directors
May 21, 2021		Binding reservation agreements and notice of threshold deficiencies issued
May 25, 2021	Development Next Steps meetings begin	Development Next Steps meetings begin; Site visits begin
June 11, 2021	Deadline to return binding reservation agreements	OHFA begins scheduling Debrief Meetings
	Deadline to submit all cures for threshold deficiencies	
July 30, 2021	Development Next Steps and debrief meetings conclude	Development Next Steps and debrief meetings conclude
Sept. 23, 2021	Deadline to submit final applications, due no later than 5:00 p.m. ET	

[2] Site visits for Preserved Affordability projects will be conducted during proposal application review. Site visits for all other projects, if awarded, will be conducted after binding reservation agreements are issued.

Dec. 10, 2021		Final date for issuance of carryover agreements

2021 Program Calendar: Non-Competitive (4%) HTC

Application windows reflected in the following program calendar apply to the Non-Competitive HTC application process (for projects seeking 4% HTC *without* OHFA gap financing only) and are subject to change based on the quantity of applications received. Applicants submitting an application for a reservation of Non-Competitive HTCs must also refer to the Multifamily Bond program guidelines for other requirements, where applicable.

Applicants are required to contact OHFA 45 days in advance of submitting an application to schedule a pre-application meeting. OHFA, at its discretion, may choose to waive the meeting, but the notification is still required.

Dates	Applicant
January 4-8, 2021	Applications due no later than 5:00 p.m. ET on January 8
April 5-9, 2021	Applications due no later than 5:00 p.m. ET on April 9
July 5-9, 2021	Applications due no later than 5:00 p.m. ET on July 9
October 4-8, 2021	Applications due no later than 5:00 p.m. ET on October 8

2021 Program Calendar: FHAct50 Building Opportunity Fund

The application window reflected in the following program calendar applies only to applications submitted for HTC funding through the FHAct50 Building Opportunity Fund (FHAct50). This calendar is subject to change. Applicants submitting an application through FHAct50 must refer to the applicable QAP of the year in which the application will be submitted for all applicable requirements.

Dates	Applicant
OHFA will accept FHAct50 development applications throughout the year, with the exception of the Competitive HTC review period (February 1 – May 30 of each year).	
At least 30 days prior to submitting an application	• Notification of expected application submission date submitted to OHFA • Exception Requests submitted to OHFA

2021 Fee Schedule

OHFA will assess fees as further described in the current fee schedule, subject to change, and attached for reference in Appendix A. Fees may be increased or modified without QAP amendment.

HTC REQUIREMENTS

The following sections describe the documentation, general policy, and any other requirements applicable to the HTC program. These requirements apply to all projects utilizing Competitive or Non-Competitive HTC, alone or in conjunction with other OHFA funding, unless otherwise specified. Exceptions will only be considered where specifically noted.

DOCUMENT SUBMISSION REQUIREMENTS

All application submissions must include a completed Affordable Housing Financing Application (AHFA) and all supporting documentation required for the specific funding being requested as outlined below, in the respective AHFA, and in Appendix B.

The AHFA must be submitted with both proposal and final application submissions. The AHFA and all supporting documentation must be submitted on a compact disc, organized and formatted according to the instructions and index specified in the AHFA.

Supporting documentation must be provided for all competitive scoring criteria and shall be limited to 25 pages per competitive criterion section, excluding specified, mandatory documents (Revitalization Plan, Tenant Selection Plan, and Supportive Services Plan). Relevant portions of the supporting documents must be highlighted and annotated.

In addition to the supporting documentation required for competitive scoring criteria, the below documentation is also required at one or more of the following development stages noted as follows:

- P = Proposal Application
- F = Final Application
- S = Application Submission
- 8609 = Request for IRS Form 8609

Appraisal

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	**F**	8609	**S**	8609	P	**F**	8609	**S**	8609

The application shall include an as-is appraisal for all development site(s) represented in the application. Appraisals must comply with all Appraisal Requirements as outlined in the OHFA Multifamily Underwriting Guidelines.

An appraisal is not required if both of the following conditions are met: (1) applicant is not seeking HDAP funds, and (2) applicant is not including any acquisition costs in eligible basis.

Architectural Plans and Design & Construction Features Form

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	**F**	8609	**S**	8609	**P**	**F**	8609	**S**	8609

Architectural plans must be submitted in accordance with the Preliminary and Final Architectural Submission Requirements as outlined in the Design & Architectural Standards. A completed Design & Construction Features Form (DCFF), including Construction Certification, must also be submitted. Architectural plans must be approved by the OHFA Architect in accordance with the requirements set forth in the Design & Architectural Standards.

Non-Competitive HTC only: OHFA may allow additional time for Non-Competitive HTC developments to submit 80% complete architectural plans and specifications. However, a review period of at least 60 days is necessary between the submission of 80% plans and the issuance of a 42m Letter of Eligibility.

Scattered Site Developments: For scattered site developments, the architectural plans must encompass all sites that are under control at proposal application.

Authorization to Release Tax Information

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

The application shall include a completed Authorization to Release Tax Information Form for the parent company of each member of the ownership entity, and if applicable, the parent company of the HDAP recipient. OHFA will use this information to determine if an entity with ownership interest in the development has outstanding tax liens with the State of Ohio. Applicants are strongly encouraged to reference the Instructions for completing the form prior to completing and submitting it to OHFA.

Community Outreach Plan

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

The application shall include a community outreach plan and documentation or other evidence that it was completed prior to submission. The community outreach plan and its exhibits must include the following, clearly labeled components:

- **List of Stakeholders Notified**. Stakeholders notified may include but are not limited to residents, businesses, local elected officials, police and fire departments, community development corporations, and/or nonprofit community organizations.
- **Stakeholders Notification Method**. OHFA recommends the notification method include posting notices in libraries or other public spaces where residents or potential residents may frequent, public meetings, design charrettes, and/or notices in local papers and social media. Outreach notifications need not identify the population proposed to be served; however, OHFA encourages as much transparency in the outreach process as is practicable.
- **Copies of all Materials**. The applicant shall provide copies of written notices placed or published, presentations or meeting materials, including any sign-in sheets from any public meetings, and support or opposition letters from community groups or contacts

established through the outreach process.

- **Description of Stakeholder Feedback & Developer Response**. Applicant shall provide a summary of the feedback received, a description of how stakeholder feedback was analyzed and if and how it was incorporated into project plans.

OHFA strongly encourages applicants to complete community outreach prior to submitting a proposal application. See the Public Notification section for additional requirements regarding public official engagement.

Conditional Financial Commitments

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

The application shall include financial commitment documentation for all non-OHFA sources of debt and equity, including any project-based rental subsidies, specific to the project. This includes both permanent and construction sources.

Proposal Application: Financial commitments must be evidenced by a conditional commitment, letter of interest for construction and/or permanent financing, or term sheet specific to the project indicating the following:

- Loan or grant amount;
- Loan term; and
- Interest rate.

Conditional equity commitment letters are strongly encouraged, but not required, at proposal application. They must be submitted no later than final application.

If a loan or grant was applied for or will be applied for from a competitive or contingent source (e.g. city or county HOME funds, Federal Home Loan Bank), the applicant must provide a letter or other documentation from the funder detailing when the funding round will be open, the maximum awards available, and when funding decisions will be released. Alternatively, the applicant may provide a conditional commitment letter from the funding entity stating that funding will be provided to the project upon successful completion of regulatory reviews and funding availability. The letter must specify the minimum amount of funding that will be provided to the project. **Applicants must provide evidence of an alternative plan to fill the funding gap if unsuccessful in any non-OHFA competitive funding program.**

Final Application: Financial commitments must be evidenced by a conditional commitment letter, or other acceptable documentation in lieu of a commitment. All commitment letters must indicate the following:

- Loan or grant amount;
- Loan term and amortization schedule/term (and/or payment requirements);
- Interest rate;
- Fees associated with the loan or grant;
- Reserve requirements;
- Lien position of the loan; and
- Acknowledgement by the lender or allocating entity that the project seeking financial support has received at least a preliminary review and meets the requirements of the

lender or funders, conditional upon a final underwrite.

If a loan or grant was applied for or will be applied for from a competitive or contingent source (e.g., city or county HOME funds, Federal Home Loan Bank), the commitment letter must also acknowledge funds were applied for or verify that a funding round is approaching. The letter should detail the amount of funds requested and the timing for funding decisions. Applicants must provide evidence of an alternative plan to fill the funding gap if unsuccessful in any non-OHFA competitive funding program.

If an existing loan will be assumed or restructured, the applicant will provide supporting documentation detailing the terms and conditions of any assumed or restructured debt including the current outstanding balance.

OHFA may request additional information to support any credit or equity pricing that does not align with current market rates. For all equity prices significantly above or below the pool average, if sufficient reasoning is not provided for the price, OHFA reserves the right to underwrite to the pool equity pricing average.

Condominimized Space Description

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

If any portion of the development will be condominimized, the application shall include a brief description of the governing agreement that may include, but is not limited to, costs and maintenance of common space, parking availability, air rights, default remedies, commercial uses, and tenant selection. The condominimized space will be evidenced in the AHFA.

Development Team Consultant Statement

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

If a development consultant is part of the project, the application shall include a statement regarding the development consultant(s) that includes:

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

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

Development consultants will be subject to the Development Team Experience and Capacity review. Consultants may not be the only source of team experience. OHFA may consider consultants co-developers and hold them responsible for the overall success of the development depending on their level of contribution to the project.

Development Team Experience and Capacity Review

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

OHFA will evaluate the experience and capacity of the development team, including General Partners, developers, and development consultants at proposal application for Competitive HTC and BGF projects, and at final application for Non-Competitive HTC and FHAct50 projects. Management companies will be evaluated at final application for all project types.

Appendix C: Experience & Capacity Characteristics outlines the minimum eligibility criteria that must be met in order to apply for HTC, as well as the criteria that will be used to evaluate the development team.

For Competitive HTC only, ALL development teams are required to receive pre-approval from OHFA in order to submit a proposal application. A Development Team Pre-Approval form will be made available on the OHFA website no later than September 30, 2020. Completed forms will be accepted by OHFA on or before January 4, 2021. Approvals will be made on a rolling basis and will be issued no later than January 22, 2021. Applicants are encouraged to submit the pre-approval form early in the process.

Submission Requirements:

1. Completed Experience and Capacity tab in the AHFA;
2. Resumes for all staff members of the development team;
3. Organizational charts that show the structure of the ownership entity, General Partners, development team, and consultants and the relationships and ranks of all relevant positions;
4. Narratives describing development experience and work performed for each staff member of the development team;
5. Any changes to the developer's staff that have occurred since the last HTC application round in which they competed; and
6. Financial documentation* (if applicable).

   *General Partners that haven't placed into service a project in Ohio within the last five years must submit financial documentation. The submission will be for the previous four years for the General Partners (or for the parent companies if the General Partners are new entities). The required documents include:
   1. Independently-prepared audited financial statements (if available);
   2. Internally-prepared annual balance sheets including changes in owners' capital and statement of cash flow ending on the last day of each year;
   3. Internally-prepared annual income statements ending on the last day of each year; and
   4. A current Internally-prepared accounts payable aging report.

Changes to any development team between the proposal and final application must be disclosed. Projects that do not maintain the core competency and experience necessary to successfully develop and manage a project will be removed from eligibility.

CHDOs only: If a member intends to become certified as a CHDO during the initial application phase, submit documentation which indicates that the CHDO maintains effective development control during the development process. Effective development control is demonstrated when the

CHDO is the sole General Partner of the development and the CHDO will make the key decisions regarding the selection, financing, improvement, management, and disposition of the development.

OHFA may request additional information to evaluate experience and capacity as it determines may be necessary.

Evidence of Site Control

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

The application (proposal for Competitive HTC) shall include:

- If the current owner is a General Partner or limited partner in the development, copies of the executed and recorded deed(s); or
- If the current owner is <u>not</u> a General Partner or limited partner in the development, then other evidence of site control, including but not limited to:
    - A purchase contract or option;
    - A lease contract or option; or
    - Documentation from the local government/land bank regarding the transfer of property.
        - If parcels will be acquired from a city land bank, acceptable documentation includes:
            - A copy of the final city council resolution, city council ordinance, letter from a board of control or designated official, or contingent purchase agreement approving the legal description and transfer of all applicable sites will also be accepted.
        - If parcels will be acquired from a county land bank, acceptable documentation includes:
            - A letter from the board of control or a designated official approving the transfer of all applicable sites.

With respect to option agreements, the application must include evidence of the agreement to purchase the property within a specified time period.

Any lease contract must be for a minimum term of 35 years. Any lease option must specify a minimum lease term of 35 years if option is exercised. Evidence of site control may not expire until a reasonable period following the scheduled announcement date for Competitive HTC awards, or for Non-Competitive HTCs, at least 180 days from the date the application is submitted.

Any updates to site control documents shall be submitted with the final application.

Scattered Site Developments: Competitive HTC scattered site developments must have at least 35 percent of the sites under control at the time of proposal application. OHFA reserves the right to reduce eligible basis when issuing a Carryover Allocation Agreement if the minimum site control percentage required at proposal application is not maintained. Non-Competitive HTC scattered site developments must have 100 percent of the sites under control at the time of application, including those seeking BGF.

Exception Requests

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

Exceptions will be considered only for those items specifically allowed under this QAP and represented in the OHFA Exception Request Form. Exception Requests must be submitted each year. Any response issued applies exclusively to the year in which the application was submitted and cannot be used for future applications.

Program Exceptions: For Competitive HTC only, requests for exceptions to specific program requirements referenced in the QAP must be submitted in advance of the proposal application. For Non-Competitive HTC, requests for exceptions to specific program requirements must be submitted with the application.

Underwriting Exceptions: For all HTC, requests for exceptions to underwriting requirements must be submitted with the application.

Federal Tax Identification Number

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

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

Green Certification

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

All multifamily developments must obtain one of the energy efficiency or green building certifications as set forth in the Design & Architectural Standards, as well as any additional commitments made for competitive consideration.

Applicant must submit evidence of final certification from a HERS rater, green building certification organization, or otherwise qualified and licensed professional as approved by OHFA, at submission of the request for IRS Form 8609.

Housing Credit Gap Financing Application

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

Competitive HTC developments that will request Housing Credit Gap Financing (HCGF) shall include a request in both the proposal and final applications that is consistent with the requirements outlined in the Housing Credit Gap Financing section of this QAP. The HCGF application is contained within the AHFA.

Legal Description

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

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

LIHTC Lease Addendum

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

The application shall include a written statement from the owner certifying that the LIHTC Lease Addendum will be included in all new leases and upon renewal of existing leases for all units, with the exception of those units for which a HUD model or USDA model lease is used.

Limited Partnership Agreement

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

Applicants must submit a copy of the Limited Partnership Agreement detailing the roles and responsibilities of each partner or entity at 8609.

List of Changes from Proposal Application

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

The final application shall include a description of any substantive changes made to the development represented in the proposal. Substantive changes may include, but are not limited to, changes in ownership or development team, design, construction or configuration, site(s) excluding scattered site developments, targeted populations including special needs populations, and any items affecting competitive scoring. Such changes may be permitted only at OHFA's discretion.

Management Company Capacity Review

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

The application (final for Competitive HTC and BGF) shall include a completed Management Company Capacity Review tab in the final AHFA. At proposal application, Competitive HTC and BGF applicants must only identify the management company in the AHFA.

Market Study

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

The application shall include a market study conducted by an OHFA-approved market study professional updated or approved within 12 months of the application submission date. Applicants should refer to the Market Study Standards as outlined in the OHFA Multifamily Underwriting Guidelines for additional requirements, and to the Program Calendar for applicable deadlines.

All multi-site developments represented in the application must be within the boundaries of a single Primary Market Area (PMA) **with two exceptions:**

- *Scattered Site Service Enriched developments*. OHFA will accept a scattered site market study in which a qualified market analyst determined that an entire county constitutes a single PMA. Alternately, OHFA will permit scattered site Service Enriched developments that span multiple submarket areas if the Primary or Secondary Expert Recommendation Letter clearly specifies how supportive services will be provided in a manner that is accessible to all residents despite the geographically dispersed nature of the development.
- *Preserved Affordability projects being bundled*. For proposals seeking to combine multiple existing developments into one project for financing purposes, OHFA will accept Exception Requests to the single PMA requirement. The Exception Request must include an explanation of the Sponsor and Management Agent's capacity to continue operating these properties under a single financing structure, and may include documentation from other government entities giving permission to combine projects to accommodate institutional financing.

Multifamily Bond Financing Information

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

The application shall include a letter from the bond underwriter detailing the bond financing structure, cost of bond issuance and terms, as well as a calendar outlining anticipated actions, the timeframe for approving OHFA-issued bonds (dates for inducement and final approval), and responsible parties for closing the transaction.

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.

OHFA may require a legal opinion stating that the development is eligible to receive an allocation of HTCs pursuant to IRC Section 42(h)(4).

Notification to Statewide Accessibility Groups (newly affordable units only)

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

Applicants proposing newly affordable units shall notify all accessibility groups in the same county as the development that accessible housing is being proposed. A list of accessibility groups is available on the OHFA website.

Applicants agree to accept referrals for prospective residents and consider design recommendations for the property. The application shall include copies of all correspondence between the applicant and accessibility groups to show compliance with these requirements.

If requested by the accessibility group, the applicant shall provide the most current copy of the development's architectural plans prior to submitting the final application. Accessibility groups may report noncompliance with this requirement to OHFA at QAP@ohiohome.org.

Ohio Housing Locator

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

Proof shall be submitted that the property was listed on the Ohio Housing Locator or other equivalent substitute at OHFA's direction. New construction projects must also be placed on the Lead-Safe Rental Registry hosted within the Ohio Housing Locator. The owner and/or property manager shall be responsible for keeping the property listings current.

Phase I and II Environmental Site Assessments

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

The application shall include a Phase I Environmental Site Assessment (ESA) dated within 6 months prior to the application deadline for all sites represented in the application. The Phase I ESA must be completed in accordance with the most current ASTM Standard and include the following non-scope considerations as described in the ASTM Standard: Asbestos-containing building materials; Radon; Lead-based paint; Lead-in-drinking-water; Wetlands; and Mold.

For scattered site projects not seeking HDAP funding, an Environmental Questionnaire for Scattered Site Projects may be submitted for each site at proposal application in lieu of a full Phase I ESA for each site. A full Phase I ESA for each site is still required to be submitted at final application.

Competitive HTC and BGF only: If the Phase I ESA is dated between 6 months and one year prior to the application deadline, the applicant may submit this Phase I ESA at proposal application, but must also submit an updated Phase I ESA at final application.

If awarded funding, a Phase II ESA and/or additional testing, whichever is recommended in the Phase I ESA, must be completed for any recognized environmental conditions, suspected environmental concerns, or non-scope issues identified in the Phase I ESA. The Phase II ESA shall be submitted at final application. Exceptions to the submission deadline will be considered.

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

Applicants requesting gap financing (OHTF, NHTF, or HOME) should review the requirements for those specific funding sources to ensure the project will be able to meet the applicable requirements prior to requesting program funding. The Phase I ESA does not need to address these items; the applicant should merely be aware that these additional review items will be requested if the project is selected for funding. Environmental review requirements for the 811, HOME, OHTF, and NHTF programs can be found on the OHFA website.

Physical Capital Needs Assessment and Scope of Work (rehabilitation or adaptive reuse only)

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

Applications for the rehabilitation of existing housing units and adaptive reuse of buildings not originally constructed as housing must include a Physical Capital Needs Assessment (PCNA) and Scope of Work for all buildings represented in the application. The PCNA must conform to the PCNA standards outlined in the OHFA Multifamily Underwriting Guidelines. There are no timing requirements for the PCNA, but it must reflect current building conditions. OHFA will use the PCNA to determine if the project meets the threshold requirement of substantial rehabilitation, and whether the costs indicated in the application are appropriate to the level of rehabilitation required.

Proposal Summary (.PDF format)

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

The application shall include a copy of the Proposal Summary tab from the AHFA in Adobe Portable Document Format (.pdf).

Public Notification (newly affordable units only)

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

The application shall include evidence that the public notification process for local elected officials was completed. Per the Ohio Revised Code §175.07, all public notification must be completed before OHFA approves any funds, including executing a Carryover Agreement.

An applicant requesting funds shall provide the notice to any/all of the following that apply:

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

The applicant must 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 must submit a copy of the stamped post office receipt, return receipt not required, for certified mail and copies of notification letters with the proposal application.

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. 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.

Scattered Site Developments: Scattered site developments must complete the public notification process for all sites represented in the proposal application. If awarded an allocation of Competitive HTCs, this requirement must be completed again for any new sites represented in the final application. Public Notifications for these new sites must be sent to the applicable officials prior to submitting the final application.

Related Party Transaction Questionnaire

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

The application shall include the Related Party Transaction Questionnaire for any transactions between related parties.

Relocation Plan (existing rental units only)

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

Any development involving acquisition and rehabilitation of existing and occupied units that will result in *permanent displacement* of any residents shall submit a complete Acquisition, Relocation, and Demolition Questionnaire and the Relocation Assistance Plan. OHFA reserves the right to prohibit, limit, or mitigate any permanent displacement based on the information contained in the Acquisition, Relocation, and Demolition Questionnaire.

If a development will result in resident relocation *during the construction period*, the application shall 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 this QAP for additional guidance.

Rental Subsidy Contract

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

If the development currently receives a rental subsidy, a copy of the current contract governing that transaction shall be included with the application. OHFA may request a letter from the Metropolitan Housing Authority (MHA) / Public Housing Authority (PHA) with updated rental payment information if the information provided is three or more years old.

If the development does not currently receive a rental subsidy, but is seeking one, it shall provide a letter or other evidence from the MHA/PHA or other subsidy provider describing the process and timeline for obtaining the subsidy, and verifying that the project is eligible for subsidy.

For non-HUD and non-U.S. Department of Agriculture (USDA) subsidies, the letter should address all the following:

- **Type of Subsidy.** Indicate whether the subsidy is project-based or tenant-based.
- **Source of Subsidy.** Identify what entity is providing the funding and under what program they are doing so. Identify whether there are any pass-through entities.
- **Subsidy Reliability.** Describe how likely it is for the subsidy to be guaranteed for the full fifteen year compliance period. Include the length of the rental assistance contract, how often funding must be renewed, source of renewal (local levy, state budget appropriation, etc.), and contingencies that are in place in the event of non-renewal. Include a past history of renewal attempts including how often a full appropriation has been approved. Note any recent increases in program funding.
- **Eligible Client Profile.** Describe the eligibility requirements for residents receiving the subsidy. Include their typical income sources (SSI, work, other benefits) and amounts. Describe the current tenant pipeline and/or waitlist, including the number of individuals currently waiting to participate, and the referral process.
- **Client Contributions, if any.** Describe whether subsidy recipients are required to contribute a portion of their income to housing expenses (for example, does the program require tenants to pay 30 percent of their income towards rent and/or utilities).
- **Guarantees & Contingencies.** Describe any guarantees that are in place should funding not be renewed. Describe how the project will be sustainable should the subsidy not be renewed.

If the development will receive a rental subsidy, it shall provide conclusive proof of commitment of that subsidy at final application. Proof may include an executed commitment to enter into a binding agreement.

Revitalization Plan

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

To qualify for a set-aside or point category related to a revitalization plan (General Occupancy Urban Housing and Single Family Development only), or if applying for FHAct50 funds, applicants shall provide a copy of the concerted community revitalization plan (Revitalization Plan) and proof that the proposed development is located within its target area and consistent with the plan. For the purposes of this QAP, a Revitalization Plan means the same as set forth in IRC Section 42, as may be further defined by the IRS, and must include all the following components. A plan need not be specifically labeled as a "revitalization plan" or use any special language, provided it satisfies the substance of these components. For FHAct50 developments, the Target Area Plan shall be submitted for this requirement.

The Revitalization Plan must be submitted with the Competitive Support Documents folder, but does not need to adhere to the 25-page limit.

Scope

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

Community Input & Ownership

The Revitalization Plan must have been developed through a public process. The public process may be evidenced in the Revitalization Plan or a supplemental document by any of the following:

- Creation of the Revitalization Plan by a Community Development Corporation; or
- Adoption or endorsement of the Revitalization Plan by the local government; or
- Proof of solicitation of public and stakeholder input.

Housing Policy

The Revitalization Plan must include each of the following housing goals and the plans designed to accomplish them:

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

Other Policy

The Revitalization Plan must address at least two of the following non-housing goals and the plans designed to accomplish them:

- Expansion or preservation of economic activity and/or employment opportunities;
- Expansion or preservation of access to public transit;
- Improvement of schools that are accessible to residents of the target area; or
- Mitigation or avoidance of adverse health conditions (such as lead-based paint hazards, environmental justice issues, and crime prevention).

If the Revitalization Plan specifically incorporates, adopts, or references collateral plans that meet the above requirements, OHFA will deem this section satisfied.

Implementation Measures

The Revitalization Plan must include implementation measures which may include but are not limited to: general timeframes for the achievement of the above policies, potential funding sources, and entities responsible for execution. A final and ratified plan need not be fully implemented or have funding sources committed.

The following are not considered revitalization plans: Short-term work plans, consolidated plans, municipal zoning plans, planned unit developments (PUD), or plans that OHFA determines were created in bad faith exclusively for the purposes of satisfying QAP criteria. Draft plans will not be considered.

Scattered Site Development Map

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

Proposals that constitute a scattered site development as defined in the Scattered Site Definition & Requirements section shall provide a detailed map clearly identifying the location of all buildings and parcels under ownership or control and otherwise considered for the application.

Site Visit Documents

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

Unless required at an earlier stage for competitive scoring, OHFA may conduct a site review for all proposals prior to final application submission to evaluate and determine the suitability of a prospective site for housing development. In its discretion, OHFA may waive the site visit requirement for any project that previously received a site visit. If a prospective site is deemed unsuitable based on the site review, the application will be removed from further consideration.

Up to two applicant representatives 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. OHFA will coordinate scheduling for all site visits.

The application shall include the following information:

- A cell phone and email contact information for all development team members;
- A detailed aerial map clearly depicting the physical location of the site, the nearest intersection, and all roads leading to the site; and
- Photos of the site and surrounding properties.

Supportive Services Plan & Providers

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P*	F	8609	S	8609	P	F	8609	S	8609

*Supportive Services Plans are due no later than the request for IRS Form 8609 for all projects except the following which are due with the proposal application:

- Service Enriched developments;
- Senior developments seeking points for Experienced Service Provider; or
- Single family lease purchase developments.

All developments shall provide service coordination to the resident population and linkages to information and resources appropriate to the population. The application shall include evidence of salaried or in-kind service coordination on-site, contiguous, or accessible to the development. All service coordinators shall have a history of serving the targeted area or population. OHFA recommends service providers post hours of operation and maintain a physical presence in a visible location at the development.

The Supportive Services Plan (SSP) must be unique to the development, identify the population served, and be customized to that population. OHFA may reject any generic SSP that is not tailored to the proposal. The SSP must include the following information:

- Performance period and, if different, length of service coordinator's contract term;
- Project service coordination funding amount and funding sources;
- Methods to provide residents with information and referrals to all appropriate resources; and
- Specific services to be provided, including all of the following:
  - Identification of partnerships with qualified service-provider agencies
  - Methods to assess resident needs and develop a plan for service delivery
  - How transit will be provided to off-site services and referral entities
  - Memorandum of understanding with all applicable local service providers
  - Methods to monitor and evaluate service delivery and outcomes

Service Enriched Developments: Service Enriched developments may submit a plan accepted by the local Continuum of Care or Department of Housing and Urban Development (HUD), in place of the items specified above. The SSP is due at proposal application but local service provider agreements may be submitted upon request for IRS Form 8609.

All SSPs for Service Enriched developments must address the following:

- Population(s) to be served and the experience that the supportive services provider(s) have serving the target population(s);
- 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;
- Methods to provide assistance in applying for Medicaid and other benefits to ensure the needs of residents are met;
- Methods to link residents to services not offered on-site;
- Physical characteristics of the site, design and/or location that will enhance the lives of residents; and
- 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

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

Competitive HTC at Proposal / Non-Competitive at Submission: The application shall include a utility allowance projection determined using any permissible or reliable calculation method.

Final Application: The application shall 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.

For properties with OHFA-awarded HOME funds committed on or after August 23, 2013, the PHA estimate or other estimates that are not project-specific cannot be used for HOME units. Housing Credit Gap Financing applicants must review those program requirements and the Utility Allowance Policy for further information. OHFA will accept the following utility allowance methods and must approve these methods:

- Utility Company Estimates
- HUD Utility Schedule Model
- Engineer's Energy Consumption Model, calculated by a properly licensed engineer or qualified professional

Zoning

Competitive HTC			Non-Comp. HTC		BGF			FHAct50	
P	F	8609	S	8609	P	F	8609	S	8609

The application shall 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 application due date.

Scattered Site Developments: For scattered site developments only, any sites added to the project after proposal application shall be identified in the final AHFA and applicable zoning documentation provided at final application.

OHFA reserves the right to waive or modify zoning requirements in circumstances it deems necessary for effective program administration. Formal zoning exceptions will be considered for developments that meet the following:

Extreme, Unforeseeable Event. The zoning requirement may be waived for projects involving new construction that encounter an extreme and unforeseeable delay. Requests for zoning exception will only be granted where the applicant can demonstrate that the local zoning process was correctly followed, all necessary documents were provided for local review, and adequate time was given for local consideration but, due to circumstances beyond the applicant's control, final approval was not timely granted.

The exception request form must include a narrative describing the unique circumstances and a letter from the unaffiliated entity that caused the delay describing the situation and setting forth the timeline for obtaining the appropriate approval. OHFA reserves the right to require zoning either with the final application or prior to the release of funding decisions, based on the information provided by the applicant.

HTC Programmatic Requirements & Oversight

The following requirements apply to all HTC applicants unless otherwise specified.

Assisted Living

Competitive HTC	**Non-Comp. HTC**	BGF	FHAct50

Affordable Assisted Living proposals will only be considered in the Non-Competitive HTC (non-BGF) program. All Assisted Living applications shall meet the requirements set forth in the Assisted Living Policy as outlined in the OHFA Multifamily Underwriting Guidelines.

Average Income minimum set-aside

Competitive HTC	**Non-Comp. HTC**	**BGF**	**FHAct50**

Applicants planning to elect the Average Income minimum set-aside requirement on IRS Form 8609 should reference OHFA's Average Income Policy to determine if the proposed development will be able to comply with the requirements needed to make the election.

Competitive Application Limitations

Competitive HTC	Non-Comp. HTC	BGF	FHAct50

Developers and owners, including their related and affiliated entities, may submit the following number of Competitive HTC applications and receive the following number of Competitive HTC allocations each year:

Type of Previous Experience	Number of Applications	Number of Awards
Allocated Ohio 9% HTC, 8609(s) not yet issued - *Applicant has received their first award of Ohio HTCs but has not yet received Form 8609 for the associated project.* - *These applicants may request an exception to submit 1 application and receive 1 award.*	0	0
No Previous Ohio 9% HTC Allocated ▪ *Applicant has never received Ohio 9% HTCs but meets the minimum eligibility requirements as described in Appendix C.*	1	1
Allocated Ohio 9% HTC, 8609(s) issued - *Applicant has received Ohio 9% HTCs and received 8609s for at least one project in the past 10 years.*	2	1
- *Applicant has received Ohio 9% HTCs and received 8609s for at least two projects in the past 10 years.*	3	1
- *Applicant has received Ohio 9% HTCs and received 8609s for at least three projects in the past 10 years.*	4	2

- *Applicant has received Ohio HTCs and received 8609s for at least 5 projects in the last 10 years and has a staff of at least 10 persons.*	5	3 (total credit allocation per applicant may not exceed $2,500,000)

The above application and award limits are inclusive of any projects on which an entity or individual is serving in a role of Development Consultant, Co-Developer, or other member of a development team. The only exception is for entities serving as the experienced co-developer/partner as outlined in Appendix C: Experience & Capacity Characteristics. Those entities are permitted to submit one additional application.

OHFA will utilize information provided as part of the Experience and Capacity submission to determine eligibility. Additional information may be requested for verification.

Applicants submitting multiple proposals may provide a letter to OHFA indicating their preferred rank of each proposal being submitted. Rankings may be amended by the applicant prior to awards being announced, but OHFA must be made aware of the amended rankings prior to May 1, 2021. This information may be used in the case that the applicant could be awarded HTCs for multiple proposals that exceed the eligible award limit as defined above. The ranking does not guarantee the highest ranked proposal(s) will be selected, but the information provided will be considered as part of OHFA's decision making process. If the applicant elects not to rank their proposals, OHFA will determine which proposal(s) will be awarded.

Community Housing Development Organization (CHDO) Certification

Competitive HTC	Non-Comp. HTC	BGF	FHAct50

An applicant seeking to participate in a development as a state-certified CHDO (meaning they will be applying for the CHDO set-aside HOME funds from OHFA for the development) 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, target/service areas, and involving the community and assessing housing development experience will be evaluated prior to the submission of the HTC proposal application.

Applicants will be notified of deficiencies with sufficient 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 development. Final determination of CHDO eligibility will be assessed, in part, by evaluating the financial capacity of the organization. The applicant will include a letter from the syndicator confirming that the CHDO has the financial capacity to provide the requisite project guarantees.

All CHDO requirements can be found on OHFA's CHDO webpage. Questions and correspondence regarding CHDO certification may be directed to CHDOcertification@ohiohome.org.

Competitive Scoring

Competitive HTC	Non-Comp. HTC	BGF	FHAct50

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 HTCs.

The competitive review period may not be used to finish an application that was incomplete at the time of submission. Threshold cures are permitted for administrative errors only and OHFA may require proof that the cure documentation existed on or before the application deadline.

OHFA will complete a threshold review to ensure that required items were submitted and are complete and correct. Proposal applications that are selected for an award of HTCs will continue to the final application stage. The financial and threshold underwritings may be completed at any time OHFA deems necessary for the orderly progression of the review calendar.

Compliance with Multifamily Underwriting Guidelines

Competitive HTC	Non-Comp. HTC	BGF	FHAct50

In accordance with the OHFA Multifamily Underwriting Guidelines 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. Developments will be subject to the following financial evaluations:

- **Competitive HTC.** Developments proposed for the Competitive HTC program will undergo a financial underwriting analysis to determine eligibility for a competitive award of HTCs, 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.
    - FHAct50 developments will undergo an underwriting analysis upon receipt of a complete application, upon receipt of the 10% test documentation prior to issuing a Carryover Allocation Agreement, and upon request for IRS Form(s) 8609.

- **Non-Competitive HTC.** Developments proposed for the Non-Competitive HTC 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.

Cost Containment

Competitive HTC	Non-Comp. HTC	BGF	FHAct50

No application may exceed **either** of the following Total Development Cost (TDC) limitations.

Pool	TDC Per Unit	TDC Per Gross Square Foot
New Affordability: Urban Opportunity Housing	$315,000	$265
New Affordability: General Occupancy Urban Housing	$300,000	$255
New Affordability: Senior Urban Housing	$260,000	$225
New Affordability: Non-Urban Housing	$295,000	$265
Preserved Affordability: HUD Subsidy Preservation	$240,000	$245
Preserved Affordability: USDA Subsidy Preservation	$168,000	$215
Service Enriched Housing	$260,000	$270
Single Family Development	$285,000	$122

Developments that represent any of the below construction types may submit an Exception Request to the Cost Containment limits above:

- Scattered site Service Enriched Housing developments
- Adaptive Reuse developments utilizing Historic Tax Credits
- Preserved Affordability developments that propose demolition of an existing structure and new construction of replacement

In OHFA's discretion, any proposal application that it deems as high cost may be identified for further cost scrutiny. In both the Competitive and Non-Competitive HTC programs, OHFA may reject any application it deems excessively costly even if it does not exceed the above limitations.

Design & Architectural Standards

Competitive HTC	Non-Comp. HTC	BGF	FHAct50

All requirements set forth in the Design & Architectural Standards are specifically incorporated herein and shall be implemented in all HTC developments.

Detrimental Land Uses

Competitive HTC	Non-Comp. HTC	BGF	FHAct50

Developments shall not be sited adjacent to or in close proximity[3] to any detrimental land use that impairs residents' proper use of the residence. Detrimental land uses will be those deemed at OHFA's sole discretion and verified by completion of a site visit including, without limitation:

[3] Proximity will vary by circumstances and is determined by whether the condition is sufficiently close to the development to impair resident use.

- Proximity to significant numbers of uncontrolled Blighted[4] parcels;
- High levels of noise and/or noxious odors; or
- Land uses incompatible with residential occupancy (e.g. landfills, factory farming, etc.)

Applicants may submit supplemental information to negate a finding of detrimental land use with (1) the proposal application and/or (2) following the site visit which is conducted on applications invited to submit a final application. Supplemental information must contain the following:

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

DevCo

Competitive HTC	Non-Comp. HTC	BGF	FHAct50

OHFA may require all HTC recipients to enter information into the DevCo reporting system at its discretion during the application and/or underwriting periods.

Extended Use Agreement

Competitive HTC	Non-Comp. HTC	BGF	FHAct50

All HTC developments shall commit to an extended use period of a minimum of 30 years of affordability at the time of application. This commitment will be evidenced in the AHFA. If an allocation of HTCs is awarded, the owner shall 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. OHFA's Compliance Division will conduct on-site monitoring reviews throughout the extended use period. See the Program Compliance section for further information.

Fraud, Waste, and Abuse

Competitive HTC	Non-Comp. HTC	BGF	FHAct50

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

Non-Competitive HTC Requirements (additional)

Competitive HTC	Non-Comp. HTC	BGF	FHAct50

Developments utilizing multifamily bonds to finance 50 percent or more of the total aggregate

[4] Blighted parcel shall have the same definition as in Ohio Revised Code §1.08.

basis may apply for an allocation of Non-Competitive HTC. Specific requirements of the Multifamily Bond Financing program are provided in the most current guidelines available on the OHFA website and in IRC Section 42.

Application Submission: Applications for Non-Competitive HTC (non-BGF) are accepted on a quarterly basis, in accordance with dates listed in the Program Calendar. Applicants that intend to submit an application for Non-Competitive HTCs must contact OHFA at least 45 days prior to the application submission date to establish a time to meet with staff.

Application Review: OHFA will conduct a thorough review and evaluation of each application's ability to proceed, compliance with program threshold and underwriting requirements, and financial feasibility.

Once reviews have been completed, applicants will be notified of any underwriting or threshold deficiencies and will be given two calendar weeks to correct the items. After the applicant has responded to any deficiencies, OHFA will continue to work with the applicant to resolve any outstanding issues for two additional weeks. If, after the second two-week period, it becomes evident that outstanding issues cannot be resolved in a timely manner, OHFA may reject the application and require the developer to resubmit when the application is more complete and better positioned to advance through the review process.

HTC Reservation: OHFA may take up to six weeks to review an application and issue the 42m Letter of Eligibility upon satisfactory completion of public notification requirements and corrections to all threshold deficiencies. OHFA will determine the final amount of Non-Competitive HTCs reserved for the development. Conditions for final award of Non-Competitive HTCs will be listed in the 42m Letter of Eligibility. Any subsequent changes to the project or development budget will not be evaluated until the request for 8609s has been received by OHFA.

The owner has the option to elect the HTC 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.

Penalties

Competitive HTC	Non-Comp. HTC	BGF	FHAct50

Violations of the requirements set forth in this QAP, missed deadlines, failure to honor commitments made in the application process, or other instances of noncompliance with OHFA requirements may result in any or all of the following non-exhaustive sanctions:

- Application Submissions
    - Reduction in the number of applications an entity may submit or awards an entity may receive in future funding cycles
    - Removal from application consideration (if during current application round)
- Awarded funding

    - Cancellation or reduction of an award of funds
- Prohibition from participation in OHFA funding programs
    - Permanent or temporary prohibition from participation in one or more OHFA programs
    - Removal from a position of Good Standing for a period of one year or more, resulting in permanent or temporary prohibition from participation in all OHFA programs
- Monetary
    - Monetary fee in an amount to be determined by OHFA
    - Reduction in the developer fee in an amount to be determined by OHFA
- Additional inspection/investigation
    - Referral for independent cost audit (commissioned by OHFA but paid for by the owner/developer)
    - Referral to internal staff (construction, compliance, or other) for additional physical inspection/site visit

Resyndication

Competitive HTC	Non-Comp. HTC	BGF	FHAct50

Competitive-Competitive: Developments that received a previous allocation of Competitive HTC may not compete for another allocation of Competitive HTC until the extended use period was scheduled to expire.

Competitive-Non-Competitive: Developments that received a previous allocation of Competitive HTC that have not reached the end of the extended use period may only seek Non-Competitive HTC provided they can demonstrate a need for replacement of major building components which exceed the available resources in the replacement reserve accounts.

Exceptions to the above policy may be considered on a case-by-case basis and will be granted at OHFA's discretion. Exceptions will be most viable if either (1) extreme circumstances beyond the development's control are documented that require recapitalization, and/or (2) the most recent credit allocation was 20 or more years ago and the applicant affirmatively demonstrates that a Non-Competitive HTC allocation is infeasible.

Developments that received a previous allocation of Non-Competitive HTC may apply for Competitive or Non-Competitive HTC at the end of the compliance period (15 years).

Scattered Site Definition & Requirements

Competitive HTC	Non-Comp. HTC	BGF	FHAct50

A development qualifies as scattered site if there are 10 or more sites and 50 percent or fewer of those sites are contiguous. Scattered site developments cannot include non-HTC/market rate units.

Applicants must adhere to scattered site-specific documentation requirements identified in the Architectural Plans, Market Study, Public Notification, Site Visit Documents, and Scattered Site Development Map sections of the QAP.

If any development has multiple sites and crosses scoring boundaries (multiple counties, urban/non-urban areas, multiple census tracts, etc.), regardless of whether it meets the above definition of scattered site, the scoring category will be applied to the development area with the most affordable units unless otherwise stated in the scoring criteria.

Scoring Reassessments

Competitive HTC	Non-Comp. HTC	**BGF**	FHAct50

All applications that receive a reservation of Competitive HTCs will be reassessed for scoring at final application and again upon request for IRS Form 8609. Applications must maintain all elements and features of the proposal application even if elimination thereof would not affect scoring or ranking, including cost increases and unit configuration changes.

OHFA may assess any sanction listed in the Penalties section for failure to conform to the preceding requirements. OHFA may discuss remedies with the development partners; however, the final penalty assessed will be at OHFA's sole discretion. In assessing a penalty pursuant to this section, OHFA will consider the development team's attempt(s) to mitigate circumstances beyond its control and the number of successful projects the owner and/or developer delivered in prior years.

Substantial Rehabilitation

Competitive HTC	**Non-Comp. HTC**	**BGF**	**FHAct50**

The definition and requirements for substantial rehabilitation can be found in the Design & Architectural Standards. Requirements may vary by funding source. OHFA may require the applicant to adjust the scope of work if the proposed scope of work does not meet the definition and requirements for substantial rehabilitation.

Developer Costs and Fees

Development Support Budget

The "Development Support Budget" is defined as the developer fee, as calculated below, plus the total of all application or development consultant fees, construction management fees, guarantee fees, developer asset management fee and any financing fees charged by the developer. OHFA may add other fees to the calculation as appropriate.

For Competitive HTC projects, the maximum Development Support Budget is $1,750,000.

Competitive HTC Developer Fee Calculation

The base developer fee plus the developer fee supplement represent the maximum amount of fee a developer may seek.

The base developer fee for all Competitive HTC applications, including those participating in the FHAct50 Building Opportunity Fund, is calculated as follows:

Pool	Developer Fee
New Affordability: Urban Opportunity Housing	$30,000 per affordable unit
New Affordability: General Occupancy Urban Housing	$25,000 per affordable unit

New Affordability: Senior Urban Housing	$25,000 per affordable unit
New Affordability: Non-Urban Housing	$25,000 per affordable unit
Preserved Affordability: HUD Subsidy Preservation	$20,000 per affordable unit
Preserved Affordability: USDA Subsidy Preservation	$20,000 per affordable unit
Service Enriched Housing	$25,000 per affordable unit
Single Family Development	$25,000 per affordable unit
FHAct50 Building Opportunity Fund	$20,000 per affordable unit

The following activities will supplement the base developer fee as specified, however they will not count toward the $1,750,000 maximum Development Support Budget.

Activity	Fee Supplement
New Affordability developments with 25%+ ELI units	$75,000
State-certified CHDO	$75,000
Developments receiving points for Market Rate Integration	$75,000
Development required by law to pay prevailing wage rates[5]	$75,000
Developments leveraging State or Federal Historic Tax Credits	$75,000

Developer fees for Competitive HTC applications will be locked in at proposal application and may not be increased.

Applicants must show that any deferred developer fee can be paid in full from development cash flow within the first 15 years. Any unpaid or deferred balance after year 15 will be deducted from the HTC eligible basis. If this results in a lower amount of eligible basis, the basis will be reduced to the appropriate amount and may result in a lower HTC allocation.

Non-Competitive HTC Developer Fee Calculation

Developer fee shall be no more than 25 percent of the total acquisition, rehabilitation, and new construction eligible basis. The developer fee itself is not included in this calculation. Developer fees in excess of 20 percent must be deferred or put back into the development as a capital contribution and must be included in the sources of permanent financing. All cost containment must be satisfied inclusive of developer fee.

6-2-6: Contractor Cost Limits

The maximum amount of the contractor's fee is determined and locked in at final application. Alternately, HTC recipients may elect to lock in the contractor's fee at execution of the signed general contractor agreement by delivering a copy of that agreement and a lock-in request to OHFA within 30 days of the agreement's execution. Upon lock-in, this amount cannot be increased if costs are higher but is also not required to be decreased if final hard construction costs are lower than underwritten.

Contractor Cost Limits and additional detail on this requirement can be found in the OHFA Multifamily Underwriting Guidelines.

[5] Applicant must submit proof of a legal requirement to pay Davis Bacon or Ohio prevailing wage rates with the Competitive Support Documents.

Basis Boost Policy

Codified Basis Boost

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

Discretionary Basis Boost

For Competitive HTC applications only, because each of the following development types are not financially feasible nor viable, due to increased pre-development, transactional, and building costs, they will be eligible for a **130 percent** basis boost:

- Developments competing in the Service Enriched Housing pool;
- Developments located in a High or Very High Opportunity census tract as designated by the USR Opportunity Index;
- Developments located in Moderate USR Opportunity Index areas that also have a Strong Growth or higher Community Change Index rating; or
- Developments that promote market rate integration by providing at least 15 percent of units that are not income restricted.

For Competitive HTC applications only, because the following development types are not financially feasible nor viable, due to lack of access to mainstream financing mechanisms available in more metropolitan areas and the increased cost burden and reduced cash-flow associated with reduced rents, they will be eligible for a **115 percent** basis boost:

- Developments competing in the Non-Urban Housing and USDA Subsidy Preservation pools;
- Developments competing in the HUD Subsidy Preservation pool that are located in a Non-Urban area; or
- Developments in the New Affordability pool in which 25 percent or more of units are affordable to ELI households.

Limits on Housing Credit Gap Financing Funds

Competitive HTC applicants may seek Housing Credit Gap Financing funds at the time of proposal application and are subject to development need. Applicants may seek only one of the following HCGF sources:

Ohio Housing Trust Funds (OHTF)

- Service Enriched developments may request up to $300,000.
- New Affordability family housing developments located in a High or Very-high Opportunity census tract, as defined by the USR Opportunity Index may request up to $300,000.

HOME Funds

- Applications in any pool that will meet HOME set-aside requirements may request up to $600,000 in HOME funds. To qualify for the HOME set-aside, the development must be “sponsored”, as defined in 24 CFR 92.300 and commonly understood to mean owned or developed by, a nonprofit housing development organization that will certify as a state-certified CHDO.

Projects with a prior HDAP award will be considered on a case-by-case basis following the submission of an Exception Request Form.

HOUSING POLICY POOLS

The annual per capita credit allocation will be distributed among the following allocation pools. Descriptions and requirements of each pool are outlined in this section. The New Affordability and Preserved Affordability pools refer to the affordability of the units being funded – not the type of construction. Applicants should refer to the Competitive Criteria section and Competitive Scoring Workbook in the AHFA for additional guidance.

Pool	Allocation Amount
New Affordability: Urban Opportunity Housing	$4,500,000
New Affordability: General Occupancy Urban Housing	$3,000,000
New Affordability: Senior Urban Housing	$3,500,000
New Affordability: Non-Urban Housing	$6,000,000
Preserved Affordability: HUD Subsidy Preservation	$3,500,000
Preserved Affordability: USDA Subsidy Preservation	$2,000,000
Service Enriched Housing: Permanent Supportive Housing	$4,250,000
Service Enriched Housing: Substance Abuse Recovery	$1,000,000
Single Family Development	$1,000,000

For all set-asides, eligible developments will compete against like applications for the extent of the set-aside. If no applications are awarded through the competitive selection process, OHFA may allocate the extent of these set-asides to the next highest scoring application in the pool. Developments not awarded a set-aside will continue to compete against the full pool.

NEW AFFORDABILITY

Applications in which the majority of units propose **new construction or renovation of existing structures** creating units that are **newly affordable**, meaning not previously rent- or income-restricted or occupied, may compete for an allocation of HTCs in one of the below allocation pools. Renovation of existing structures that create newly affordable units must be in the form of either:

- Adaptive reuse of a building not originally designed or built for residential purposes, OR
- Renovation of a building which may have been previously used for residential purposes, but has been 100% vacant for at least three years.

Jump to Competitive Criteria for New Affordability

Urban Opportunity Housing

Approximate funding target: $4,500,000
Maximum per application: $1,000,000

Set-Aside: Non-R/ECAP Area (1)

One housing development in a HUD-defined Non-Racially- or Ethnically-Concentrated Area of Poverty (R/ECAP) area.

Eligibility (must meet ALL of the below criteria):

- A majority of units in the proposed development will be newly affordable;
- The proposed development is located in an Urban area and in one of the following census

tract types:
  - A High or Very High Opportunity area as defined by the USR Opportunity Index; or
  - A Moderate Opportunity area that also has a Community Change Index rating of Strong Growth or Strongest Growth as defined by the USR Opportunity Index.
- The proposed development will serve families, including but not limited to tenant populations of individuals with children[6]; AND
- The proposed development will not be restricted to occupancy by persons 55 years of age or older.

Requirements:

- No more than 35 percent of affordable units may be one-bedroom and/or efficiencies; and
- Five percent of all affordable units must be three-bedroom or larger and also be affordable to those earning 60 percent AMI or less.

Jump to Competitive Criteria for New Affordability: Urban Opportunity Housing

General Occupancy Urban Housing

Approximate funding target:	$3,000,000
Maximum per application:	$1,000,000

Set-Aside: Revitalization Area (1)

One housing development in a QCT and also in an area subject to a Revitalization Plan as defined in the Revitalization Plan section.

Eligibility (must meet ALL of the below criteria):

- A majority of units in the proposed development will be newly affordable;
- The proposed development is located in an Urban area and NOT in the areas eligible for participation in the Urban Opportunity Housing pool;
- The proposed development will serve workforce, family, general, or mixed populations; AND
- The proposed development will not be restricted to occupancy by persons 55 years of age or older.

Requirements:

- No more than 35 percent of affordable units may be one-bedroom and/or efficiencies; and
- Five percent of all affordable units must be three-bedroom or larger and also be affordable to those earning 60 percent AMI or less.

Jump to Competitive Criteria for New Affordability: General Occupancy Urban Housing

Senior Urban Housing

Approximate funding target:	$3,500,000
Maximum per application:	$1,000,000

Eligibility (must meet ALL of the below criteria):

- A majority of units in the proposed development will be newly affordable;

[6] However, development must be available to all income-eligible households with or without children.

- The proposed development is located in an Urban area; AND
- The proposed development is intended and operated for occupancy by persons 55 years of age or older.
    - o Proposed developments in this pool may not refuse to rent to a qualifying head of household who is the legal guardian to a minor child due to that familial status; this requirement does not apply to facilities that are intended for, and solely occupied by, persons 62 years of age or older.

Requirements:

- At least 60 percent of affordable units must be one-bedroom and/or efficiencies; and
- Affordable units larger than two-bedrooms are not permitted.

Jump to Competitive Criteria for New Affordability: Senior Urban Housing

Non-Urban Housing

Approximate funding target: $6,000,000
Maximum per application: $900,000

No more than two projects in the same county will be funded in the Non-Urban Housing sub-pool.

Set-Aside: Non-Urban Opportunity Housing (2)

Two housing developments involving the production of newly affordable units in Non-Urban areas that serve families, including but not limited to tenant populations of individuals with children, and are not restricted to occupancy by persons 55 years of age or older in one of the following census tract types:

- High or Very High Opportunity areas as defined by the USR Opportunity Index; or
- Moderate Opportunity areas that also have a Community Change Index rating of Strong Growth or Strongest Growth as defined by the USR Opportunity Index.

Set-Aside: Non-Appalachian County (2)

Two housing developments in non-Appalachian counties.

Eligibility (must meet ALL of the below criteria):

- A majority of units in the proposed development will be newly affordable;
- The proposed development is located in a Non-Urban area; AND
- The proposed development will serve workforce, family, general, mixed populations, or will be restricted to occupancy by persons 55 years of age or older.
    - o Proposed developments in this pool may not refuse to rent to a qualifying head of household who is the legal guardian to a minor child due to the familial status; this requirement does not apply to facilities that are intended for, and solely occupied by, persons 62 years of age or older.

Requirements:

- For developments intended and operated for occupancy by persons 55 years of age and older:
    - o At least 60 percent of affordable units must be one-bedroom and/or efficiencies; and
    - o Affordable units larger than two-bedrooms are not permitted.
- For all other developments:

- o No more than 35 percent of affordable units may be one-bedroom and/or efficiencies; and
- o Five percent of all affordable units must be three-bedroom or larger and also be affordable to those earning 60 percent AMI or less.

Jump to Competitive Criteria for New Affordability: Non-Urban Housing

PRESERVED AFFORDABILITY

Applications in which the majority of units preserve existing affordability by maintaining project-based rental assistance or project-based operating subsidies may compete for an allocation of HTCs in one of the below allocation pools. All developments undergoing a Rental Assistance Demonstration (RAD) conversion must compete in a Preserved Affordability pool.

Jump to Competitive Criteria for Preserved Affordability

HUD Subsidy Preservation

Approximate funding target: $3,500,000
Maximum per application: $1,000,000

Set-Aside: RAD Conversion (1)

One housing development that is approved by HUD to proceed with a RAD conversion as demonstrated by a Commitment to enter into a Housing Assistance Payment (CHAP).

Eligibility (must meet ALL of the below criteria):

- A majority of units in the proposed development will maintain existing project-based rental assistance or project-based operating subsidies through a program administered by HUD.

Jump to Competitive Criteria for Preserved Affordability: HUD Subsidy Preservation

USDA Subsidy Preservation

Approximate funding target: $2,000,000
Maximum per application: $800,000

Set-Aside: Rural Subsidy Preservation (1)

One housing development preserving USDA rental assistance and also designated as a development priority by the State of Ohio USDA Rural Development Office.

Eligibility (must meet ALL of the below criteria):

- A majority of units in the proposed development will maintain existing project-based rental assistance or project-based operating subsidies through a program administered by USDA.

Jump to Competitive Criteria for Preserved Affordability: USDA Subsidy Preservation

SERVICE ENRICHED HOUSING

Applications that provide service enriched housing may compete for an allocation of HTCs in one of the below allocation pools.

Jump to Competitive Criteria for Service Enriched Housing

Permanent Supportive Housing

Approximate funding target: $4,250,000
Maximum per application: $1,000,000

Set-Aside: Balance of State and Smaller CoCs (2)

CoC Primary or Secondary Priority Letter Required

Two PSH developments in Canton/Stark, Youngstown/Mahoning, Lucas County, or the Balance of State.

Set-Aside: Transition Aged Youth (1)

CoC General Support Letter Required

One PSH development serving transition aged youth, ages 16-24 who are homeless, aging out of foster care, living in unsafe environments, and/or who are at high risk of homelessness.

Eligibility:

- At least 25 percent of the units in the development must serve the target population.
- The proposed development must meet the State of Ohio Permanent Supportive Housing definition and serve target populations meeting all three of the following criteria (the Target Population):

  1. **Extremely Low Income**, meaning households at or below 30 percent of Area Median Income;
  2. **Disability**, as defined in the Interagency Council on Homelessness and Affordable Housing Permanent Supportive Housing Policy Framework; and
  3. **Vulnerability**, as evidenced by one of the following factors set forth in HUD Coordinated Entry Notice CPD-17-01: Section II.B.3 dated January 23, 2017:

     a. Significant challenges or functional impairments, including physical, mental, developmental, or behavioral health challenges, which require a significant level of support in order to maintain permanent housing;
     b. High utilization of crisis or emergency services to meet basic needs, including but not limited to emergency rooms, jails, and psychiatric facilities;
     c. Vulnerability to illness or death;
     d. High risk of homelessness; and/or
     e. Vulnerability to victimization, including physical assault, trafficking, or sex work.

- A minimum of 50 percent of the total affordable units in the development must have a commitment for rental subsidy that covers the difference between 30 percent of the resident's income and the fair market rent for the unit at proposal.
- The majority General Partner(s) must be a nonprofit organization with experience developing, owning, or managing supportive housing for the homeless or formerly homeless, and individuals and families with special needs.
- Developments must demonstrate support from the applicable Continuum of Care (CoC) through either a primary or secondary priority letter accompanying the proposal application or, only if specifically permitted by the set-aside criteria, a general support letter.

- o All support letters need to (1) demonstrate that the CoC believes the project can prevent homelessness (2) briefly summarize what, if any, relationship the development will have with the CoC regarding the coordinated entry system, referral services, and data sharing; and (3) confirm that there is sufficient market demand for the project in its defined market area.

The applicable CoC shall designate a primary and may designate a secondary priority; if a second priority is designated, the CoC shall clearly indicate the rank of each proposal in the required letter of support. CoCs have explicit authority to prioritize projects that meet OHFA's minimum requirements in any manner they determine necessary to serve local need, which may include imposing more restrictive population or eligibility criteria.

Substance Abuse Recovery

Approximate funding target: $1,000,000
Maximum per application: $1,000,000

Eligibility:

- At least 75 percent of the units in the development must serve the target population;
- The proposed development must serve persons, or families including persons, recovering from a substance abuse disorder;
- A minimum of 50 percent of all affordable units must have a commitment for rental subsidy that covers the difference between 30 percent of the resident's income and the fair market rent for the unit at proposal;
- The majority General Partner(s) must be a nonprofit organization with experience developing, owning, or managing supportive housing for the homeless, formerly homeless, and individuals and families with special needs;
- Applicant must have experience in developing, owning, and operating HTC housing that serves a target population of individuals or families recovering from a substance use disorder;
- Applicant must meet the National Alliance for Recovery Residences' quality standards by obtaining associate certification from Ohio Recovery Housing;
- Applicant must adhere to HUD's Recovery Housing Guidance;
- Applicants must provide a primary or secondary recommendation letter from the area Alcohol, Drug, Addiction, and Mental Health (ADAMH) Services Board in which the development will be sited; and
- Applicants must demonstrate that residents have choice within the community and within the development, and this shall be documented in the ADAMH recommendation letter.

Single Family Development

Approximate funding target: $1,000,000
Maximum per application: $1,000,000

Eligibility (must meet ALL of the below criteria):

- The proposed development involves the new construction of single family homes or townhomes, including but not limited to those intended for eventual resident ownership.

Jump to Threshold and Competitive Criteria for Single Family Development

STRATEGIC INITIATIVES

After reserving the majority of credits in each pool based on the results of the competitive scoring process, the remaining credits in the pool will be reserved for Strategic Initiatives funding. A minimum of $1,000,000 will be awarded through Strategic Initiatives.

Proposals must apply for consideration in one of the above allocation pools, must meet all threshold criteria, and must obtain at least 75% of the total available points for the applicable sub-pool to be considered for Strategic Initiatives funding.

OHFA will give priority selection consideration to each of the following:

- Proposals that address priority housing needs evidenced in the Fiscal Year 2020 Housing Needs Assessment;
- Proposals meeting a quantifiable need and targeting policy and/or geographic areas left underserved through the competitive selection process, including but not limited to meeting OHFA's CHDO set-aside obligation;
- Proposals that assist Ohio in meeting our obligation to Affirmatively Further Fair Housing including but not limited to projects that enhance mobility strategies and encourage development of new affordable housing in areas of opportunity, as well as place-based strategies to encourage community revitalization;
- Resubmitted applications that met all threshold and minimum scoring criteria for funding in a prior round but did not receive an award due to competitive rankings; and
- Proposals with a significant community and population impact.

FHACT50 BUILDING OPPORTUNITY FUND

OHFA will set aside a total of $9 million in HTC in years 2019, 2020, and 2021 for the FHAct50 Building Opportunity Fund to further the creation of diverse and accessible communities. During that three year period, each of Ohio's three largest cities will be permitted to commit up to $3 million from this fund for eligible projects within the boundaries of one eligible Target Area Plan (TAP). OHFA will distribute any FHAct50 funds that are not committed by the end of the 2021 application cycle or that are otherwise waived or forfeited by the local jurisdiction through Strategic Initiatives funding.

Each of the eligible cities elected to participate in FHAct50 by the deadline of September 28, 2018.

A city's election to participate does not prohibit developers from seeking funding for sites located within those cities but being developed with HTC resources distributed outside the FHAct50 process. Additionally, developments selected for FHAct50 funding will not count against the developer application limits.

Target Area Plan Development

The Target Area Plan for each of the three eligible cities have been approved by OHFA as of April 1, 2020.

Each city may submit to and receive approval from OHFA for one TAP. Once approved, the geographic boundaries of TAPs may not be amended, altered, or substituted. All TAPs shall meet the following requirements:

- Meet the definition and all requirements set forth in the 2021 QAP for a Revitalization Plan;
- Be geographically limited to a single neighborhood with boundaries that are generally accepted by the community and will likely be less than two miles east-west or north-south;
- Include at least one high-impact partnership designed to promote resident well-being and neighborhood success which may include but is not limited to a school district, anchor institution, social service provider, philanthropic organization, or legal rights or advocacy organization;
- Establish, identify, or otherwise incorporate a detailed competitive selection process for how FHAct50 developments will be solicited, reviewed, and committed;
- Specify how the TAP responds to the conditions and objectives identified in the city's Affirmatively Furthering Fair Housing analysis or Analysis of Impediments, whichever is most recent; and
- Create or otherwise empower a committee that is responsible for advising and consulting on TAP implementation and serves as a single point of community contact to partners and potential funders regarding the TAP. The committee must include, but is not limited to, low-income neighborhood residents.

OHFA may consult with relevant experts and/or local residents when reviewing each TAP to ensure it meets the intent of this QAP. OHFA may require modifications prior to approving a TAP to ensure it meets all requirements.

TAPs must be approved by OHFA prior to the city committing any FHAct50 funds to individual developments.

Development Commitments by Cities

Cities may commit funds on any schedule they determine necessary to furthering the TAP goals (all commitments may be evenly distributed through the three-year period, or may be skewed to the back-end to permit additional planning and stakeholder engagement). Cities may choose any number of developments that are necessary to further the TAP goals.

Developers must submit an application to the city in the format they proscribe. All applications and any documents related to the competitive selection process shall be made available for public inspection upon request.

Upon selection, the city will provide a commitment letter that specifies the amount of FHAct50 funds it is committing to the development and proof of leveraged market rate units.

The city is responsible for:

- Adhering to the competitive selection process identified in the TAP;
- Ensuring at least fifty percent of the total affordable units committed in their target area will be dedicated to serving a family population; and
- Demonstrating that either (1) building permits or (2) certificates of occupancy were issued for an equivalent number of newly constructed[7] residential, market rate rental units or

[7] In its sole discretion, OHFA will consider the following development types to be newly constructed for leveraging purposes: new construction; gut rehabilitation/substantial rehabilitation; adaptive reuse of non-residential structures; and/or the demolition and rebuilding of vacant buildings that were not habitable. Moderate rehabilitations will not be considered. Developments involving any element of rehabilitation or repair of existing structures must be supported by clear evidence demonstrating that the construction will result in a housing unit that was not recently available for residential purposes at any income range.

newly constructed for-sale housing units within the target area within the eighteen months preceding the development application to OHFA.
    - For these purposes, “market rate” is defined as units that are not rent- or income-restricted and are available to the general public. Any market rate unit that is included within the proposed development may be used to satisfy this requirement. The city may submit both building permits and certificates of occupancy for the same units on different occasions; they may only use a market-rate unit once, regardless of the method.

Application Submission to OHFA

Upon receipt of a commitment letter from the city, the development will be eligible to submit an application to OHFA for funding.

Developments selected by the city will complete a FHAct50-specific AHFA made available on OHFA’s website and all other required final application documentation as outlined in the QAP. A copy of the city’s commitment letter must be included in the application submission. Developments nominated by the cities will not be scored competitively.

OHFA will accept FHAct50 development applications at any point during the year, with two caveats:

- Applications cannot be submitted during the competitive tax credit application review period (generally February 1-May 30); and
- Applicants must send a notification to the analyst at least 30 days prior to their expected submission so that the analyst can appropriately plan their time.

Exception requests must be submitted to OHFA on or prior to the 30-day notice described above.

FHAct50 development applications must be received no later than August 2, 2021.

FHAct50 Development Requirements

Cost Containment and Fees:

- There is no TDC per unit cap or TDC per Gross Square Foot cap for FHAct50 developments.
- There is no cap on the amount of tax credits a project can receive. It is up to the cities to determine how to allocate the $3,000,000.
- For New Affordability developments, costs are limited to $20,000 credits/unit;
- For Preserved Affordability developments, costs are limited to $13,000 credits/unit;
    - Preserved Affordability developments that propose demolition of an existing structure and new construction of replacement may submit an exception request for the above credit/unit cap.
- The base Developer Fee is $20,000 per affordable unit.
- The application fee is a one-time fee of $5,000.

Other OHFA Funding:

- HDAP funding is only permitted for HOME set-aside eligible developments, contingent on availability.
- Applicants may seek HDL funding, contingent on availability. Projects should not be reliant on an award of HDL funding to move forward so should provide evidence of project feasibility in the event HDL funding is not available.

Additional Requirements:

- Developments must meet all QAP General Requirements and HTC Requirements unless specifically exempted.
- Developments must meet all criteria set forth in the OHFA Multifamily Underwriting Guidelines and Design and Architectural Standards.
- Lease-purchase, substance abuse recovery, and assisted living developments are not permitted.
- Each project must have a local place-based, nonprofit owner with a 25 percent General Partnership interest. The nonprofit should be able to demonstrate that it has a history of serving the community in which the project is located, and should have as part of its mission the provision of affordable housing to the area(s) it serves. It is intended that the nonprofit owner hold an integral, ongoing, and relevant position in the project.
- For family developments, no more than 35 percent of affordable units may be one-bedroom and/or efficiencies. Five percent of all units must be three-bedroom or larger and also be affordable to those earning 60 percent AMI or less;
- For senior developments, at least 60 percent of affordable units must be one-bedroom. Three bedroom or larger affordable units are not permitted;
- All newly constructed affordable units must meet the Aging in Place requirements specified in the 2019 QAP, or the mandatory Universal Design criteria as specified in Appendix D (exceptions will be considered);
- One-for-one replacement is required for demolition of currently affordable units that have place-based rent and/or income restrictions; and
- All currently affordable developments that have place-based rent and/or income restrictions must consult with residents on redevelopment plans.

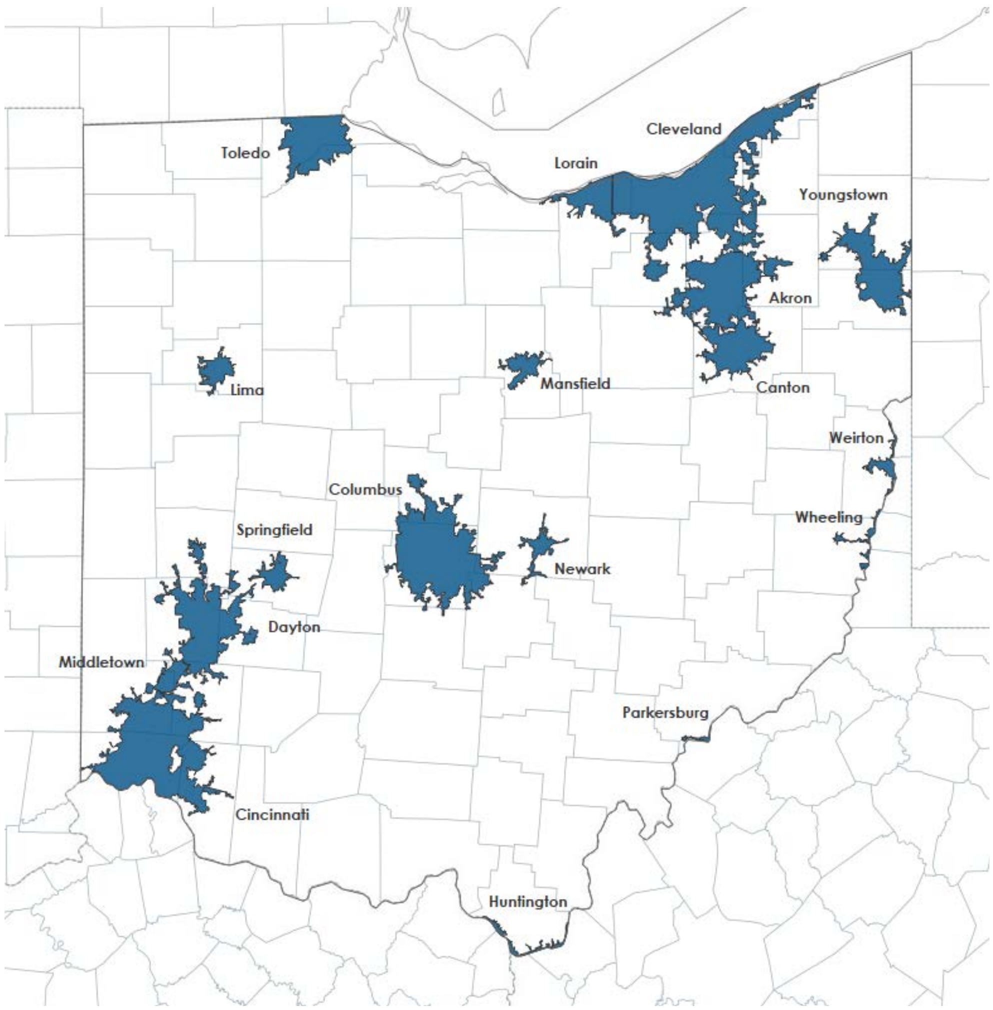
In order to meet the IRS requirement of three underwrites per project, developments receiving funding through FHAct50 will be required to submit an updated AHFA along with any commitments for funding sources that have changed at the time of 10% test/Carryover Agreement.

Following underwriting approval, developments will progress through the constructing monitoring and program compliance stages per usual. Participants agree to cooperate in any data collection and/or reporting requirements OHFA deems necessary for efficient program evaluation.

GEOGRAPHIC DEFINITIONS

An interactive map of Urban and Non-urban areas can be found here.

For the purposes of this QAP, “Urban” areas have the same definition as the U.S. Census Bureau; these are contiguous areas with population densities of 1,000 residents per square mile or more and at least 50,000 residents overall; by rule, every metropolitan statistical area (MSA) includes at least one Urban area. “Non-urban” areas are all locations that are not “Urban”.



COMPETITIVE CRITERIA

The point values for scoring criteria are unique to each allocation pool to account for policy considerations. An application must achieve at least 70% of the total available points in the applicable pool to be considered for an award of Competitive HTCs. Partial points will not be awarded. All distance-based scoring criteria are measured in linear distance and are verified in Google Maps.

The following tiebreakers apply to all pools:

1. Developments with composite scores in the Sub-pool's top 50% using the formula contained in Appendix F: Tiebreaker #1 Composite Formula.
2. The development located in the county that has received the fewest number of Competitive HTC awards over the past five years.
3. The development with the greatest number of units.

NEW AFFORDABILITY

The following scoring criteria will be applied to proposals competing in New Affordability pools.

Scoring Category	Maximum Points Available
Local Partner	**10**
Sustainable Development	**5**
Resident Amenities	**5**
Income Diversity	**10**
Housing Need	**10**
Accessible Design	**10**
Cost Efficiency	**10**

Local Partner

Maximum Points: 10 (select one)

1. **Nonprofit Partner.** The development will include a local nonprofit that can demonstrate a history of either providing housing or providing 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. OHFA may consider for-profit entities that are controlled by nonprofit parent organization.

2. **Housing Authority Partner.** The development will include a local MHA that has 51 percent General Partnership interest in the ownership of the proposed development and owns the land the project will be located on.

3. **CHDO Partner.** The development will be owned, developed, or sponsored by a community-based housing development organization currently serving the area that was certified as a Community Housing Development Organization (CHDO) by OHFA during the application phase and is requesting HOME funds from OHFA as part of the proposal.

4. **In-State Partner.** The development's developer and general contractor are permanent employees of companies that are headquartered in Ohio, AND both the developer and owner have received 8609s for at least five projects in Ohio in the last ten years.

Submission: Applicant shall submit brief information about the partner including their services relevant to the resident population, where they are based, and their experience working in the local community. The applicant must also reflect the minimum ownership percentage in their application.

For In-State Partner, the applicant shall submit letters from each business, on professional letterhead, attesting to their qualification under this criteria. Eligibility will also be determined through the Experience and Capacity review.

Scoring: Select one for 10 points

Sustainable Development

Maximum Points: 5

1. **Green.** Developments that achieve green building certification from one of the following:
   a. 2020 Enterprise Green Communities
   b. Leadership in Energy & Environmental Design (LEED) – silver or higher
   c. ICC 700 National Green Building Standard (NGBS) – silver or higher

   Submission: Eligibility will be determined by the AHFA. Evidence of certification is required upon request for IRS Form 8609.

   Scoring: 5 points

Resident Amenities

Maximum Points: 5 (select one)

1. **Exercise & Wellness.** Development will include <u>one of</u> the below health, fitness, or wellness facilities or partnerships specific to the population being served:
   a. Onsite fitness area with equipment specific to the total number of units and population being served;
   b. Onsite health clinic or wellness suite in a property that has a service coordinator on-site at least 10 hours per week; or
   c. Partnership with an off-site fitness or recreation facility to provide access for the development's residents at no charge for a minimum of five years. The facility must be located within five miles (Urban) or within ten miles (Non-Urban) of the development.

   Submission:
   a. <u>Onsite fitness area</u>: Applicants must provide a description of the onsite fitness space, including dimensions, equipment, an explanation of how the dimensions and equipment were determined, and a plan for how the space will be utilized. The architectural plans will be referenced to verify the fitness space.
   b. <u>Onsite health clinic/wellness suite</u>: Applicants must provide a description of the onsite health clinic/wellness suite, including dimensions, staffing, an explanation of how the dimensions and staffing were determined, an explanation of why this feature is most appropriate for the population being served, and a plan for how the space will be utilized. The architectural plans will be referenced to verify this space. If awarded HTC, the applicant will be required to include this information in the Supportive Services Plan due at 8609.
   c. <u>Facility partnership</u>: Applicants must submit a letter committing to providing facility memberships to all residents for the required time period. The applicant must specify

the name and location of the facility and the estimated per-person cost of a membership. If awarded HTC, the applicant will be required to submit an MOU or other documentation evidencing the partnership with the request for Form 8609.

Scoring: 5 points

2. **Design Features.** Development will include one or more of the following features for residents:
    a. Dishwasher and garbage disposal in all units
    b. High-speed internet access in all units, provided for a minimum of five years
    c. Washer/dryer hookup in all units
    d. Lease Addendum allowing for pet ownership
    e. Interior and exterior security cameras
    f. Private patio or balcony for at least 20% of units
    g. Additional storage space for at least 50% of units (tenant storage lockers located within the building or additional closet space in unit[8])
    h. Secured parking (parking enclosed within walls/fencing <u>and</u> either locked, monitored by security personnel, or monitored via electronic surveillance.)

    Submission: Eligibility will be determined through information provided in the AHFA and architectural plans. Applicants must also submit estimated costs for the selected item(s) and a narrative describing the feature(s) and why they were selected for the development.

    Scoring: (can select multiple, up to a total of 5 points)
    a. Dishwasher and garbage disposal = 1 point
    b. High-speed internet access = 4 points
    c. Washer/dryer hookup = 2 points
    d. Lease Addendum allowing for pet ownership = 2 points
    e. Interior and exterior security cameras = 2 points
    f. Private patio or balcony = 5 points
    g. Additional storage space = 5 points
    h. Secured parking = 5 points

Income Diversity

Maximum Points: 10 (select one)

1. **ELI Targeting.** Developments that will commit to a minimum percentage of all affordable units being occupied by and affordable to households at or below 30% AMI.

    Submission: Eligibility will be determined by the AHFA. Units must be properly identified in the budget and supported by the market study. Percentages will be rounded to the nearest whole number.

    Scoring:
    a. At least 5% of affordable units = 4 points
    b. 6% - 10% of affordable units = 6 points
    c. 11% - 15% of affordable units = 8 points
    d. >15% of affordable units = 10 points

[8] Additional closet space in unit must be in addition to the following expected minimum closet space: one closet per bedroom, one coat closet, and one linen closet. The additional closet must be at least 24 inches in depth, 36 inches in width, and 84 inches in height.

2. **Project-Based Rental Subsidy.** Developments that have a commitment of project-based rental subsidy for a minimum of 5% of the units. This includes rental subsidy from the local housing authority, as well as new or transferred housing assistance contracts through HUD. If PBRA is transferred, no more than 50% of the total units in the development can be covered by the contract in order to be eligible for the New Affordability pool.

    Submission: Proof of the subsidy (consistent with the Document Submission requirements for Rental Subsidy Contract) must be included with the application and reflected in the AHFA. Percentages will be rounded to the nearest whole number.

    Scoring:
    a. At least 5% of affordable units = 4 points
    b. 6% - 10% of affordable units = 6 points
    c. 11% - 15% of affordable units = 8 points
    d. >15% of affordable units = 10 points

3. **Market Integration.** Developments that promote economic integration by providing at least 5% of units that are not income restricted. As an assumption only, market rate units will be underwritten at 90% of achievable market rents as defined by the market study, unless the market study shows the market rents at or below the applicable tax credit rents; proposals sited in Very High Opportunity census tracts as defined by the USR Opportunity Index may request an underwriting exception to underwrite units at 100% of achievable market rents.

    Market rate units must be distributed proportionately throughout each building and each floor of each building, and throughout the bedroom/bath mix and type. Both market rate and affordable units must have the same design regarding unit amenities and square footage.

    Submission: Eligibility will be determined by the AHFA. Units must be properly identified in the budget and supported by the market study. Percentages will be rounded to the nearest whole number.

    Scoring:
    a. At least 5% of units = 4 points
    b. 6% - 10% of units = 6 points
    c. 11% - 15% of units = 8 points
    d. >15% of units = 10 points

Housing Need

Maximum Points: 10

1. **Affordable Housing Demand.** Developments located in a census tract that has 100 or fewer available and affordable rental units per 100 very-low income (VLI) renters as shown in the QAP Interactive Map specific to the subpool.

    Submission: Applicants must submit a screenshot from the QAP Interactive Map (with Affordable Housing Demand layer checked) that demonstrates the development is sited within an eligible census tract.

    Scoring:
    a. 90-100 affordable and available units per 100 VLI renters = 2 points
    b. 74-89 affordable and available units per 100 VLI renters = 3 points

c. 51-73 affordable and available units per 100 VLI renters = 4 points
d. 50 or fewer affordable and available units per 100 VLI renters = 5 points

2. **Severe Housing Problems.** Developments located in a county with a high percentage of severe housing problems for renters as shown in the QAP Interactive Map specific to the subpool.

   Submission: Applicants must submit a screenshot from the QAP Interactive Map (with Severe Housing Problems layer checked) that demonstrates the development is sited within an eligible county to earn points for this criterion.

   Scoring:
   a. 17.0% - 21.0% = 2 points
   b. 21.1% - 23.0% = 3 points
   c. 23.1% - 27.0% = 4 points
   d. 27.1% or greater = 5 points

Accessible Design

Maximum Points: 10 (select one)

1. **Universal Design.** Developments that incorporate a minimum number of Universal Design components, as outlined in Appendix D.

   Submission: Eligibility will be determined by the AHFA, DCFF, and architectural plans. The project architect and/or Project Sponsor will certify via the DCFF that the project will meet all requirements at proposal application and again at project closeout. Compliance will also be assessed at the final construction monitoring visit.

   Scoring:
   a. All mandatory items = 5 points
   b. All mandatory items + 5 additional in 50% of units = 8 points
   c. All mandatory items + 10 additional in 50% of units = 10 points
   d. All mandatory items + 5 additional in 100% of units = 10 points

2. **504 Units.** Developments providing twice as many 504 mobility units as are otherwise required by OHFA as defined in the Design & Architectural Standards.

   OHFA will use the following calculation to determine eligibility for points:
   1. *Total number of units in development x 5% = Number of 504 mobility units required by OHFA*
   2. *If the above resulting number is not a whole number, round up to the next whole number.*
   3. *Multiply the whole number from #2 by two to get the number of units required for points.*

   Submission: Eligibility will be determined by the AHFA, DCFF, and architectural plans. The project architect and/or Project Sponsor will certify via the DCFF that the project will meet all federal fair housing laws, regulations and design requirements for the project, including the additional accessible units, at proposal application and again at project closeout. Compliance will also be assessed at the final construction monitoring visit.

   Scoring: 10 points

Cost Efficiency

Maximum Points: 10

1. **Credits per Affordable Unit.** Developments requesting housing tax credits per affordable unit in one of the below ranges.

    Submission: Eligibility for points under this criterion will be confirmed by reference to the Housing Credit tab in the AHFA. The amount will be calculated by dividing the total housing credits requested by the total number of affordable units.

    Scoring:
    a. $23,001 - $24,000 per unit = 1 point
    b. $22,001 - $23,000 per unit = 2 points
    c. $21,001 - $22,000 per unit = 3 points
    d. $20,001 - $21,000 per unit = 4 points
    e. $20,000 or less per unit = 5 points

2. **Leverage.** Developments that utilize grants or soft financing from any of the below listed sources. OHFA funding and conventional financing do not qualify for points. No project participant or affiliate may guarantee, fund, advance, or otherwise provide direct or indirect funding for the purpose of an application claiming points in this category.

    a. Federal Home Loan Bank Affordable Housing Program
    b. Replacement Housing Factor funds or other HUD public housing improvement fund
    c. Local HOME funds
    d. Federal and/or state historic tax credit equity
    e. Community Development Block Grant funds
    f. CDFI Fund awards through the Capital Magnet Fund, New Markets Tax Credit Program, or CDFI Program
        - These funding sources are permitted to be provided to a project in which the general partner or its parent company has been awarded one of the above directly by the CDFI Fund.
    g. Donated land (Must be donated by the local jurisdiction. Value used is appraised value as determined by non-related third party.)
    h. Foundation grants or loans at below-market interest rates
    i. Other federal, state, or local funds, including from a Port Authority

    Submission: Funding must meet the requirements and be submitted as described in the Conditional Financial Commitments section at time of application. Leveraged resources must also be reflected in the Budget and Costs and Cashflow tabs of the AHFA. All percentages will be rounded to the nearest whole number.

    Scoring will be reassessed at final application and at 8609. At final application and 8609, if an applicant has not secured funding for which they received competitive points for in this category, or if an applicant has removed a funding source that qualified for points, the applicant must replace the dollar amount of the unsecured or removed leveraged funding with a GP Capital Contribution or OHFA will rescind the award.

    Deferred developer fee cannot be used in lieu of the GP Capital Contribution.

Scoring:

a. Leveraged funding equals 2% – 4% of TDC = 1 point
b. Leveraged funding equals 5% - 7% of TDC = 3 points
c. Leveraged funding equals 8% or greater of TDC = 5 points

Sub-Pool Priorities: Urban Opportunity Housing

Maximum Points: 40

Scoring Criterion	Maximum Points Available
Transit	**5**
Education	**5**
Number of Bedrooms	**5**
Inclusive Tenant Selection Plan	**5**
Proximity to Amenities	**10**
Low Poverty Area	**5**
Job Access	**5**

1. **Transit.** Development is located in a census tract with a score of at least 1 on the Center for Neighborhood Technology's Transportation Connectivity Index as shown in the QAP Interactive Map specific to the Urban Opportunity Housing subpool.

   Submission: The applicant must submit a screenshot from the QAP Interactive Map (with Transportation layer checked) demonstrating that the development is located in a census tract with a TCI score applicable to the number of points being claimed.

   Scoring:

   a. Census tract has a TCI score of 1 - 3 = 1 point
   b. Census tract has a TCI score of 4 - 7 = 3 points
   c. Census tract has a TCI score of 8 or higher = 5 points

2. **Education.** As measured by the Ohio School Report Card, development is either:
   a. Sited within a school district with a Gap Closing Grade of "B" or higher; or
   b. Sited within a school district with an Overall District Grade of "B" or higher; or
   c. Sited within a school district with a Performance Index Letter Grade of "B" or higher (subcategory within the Achievement Component).

   Submission: The applicant must submit a screenshot from the QAP Interactive Map (with applicable Education 2019 layer checked) demonstrating that the development is sited within the allowable area.

   Scoring:

   a. School district is rated "B" or higher in Gap Closing Grade = 3 points
   b. School district is rated "B" in either Overall District Grade or Performance Index Letter Grade = 4 points
   c. School district is rated "A" in either Overall District Grade or Performance Index Letter Grade = 5 points

3. **Number of Bedrooms.** Developments that will provide units with three or more bedrooms for large families.

   Submission: Eligibility will be verified by reference to the architectural plans and unit breakdown in the AHFA. Market study must demonstrate demand for units. Percentages will be rounded to the nearest whole number.

Scoring:
a. >5% - 10% of units have three or more bedrooms = 3 points
b. >10% - 15% of units have three or more bedrooms = 4 points
c. >15% of units have three or more bedrooms = 5 points

4. **Inclusive Tenant Selection Plan.** Developments that commit to furthering Fair Housing by adopting screening criteria that provides second chances to formerly incarcerated individuals. Owner will adopt admission policies that achieve a sensible and effective balance between allowing individuals with a criminal record to access HTC housing while ensuring the safety of all residents of such housing.

Submission: Applicants must submit a Tenant Selection Plan (TSP) that meets the below three requirements.

1. The TSP explicitly prohibits the denial of admission, termination of assistance or eviction on the basis of arrest records alone.
    a. *The TSP must have the above prohibition* ***clearly stated****,* ***clearly connected to arrest records alone****, and* ***not followed or accompanied by additional conditions that ultimately diminish or negate the effect of the prohibition****.*

2. The TSP may create reasonable look-back periods for review of crimes.
    a. *The TSP* ***must not have blanket prohibitions*** *on any person with any conviction record. The housing provider should have a policy that* ***considers the nature, severity, and recency of criminal conduct****.*

3. The TSP must include an individual assessment of each tenant applicant's history and provide the tenant applicant an opportunity to provide mitigating information before denying housing based on upon the result of criminal screening.
    a. *Like #2, this item requires the consideration of additional information before denying housing based on an individual's criminal record. The TSP must reflect that the housing provider* ***will conduct an individual assessment and request mitigating information*** *from the applicant* ***before*** *denying housing based on the applicant's criminal history. This should occur without the tenant applicant needing to request an individualized assessment or submitting an appeal. In all cases, this should occur before a denial/decision has been made.*

The TSP is also required to be submitted and reviewed by OHFA as part of the Compliance Next Steps process for the project.

When developing their TSPs, applicants should refer to HUD's Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions (HUD Guidance). Applicants may also want to reference this model criminal background screening policy which has been promoted as a model policy to comply with HUD's guidance.

Scoring: 5 points

5. **Proximity to Amenities.** Development is located within a 1-mile linear distance to positive land uses and amenities as defined below:
    - Full service supermarket with fresh produce (2 points)

- Restaurant or café
- Pharmacy or medical clinic
- Public recreation center
- Public park
- Public library
- Cultural facility
- Church or religious institution
- Public School

OHFA has provided definitions for all of the above amenity categories. Datasets and corresponding maps have also been provided via the QAP Interactive Maps for all of the above amenity categories except for Public recreation center and Cultural facility. Applicants are required to use the QAP Interactive Map specific to the Urban Opportunity Housing subpool.

Applicants are permitted to submit an establishment that falls into one of the above amenity categories but is not included in the QAP Interactive Map for point consideration (for example, a restaurant that is not reflected in the mapping because it has recently opened). OHFA will review and determine if the amenity qualifies on a case-by-case basis. For these establishments, as well as those submitted for Public recreation center and Cultural facility, the distance must be calculated as linear distance using Google Maps. An amenity that is within 500 feet of the required distance will be considered for points.

The majority of sites included in a scattered site development must meet the criteria to claim points.

Submission:

a. *Map:* For each amenity being submitted for point consideration, the applicant must submit a screenshot from the QAP Interactive Map (with applicable amenity layer checked) that shows the location of the development and the amenity being claimed for points.
    i. For any amenities not in the QAP Interactive Map, the applicant must submit a separate map that shows the location of the development and the amenity being claimed for points.
b. *AHFA:* In the Urban Opportunity scoring tab, the applicant will be required to provide the name, address, type of amenity, and distance between the development and each amenity for each point claimed. Each amenity listed must correspond to one of the maps provided. Submission of alternates is not permitted.

Scoring: 1 point will be awarded for each amenity within a 1-mile linear distance of the development, up to 10 points. Only one establishment in each amenity category (i.e. Pharmacy or medical clinic) will be counted.

6. **Low Poverty Area.** Developments located in census tracts with a poverty level of either 15% and below or 10% and below as shown in the QAP Interactive Map specific to the Urban Opportunity Housing subpool.

    Submission: Applicants must submit a screenshot of the QAP Interactive Map (with applicable Low Poverty Area layer checked) demonstrating that the development is sited within an eligible census tract to earn points for this criterion.

    Scoring:

a. Census tract has poverty rate of 15% and below = 3 points
b. Census tract has poverty rate of 10% and below = 5 points

7. **Job Access.** Development will be located in an area meeting either of the following criteria:
   a. Concentrated Job Center: Development is within a one-mile radius of 3,000 or more jobs; or
   b. Entry Level Job Access: Development is located in a census tract with an Entry Level Job Index score of at least 0.50 as defined in the QAP Interactive Map specific to the Urban Opportunity Housing subpool.

   Submission:
   a. Concentrated Job Center: Applicants must submit a screenshot of the "On the Map" query website demonstrating eligibility by following these directions:
      - Access http://onthemap.ces.census.gov/
      - Enter the address of the site, or the AHFA's nearest address and click "Search"
      - Select the "Geocoder Result" that is returned for your address
      - Click the "Selection" tab at the top of the page
      - Click "Simple Ring" under "Add Buffer to Selection"
      - Enter "1" into the "Radius" box
      - Click "Confirm Selection"
      - Click "Perform an Analysis on Selection Area."
      - Within the Analysis Settings box that will appear:
      - Choose "Work" under the first column
      - Choose "Area Profile" under the second column
      - Choose 2017 under the third column
      - Choose "All Jobs" under the fourth column
      - Click "Go" for results. The "Total All Jobs" Count is the relevant measurement.
   b. Entry Level Job Access: Applicants must submit a screenshot of the QAP Interactive Map (with Entry Level Job Access layer checked) demonstrating that the development is located in a census tract with an Entry Level Job Access Job Ratio applicable to the number of points being claimed.

   Scoring:
   a. Concentrated Job Center:
      - 3,000-3,999 jobs = 3 points
      - 4,000-4,999 jobs = 4 points
      - 5,000 and greater jobs = 5 points
   b. Entry Level Job Access:
      - 0.5 – 0.99 = 3 points
      - 1.0 – 1.5 = 4 points
      - Above 1.5 = 5 points

Sub-Pool Priorities: General Occupancy Urban Housing

Maximum Points: 40

Scoring Criterion	Maximum Points Available
Transit	**5**
Education	**5**
Number of Bedrooms	**5**
Inclusive Tenant Selection Plan	**5**
Proximity to Amenities	**10**

Neighborhood Revitalization	**5**
Job Access	**5**

1. **Transit.** Development is located in a census tract with a score of at least 1 on the Center for Neighborhood Technology's Transportation Connectivity Index as shown in the QAP Interactive Map specific to the General Occupancy Urban Housing subpool.

   Submission: The applicant must submit a screenshot from the QAP Interactive Map (with Transportation layer checked) demonstrating that the development is located in a census tract with a TCI score applicable to the number of points being claimed.

   Scoring:
   a. Census tract has a TCI score of 1 - 3 = 1 point
   b. Census tract has a TCI score of 4 - 7 = 3 points
   c. Census tract has a TCI score of 8 or higher = 5 points

2. **Education.** As measured by the Ohio School Report Card, development is either:
   a. Sited within a school district with a Gap Closing Grade of "B" or higher; or
   b. Sited within a school district with an Overall District Grade of "B" or higher; or
   c. Sited within a school district with a Performance Index Letter Grade of "B" or higher (subcategory within the Achievement Component).

   Submission: The applicant must submit a screenshot from the QAP Interactive Map (with applicable Education 2019 layer checked) demonstrating that the development is sited within the allowable area.

   Scoring: 5 points

3. **Number of Bedrooms.** Developments that will provide units with three or more bedrooms for large families.

   Submission: Eligibility will be verified by reference to the architectural plans and unit breakdown in the AHFA. Market study must demonstrate demand for units. Percentages will be rounded to the nearest whole number.

   Scoring:
   a. >5% - 10% of units have three or more bedrooms = 3 points
   b. >10% - 15% of units have three or more bedrooms = 4 points
   c. >15% of units have three or more bedrooms = 5 points

4. **Inclusive Tenant Selection Plan.** Developments that commit to furthering Fair Housing by adopting screening criteria that provides second chances to formerly incarcerated individuals. Owner will adopt admission policies that achieve a sensible and effective balance between allowing individuals with a criminal record to access LIHTC housing while ensuring the safety of all residents of such housing.

   Submission: Applicants must submit a Tenant Selection Plan (TSP) that meets the below three requirements.

   1. The TSP explicitly prohibits the denial of admission, termination of assistance or eviction on the basis of arrest records alone.
      a. *The TSP must have the above prohibition **clearly stated**, **clearly connected to arrest records alone**, and **not followed or accompanied by additional***

conditions that ultimately diminish or negate the effect of the prohibition*.*

2. The TSP may create reasonable look-back periods for review of crimes.
    a. *The TSP* ***must not have blanket prohibitions*** *on any person with any conviction record. The housing provider should have a policy that* ***considers the nature, severity, and recency of criminal conduct****.*

3. The TSP must include an individual assessment of each tenant applicant's history and provide the tenant applicant an opportunity to provide mitigating information before denying housing based on upon the result of criminal screening.
    a. *Like #2, this item requires the consideration of additional information before denying housing based on an individual's criminal record. The TSP must reflect that the housing provider* ***will conduct an individual assessment and request mitigating information*** *from the applicant* ***before*** *denying housing based on the applicant's criminal history. This should occur without the tenant applicant needing to request an individualized assessment or submitting an appeal. In all cases, this should occur before a denial/decision has been made.*

The TSP is also required to be submitted and reviewed by OHFA as part of the Compliance Next Steps process for the project.

When developing their TSPs, applicants should refer to HUD's Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions (HUD Guidance). Applicants may also want to reference this model criminal background screening policy which has been promoted as a model policy to comply with HUD's guidance.

Scoring: 5 points

5. **Proximity to Amenities.** Development is located within a 1-mile linear distance to positive land uses and amenities as defined below:
    - Full service supermarket with fresh produce (2 points)
    - Restaurant or café
    - Pharmacy or medical clinic
    - Public recreation center
    - Public park
    - Public library
    - Cultural facility
    - Church or religious institution
    - Public School (family-only)
    - Senior Center (senior-only)

OHFA has provided definitions for all of the above amenity categories. Datasets and corresponding maps have also been provided via the QAP Interactive Maps for all of the above amenity categories except for Public recreation center, Cultural facility, and Senior Center. Applicants are required to use the QAP Interactive Map specific to the General Occupancy Urban Housing subpool.

Applicants are permitted to submit an establishment that falls into one of the above amenity categories but is not included in the QAP Interactive Map for point consideration (for example, a restaurant that is not reflected in the mapping because it has recently opened). OHFA will review and determine if the amenity qualifies on a case-by-case basis.

For these establishments, as well as those submitted for Public recreation center, Cultural facility, and Senior Center, the distance must be calculated as linear distance using Google Maps. An amenity that is within 500 feet of the required distance will be considered for points.

The majority of sites included in a scattered site development must meet the criteria to claim points.

Submission:

a. *Map:* For each amenity being submitted for point consideration, the applicant must submit a screenshot from the QAP Interactive Map (with applicable amenity layer checked) that shows the location of the development and the amenity being claimed for points.
    i. For any amenities not in the QAP Interactive Map, the applicant must submit a separate map that shows the location of the development and the amenity being claimed for points.
b. *AHFA:* In the General Occupancy Urban Housing scoring tab, the applicant will be required to provide the name, address, type of amenity, and distance between the development and each amenity for each point claimed. Each amenity listed must correspond to one of the maps provided. Submission of alternates is not permitted.

Scoring: 1 point will be awarded for each amenity within a 1-mile linear distance of the development, up to 10 points. Only one establishment in each amenity category (i.e. Pharmacy or medical clinic) will be counted.

6. **Neighborhood Revitalization.** Development is located in an area that meets either of the following criteria:
    a. Capital Investment: Development is located within two miles of real estate development and/or community development investments of at least $10,000,000 completed in calendar years 2018, 2019, and/or 2020, and also located within two miles of real estate development and/or community developments investments of at least $10,000,000 planned and committed for calendar years 2021-2023; or
    b. Revitalization Plan: Development is located within the area of a Revitalization Plan dated within the past ten years.

    Submission:

    a. Capital Investment:
        i. Third-party supporting documentation that details and confirms the specific investment being claimed, including but not limited to type, total dollar amount, construction start and completion dates, and distance from proposed development. Documentation may include but is not limited to, a letter from the local city, township, or village itemizing development in the target area, newspaper articles, or other appropriate documentations; and
        ii. A map showing the location of the proposed development and each of the investments referenced in the third-party documentation.
    b. Revitalization Plan: Applicants shall submit a copy of the Revitalization Plan and proof that the development is sited within its boundaries.

    Scoring: 5 points

7. **Job Access.** Development will be located in an area meeting either of the following criteria:
    a. Concentrated Job Center: Development is within a one-mile radius of 3,000 or

more jobs; or

b. Entry Level Job Access: Development is located in a census tract with an Entry Level Job Index score of at least 0.50 as defined in the QAP Interactive Map specific to the General Occupancy Urban Housing subpool.

Submission:

a. Concentrated Job Center: Applicants must submit a screenshot of the "On the Map" query website demonstrating eligibility by following these directions:
   - Access http://onthemap.ces.census.gov/
   - Enter the address of the site, or the AHFA's nearest address and click "Search"
   - Select the "Geocoder Result" that is returned for your address
   - Click the "Selection" tab at the top of the page
   - Click "Simple Ring" under "Add Buffer to Selection"
   - Enter "1" into the "Radius" box
   - Click "Confirm Selection"
   - Click "Perform an Analysis on Selection Area."
   - Within the Analysis Settings box that will appear:
   - Choose "Work" under the first column
   - Choose "Area Profile" under the second column,
   - Choose 2017 under the third column
   - Choose "All Jobs" under the fourth column.
   - Click "Go" for results. The "Total All Jobs" Count is the relevant measurement.

b. Entry Level Job Access: Applicants must submit a screenshot of the QAP Interactive Map (with Entry Level Job Access layer checked) demonstrating that the development is located in a census tract with an Entry Level Job Access Job Ratio applicable to the number of points being claimed.

Scoring:

a. Concentrated Job Center:
   - 3,000-3,999 jobs = 3 points
   - 4,000-4,999 jobs = 4 points
   - 5,000 and greater jobs = 5 points

b. Entry Level Job Access:
   - 0.5 – 0.99 = 3 points
   - 1.0 – 1.5 = 4 points
   - Above 1.5 = 5 points

Sub-Pool Priorities: Senior Urban Housing

Maximum Points: 40

Scoring Criterion	Maximum Points Available
Transportation	**5**
Aging Population	**5**
Proximity to Amenities	**10**
Inclusive Tenant Selection Plan	**5**
Experienced Service Provider	**15**

1. **Transportation.** Developments that have access to transportation services that are provided in close proximity to the development and on a regular frequency. Transportation services must be one of the following:

   a. Public Transit: Development is located in a census tract with a score of at least 1 on the Center for Neighborhood Technology's Transportation Connectivity Index as shown in the QAP Interactive Map specific to the Senior Urban Housing subpool.

b. Development-provided transportation: Transportation services are provided by the development (funded by development or partner organization) at no charge to the residents, and available to residents at least five times per week.

c. On-Demand Service: Transportation is available to residents on an on-demand basis, coordinated by the property, and provided at no charge or reduced charge for residents.

Submission:

a. Public Transit: The applicant must submit a screenshot from the QAP Interactive Map (with Transportation layer checked) demonstrating that the development is located in a census tract with a TCI score applicable to the number of points being claimed.
b. Development-provided transportation: The applicant must submit a written certification that they will provide transportation services that meet the above requirements and specify how the transportation services will be paid for.
c. On-Demand Service: The applicant must submit a written certification that they will provide transportation services that meet the above requirements and specify how the transportation services will be paid for.

Scoring:

a. Public Transit:
   - Census tract has a TCI score of 1 - 3 = 1 point
   - Census tract has a TCI score of 4 - 7 = 3 points
   - Census tract has a TCI score of 8 or higher = 5 points
b. Development-provided transportation = 5 points
c. On-Demand Service = 3 points

2. **Aging Population.** Development is located in one of the below areas as shown in the QAP Interactive Map specific to the Senior Urban Housing subpool:
   a. A county where the share of population aged 55 and older is projected to be 20% or greater by 2030; or
   b. A county where the projected change in population aged 55 and over from 2017-2030 is 5% or greater.

Submission: Applicants must submit a screenshot from the QAP Interactive Map (with applicable Aging Population layer checked) that demonstrates the development is sited within an eligible county to earn points for this criterion.

Scoring:

a. Projected share:
   - 20.0% - 25.0% = 2 points
   - 25.1% - 30.0% = 3 points
   - 30.1% - 35.0% = 4 points
   - 35.1% or greater = 5 points
b. Projected change:
   - 5.0% - 10.0% = 2 points
   - >10.1% - 15.0% = 3 points
   - 15.1% - 20.0% = 4 points
   - 20.1% or greater = 5 points

3. **Proximity to Amenities.** Development is located within a 1-mile linear distance to positive land uses and amenities as defined below:
   - Full service supermarket with fresh produce (2 points)

- Restaurant or café
- Pharmacy or medical clinic
- Public recreation center
- Public park
- Public library
- Cultural facility
- Church or religious institution
- Senior center

OHFA has provided definitions for all of the above amenity categories. Datasets and corresponding maps have also been provided via the QAP Interactive Maps for all of the above amenity categories except for Public recreation center, Cultural facility, and Senior Center. Applicants are required to use the QAP Interactive Map specific to the Senior Urban Housing subpool.

Applicants are permitted to submit an establishment that falls into one of the above amenity categories but is not included in the QAP Interactive Map for point consideration (for example, a restaurant that is not reflected in the mapping because it has recently opened). OHFA will review and determine if the amenity qualifies on a case-by-case basis. For these establishments, as well as those submitted for Public recreation center, Cultural facility, and Senior Center, the distance must be calculated as linear distance using Google Maps. An amenity that is within 500 feet of the required distance will be considered for points.

The majority of sites included in a scattered site development must meet the criteria to claim points.

Submission:

a. *Map:* For each amenity being submitted for point consideration, the applicant must submit a screenshot from the QAP Interactive Map (with applicable amenity layer checked) that shows the location of the development and the amenity being claimed for points.
    i. For any amenities not in the QAP Interactive Map, the applicant must submit a separate map that shows the location of the development and the amenity being claimed for points.
b. *AHFA:* In the Senior Urban Housing scoring tab, the applicant will be required to provide the name, address, type of amenity, and distance between the development and each amenity for each point claimed. Each amenity listed must correspond to one of the maps provided. Submission of alternates is not permitted.

Scoring: 1 point will be awarded for each amenity within a 1-mile linear distance of the development, up to 10 points. Only one establishment in each amenity category (i.e. Pharmacy or medical clinic) will be counted.

4. **Inclusive Tenant Selection Plan.** Developments that commit to furthering Fair Housing by adopting screening criteria that provides second chances to formerly incarcerated individuals. Owner will adopt admission policies that achieve a sensible and effective balance between allowing individuals with a criminal record to access LIHTC housing while ensuring the safety of all residents of such housing.

    Submission: Applicants must submit a Tenant Selection Plan (TSP) that meets the below three requirements.

1. The TSP explicitly prohibits the denial of admission, termination of assistance or eviction on the basis of arrest records alone.
    a. *The TSP must have the above prohibition **clearly stated**, **clearly connected to arrest records alone**, and **not followed or accompanied by additional conditions that ultimately diminish or negate the effect of the prohibition**.*

2. The TSP may create reasonable look-back periods for review of crimes.
    a. *The TSP **must not have blanket prohibitions** on any person with any conviction record. The housing provider should have a policy that **considers the nature, severity, and recency of criminal conduct**.*

3. The TSP must include an individual assessment of each tenant applicant's history and provide the tenant applicant an opportunity to provide mitigating information before denying housing based on upon the result of criminal screening.
    a. *Like #2, this item requires the consideration of additional information before denying housing based on an individual's criminal record. The TSP must reflect that the housing provider **will conduct an individual assessment and request mitigating information** from the applicant **before** denying housing based on the applicant's criminal history. This should occur without the tenant applicant needing to request an individualized assessment or submitting an appeal. In all cases, this should occur before a denial/decision has been made.*

The TSP is also required to be submitted and reviewed by OHFA as part of the Compliance Next Steps process for the project.

When developing their TSPs, applicants should refer to HUD's Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions (HUD Guidance). Applicants may also want to reference this model criminal background screening policy which has been promoted as a model policy to comply with HUD's guidance.

Scoring: 5 points

5. **Experienced Service Provider.** Developments demonstrating a commitment by an experienced local or regional service provider(s) to deliver comprehensive services specific to the population of the proposed development for the duration of the compliance period. 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. Developments seeking points in this category must also have a service coordinator on-site at least 15 minutes per unit per week.

Submission: Applicants must evidence this requirement in the Supportive Services Plan due at proposal, identifying partnerships with qualified service agencies, and detailing the specific services to be provided, where they will be provided, and how many hours per week of each service will be provided.

If awarded, a contract with each local service provider that specifies the services, intended methods of delivery, and terms of the partnership will be required upon request for Form 8609.

Scoring: 15 points

Sub-Pool Priorities: Non-Urban Housing

Maximum Points: 30

Scoring Criterion	Maximum Points Available
Appalachian County	**5**
Inclusive Tenant Selection Plan	**5**
Proximity to Amenities	**10**
Family: Education	**5**
Family: Bedrooms	**5**
Senior: Aging Population	**5**
Senior: Experienced Service Provider	**5**

1. **Appalachian County**. Developments located in one of the 32 Appalachian counties as designated in the Appalachian Regional Development Act of 1965, as amended.

   Submission: Applicants must submit a screenshot from the QAP Interactive Map (with Appalachian County layer checked) demonstrating that the development is sited within an eligible county to earn points for this criterion.

   Scoring: 5 points

2. **Inclusive Tenant Selection Plan.** Developments that commit to furthering Fair Housing by adopting screening criteria that provides second chances to formerly incarcerated individuals. Owner will adopt admission policies that achieve a sensible and effective balance between allowing individuals with a criminal record to access LIHTC housing while ensuring the safety of all residents of such housing.

   Submission: Applicants must submit a Tenant Selection Plan (TSP) that meets the below three requirements.

   1. The TSP explicitly prohibits the denial of admission, termination of assistance or eviction on the basis of arrest records alone.
      a. *The TSP must have the above prohibition **clearly stated**, **clearly connected to arrest records alone**, and **not followed or accompanied by additional conditions that ultimately diminish or negate the effect of the prohibition**.*

   2. The TSP may create reasonable look-back periods for review of crimes.
      a. *The TSP **must not have blanket prohibitions** on any person with any conviction record. The housing provider should have a policy that **considers the nature, severity, and recency of criminal conduct**.*

   3. The TSP must include an individual assessment of each tenant applicant's history and provide the tenant applicant an opportunity to provide mitigating information before denying housing based on upon the result of criminal screening.
      a. *Like #2, this item requires the consideration of additional information before denying housing based on an individual's criminal record. The TSP must reflect that the housing provider **will conduct an individual assessment and request mitigating information** from the applicant **before** denying housing based on the applicant's criminal history. This should occur without the tenant applicant needing to request an individualized assessment or submitting an appeal. In all cases, this should occur before a denial/decision has been made.*

The TSP is also required to be submitted and reviewed by OHFA as part of the Compliance Next Steps process for the project.

When developing their TSPs, applicants should refer to HUD's Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions (HUD Guidance). Applicants may also want to reference this model criminal background screening policy which has been promoted as a model policy to comply with HUD's guidance.

Scoring: 5 points

3. **Proximity to Amenities.** Development is located within a 5-mile linear distance to positive land uses and amenities as defined below:
   - Full service supermarket with fresh produce (2 points)
   - Restaurant or café
   - Pharmacy or medical clinic
   - Public recreation center
   - Public park
   - Public library
   - Cultural facility
   - Church or religious institution
   - Public School (family-only)
   - Senior Center (senior-only)

   OHFA has provided definitions for all of the above amenity categories. Datasets and corresponding maps have also been provided via the QAP Interactive Maps for all of the above amenity categories except for Public recreation center, Cultural facility, and Senior Center. Applicants are required to use the QAP Interactive Map specific to the Non-Urban Housing subpool.

   Applicants are permitted to submit an establishment that falls into one of the above amenity categories but is not included in the QAP Interactive Map for point consideration (for example, a restaurant that is not reflected in the mapping because it has recently opened). OHFA will review and determine if the amenity qualifies on a case-by-case basis. For these establishments, as well as those submitted for Public recreation center, Cultural facility, and Senior Center, the distance must be calculated as linear distance using Google Maps. An amenity that is within 500 feet of the required distance will be considered for points.

   The majority of sites included in a scattered site development must meet the criteria to claim points.

   Submission:
   a. *Map:* For each amenity being submitted for point consideration, the applicant must submit a screenshot from the QAP Interactive Map (with applicable amenity layer checked) that shows the location of the development and the amenity being claimed for points.
      i. For any amenities not in the QAP Interactive Map, the applicant must submit a separate map that shows the location of the development and the amenity being claimed for points.
   b. *AHFA:* In the Non-Urban Housing scoring tab, the applicant will be required to provide

the name, address, type of amenity, and distance between the development and each amenity for each point claimed. Each amenity listed must correspond to one of the maps provided. Submission of alternates is not permitted.

Scoring: 1 point will be awarded for each amenity within a 5-mile linear distance of the development, up to 10 points. Only one establishment in each amenity category (i.e. Pharmacy or medical clinic) will be counted.

4. **Family: Education.** As measured by the Ohio School Report Card, development is either:
    a. Sited within a school district with a Gap Closing Grade of “B” or higher; or
    b. Sited within a school district with an Overall District Grade of “B” or higher; or
    c. Sited within a school district with a Performance Index Letter Grade of “B” or higher (subcategory within the Achievement Component).

    Submission: The applicant must submit a screenshot from the QAP Interactive Map (with applicable Education 2019 layer checked) demonstrating that the development is sited within the allowable area.

    Scoring: 5 points

5. **Family: Number of Bedrooms.** Developments that will provide units with three or more bedrooms for large families.

    Submission: Eligibility will be verified by reference to the architectural plans and unit breakdown in the AHFA. Market study must demonstrate demand for units. Percentages will be rounded to the nearest whole number.

    Scoring:
    a. >5% - 10% of units have three or more bedrooms = 3 points
    b. >10% - 15% of units have three or more bedrooms = 4 points
    c. >15% of units have three or more bedrooms = 5 points

6. **Senior: Aging Population.** Development is located in one of the below areas as shown in the QAP Interactive Map specific to the Non-Urban Housing subpool:
    a. A county where the share of population aged 55 and older is projected to be 20% or greater by 2030; or
    b. A county where the projected change in population aged 55 and over from 2017-2030 is 5% or greater.

    Submission: Applicants must submit a screenshot from the QAP Interactive Map (with applicable Senior: Aging Population layer checked) demonstrating that the development is sited within an eligible county to earn points for this criterion.

    Scoring:
    a. Projected share:
        - 20.0% - 25.0% = 2 points
        - 25.1% - 30.0% = 3 points
        - 30.1% - 35.0% = 4 points
        - 35.1% or greater = 5 points
    b. Projected change:
        - 5.0% - 10.0% = 2 points
        - 10.1% - 15.0% = 3 points
        - 15.1% - 20.0% = 4 points

- 20.1% or greater = 5 points

7. **Senior: Experienced Service Provider.** Developments demonstrating a commitment by an experienced local or regional service provider(s) to deliver comprehensive services specific to the population of the proposed development for the duration of the compliance period. 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. Developments seeking points in this category must also have a service coordinator on-site at least 15 minutes per unit per week.

   Submission: Applicants must evidence this requirement in the Supportive Services Plan due at proposal, identifying partnerships with qualified service agencies, and detailing the specific services to be provided, where they will be provided, and how many hours per week of each service will be provided.

   If awarded, a contract with each local service provider that specifies the services, intended methods of delivery, and terms of the partnership will be required upon request for Form 8609.

   Scoring: 5 points

PRESERVED AFFORDABILITY

The following scoring criteria will be applied to proposals competing in Preserved Affordability pools.

Scoring Category	Maximum Points Available
Local Partner	**10**
Development Characteristics	**15**
Preservation Priorities	**10**
Preservation Leveraging	**10**

Local Partner

Maximum Points: 10 (select one)

1. **Nonprofit Partner.** The development will include a local nonprofit that can demonstrate a history of either providing housing or providing 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. OHFA may consider for-profit entities that are controlled by nonprofit parent organization.

2. **Housing Authority Partner.** The development will include a local MHA that has 51 percent General Partnership interest in the ownership of the proposed development and owns the land the project will be located on.

3. **CHDO Partner.** The development will be owned, developed, or sponsored by a community-based housing development organization currently serving the area that was certified as a Community Housing Development Organization (CHDO) by OHFA during the application phase and is requesting HOME funds from OHFA as part of the proposal.

4. **In-State Partner.** The development's developer and general contractor are permanent employees of companies that are headquartered in Ohio, AND both the developer and owner have received 8609s for at least five projects in Ohio in the last ten years.

> ***Submission:*** Applicant shall submit brief information about the partner including their services relevant to the resident population, where they are based, and their experience working in the local community. The applicant must also reflect the minimum ownership percentage in their application.
>
> For In-State Partner, the applicant shall submit letters from each business, on professional letterhead, attesting to their qualification under this criteria. Eligibility will also be determined through the Experience and Capacity review.
>
> ***Scoring:*** Select one for 10 points.

Development Characteristics

Maximum Points: 15

1. **Rehab Scope.** Development needs the replacement of at least 50% of two Major Building Systems AND the hard construction dollars of rehabilitation per unit equals $40,000 or more. Major Building Systems are defined in the Design and Architectural Standards. The Major Building Systems used for this scoring criterion must meet all of the following:

a. Past their effective useful life;
b. Need immediate replacement; AND
c. Will be replaced as part of the scope of work.

Preserved Affordability projects proposing demolition of existing units and new construction replacement will receive 5 points if demonstrated that the structure being replaced is no longer viable.

Submission: Eligibility will be determined through the AHFA (specifically, the "Hard Construction (Residential Rehab.)" line item in the Budget & Costs tab), site visit, scope of work and/or PCNA. For each Major Building System that needs replacement, the applicant must identify the specific page numbers of the PCNA that clearly state the system (or the components making up at least 50% of the system) as being <u>both</u> past its effective useful life AND needing immediate replacement. The applicant must also identify the specific page numbers of the scope of work that addresses replacement of these systems and/or components. OHFA reserves the right to deny points or change point allocation based on assessment.

Scoring:
a. $40,000 - $45,000 hard construction per unit = 2 points
b. $45,001 - $50,000 hard construction per unit = 3 points
c. $50,001 - $55,000 hard construction per unit = 4 points
d. More than $55,000 hard construction per unit = 5 points

2. **Green**. Developments that achieve green building certification from one of the following:
   a. 2020 Enterprise Green Communities
   b. Leadership in Energy & Environmental Design (LEED) – certified or higher
   c. ICC 700 National Green Building Standard (NGBS) – bronze or higher

   Submission: Eligibility will be determined by the AHFA. Evidence of certification is required upon request for IRS Form 8609.

   Scoring: 5 points

3. **Exercise & Wellness.** Development includes <u>one of</u> the below health, fitness, or wellness facilities or partnerships specific to the population being served:
   a. Onsite fitness area with equipment specific to the total number of units and population being served; or
   b. Onsite health clinic or wellness suite in a property that has a service coordinator on-site at least 10 hours per week; or
   c. Partnership with an off-site fitness or recreation facility to provide access for the development's residents at no charge for a minimum of five years. The facility must be located within five miles (Urban) or within ten miles (Non-Urban) of the development.

   Submission:
   a. <u>Onsite fitness area</u>: Applicants must provide a description of the onsite fitness space, including dimensions, equipment, an explanation of how the dimensions and equipment were determined, and a plan for how the space will be utilized. The architectural plans will be referenced to verify the fitness space.
   b. <u>Onsite health clinic/wellness suite</u>: Applicants must provide a description of the onsite health clinic/wellness suite, including dimensions, staffing, an explanation of how the dimensions and staffing were determined, an explanation of why this feature is most

appropriate for the population being served, and a plan for how the space will be utilized. The architectural plans will be referenced to verify this space. If awarded HTC, the applicant will be required to include this information in the Supportive Services Plan due at 8609.

c. Facility partnership: Applicants must submit a letter committing to providing facility memberships to all residents for the required time period. The applicant must specify the name and location of the facility and the estimated per-person cost of a membership. If awarded HTC, the applicant will be required to submit an MOU or other documentation evidencing the partnership with the request for Form 8609.

Scoring: 5 points

4. **Design Features.** Development will include one or more of the following features for residents:
   a. Dishwasher and garbage disposal in all units
   b. High-speed internet access in all units, provided for a minimum of five years
   c. Washer/dryer hookup in all units
   d. Lease Addendum allowing for pet ownership
   e. Interior and exterior security cameras
   f. Private patio or balcony for at least 20% of units
   g. Additional storage space for at least 50% of units (tenant storage lockers located within the building or additional closet space in unit[9])
   h. Secured parking (parking enclosed within walls/fencing and either locked, monitored by security personnel, or monitored via electronic surveillance

   Features must be new to the development as part of this proposal, or if already existing at the property, being improved, replaced, or renovated as part of the proposal.

   Submission: Eligibility will be determined through information provided in the AHFA and architectural plans. Applicants must also submit estimated costs for the selected item(s) and a narrative describing the feature(s) and why they were selected for the development.

   Scoring: (can select multiple, up to a total of 5 points)
   a. Dishwasher and garbage disposal = 1 point
   b. High-speed internet access = 4 points
   c. Washer/dryer hookup = 2 points
   d. Lease Addendum allowing for pet ownership = 2 points
   e. Interior and exterior security cameras = 2 points
   f. Private patio or balcony = 5 points
   g. Additional storage space = 5 points
   h. Secured parking = 5 points

Preservation Priorities

Maximum Points: 10 (select one)

1. **Financially-Troubled Asset.** Development that meets all of the following:
   a. Development is either at risk of default or foreclosure or has negative cash flow;

[9] Additional closet space in unit must be in addition to the following expected minimum closet space: one closet per bedroom, one coat closet, and one linen closet. The additional closet must be at least 24 inches in depth, 36 inches in width, and 84 inches in height.

b. Development was acquired by applicant in the last two[10] years <u>or</u> has a purchase agreement in place contingent upon the award of credits, and had above conditions at the time of purchase, and seller was not a related entity; AND
c. The seller did not, or will not, receive any operating, maintenance, or other reserve funds as a result of or concurrent with the sale of the asset.

Submission: The applicant shall submit a brief narrative describing the troubled asset and those steps that have or will be taken to put the asset back into productive use and a copy of the sales or purchase agreement or other sufficient proof of adherence to the above requirements as determined at OHFA's sole discretion.

Scoring: 10 points

2. **Good Management.** Developments that have been maintained through good management but contain no more than three Major Building Systems that are past their effective useful life, need immediate replacement, and will be replaced as part of the Scope of Work. The replacement of other Major Building Systems, or components which make up those Systems, which are beyond 75% of their EUL may be included in the Scope of Work, but the PCNA does not evidence a need for immediate replacement. Major Building Systems are defined in the Design and Architectural Standards.

   The developer/owner must have been the owner for at least five years and must remain a part of the ownership structure if seeking points for this criterion.

   Submission: The applicant shall submit a brief narrative describing the management history, the systems (and components/subcomponents that make up those systems) that need replacing, and a detailed itemization of the use of the project's replacement reserves. For each system that needs replacement, the applicant must identify the specific page numbers of the PCNA that clearly state the system as being <u>both</u> past its effective useful life AND needing immediate replacement. The applicant must also identify the specific page numbers of the scope of work that addresses replacement of these systems and/or components.

   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 PCNA.

   Scoring: 10 points

3. **Risk of Market Rate Conversion.** Developments which have a significant risk of conversion to market rate use evidenced by an affordable rent advantage of at least 20% for each bedroom size in the primary market area.

   Submission: Eligibility for points under this criterion will be confirmed by reference to the market study, meeting all OHFA requirements, submitted at proposal application. OHFA will rely on the market analyst's estimation of achievable market rents as compared to achievable restricted rents to determine the affordable rent advantage. To quantify affordable rent advantage, the market study must clearly calculate and identify the following:

[10] The two-year period will be extended by one year for each prior, unsuccessful HTC application submitted by the current owner for this development.

*Affordable Rent Advantage = 1 – (the 60% AMI HTC rent at the site / achievable market rents) * 100*

Scoring: 10 points

4. **Need for Replacement.** Development has been become obsolete due to factors beyond the control of the current ownership and poses significant health and safety concerns in its current state. Demolition of the existing obsolete structure(s) and replacement with newly constructed units is more financially feasible than rehabilitation due to the scope of repairs and replacements needed. The replacement development must provide the same number of units that will be demolished.

    Submission: The applicant shall submit a brief narrative describing the ownership and management history, the factors that have caused the property to be in its current state, demonstration that sufficient operating expenses and replacement reserves will be in place for the replacement housing, and evidence that rehabilitation of the current structure(s) was explored before seeking to demolish the structure.

    Scoring: 10 points

Preservation Leveraging

Maximum Points: 10

1. **Bond Leveraging.** Applicants that submit an application for a 4% HTC development with an application for a 9% HTC development. The two projects must be developed by a common ownership/development entity. The 4% HTC development must comprise at least 25 units. Proposals must fall into one of the following categories:
    a. The 4% development is on a contiguous parcel/site and is part of the same overall development plan as the 9% development; OR
    b. The 4% development is not contiguous to the 9% development and is not part of the same overall development plan.

    Note: 4% HTC proposals will be ineligible for HDAP resources, and will only be eligible for HDL or MLP resources to the extent resources are available. Due to the limited amount of resources for these funding sources, developments should not rely on an award of HDL or MLP funding for the project.

    Submission: Applicants must submit a complete 4% HTC final application with the submission of the associated 9% proposal application, per the requirements in the QAP, that meets all minimum threshold and underwriting requirements. The only exception to this is for architectural plans, which are required to be preliminary at the time of submission and not 80% complete plans as are otherwise required with a final application. 80% complete architectural plans shall be due no later than August 16, 2021. Applicants must also include a letter from the syndicator confirming that the 4% HTC development has been underwritten as proposed and is financially feasible as its own project.

    For proposals that are on adjacent sites and part of the same overall development plan, a single market study and single Phase I ESA that covers both sites may be submitted. The market study and Phase I ESA must clearly reference each project/site.

    Scoring:

a. Applicants that submit a 4% HTC application and a 9% HTC application for projects that are not contiguous and are not part of the same overall development plan = 3 points
b. Applicants that submit a 4% HTC application and a 9% HTC application for projects that are contiguous and are part of the same overall development plan = 5 points

2. **Credits per Affordable Unit.** Developments requesting housing tax credits per affordable unit in one of the below ranges.

Submission: Eligibility for points under this criterion will be confirmed by reference to the Housing Credit tab in the AHFA. The amount will be calculated by dividing the total housing credits requested by the total number of affordable units.

Scoring:
a. $16,001 - $17,000 per unit = 1 point
b. $15,001 - $16,000 per unit = 2 points
c. $14,001 - $15,000 per unit = 3 points
d. $13,001 - $14,000 per unit = 4 points
e. $13,000 or less per unit = 5 points

Sub-Pool Priorities: HUD Subsidy Preservation

Maximum Points: 20

Scoring Criterion	Maximum Points Available
Preserved Units	**15**
RAD/Choice Transformation OR Multiphase Section 8 Preservation	**5**

1. **Preserved Units.** Developments that preserve higher percentages of a federal, project-based rental subsidy administered by HUD[11]; or developments that involve the conversion and/or modernization of housing funded through HUD programs that do not have rental subsidies.

Submission: Proof of the subsidy (consistent with the Document Submission requirements for Rental Subsidy Contract) must be included with the application and reflected in the AHFA. Percentages will be rounded to the nearest whole number.

Scoring:
a. Development involves the conversion and/or modernization of housing funded through HUD programs that do not have rental subsidies = 8 points
b. 74% or less of the affordable units have project-based rental subsidy, or development preserves at least 30 units = 8 points
c. 75-84% of the affordable units have project-based rental subsidy, or development preserves at least 30 units = 10 points
d. 85-94% of the affordable units have project-based rental subsidy, or development preserves at least 40 units = 13 points
e. 95-100% of the affordable units have project-based rental subsidy, or development preserves at least 50 units = 15 points

2. **RAD/Choice Transformation.** Developments that constitute the first phase, or a subsequent phase, of a multi-phase Rental Assistance Demonstration (RAD) or Choice

[11] In all cases, OHFA reserves the right to restrict eligible costs incurred in ported subsidies.

Neighborhoods Implementation (CNI) project that will contribute to a comprehensive, multi-phase and transformative community development effort.

To earn points, the development must meet the following criteria:

a. The development is part of a HUD-recognized multi-phase RAD or CNI initiative that contributes to a community, economic or neighborhood development plan;
b. 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; and
c. The development includes a minimum of 60 units (40 for non-urban).

Submission: Applicant will submit evidence that HUD has provided initial approval through a Commitment to enter into a Housing Assistance Payment (CHAP); or applicant will submit evidence that the Housing Authority partner has received a HUD Choice Neighborhood Implementation grant.

Applicant must also submit preliminary site plans that encompass the entire development area, including previous or subsequent phases, and details on the items specified above (land use breakdown, unit breakdown, total development costs, sources and uses).

Scoring: 5 points

3. **Multiphase Section 8 Preservation.** Developments that will constitute the first, or subsequent, phase of a large-scale, multi-phase HUD Section 8 preservation project or campus. The minimum number of units preserved across all phases must be 125 in an Urban area or 50 in a Non-Urban area. All phases must be part of the same existing HUD Section 8 project. At least 75% of units in each phase must be covered by a Section 8 Housing Assistance Payment (HAP) contract or contracts. The phases must be contiguous and operated under single management. Developments with phases that are currently contiguous but that will be developed in whole or in part on one or more non-contiguous sites are also eligible.

Submission: Applicants must submit proof of the subsidy (consistent with the Document Submission requirements for Rental Subsidy Contract) with the application and be reflected in the AHFA. Applicant must also submit a preliminary site plan, unit breakdown, total development costs, and sources and uses for the first phase and all subsequent phases.

Scoring: 5 points

Sub-Pool Priorities: USDA Subsidy Preservation

Maximum Points: 25

Scoring Criterion	Maximum Points Available
Preserved Units	**15**
Rural Development Priority	**5**
Maturing Mortgage	**5**

1. **Preserved Units.** Developments that preserve higher percentages of a federal, project-

based rental subsidy administered by USDA[12].

Submission: Proof of the subsidy (consistent with the Document Submission requirements for Rental Subsidy Contract) must be included with the application and reflected in the AHFA. Percentages will be rounded to the nearest whole number.

Scoring:

a. Less than 25% of the affordable units have project-based rental subsidy = 8 points
b. 25-49% of the affordable units have project-based rental subsidy = 10 points
c. 50-69% of the affordable units have project-based rental subsidy = 13 points
d. 70-100% of the affordable units have project-based rental subsidy = 15 points

2. **Rural Development Priority.** Developments that have received an executed priority letter from the State of Ohio USDA Rural Development (RD) Office. The RD Office may designate up to five development priorities for developments with RD rental assistance.

    Submission: Applicants must submit an executed priority letter on USDA letterhead.

    Scoring: 5 points

3. **Maturing Mortgage.** USDA RD Section 515 properties with loan nearing maturity.

    Submission: Applicant must submit proof of the property's estimated exit date, as well as a copy of correspondence from USDA Rural Development staff confirming the mortgage expiration date for the property.

    Scoring:

    a. 2020-2025 = 5 points
    b. 2026-2030 = 3 points
    c. 2031-2035 = 1 point

[12] In all cases, OHFA reserves the right to restrict eligible costs incurred in ported subsidies.

SERVICE ENRICHED HOUSING

The following scoring criteria will be applied to proposals competing in the Service Enriched Housing pools.

Scoring Category	Maximum Points Available
Local Service Providers	**20**
Local Partners	**15**
Expert Recommendations	**20**
Neighborhood Development and Impact Initiative	**20**
Accessible Design	**10**
Sub-Pool Priority: PSH – High Need County	**5**

Local Service Providers

Maximum points: 20

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 every weekday for the duration of the school year
- Mental health or counseling services or intensive case management
- Behavioral health or counseling services or intensive case management
- Substance use rehabilitation 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
- Legal services

Please note: Service providers that agree to offer the specific service(s) to the tenant in the tenant's unit will be eligible to count for these points. Further, this scoring item is intended to create more options for tenants and does not create a requirement that a tenant needs to receive the specific service(s) in their unit or at the development if they would prefer to receive the service(s) at a different location. With the exception of certain federal programs, tenants cannot be mandated to participate in any of the offered or available services, nor can non-participation itself be a factor in their lease or rental history. Tenants are not required to participate in the offered services or may choose to participate in these or similar services off-site.

Submission: Applicants must evidence this requirement in the Supportive Services Plan due at proposal, identifying partnerships with qualified service agencies, and detailing the specific services to be provided, where they will be provided, and how many hours per week of each service will be provided.

If awarded, a contract with each local service provider that specifies the services, intended methods of delivery, and terms of the partnership will be required upon request for Form 8609.

Scoring: 20 points

Local Partners

Maximum points: 15

Proposals including both of the following:

- **Referral Partnership.** The development team has established an MOU with either the applicable (1) Continuum of Care for PSH applicants or (2) ADAMH Board for Substance Abuse Recovery applicants to admit referrals from a coordinated entry system and will target households including individuals and families meeting the applicable target population; and
- **Medicaid Partnership.** The development team can evidence partnership with a service provider who will coordinate provision of Medicaid-funded services.

Submission:

- Referral Partnership: Applicants must submit a contractual agreement or Memorandum of Understanding outlining the specific services, methods of delivery, and terms of the partnership(s).
- Medicaid Partnership: Applicants must submit brief information about the partner including their services relevant to the resident population, where they are based, and their experience working in the local community.

Scoring: 15 points

Expert Recommendations

Maximum points: 20

Proposals that have been designated a primary or secondary priority/recommendation by the applicable Continuum of Care (CoC) for PSH applicants (including TAY projects), or ADAMH Services Board for Substance Abuse Recovery applicants.

Submission: Applicants must submit the applicable letter of designation or recommendation with the proposal application.

Scoring:

a. PSH Sub-pool:
   - Primary designation = 20 points
   - Secondary designation = 10 points

b. Substance Abuse Recovery Sub-pool:
   - First recommendation = 20 points
   - Second recommendation = 10 points

Neighborhood Development & Impact Initiative

Maximum points: 20

1. **Transportation.** Developments that have access to transportation services that are provided in close proximity to the development and on a regular frequency. Transportation services must be one of the following:

   a. Public Transit: Development is located in a census tract with a score of at least 1 on the Center for Neighborhood Technology's Transportation Connectivity Index as shown in the QAP Interactive Map specific to the Service Enriched Housing pool; or

b. Development-provided transportation: Transportation services are provided by the development (funded by development or partner organization) at no charge to the residents, and available to residents at least five times per week; or
c. On-Demand Service: Transportation is available to residents on an on-demand basis, coordinated by the property, and provided at no charge or reduced charge for residents.

Submission:

a. Public Transit: The applicant must submit a screenshot from the QAP Interactive Map (with Transportation layer checked) demonstrating that the development is located in a census tract with a TCI score applicable to the number of points being claimed.
b. Development-provided transportation: The applicant must submit a written certification that they will provide transportation services that meet the above requirements and specify how the transportation services will be paid for.
c. On-Demand Service: The applicant must submit a written certification that they will provide transportation services that meet the above requirements and specify how the transportation services will be paid for.

Scoring:

a. Public Transit:
   - Census tract has a TCI score of 1 - 3 = 1 point
   - Census tract has a TCI score of 4 - 7 = 3 points
   - Census tract has a TCI score of 8 or higher = 5 points
b. Development-provided transportation = 5 points
c. On-Demand Service = 3 points

2. **Inclusive Tenant Selection Plan.** Developments that commit to furthering Fair Housing by adopting screening criteria that provides second chances to formerly incarcerated individuals. Owner will adopt admission policies that achieve a sensible and effective balance between allowing individuals with a criminal record to access LIHTC housing while ensuring the safety of all residents of such housing.

   Submission: Applicants must submit a Tenant Selection Plan (TSP) that meets the below three requirements.

   1. The TSP explicitly prohibits the denial of admission, termination of assistance or eviction on the basis of arrest records alone.
      a. *The TSP must have the above prohibition **clearly stated**, **clearly connected to arrest records alone**, and **not followed or accompanied by additional conditions that ultimately diminish or negate the effect of the prohibition**.*

   2. The TSP may create reasonable look-back periods for review of crimes.
      a. *The TSP **must not have blanket prohibitions** on any person with any conviction record. The housing provider should have a policy that **considers the nature, severity, and recency of criminal conduct**.*

   3. The TSP must include an individual assessment of each tenant applicant's history and provide the tenant applicant an opportunity to provide mitigating information before denying housing based on upon the result of criminal screening.
      a. *Like #2, this item requires the consideration of additional information before denying housing based on an individual's criminal record. The TSP must*

*reflect that the housing provider **will conduct an individual assessment and request mitigating information** from the applicant **before** denying housing based on the applicant's criminal history. This should occur without the tenant applicant needing to request an individualized assessment or submitting an appeal. In all cases, this should occur before a denial/decision has been made.*

The TSP is also required to be submitted and reviewed by OHFA as part of the Compliance Next Steps process for the project.

When developing their TSPs, applicants should refer to HUD's Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions (HUD Guidance). Applicants may also want to reference this model criminal background screening policy which has been promoted as a model policy to comply with HUD's guidance.

Scoring: 5 points

3. **Proximity to Amenities.** Development is located within a 1-mile linear distance to positive land uses and amenities as defined below:
   - Full service supermarket with fresh produce (2 points)
   - Restaurant or café
   - Pharmacy or medical clinic
   - Public recreation center
   - Public park
   - Public library
   - Cultural facility
   - Church or religious institution
   - Public school

OHFA has provided definitions for all of the above amenity categories. Datasets and corresponding maps have also been provided via the QAP Interactive Maps for all of the above amenity categories except for Public recreation center and Cultural facility. Applicants are required to use the QAP Interactive Map specific to the Service-Enriched Housing pool.

Applicants are permitted to submit an establishment that falls into one of the above amenity categories but is not included in the QAP Interactive Map for point consideration (for example, a restaurant that is not reflected in the mapping because it has recently opened). OHFA will review and determine if the amenity qualifies on a case-by-case basis. For these establishments, as well as those submitted for Public recreation center and Cultural facility, the distance must be calculated as linear distance using Google Maps. An amenity that is within 500 feet of the required distance will be considered for points.

The majority of sites included in a scattered site development must meet the criteria to claim points.

Submission:

a. *Map:* For each amenity being submitted for point consideration, the applicant must submit a screenshot from the QAP Interactive Map (with applicable amenity layer checked) that shows the location of the development and the amenity being claimed for points.
   i. For any amenities not in the QAP Interactive Map, the applicant must submit a

separate map that shows the location of the development and the amenity being claimed for points.

b. *AHFA:* In the applicable Service-Enriched Housing scoring tab, the applicant will be required to provide the name, address, type of amenity, and distance between the development and each amenity for each point claimed. Each amenity listed must correspond to one of the maps provided. Submission of alternates is not permitted.

Scoring: 1 point will be awarded for each amenity within a 1-mile linear distance of the development, up to 10 points. Only one establishment in each amenity category (i.e. Pharmacy or medical clinic) will be counted.

Accessible Design

Select one for up to 10 points

1. **Universal Design.** Developments that incorporate a minimum number of Universal Design components, as outlined in Appendix D.

Submission: Eligibility will be determined by the AHFA, DCFF, and architectural plans. The project architect and/or Project Sponsor will certify in the DCFF that the project will meet all requirements at proposal application and again at project closeout. Compliance will also be assessed at the final construction monitoring visit.

Scoring:

a. All mandatory items = 5 points
b. All mandatory items + 5 additional in 50% of units = 8 points
c. All mandatory items + 10 additional in 50% of units = 10 points
d. All mandatory items + 5 additional in 100% of units = 10 points

2. **504 Units.** Developments providing twice as many 504 mobility units as are otherwise required by OHFA as defined in the Design & Architectural Standards.

OHFA will use the following calculation to determine eligibility for points:

1. *Total number of units in development x 5% = Number of 504 mobility units required by OHFA*
2. *If the above resulting number is not a whole number, round up to the next whole number.*
3. *Multiply the whole number from #2 by two to get the number of units required for points.*

Submission: Eligibility will be determined by the AHFA, DCFF, and architectural plans. The project architect and/or Project Sponsor will certify via the DCFF that the project will meet all federal fair housing laws, regulations and design requirements for the project, including the additional accessible units, at proposal application and again at project closeout. Compliance will also be assessed at the final construction monitoring visit.

Scoring: 10 points

Sub-Pool Priority: PSH only

Maximum points: 5

High Need County. Developments that are located in a county with a high number of literally homeless individuals as determined by HUD's 2019 Point in Time (PIT) count.

Submission: Applicants must submit a screenshot from the QAP Interactive Map (with High Need County layer checked) that demonstrates the development is sited within an eligible county to earn points for this criterion.

Scoring: Number of homeless individuals:

a. 50-99 = 1 point
b. 100-499; 2 points
c. 500-999 = 3 points
d. 1,000-1,499 = 4 points
e. 1,500 or greater = 5 points

SINGLE FAMILY DEVELOPMENT

The following threshold and scoring criteria will be applied to proposals competing in the Single Family Development pool.

Threshold Requirements

All developments competing in the Single Family Development Pool will first be evaluated for satisfaction of the below requirements. Applications that do not demonstrate compliance with all the following will be removed from further consideration.

- **Experienced Leadership.** OHFA will only accept proposals that include owners, developers, and property managers with extensive experience in overseeing single-family rental and/or lease-purchase HTC housing in Ohio. The minimum experience requirements are as follows and **proof must be provided by the applicant**:
    - The development will include a local nonprofit owner that can demonstrate a history of providing housing or supportive services for the target population in the target area. The organization must have at least 25 percent General Partnership interest in the ownership of the proposed development. The applicant must reflect the minimum ownership percentage in their application.
    - The development will include a local nonprofit owner that is certified to and will provide HUD-approved credit, financial, homebuyer, and/or rental counseling to residents. The organization must have at least 25 percent General Partnership interest in the ownership of the proposed development. The applicant must reflect the minimum ownership percentage in their application.
    - For developments with a Lease-Purchase component:
        - The owner/developer has developed one or more successful lease-purchase communities, evidenced by an average occupancy rate of 90 percent or greater over the past ten years.
        - The management company has experience marketing and leasing one or more lease-purchase communities. To qualify for this criterion, there can be no outstanding UPCS violations and/or uncorrected 8823s.
        - The majority General Partner also controls majority General Partnership interest in one or more lease-purchase communities and can demonstrate disposition of no less than 50 percent of sale-eligible, affordable units to income-qualified buyers over the past ten years from the date of application.
    - For developments that will be 30-year rental properties:
        - The owner/developer has developed one or more successful single-family communities, evidenced by an average occupancy rate of 90 percent or greater over the past ten years.
        - The management company has experience marketing and leasing one or more single-family communities. To qualify for this criterion, there can be no outstanding UPCS violations and/or uncorrected 8823s.
- **Architectural.** All architectural plans and specifications must demonstrate that the design and configuration of all units will meet applicable building and zoning code requirements and be consistent with the design and architecture of the surrounding neighborhood. All single-family homes or townhomes must be three bedroom or larger.

- **Rental Rates (lease-purchase only).** All low-income unit rents shall be affordable and marketed to persons earning between 60 and 80 percent AMI.

- **Homeownership Strategy (lease-purchase only).** The applicant must provide a detailed description of the homeownership strategy at proposal application addressing all the following:
    - An ownership exit strategy that specifies the methods for determining the value of and calculation of purchase price(s) at the time of sale;
    - The transition of any HOME funds and/or permanent debt from the project;
    - A Supportive Services Plan that details the nature and frequency of services to be provided, including at minimum homeownership counseling, education, and training;
    - Any amount of funds to be set-aside by the owner to assist residents with purchasing the home at or after year 16;
    - The terms and conditions of any mortgage or loan product offered to assist residents with purchasing the home at or after year 16;
    - What, if any, repair or maintenance the residents will be responsible for prior to year 16 and how the owner will ensure these tasks are being performed;
    - What, if any, renovations or property improvements will be made prior to conveyance to a resident at or after year 16 and the financing mechanism for these repairs; and
    - How, and at what intervals of time, will eligible tenants of the proposed development be notified of their option to eventually purchase the home and offered a right of first refusal.

- **Homeowner Transition Reserve (lease-purchase only).** The applicant must commit to capitalize a prefunded replacement reserve in the amount of $2,500 per unit and set aside in an escrow to be matched over 15 years. The funds (a minimum of $5,000 per unit) must be used to make major capital repairs in each unit prior to transitioning the home to a buyer.

  Applicants must submit evidence of sources of financing for the transition funds, including, but not limited to: GP capital contributions, private and/or foundation funding, etc. Firm commitment letters must be provided and indicate the funding is to be used for the development.

Competitive Criteria

Maximum Points: 40

1. **Neighborhood Revitalization.** Development is located in an area that meets either of the following criteria:
    a. Capital Investment: Development is located within two miles of real estate development and/or community development investments of at least $10,000,000 completed in calendar years 2018, 2019, and/or 2020, and also located within two miles of real estate development and/or community developments investments of at least $10,000,000 planned and committed for calendar years 2021-2023; or
    b. Revitalization Plan: Development is located within the area of a Revitalization Plan dated within the past ten years.

Submission:

a. Capital Investment:
   i. Third-party supporting documentation that details and confirms the specific investment being claimed, including but not limited to type, total dollar amount, construction start and completion dates, and distance from proposed development. Documentation may include but is not limited to, a letter from the local city, township, or village itemizing development in the target area, newspaper articles, or other appropriate documentations; and
   ii. A map showing the location of the proposed development and each of the investments referenced in the third-party documentation.

b. Revitalization Plan: Applicants shall submit a copy of the Revitalization Plan and proof that the development is sited within its boundaries.

Scoring: 10 points

2. **Job Access.** Development is located in an area that meets either of the following criteria:
   a. Concentrated Job Center: Developments within a one-mile radius of 3,000 or more jobs; or
   b. Entry Level Job Access: Developments in a census tract with an Entry Level Job Index score of at least 0.50 as defined in the QAP Interactive Map specific to the Single Family Development pool.

Submission:

a. Concentrated Job Center: Applicants must submit a screenshot of the "On the Map" query website demonstrating eligibility by following these directions:
   - Access http://onthemap.ces.census.gov/
   - Enter the address of the site, or the AHFA's nearest address and click "Search"
   - Select the "Geocoder Result" that is returned for your address
   - Click the "Selection" tab at the top of the page
   - Click "Simple Ring" under "Add Buffer to Selection"
   - Enter "1" into the "Radius" box
   - Click "Confirm Selection"
   - Click "Perform an Analysis on Selection Area."
   - Within the Analysis Settings box that will appear:
   - Choose "Work" under the first column
   - Choose "Area Profile" under the second column,
   - Choose 2017 under the third column
   - Choose "All Jobs" under the fourth column.
   - Click "Go" for results. The "Total All Jobs" Count is the relevant measurement.

b. Entry Level Job Access: Applicants must submit a screenshot of the QAP Interactive Map (with Entry Level Job Access layer checked) demonstrating that the development is located in a census tract with an Entry Level Job Access Job Ratio applicable to the number of points being claimed.

Scoring:

a. Concentrated Job Center:
   - 3,000-3,999 = 3 points
   - 4,000-4,999 = 4 points
   - 5,000 and greater = 5 points

b. Entry Level Job Access:
   - 0.5 – 0.99 = 3 points
   - 1.0 – 1.5 = 4 points
   - Above 1.5 = 5 points

3. **Proximity to Amenities.** Development is located within a 1-mile linear distance to positive land uses and amenities as defined below:
   - Full service supermarket with fresh produce (2 points)
   - Restaurant or café
   - Pharmacy or medical clinic
   - Public recreation center
   - Public park
   - Public library
   - Cultural facility
   - Church or religious institution
   - Public school

   OHFA has provided definitions for all of the above amenity categories. Datasets and corresponding maps have also been provided via the QAP Interactive Maps for all of the above amenity categories except for Public recreation center and Cultural facility. Applicants are required to use the QAP Interactive Map specific to the Single Family Development pool.

   Applicants are permitted to submit an establishment that falls into one of the above amenity categories but is not included in the QAP Interactive Map for point consideration (for example, a restaurant that is not reflected in the mapping because it has recently opened). OHFA will review and determine if the amenity qualifies on a case-by-case basis. For these establishments, as well as those submitted for Public recreation center and Cultural facility, the distance must be calculated as linear distance using Google Maps. An amenity that is within 500 feet of the required distance will be considered for points.

   The majority of sites included in a scattered site development must meet the criteria to claim points.

   Submission:
   a. *Map:* For each amenity being submitted for point consideration, the applicant must submit a screenshot from the QAP Interactive Map (with applicable amenity layer checked) that shows the location of the development and the amenity being claimed for points.
      i. For any amenities not in the QAP Interactive Map, the applicant must submit a separate map that shows the location of the development and the amenity being claimed for points.
   b. *AHFA:* In the applicable Single Family Development scoring tab, the applicant will be required to provide the name, address, type of amenity, and distance between the development and each amenity for each point claimed. Each amenity listed must correspond to one of the maps provided. Submission of alternates is not permitted.

   Scoring: 1 point will be awarded for each amenity within a 1-mile linear distance of the development, up to 10 points. Only one establishment in each amenity category (i.e. Pharmacy or medical clinic) will be counted.

4. **Equity Building.** Commitment to provide tenants a matched savings account or Individual Development Account (IDA) during the 15-year rental period.

   Submission: Applicants must submit evidence of being a current Ohio CDC Association IDA subsite or evidence of pursuit of subsite status in the form of a letter from the Ohio CDC Association.

Scoring: 5 points

5. **Credit Building.** Developers/owners who will report rent payments to credit bureaus over a period of 15 years for any resident who affirmatively elects to participate.

   Submission: Applicants must submit proof of its credit reporting policies and procedures.

   Scoring: 5 points

6. **Community Change Index (lease-purchase only).** Development will be located in a census tract(s) with a Community Change Index rating of Slight, Strong, or Strongest Growth as defined by the USR Opportunity Index.

   Submission: Applicants must submit a screenshot of the QAP Interactive Map (with Community Change Index layer checked) that demonstrates the development is located in an area that is eligible for the points being requested.

   Scoring: 5 points

7. **Self-Sufficiency Programming (long-term rental only).** Developers/owners that commit to establish and operate a HUD Family Self Sufficiency (FSS) Program at their site.

   Submission: Applicants must receive project-based Section 8 rental subsidy through a Housing Assistance Payment (HAP) contract with HUD. The applicant shall provide a letter or other evidence from the Metropolitan or Public Housing Authority or other subsidy provider describing the process and timeline for obtaining the subsidy. Applicant shall also submit a Letter of Intent to OHFA committing to establish and operate an FSS Program and submit evidence of the creation of an escrow account for this purpose.

   Scoring: 5 points

POST-AWARD AND PROJECT ADMINISTRATION

Binding Reservation Agreement

After OHFA has determined the proposal applications that will receive a reservation of Competitive HTCs, 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 HTCs and other OHFA resources reserved to a proposal may not increase after the proposal reservation.

Waiting List

Proposal applications that do not receive an award will be placed on a waiting list for HTCs that become available via returns or in the national pool later in the year. HTCs that are reserved and later returned during the same calendar year will be put back into the same allocation pool. The next highest scoring application in that allocation pool will be funded, provided there are sufficient credits available. Any other available credits will be distributed according to the order of the waiting list.

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

Development Next Steps and Debriefing Meetings

OHFA may schedule an individual Development Next Steps meeting with each applicant that receives a reservation of HTCs. 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 HTCs.

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

Pre-Placed in Service Property, Ownership, and/or Management Changes

All development changes require approval from the Office of Multifamily Housing and will be reviewed on a case-by-case basis. Approval by the OHFA Board may also be necessary for developments that received financing from the HDL and HDAP programs in addition to HTCs.

OHFA may reduce or revoke a reservation of HTCs 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.

OHFA may allow the admission of an additional General Partner after HTCs 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 all of the following:

- The new General Partner will own no more than 24 percent of the General Partner shares;
- The new General Partner will not materially participate in the development;
- The new General Partner will gain little or no financial benefit from the development; and
- The new General Partner will not count the development toward their experience in future funding applications to OHFA.

Special Allocation

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

1. The applicant must have received an allocation of Competitive HTCs 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, a settlement among the parties that will enable the development to proceed, or other documentation as permitted by OHFA evidencing an imminent resolution. OHFA legal counsel will determine if these requirements are met.
4. The applicant must complete a current year application. 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. The request must be submitted no later than three years after the previous allocation was returned or revoked.

Requests that meet these requirements or that receive approval from the Director of Multifamily Housing may be presented to the OHFA Multifamily Committee and the OHFA Board for consideration of a special allocation. OHFA has no affirmative obligation to grant approval to any development seeking relief. Developments approved for a special allocation shall pay a new reservation fee equal to ten percent of the allocation amount. The original reservation fee will not be refunded.

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 proposal application date. All 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. The request must 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 HTC 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 HTC allocation will be granted in the following calendar year, and the placed-in-service deadline will be extended for up to one year. Developments granted relief shall pay a new reservation fee equal to 10 percent of the allocation amount. The original reservation fee will not be refunded. Approval may be subject to written approval by the Executive Director, Chief Operating Officer, or Director of Multifamily Housing.

Carryover Allocation for 9% HTC

All developments must meet the carryover allocation requirements described in IRC Section 42 and in Treasury Regulation 1.42-6.

A Carryover Allocation Agreement will be issued to Competitive HTC recipients 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 website. All 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. The forms may be submitted in electronic format. The forms must evidence that the “10 percent test” required by IRC Section 42 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 IRS Form(s) 8609 to the owner.

42m Letter of Eligibility for 4% HTC

After OHFA has determined that an application for 4% HTC 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. If OHFA is the bond issuer, the project must have final bond approval before OHFA will issue the 42m Letter of Eligibility.

The original 42m Letter of Eligibility must be signed by an authorized representative of the ownership entity and returned by the deadline indicated in the letter with a reservation fee equal to 6 percent of the reservation amount, and any additional documentation indicated in the letter. If the amount of HTCs is increased after the original reservation fee is paid, OHFA will invoice the project for an amount equal to 6 percent of the increased HTC allocation.

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 includes 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 HTC program.

Gross Rent Floor Election

In accordance with Revenue Procedure 94-57, the IRS will treat the gross rent floor described in IRC Section 42 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 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 (available on OHFA's Project Administration webpage) 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.

Quarterly Construction Monitoring Reports

The owner and/or developer is required to submit online Quarterly Construction Monitoring Reports detailing construction progress to OHFA. **Quarterly Reports are required for all 9% and 4% HTC projects and HDAP projects.**

The report must be submitted on a quarterly basis, beginning the first quarterly reporting period following OHFA Board approval, through 100% construction completion. Reports are due January 1, April 1, July 1 and October 1 of each year until the project is placed in service. Outstanding submissions may impact a project's ability to receive future award funding and to be reimbursed in a timely basis.

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 IRS Form(s) 8609. The following is a general list of required items, however, applicants should refer to OHFA's Project Administration webpage for the most recent submission requirements and template forms. Forms that are out of date, altered or modified will be rejected.

- Owner's Cost Certification
- Contractor's Cost Certification
- Certificate(s) of Occupancy
- Permanent Financing Documentation
- Partnership Agreement
- Recorded Restrictive Covenant
- Compliance Monitoring Fee
- Proof of Compliance Training
- Proof of Compliance Next Steps (CNS) Meeting
- Placed in Service Notification
- Green Certification
- Changes Narrative

The request for Form 8609 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 Form 8609 and corrections or clarifications to previous submissions are reviewed in the order submitted. OHFA will issue Form(s) 8609 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 issuance. The closeout process for any HDAP funds awarded to the development must also be completed before 8609s 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.

TRAINING AND TECHNICAL ASSISTANCE

INTRODUCTION

OHFA's Multifamily Training and Technical Assistance team (MT&TA) is dedicated to fostering and promoting positive relationships with all parties involved with OHFA-funded multifamily housing. Training and technical assistance provides the developer, owner, management company or other entities the opportunity to build their relationship with OHFA and seek guidance on related requirements. Some trainings or programs, such as the Compliance Next Steps, may be required in order to complete specific requirements of the development process or for ongoing compliance. Many other technical assistance offerings are available as optional resources that are accessible at any time through the Multifamily Training & Technical Assistance webpage.

COMPLIANCE NEXT STEPS PROCESS

Compliance Next Steps (CNS) is tailored to each property, and provides an opportunity to ensure all parties involved with OHFA-funded multifamily properties are aware of federal and state regulations stemming from various funding sources. **Completion of the CNS process is required as part of the request for IRS Form 8609.**

Developers and management agents are required to participate in the CNS meeting and, as warranted, additional transition meetings. OHFA may also require the owner or owner representative to participate in the meeting(s). Syndicators will be invited to attend the meeting(s) but are not required. OHFA MT&TA staff will schedule an initial CNS meeting based upon the following criteria that is identified in the OHFA Quarterly Construction Monitoring Form:

- *New Construction or HDAP:* when the project reaches the 50 percent construction completion point.
- *Acquisition/Rehabilitation:* when the property is transferred to the new ownership entity.
- *Rehabilitation only:* when the property reaches the 50 percent rehabilitation completion point or within 30 days of the first or only building placing in service, whichever is first.

Additional transition meetings will occur based on the progress of the property, complexity of the funding, experience of entities involved or other factors. These meetings are to discuss any further compliance questions or concerns and ensure there is a smooth transition between development and compliance.

A developer, owner agent(s) and/or property management agent(s) who fail to attend a CNS meeting will not be issued an IRS Form 8609 and may be placed in Not in Good Partnership status with OHFA.

Refer to the Compliance Next Steps webpage for full details on the process and the documentation required to be submitted during the process, including the Affirmative Fair Housing Marketing Plan, VAWA Emergency Transfer Plan, Tenant Selection Plan, Project Summary Confirmation Form, and more.

Trainings and Course Offerings

Trainings offered by the MT&TA team include in-person trainings across the state, live webinars, on-demand courses, and videos. Currently available and upcoming courses can be found on the Multifamily Training & Technical Assistance webpage.

OHFA Compliance Policies and Regulations Training

Completion of the OHFA Compliance Policies and Regulations Training is **required in order to obtain IRS Form 8609.**

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

Onboarding and Relationship Building Program

The Onboarding and Relationship Building program is tailored to each ownership entity, property management agent, or other partners based on their specific needs. Participation may be required at any point in the life of the property. OHFA will notify a partner if participation in this program is required. Events that may trigger participation include:

- Changes in ownership or management at a property;
- Working with OHFA for the first time;
- Having minimal experience with LIHTC, HOME, or other OHFA multifamily programs; or
- Significant and/or systemic compliance issues, such as frequent management company turnover, repeated unresponsiveness to OHFA, etc.

The onboarding and relationship building process will require at least one partner meeting and may require completion of a training program tailored to the organization.

It is at OHFA's discretion to determine which entities involved with a property will be required to complete the program. Owner or owner agent(s) and/or property management agent(s) who fail to participation in the Onboarding and Relationship Building program may be placed in Not in Good Standing status.

PROGRAM COMPLIANCE

INTRODUCTION

The monitoring process determines if a property is complying with IRC requirements. The HTC monitoring process is outlined in IRC Section 42, IRS Regulation 1.42-5, the QAP, and other OHFA policies. Compliance with IRC requirements is the sole responsibility of the owner of the building for which the HTC was allocated. OHFA's obligation to monitor for compliance does not make OHFA liable for owner noncompliance.

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 IRC Section 42(h)(6)(D) for more information). This definition shall apply to any references of "extended use period" made in the 2020-2021 QAP.

MONITORING REQUIREMENTS AND PROCESS

HTC projects are required to comply with the below requirements, in addition to any other requirements described in guidance published on OHFA's Compliance webpage.

Compliance requirements are communicated to owners and managers of HTC developments through the OHFA website, training sessions, email updates, and other means such as the OHFA newsletter. Owners and managers are expected to subscribe to OHFA's email listing and consult these and other resources to ensure they are up-to-date regarding policies and procedures established by OHFA.

It is the responsibility of the owner 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, tenant files, Form 8609, the HTC restrictive covenant(s), Housing Development Assistance Program (HDAP) funding agreement, or 811 Rental Assistance Contract.

1. All residents must be income qualified, to ensure they meet income restrictions as adjusted for household size prior to moving into the unit. Units must be rent restricted as provided for in the IRC. All units allocated HTCs must be safe, decent and sanitary housing units complying with local building, health, safety, and zoning codes.
2. Within 15 days of placing the last building in service, the project owner must forward a letter to the compliancenextsteps@ohiohome.org assigned to the project indicating the date on which the last building was placed-in-service. Failure to provide written notification may result in a noncompliance fee.
3. The owner of a HTC development must keep records for each qualified low-income building in the project for each year of the compliance and extended use period. These records must include but are not limited to the following for each building in the project:
    a. The total number of residential rental units in the building (including the number of bedrooms and the size in square feet of each residential rental unit);
    b. The percentage of residential rental units in the building that are low-income units;
    c. The rent charged on each residential rental unit in the building (including any utility allowances);

d. The number of occupants in each low-income unit;

e. The unit vacancies in the building and information showing when, and to whom, the next available units were rented;

f. The annual income certification of each low-income resident per unit (if applicable);

g. Annual student status certification;

h. Demographic information;

i. Documentation to support each low-income resident's income certification. Resident income is calculated in a manner consistent with the determination of annual income under Section 8 of the United States Housing Act of 1937 ("Section 8"), not in accordance with the determination of gross income for federal income tax liability;

j. The eligible basis and qualified basis of the building at the end of each year of the credit period, compliance and extended use periods; and

k. The character and use of the non-residential portion of the building included in the building's eligible basis under IRC Section 42(d).

4. The owner of a HTC development is required to retain the records described in #3 for 21 years for the original qualifying households and 6 years after move out for all other households.

5. Owners must have access to DevCo (or other online system designated by OHFA) and ensure property managers and the appropriate on-site staff have access to, and are registered, in DevCo. Owners are required to update all tenant and project data in DevCo each month. For further information on DevCo including guides and webinars, access the DevCo webpage.

6. OHFA will review resident files and conduct physical inspections of the buildings, common areas and units throughout the 15-year compliance period and the entire Extended Use Period as specified in the Restrictive Covenant. 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 as allocated by OHFA, whether the property is in Extended Use, changes in ownership or management company, scores compiled through an internal Risk Assessment, systemic non-compliance issues from past inspections, and resident complaints. For all properties in the compliance period, pursuant to Treasury Regulation 1.42-5(c)(2) at least once every three years, OHFA will conduct on-site inspections of all buildings in the project and review a sample of low-income units for physical inspection and file review based on the table to paragraph (C)(2)(iii). The owner/property management company is responsible to ensure adequate staff are available to assist with the inspection and all tenant files and unit keys are readily accessible.

7. The owner will receive written reasonable notice of the inspection generally no more than 15 days per Treasury Regulation 1.42-5(c)(2). The owner must provide tenants with a notice of inspection at least 24 hours prior to the date of the inspection. The owner is responsible for ensuring all requested documentation is uploaded into DevCo no later than the date/time specified in the notice. Owners that fail to timely submit the requested documents may be placed in Not in Good Standing status and may be issued a fee for

noncompliance.

8. If OHFA is unable to serve notice to the property owner by mail, email, and/or telephone or owners fail to cooperate with OHFA staff to conduct an inspection, OHFA may consider the property out-of-compliance and 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 Standing.
9. During the correction period, an owner must correct any noncompliance and provide evidence to OHFA of such corrections. Failure to correct noncompliance may warrant OHFA to issue Uncorrected Form 8823 to the IRS.
10. OHFA is required to file Form 8823 with the IRS for all identified deficiencies. In addition to notifying the IRS of noncompliance, the owner or management company may be placed in Not in Good Standing status.

Annual Owner Certification Requirements

Owners and sponsors of developments funded by OHFA with HTCs, HDAP, or Multifamily Bonds must annually submit certifications and reports to remain in compliance with these programs. Owners are required to submit Annual Owner Certifications and Tenant Data via OHFA's online reporting system. Annual Owner Reports are due March 1 of each year. The property's funding and age determine the required reporting.

- *Extended Use Properties:* These properties have completed the first 15 years of the compliance period and are required to submit tenant data on all rental activity for the reporting year. Student status updates are not required during the extended use period but are suggested if the project is considering receiving more credits in the future. The extended use annual certification questionnaire must also be submitted.
- *HDAP-only Properties:* Properties with HOME, OHTF, and/or NHTF only are still required to submit tenant data on their HDAP units and complete the gap financing annual certification.
- *New Projects or Lease-Up Phase:* If any unit is qualified during the reporting period, the owner is required to submit the tenant data and annual certification.
- *Properties Sold During the Reporting Year:* If the property was sold during the reporting period, the owner of record at the end of the year is responsible for annual reporting for the entire calendar year. Please make sure you request access to new acquired properties through the DevCo help desk as soon as possible to comply with annual reporting and monthly tenant data entry requirements.

When completing the owner certification, the owner is certifying that, for the previous calendar year, the owner met the following requirements:

1. Specifying if there has been a change in the owner or management during the reporting period;
2. Specifying if the property is third-party managed or managed by a company that is not part of the ownership interest;
3. The 20-50 test under IRC Section 42(g)(1)(A), the 40-60 test under section 42(g)(1)(B), or the Average Income test under section 42(g)(1)(C), 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;

4. 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;
5. 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 MHA described in paragraph (b)(1)(vii) of the Recordkeeping and Retention provisions of IRS Regulation 1.42-5;
6. Each low-income unit in the project was rent-restricted under Section 42(g)(2);
7. 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]);
8. 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;
9. 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);
10. 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;
11. 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;
12. 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;
13. 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;
14. 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);
15. For the preceding calendar year, 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;
16. 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;

17. Verifying the information for the property in the Ohio Housing Locator is current;
18. Certifying that the Supportive Services Plan established for the property is being followed;
19. Certifying that the owner is in compliance with the requirements of the Violence Against Women Act (VAWA);
20. Certifying that a representative of the owner and/or management company has attended a LIHTC training at least once every two years; and
21. **Certifying that only active brokers and their affiliated salespersons associated with a brokerage may perform property management services for a fee and for another in the State of Ohio. Licensure exemptions are found in Ohio Revised Code Section 4735.01(I) and, in part, include an owner of a property whether such owner is a person, partnership, association, limited liability company, limited liability partnership, or corporation. The exemption also includes the regular employees of the property owner(s).**

Tenant Income Certification

OHFA requires that the owner of a HTC development annually certify that residents meet the program requirements, including but not limited to the income 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 IRC Section 42. However, IRC Section 42 requires owners with HTC funding to continue verifying resident student status annually. Owners must use OHFA's Student Certification as published on the Compliance webpage.

Properties funded with multiple subsides will have to adhere to all of the recertification requirements for each funding source. OHFA monitors for the LIHTC, HOME, OHTF and NHTF funding programs. Refer to the Tenant Income Certification section of the OHFA Compliance Policies Manual for more information on certification and recertification requirements.

Property, Ownership, and/or Management Changes

Changes in owner and/or management companies or sale of the property that occur after a development has placed-in-service must be submitted to the Division of Asset Management in the OHFA Office of Multifamily Housing. Owners are required to submit the request in accordance with OHFA policy, available on the OHFA website in the Project Changes section. Various documentation for these changes must be submitted to the OHFA Project Changes inbox, ohfaprojectchanges@ohiohome.org, a minimum of 30 days prior to the change or sale. **OHFA must approve all ownership change requests prior to the change going into effect.**

Management company changes do not require approval by OHFA; however, the Management Company Change Form must still be submitted to OHFA a minimum of 30 days prior to terminating the services of the current management company. In accordance with Ohio Revised Code Chapter 4735, fee managed companies (not part of the ownership) must have an active Ohio Broker's License. Evidence of this must be submitted with the documentation of the management company change.

Failure to provide timely requests for approval may place the owner, general partner and/or property manager in Not in Good Standing status and assessed a fee of noncompliance. Owners who fail to provide 30-day notice of an owner or management company change may further be subject to a noncompliance fee as outlined in Appendix A: Fee Schedule. Once an entity is placed in Not in Good Standing status, the ability to access program funding will not be available for at least one full calendar year.

Owners and/or property management companies who are new to OHFA (i.e. have never received OHFA funding) or have no or little experience with LIHTC, HOME or other OHFA multifamily programs will be required to participate in OHFA's Onboarding Relationship process to include attending one or more partner meetings. Tailored training as determined by OHFA may also be required. The partner meetings will be held with staff from OHFA's Asset Management, Compliance, and Training and Technical Assistance Offices. Participation in one or more partner meetings may be required as a condition of new ownership approval by OHFA's Division of Asset Management.

Violence Against Women Act Ongoing Compliance

Adherence to the requirements of VAWA is required for all projects receiving funding through one or more of OHFA's Multifamily Housing programs. Properties that receive HOME, OHTF, and/or NHTF funding are required to follow the HUD 2013 VAWA Final Rule. Although the IRS has not provided guidance on how to comply with the VAWA, OHFA requires properties with HTC funding follow the HUD 2013 VAWA Final Rule when implementing VAWA Rule protections for their tenants. For more information on ongoing compliance with VAWA, visit OHFA's Compliance Policies webpage.

Affirmative Fair Housing Marketing Plans

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

Information and guidance related to completing the AFHMPs can be found on OHFA's Compliance Policies webpage under "Affirmative Fair Housing Marketing". The project's AFHMP must be submitted to OHFA's Compliance Office for approval. For developments allocated OHFA funding on or after 2020, the AFHMP must be approved by OHFA prior to issuance of Form 8609.

Compliance Fee

OHFA requires HTC owners to pay a one-time compliance monitoring fee. See Appendix A: Fee Schedule for details. Additionally, OHFA reserves the right to charge the owner for fees related to project changes, noncompliance, or any other administrative items.

ASSET MANAGEMENT

The Division of Asset Management requires many OHFA-funded properties to submit periodic financial information, including internally-prepared and/or independently-audited financial statements in addition to other property-level information.

Submission requirements can be found on the Asset Management webpage. All documentation should be e-mailed to the Office of Multifamily Housing's Division of Asset Management at assetmanagement@ohiohome.org by the applicable dates as specified below. The Division will review all information for completeness and issue receipt of the submissions.

Applicants should reference the Asset Management section of the OHFA website for further reporting information.

REQUIREMENTS FOR LIHTC PROJECTS

Beginning with projects funded through the 2020 Qualified Allocation Plan, all LIHTC projects are required to submit annual independently-prepared audited financial statements throughout the 15-year compliance period. During the Extended Use Period, projects with 50 or more units will continue to submit independently-prepared audited financial statements; projects with less than 50 units will submit independently-prepared reviewed financial statements.

OHFA reserves the right to request additional information to complete our annual financial review. The reporting periods and submission dates are as follows:

Reporting Period: Annually, January 1 – December 31
Submission Due: July 31 of the following year

REQUIREMENTS FOR PROJECTS WITH HOME OR NHTF FUNDING

HOME-funded projects

The 2013 Final HOME Rule as implemented through 24 CFR § 92.504 requires that projects with 10 or more HOME-assisted units that were allocated funding on or after July 24, 2014 must undergo periodic financial review. Specifically, the participating jurisdiction must examine at least annually the financial condition of the aforementioned properties to determine the continued financial viability of the housing and must take actions to correct problems, to the extent feasible. In line with these regulations, OHFA requires owners of such properties to submit annual financial information. The reporting periods and submission dates are as follows:

Reporting Period: Annually, January 1 – December 31
Submission Due: July 31 of the following year

NHTF-funded projects

24 CFR § 93.404 (e) requires that projects with 10 or more NHTF-assisted units must undergo periodic financial review. Specifically, the grantee must examine at least annually the financial condition of the aforementioned properties to determine the continued financial viability of the housing and must take actions to correct problems, to the extent feasible. In line with these

regulations, OHFA requires owners of such properties to submit annual financial information. The reporting periods and submission dates are as follows:

Reporting Period: Annually, January 1 – December 31
Submission Due: July 31 of the following year

Additionally, 24 CFR § 93.404 (c)(2)(iii) requires that NHTF funding recipients must submit to OHFA an annual audit performed on each project assisted with HTF funds, beginning the first year following the cost certification and with the final annual audit occurring the last year of the affordability period. The reporting periods and submission dates are as follows:

Reporting Period: Annually, January 1 – December 31
Submission Due: July 31 of the following year

HOUSING CREDIT GAP FINANCING

HCGF Overview

Purpose

The Housing Development Assistance Program (HDAP), including the Housing Credit Gap Financing (HCGF) program, provides financing to support the preservation or construction of affordable housing for persons who have low incomes and households in the State of Ohio. Resources are subject to appropriation of funds to the Ohio Housing Trust Fund (OHTF) by the State Legislature, allocation by the OHTF Advisory Committee, U.S. Department of Housing and Urban Development (HUD), and approval of the State Consolidated Plan.

Funding Sources

The following resources are used to provide HCGF assistance to eligible projects:

HOME Investment Partnerships Program (HOME): HOME funds are provided by federal appropriation by the U.S. Department of Housing and Urban Development (HUD) and are subject to approval of the State Consolidated Plan. 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. Awards of HOME funds are subject to approval by the OHFA Board.

Ohio Housing Trust Fund (OHTF): The Ohio Housing Trust Fund provides funding to HDAP projects predominantly serving low- to moderate-income households with incomes at or below 50 percent of the Area Median Income (AMI). The OHTF gives preference to projects that benefit households with incomes at or below 35 percent of the AMI 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. The amount and use of OHTF dollars are subject to appropriation, per project approval by the State Controlling Board, and approval by the OHFA Board.

National Housing Trust Fund (NHTF): The National Housing Trust Fund was established by Title I of the Housing and Economic Recovery Act of 2008 to increase and preserve rental housing as well as increase homeownership for very low- and extremely low-income families, including those experiencing homelessness, through formula grants to states. Davis-Bacon labor standards do not apply to NHTF. Further program guidelines and requirements are contained in the annual NHTF Allocation Plan, which is specifically incorporated herein.

- NHTF funds will only be made available to the extent they are not awarded through the Bond Gap Financing or Housing Development Gap Financing programs.

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 and any required related codes and laws.

Applicants receiving an HDAP award must meet all program requirements and will be subject to approval from the OHFA Board. OHFA will award HDAP 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 Multifamily Housing prior to the submission of their HTC application. OHFA does not guarantee that any request for a specific type of funds will be approved.

HCGF Eligibility

Eligible HCGF applicants are private for-profit housing developers, not-for-profit 501(c)(3) and 501(c)(4) organizations and public housing authorities who are seeking Competitive HTC. Religious organizations and their subsidiaries/affiliates must meet the provisions in 24 CFR Part 92.257. Applicants may seek HCGF funds at the time of 9% proposal application and are subject to development need. Only the project types specified in the Limits on Housing Credit Gap Financing Funds section are eligible to apply for HCGF funds.

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

Eligible Uses of Funds

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.

The following development budget line items are permitted:

- Acquisition (non-related party only)
- Demolition (not applicable for preservation projects)
- On-site improvements
- Construction and/or renovation costs including construction fee items, construction contingency, and contractor overhead and profit (excluding costs associated with construction of commercial property)
- Furnishings and appliances
- Architectural and engineering fees
- Developer fees and developer overhead
- Consultant fees
- Legal fees

The following development budget line items are not permitted:

- Costs associated with creating market rate housing and/or commercial spaces
- Single family lease purchase developments
- Free-standing, non-residential buildings
- Infrastructure dedicated back to the local municipality

Ineligible Developments

Ineligible developments include the following:

- Residential care/assisted living/memory care facilities
- Projects that received a prior HDAP award. OHFA will consider exceptions to this requirement. Applicants must contact OHFA prior to submitting an application for additional HDAP resources.
- Projects that include or constitute Single-Room Occupancy (SRO) housing, congregate

housing, group homes, shared housing or cooperative housing as defined by HUD in Chapter 17 of the HUD Housing Choice Voucher Program Guidebook
- Projects that require residents to occupy the unit with another person (roommate)
- Projects that will not result in a certification of residential occupancy by the local government or project architect
- Hospitals, nursing homes, sanitariums, life care facilities, retirement homes (if providing significant services other than housing are mandatory for residents), employer housing, mobile homes and student housing
- Projects that include for-sale homes that are currently under construction or that were recently approved for LIHTCs or are currently within a LIHTC compliance period
- HUD Section 9 developments not converting to Project-Based Rental Assistance

HCGF Financing Terms

Applicants that appropriately evidence status as a not-for-profit organization may request 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. The following loan terms and criteria apply:

- Up to a 2 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 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. Year 1 is calculated from the date all close-out documentation is approved by OHFA.
- 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.
- 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 Compliance Division, throughout the term.

Eligibility for Grant Funding

Grants must be requested by the applicant and are available only if all the following conditions are met:

- The eligible applicant is the controlling general partner and is a 501(c)(3) or 501(c)(4) entity;
- At least 20 percent of the units in the development will be occupied by and affordable to households at or below 35 percent of AMI;

- The recipient treats the funds as a grant for tax purposes;
- The recipient does not loan the funds to the development, but treats it as a grant or capital contribution; and
- Cash flow demonstrates the project cannot support debt.

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 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.

HCGF Project Requirements

Rent and Income Restrictions

Developments that will include HDAP funds must meet the following requirements in addition to requirements of the HTC program.

HDAP Restricted Units

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

- 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; and
- 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 and scoring incentives for the HTC program.

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

- 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; and
- A minimum of 5 percent of units occupied by and affordable to households at or below 35 percent AMI for the entire affordability period. These units may count toward requirements and scoring incentives for HTC program.

HDAP Assisted Units

All projects will be required to maintain HDAP-Assisted Units, which are determined by the amount of HDAP provided, the 234 limits, and the costs to develop the unit. Affordable units are defined as units that are affordable to households at or below 80 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.

Environmental Review (ER)

OHFA will conduct a supplemental Environmental Review for all projects receiving HOME, OHTF or NHTF funds, as required by those funding sources. OHFA will assign the review to an environmental consultant who will coordinate with the project contact and complete the review according to the specific requirements of the funding source.

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, at a minimum, 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.
- **NHTF- and 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 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 NHTF and/or 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.

Design & Construction Requirements

All applications shall meet the minimum design requirements as outlined in the OHFA Design & Architectural Standards. If receiving funding from the HOME Investment Partnerships Program, developments must meet all requirements as outlined in 24 CFR §92.251 – Property Standards. If receiving funding from the National Housing Trust Fund, developments must meet all requirements as outlined in 24 CFR §93.301 – Property Standards.

For developments involving rehabilitation of existing units, applicants will be further required to meet the Residential Rehabilitation Standards maintained by ODSA. The proposed scope of work will also be evaluated to determine whether rehabilitation will ensure 30-year sustainability.

Lead-Based Paint Strategy

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

- Indicate whether or not the property(ies) has (have) been tested for lead-based paint.
- 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.
- 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.
- Describe the availability of licensed lead testers, contractors and workers in your area, and if there is a shortage of licensed personnel, how might that effect the construction of your project regarding timeline and what strategies you will use to find licensed personnel.

For ODSA's Lead-Based Paint guidelines, please contact ODSA.

Appraisals

All projects will be required to submit an "as-is" appraisal that supports those costs. Appraisals must meet OHFA's requirements as outlined in the OHFA Multifamily Underwriting Guidelines 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.

Uniform Relocation Act (URA) Relocation Standards

Relocation Forms

The application shall include Real Property Acquisition and Relocation Certifications and Voluntary Acquisition Forms, available on OHFA's website, for all developments involving acquisition of real property or easements, or rehabilitation as follows:

- A complete URA Attachment "Acquisition, Relocation and Demolition Questionnaire".
- A complete URA Attachment "Residential Anti-Displacement & Relocation Assistance Plan".
- 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 ODSA's 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.

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:

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

For additional questions on relocation, please contact ODSA.

Affirmative Fair Housing Marketing Plan

OHFA must ensure that all projects financed with Agency resources are affirmatively marketed. A completed Affirmative Fair Housing Marketing Plan with required attachments must be submitted at the Compliance Next Steps meeting, in accordance with the most current policies of the Compliance Division.

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.

Funding from OHTF and NHTF may be subject to Ohio's Residential Prevailing Wage Rates as detailed in ORC 176.05. Applicants are encouraged to review these requirements and, if necessary, contact the Bureau of Wage & Hour Administration within the Ohio Department of Commerce, Division of Industrial Compliance for a determination.

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 ODSA's Office of Community Development. Additional information regarding Prevailing Wage can be found on the Project Administration webpage.

HCGF 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. Closing procedures are available on the OHFA website. 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 shall notify OHFA immediately and request approval of any changes that occur in the project at any time after project approval through the affordability period. Such changes include, but are not limited to, changes in the development team; changes in the number of units or unit mix; changes to the target population; etc. The request shall be sent to:

Ohio Housing Finance Agency
Office of Multifamily Housing, Development Division
57 East Main St., 4th Floor
Columbus, OH 43215

OHFA reserves the right to assess fees consistent with its current Fee Schedule, a copy of which, current through the QAP's publication date, is attached as Appendix A.

Project Administration and Drawing HDAP

Recipients shall reference the Guide to Requesting HDAP Funds document for further information. This document may be found on the Project Administration Page of the OHFA website.

Compliance Reporting Requirements

Recipients are responsible for compliance with applicable implementation, reporting, file and physical inspections, and record-keeping requirements associated with the HDAP requirements as specified herein and further described in enabling legislation, regulation, and rule.

Annual Reporting

The owner is responsible for reporting to OHFA annually through the DevCo online system including the Annual Owner Certification and resident and project data using the XML upload or housing credit compliance software (e.g. Yardi) as well as other reports and certifications necessary to evidence compliance with HCGF requirements.

HOME Rent Approval

In accordance with the 2013 Final Home Rule (24 CFR 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. 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's Compliance Division.

HOME Utility Allowance Approval

The 2013 Final HOME Rule requires Participating Jurisdictions to determine an individual utility allowance for each HOME rental project by using the HUD Utility Schedule Model, utility company estimate, or energy consumption model. MHA estimates or other estimates that are not project specific are no longer acceptable. For projects awarded HOME funding after August 23, 2013, OHFA will approve an individual utility allowance on an annual basis in accordance with the 2013

Final Home Rule {24CFR 92.252}. Effective January 1, 2017, owners must submit a utility allowance request by using either the HUD Utility Schedule Model or a utility allowance methodology as described in OHFA's Utility Allowance Policy (Utility Allowance Policies and Procedures) available on the OHFA website.

Asset Management

Requirements for HOME and NHTF can be found in the Asset Management section of the QAP.

APPENDIX A: FEE SCHEDULE

Description	Fee	Due Date
9 Percent Proposal Application Fee	$5,000	With application
9 Percent Final Application Fee	$3,000	With Final Application
4 Percent Final Application Fee	$3,500	With Final Application
Subsidy Layering Review Fee	$5,000	With submission
FHAct50 Final Application Fee	$5,000	With Final Application
Additional Assisted Living Application Fee	$5,000	With Final Application
9 Percent Reservation Fee	6% of Reservation Amount	With Binding Reservation
4 Percent Reservation Fee	6% of Reservation Amount	Prior to 42m Letter
Reassessment Fee – LIHTC	Varies based on issue	With request
Reassessment Fee – HDAP	Varies based on issue	With request
HTC Compliance Monitoring Fee	$2,400 per unit	With 8609 request
Funding Agreement Amendment Fee	$1,000	With amendment request
Funding Agreement Extension Fee	$1,000	With extension request
Owner/Manager Change Fine Without 30-Day Notification to OHFA	$1,000	Invoiced by OHFA
Multifamily Bond Closing Fee	1/10 of 2% of the bond amount or $3,000, whichever is greater	At closing
Program Compliance: GP/LP Changes after PIS	$500	With request
Program Compliance: Management Changes	$500	With request
Program Compliance: Restrictive Covenant Modifications	$750	With request
Program Compliance: Restrictive Covenant Releases	$5,000	With request
Program Compliance: Qualified Contract	$1,500	With request
Program Compliance: Late Annual Owner Certification	$1,000	TBD
Program Compliance: Late Project Change Notification	$1,000	With request

APPENDIX B(1): SUBMISSION REQUIREMENTS – COMPETITIVE HTC

Competitive HTC: Required Documents	PROGRAM		
	Proposal	Final	8609
Affordable Housing Financing Application (AHFA)	■	■	
Appraisal		■	
Architectural Plans & DCF Form	■	■	
Authorization to Release Tax Information	■		
Community Outreach Plan		■	
Competitive Support Documents	■		
Conditional Financial Commitments	■	■	
Condominimized Space Description		■	
Development Team Consultant Statement	■		
Development Team Experience and Capacity Review	■		
Evidence of Site Control	■	■	
Exception Requests	■		
Federal Tax Identification Number Documentation		■	
Green Certification			■
Housing Credit Gap Financing Application (in AHFA)	■	■	
Legal Description		■	
LIHTC Lease Addendum		■	
Limited Partnership Agreement			■
List of Changes from Proposal Application		■	
Management Company Capacity Review (in AHFA)		■	
Market Study	■		
Notification to Statewide Accessibility Groups (new units)		■	
Ohio Housing Locator			■
Phase I Environmental Site Assessment	■		
Phase II Environmental Site Assessment (if applicable)		■	
Physical Capital Needs Assessment / Scope of Work	■		
Proposal Summary PDF	■		
Public Notification (new units only)	■		
Related Party Transaction Questionnaire		■	
Relocation Plan		■	
Rental Subsidy Contract	■	■	
Revitalization Plan	■		
Scattered Site Development Map	■		
Site Visit Documents	■		
Supportive Services Plan & Providers	■		■
Utility Allowance Information	■	■	
Zoning	■		

APPENDIX B(2): SUBMISSION REQUIREMENTS – NON-COMPETITIVE HTC ONLY

Non-Competitive HTC: Required Documents	PROGRAM	
	Submission	8609
Affordable Housing Financing Application (AHFA)	▪	
Appraisal	▪	
Architectural Plans & DCF Form	▪	
Authorization to Release Tax Information	▪	
Community Outreach Plan	▪	
Conditional Financial Commitments	▪	
Condominimized Space Description	▪	
Development Team Consultant Statement	▪	
Development Team Experience and Capacity Review	▪	
Evidence of Site Control	▪	
Exception Requests	▪	
Federal Tax Identification Number Documentation	▪	
Green Certification		▪
Legal Description	▪	
LIHTC Lease Addendum	▪	
Limited Partnership Agreement		▪
Management Company Capacity Review (in AHFA)	▪	
Market Study	▪	
Multifamily Bond Financing Information	▪	
Notification to Statewide Accessibility Groups (new units)	▪	
Ohio Housing Locator		▪
Phase I Environmental Site Assessment, Phase II if applicable	▪	
Physical Capital Needs Assessment and Scope of Work	▪	
Proposal Summary PDF	▪	
Public Notification (new units only)	▪	
Related Party Transaction Questionnaire	▪	
Relocation Plan	▪	
Rental Subsidy Contract	▪	
Scattered Site Development Map	▪	
Site Visit Documents	▪	
Supportive Services Plan & Providers		▪
Utility Allowance Information	▪	
Zoning	▪	

APPENDIX B(3): SUBMISSION REQUIREMENTS – FHACT50 BUILDING OPPORTUNITY FUND

FHAct50 Building Opportunity Fund: Required Documents	PROGRAM	
	Submission	8609
Affordable Housing Financing Application (AHFA)	■	
Appraisal	■	
Architectural Plans & DCF Form	■	
Authorization to Release Tax Information	■	
Community Outreach Plan	■	
Conditional Financial Commitments	■	
Condominimized Space Description	■	
Development Team Consultant Statement	■	
Development Team Experience and Capacity Review	■	
Evidence of Site Control	■	
Exception Requests	■	
Federal Tax Identification Number Documentation	■	
Green Certification		■
Legal Description	■	
LIHTC Lease Addendum	■	
Limited Partnership Agreement		■
Management Company Capacity Review (in AHFA)	■	
Market Study	■	
Notification to Statewide Accessibility Groups (new units)	■	
Ohio Housing Locator		■
Phase I Environmental Site Assessment, Phase II if applicable	■	
Physical Capital Needs Assessment and Scope of Work	■	
Proposal Summary PDF	■	
Public Notification (new units only)	■	
Related Party Transaction Questionnaire	■	
Relocation Plan	■	
Rental Subsidy Contract	■	
Revitalization Plan	■	
Scattered Site Development Map	■	
Site Visit Documents	■	
Supportive Services Plan & Providers		■
Utility Allowance Information	■	
Zoning	■	

APPENDIX C: EXPERIENCE & CAPACITY CHARACTERISTICS

All Development Teams are required to submit their team for pre-approval to OHFA by the date listed in the Program Calendar. Requirements for pre-approval submission can be found in the Development Team Experience & Capacity Review Document Submission Requirements section.

Minimum Eligibility Requirements – 4% HTC

Applicants must have prior HTC experience as defined below in order to apply for Ohio 4% HTC. Owners must have demonstrated experience in owning affordable housing.

Developers:

At least one HTC project has been placed in service in Ohio or other states within the past 10 years.

OHFA may impose application limits or restrictions on developers new to Ohio based on their previous experience, for example, requiring that developers who have received their first Ohio 4% HTC award must begin construction on that project before seeking additional 4% HTC from OHFA.

Minimum Eligibility Requirements – 9% HTC

Applicants must have prior 9% HTC experience as defined below in order to apply for Ohio 9% HTC. Owners must have demonstrated experience in owning affordable housing.

Developers:

- At least one 9% HTC project has been placed in service in Ohio within the past 10 years; or
- At least three 9% HTC projects have been placed in service in other states within the past 10 years.

  If the applicant does not meet one of the above requirements but can demonstrate one or more of the below, they may request an exception to be able to submit an application:
  - Applicant has received their first award of Ohio 9% HTCs but has not yet received Form 8609 for the associated project; or
  - Applicant will be partnering with an entity who does have the required experience (see requirements for eligible partners below); or
  - Applicant has 9% HTC experience gained while working at a different organization; or
  - Applicant has 4% LIHTC experience.

Only developers meeting the below requirement are eligible to serve as a co-developer/partner entity to those applicants not meeting the 9% HTC minimum eligibility requirements:

- Applicant has received Ohio 9% HTCs and received 8609s for at least three projects in the past 10 years.

Experience & Capacity Review

OHFA will evaluate each organization individually and as a whole to determine whether the team has the following core competencies:

- Capacity to construct and operate the proposed project;
- Record of completing affordable housing developments in required timeframes;
- Record of meeting project deadlines set by OHFA;
- Management team experience marketing and leasing affordable housing units;
- Experience developing and managing communities similar to the proposal; and
- Compliance with the requirements of the HTC program and other OHFA-administered programs.

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 may request additional information to evaluate experience and capacity as it determines may be necessary. 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.

Any team that lacks sufficient experience and capacity to manage an award will be removed from consideration. OHFA reserves the right to determine whether any entity is acting as a developer based on the totality of available information.

Development Team Evaluation

The following criteria will be used to evaluate the team as a whole, including General Partners, developers, and development consultants, for the proposed development (The experience of syndicators will not be considered when evaluating the Experience and Capacity of a development team):

- **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.
- **Past Performance**:
  - OHFA will analyze the degree to which prior OHFA commitments were honored and the extent to which the development team as a whole had positive interactions with OHFA. This includes but is not limited to the history of exchanging credits, extending deadlines on HDAP agreements, and submitting requests for Form(s) 8609 within established deadlines. It may also include timely submission of reports such as construction monitoring reports and owner certifications, maintenance of properties on Ohio Housing Locator, and compliance with competitive scoring criteria after a reservation of funds has been made.
- **Present Capacity**:
  - OHFA will review all developments that the team members presently have in development and determine whether there is sufficient capacity to successfully complete all developments and any new development awards in a timely and efficient manner. The amount of resources awarded to a particular team may be limited based on OHFA's judgment of capacity.
- **Financial Strength**:

- The financial capacity of the team as a whole will be reviewed and must be found acceptable. OHFA may request financial statements for members of the ownership entity providing guarantees to the project as part of this review.
- General Partners that haven't placed into service a project in Ohio within the last five years must submit financial documentation as described in the Development Team Experience & Capacity Review Document Submission Requirements section.
  - OHFA will use this information to assess the General Partner's financial capacity, assessing whether the entities have sufficient working capital to carry the project through completion and net worth sufficient to provide guarantees of project completion and operation.

- **Outstanding financial obligations**:
  - All financial obligations to OHFA and to the State of Ohio must be current. Any delinquent obligations of any team member may disqualify the team from competing for an award. This specifically includes timeliness and completeness of HDAP repayments and communication with OHFA staff regarding those obligations. OHFA will perform a credit check on the developer and General Partner as part of this review.

Property Management Company Evaluation

The Experience and Capacity review of the management company as described below will be completed upon submission of the Final Application. At proposal application, the applicant must only identify the management company in the AHFA.

Final Application: At final application (or submission for Non-Competitive HTC), the applicant must provide a completed Management Company Capacity Review form. The Management Company Capacity Review form is contained as a tab within the AHFA.

The following criteria, outlined in more detail in the Review form, will be used to evaluate the management company for the proposed development:

- ***Experience and Performance***, including but not limited to years of experience, current portfolio, quality and success of previous developments, history of violations, and required certifications for on-site managers.
- ***Operations and Structure***, including but not limited to ownership structure, ownership interests, and possession of an Ohio Real Estate Broker's license if applicable.

At a minimum, the management company must have managed at least five HTC and/or federally-subsidized developments (each consisting of at least ten units) for at least one year each; or must have managed two HTC developments (each consisting of at least ten units) for at least three years each.

Management companies with the requisite experience above, but with no prior experience managing OHFA properties will be evaluated by the information contained in their completed OHFA Management Company Capacity Review. These companies will be required to attend an HTC training and complete the OHFA Onboarding Program.

All developments currently owned and/or 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 or owner.

Also see:

- Authorization to Release Tax Information
- Development Team Consultant Statement
- Development Team Experience and Capacity Review
- Management Company Capacity Review
- Competitive Application Limitations
- Community Housing Development Organization (CHDO) Certification

APPENDIX D: UNIVERSAL DESIGN COMPONENTS

Developments seeking points for Universal Design must incorporate all mandatory components (marked with an asterisk) in all units, as well as the specified number of additional components required for points. Exception requests for mandatory components will be accepted for rehabilitation projects.

OHFA will accept proposed universal design features beyond the provided list relevant and necessary to the applicant's development. The applicant will be required to clearly describe the additional feature and provide justification for the necessity of its inclusion. The evaluation, acceptance, and classification of universal design proposals is the sole discretion of OHFA.

Universal Design is not a safe harbor for other required accessibility codes such as ANSI A117.1, UFAS or the Fair Housing Act. It should be used as a supplement to required accessibility codes and building codes.

Entry

- ✓ *36"-wide (minimum) entry door with lever-style handle (mandatory for NC only)
- ✓ *Minimum 5' x 5' level clear space inside and outside entry door
- ✓ *Adequate non-glare lighting at walkways, accessible routes, and exterior spaces
- ✓ *Adequate lighting both inside and outside the building and unit entrance
- ✓ *High visibility address numbers (both building and exterior units)
- ✓ *Overhead weather protection at entrances (mandatory for NC only)
- ☐ Built-in shelf/bench/ledge located outside the door
- ☐ Nonslip surfaces on walkways and entryways
- ☐ Primary unit entry with an accessible/dual peephole and backlit doorbell
- ☐ Door locks that are easy to operate, such as keyless locks with remote control or keypad
- ☐ No-step entry (1/2" or less threshold) at main entrance

Interior Stairs and Hallways

- ✓ *Adequate lighting to illuminate all stairway(s), landings, and hallway(s)
- ✓ *Hallways with a minimum width of 42"
- ✓ *Anti-slip strips on front edge of steps in color-contrast material
- ☐ Color contrast between stair treads and risers
- ☐ Handrails on both sides of interior stairs

Interior Doors

- ✓ *34"-wide (minimum) doors leading to habitable room, allowing for a 32" minimum clearance
- ✓ *Lever-style door hardware on all interior doors
- ✓ *Interior maximum door threshold of ¼ inch beveled or flush
- ☐ Pocket doors with easy-to-grip handles

Faucets

- ✓ *Anti-scald faucets with lever handle for all sinks, bathtubs, and showers
- ✓ *Pressure balanced faucets

Electrical

- ✓ *Thermostat and control panels that are easy to read and simple to operate
- ✓ *Rocker, touch light, or hands-free switches
- ✓ *Extra electrical outlets near the bed (for medical equipment or rechargeable items, etc.) placed 18″ to 24″ above finished floor (bedroom only)
- ☐ Lighted switches visible in the dark
- ☐ Switched outlets for lamps, etc. to be turned on with wall switch
- ☐ Electrical outlets, phone jacks, and data ports at least 18” above finished floor
- ☐ Light switches between 44”-48” above finished floor; thermostats no more than 48” above finished floor
- ☐ Clear access space of 30” by 48” in front of switches, outlets, and controls
- ☐ Audible and visual alarms for smoke/fire/carbon monoxide in all code-required accessible areas and all units

Bathrooms

- ✓ *Countertops with beveled edges
- ✓ *Adjustable-height showerhead or hand-held showerhead with flexible hose and easily operable controls
- ✓ *Non-glare lighting at vanities
- ☐ A full- or half-bath on the main floor with clear floor space of 30” x 48”
- ☐ Overhead light fixture in tub/shower
- ☐ Mirror(s) placed for both standing and sitting, such as a full-length or tilting mirror
- ☐ Toilet centered at least 18” from any side wall, tub, or cabinet
- ☐ In at least one bathroom per unit:
    - o Low-threshold or curbless shower at least 5’ x 3’ OR ADA bathtub with seat
    - o Clear knee space (at least 27” high) under sink. May be open knee space or achieved by means of removable vanity or fold-back or self-storing doors. Pipe protection panels must be provided to prevent contact with hot or sharp surfaces.
    - o Grab bars, or wall-blocking for future installation of grab bars, in tub/shower, and toilet. Grab bars must be properly anchored and supported.

Kitchen

- ✓ *At least 15” clear space on each side of stove, sink, and one side of fridge
- ✓ *Loop handles on drawers and cabinets
- ✓ *Non-glare task lighting to illuminate sink, stove, and work areas
- ☐ Adjustable height shelves in wall cabinets
- ☐ Base cabinets with pull out drawers
- ☐ Pull-out work surface near the oven, refrigerator and/or microwave.

- Visual contrast at front edge of countertop or between the countertop and the cabinets
- Side-by-side refrigerator-freezer
- Cooktop/range with front or side-mounted controls (senior units only)
- Extra outlets for small appliances, electronics, etc.
- Clear knee space (at least 27” high) under sink, counters, and/or cook tops. If under sink, pipes must have protection and may not be in the required knee space. May be open knee space or achieved by means of removable base cabinets or fold-back or self-storing doors.

Closets/Storage

- Area is well-lit with a switch located outside the space
- Doors and handles that are easy to operate. No bi-fold or accordion-type doors.
- Adjustable-height shelving and/or closet rods OR clothes rods installed at multiple heights
- Pull out-shelves, rollout cabinets, and other easy to access storage components

APPENDIX E: OHPO PRELIMINARY DETERMINATION OF LISTING

Checklist for OHFA Applicants Seeking a Preliminary Determination of Listing

Supporting Materials

Photos

☐ Photos of property in "before" (pre-rehab) state - including all exterior elevations and sample views of each interior level.

☐ Labels on the back that include property name, address, sequential numbers, view.

☐ Keyed to a photo-key floor plan/sketch map of property.

☐ Printed in color on photo paper.

☐ 4"x6"

☐ 2 sets

Photo Key

☐ Shows all numbered photo locations with arrow showing direction of view.

Part 1 Form: Evaluation of Significance

☐ Fill out sections 1 and 3 completely.

Section 2 "Nature of Request"

☐ Check the box to choose the appropriate "preliminary determination" option.

Section 4 "Applicant"

☐ Check the applicable box in the middle of the text field regarding ownership.

☐ If applicant is not the owner, send owner statement with form.

☐ Sign and date (blue ink is preferable).

☐ Make sure there is an original, dated signature on both copies.

Section 5 "Description of Physical Appearance"

☐ Are the important features of the property identified in the Description Section, including site, date, materials, style, size, roof-shape, story, plan, windows, foundation, details, and interior?

☐ Does the Description include information about the setting, environment, and or surrounding buildings/areas?

☐ Is the Description clear and complete? If the property has been altered, is the difference between the original (or historic) and the current condition and appearance clear?

☐ Does the description convey the significant qualities of the property? Through what features? Do these features retain integrity?

☐ Have contributing and noncontributing features been identified?

☐ Have alterations (if any) been adequately described? Has the evaluation of their impact on the integrity been made? Have alterations been evaluated regarding significance that may have accrued over time?

Section 6 "Statement of significance"

☐ Does the specific date or date range reflect the property's period of historic significance?

☐ Is the Statement of Significance written in a clear and complete manner?

☐ Does the context in which the property has been evaluated as significant justify the local, state, or national level of significance chosen for the property?

☐ Does the integrity relate to the overall property, not its features and parts?

Applications for preliminary determinations must contain substantially the same level of documentation as National Register nominations, as specified in 36 CFR Part 60 and NPS instructions for completing National Register nominations.
Note that the Part 1 Evaluation of Significance does not take the place of nomination to the National Register of Historic Places.

APPENDIX F: TIEBREAKER #1 COMPOSITE FORMULA

Measurement	Weight	Points
Credits from Max (Maximum award eligible based on unit size) *This item compares the amount of credits the project is requesting to the amount of credits the project is eligible for, based on the qualified basis and applicable fraction specific to the project. The calculation subtracts the 'Total Housing Credit Requested' cell from the 'Total Housing Credit Eligible' cell in the Housing Credits tab of the AHFA.* *This item is not comparing the amount of credits the project is requesting to the standard pool-specific maximum credits per application.*	20%	0 Points - Less than $50k Under Max 1 Point - $50k under Max 2 Points - $75k under Max 3 Points - $100k under Max 4 Points - $125k under Max 5 Points - $150k under Max 6 Points - $175k under Max 7 Points - $200k under Max 8 Points - $225k under Max 9 Points - $250k under Max 10 Points - $275k under Max
TDC per Net Rentable Square Foot	20%	0 Points - $220/SQFT or more 1 Point - Less than $220/sf 2 Points - Less than $210/sf 3 Points - Less than $200/sf 4 Points - Less than $190/sf 5 Points - Less than $180/sf 6 Points - Less than $170/sf 7 Points - Less than $160/sf 8 Points - Less than $150/sf 9 Points - Less than $140/sf 10 Points - Less than $130/sf
Credits per Affordable Unit	20%	0 Points - $21k per Unit or more 1 Point - Less than $21k per Unit 2 Points - Less than $20k per Unit 3 Points - Less than $19k per Unit 4 Points - Less than $18k per Unit 5 Points - Less than $17k per Unit 6 Points - Less than $16k per Unit 7 Points - Less than $15k per Unit 8 Points - Less than $14k per Unit 9 Points - Less than $13k per Unit 10 Points - Less than $12k per Unit
TDC per Unit	20%	0 Points - $265k per unit or more 1 Point - Less than $265k per unit 2 Points - Less than $250k per unit 3 Points - Less than $235k per unit 4 Points - Less than $220k per unit 5 Points - Less than $205k per unit

		6 Points - Less than $190k per unit 7 Points - Less than $175k per unit 8 Points - Less than $160k per unit 9 Points - Less than $145k per unit 10 Points - Less than $130k per unit
Policy Priorities (see below)	20%	0 Points - 3.33 Points – Max points in one of the pool-specific criteria stated below 6.66 Points - Max points in two of the pool-specific criteria stated below 10 Points - Max points in three of the pool-specific criteria stated below
New Affordability, Urban Opportunity		• Education • Low Poverty Area • Affordable Housing Demand
New Affordability, General Occupancy Urban		• Job Access • ELI Targeting • Affordable Housing Demand
New Affordability, Senior Urban		• ELI Targeting • Aging Population • Experienced Service Coordinator
New Affordability, Non-Urban (family)		• ELI Targeting • Family: Bedrooms • Affordable Housing Demand
New Affordability, Non-Urban (senior)		• Experienced Service Coordinator • ELI Targeting • Aging Population
HUD Subsidy Preservation		• Rehab Scope • Bond Leveraging • Preserved Units
USDA Subsidy Preservation		• Rehab Scope • Maturing Mortgage • Preserved Units
Service Enriched Housing		• High Need County • Proximity to Amenities • Transportation
Single Family Development		• Equity Building • Self-Sufficiency Programming/Community Change Index • Proximity to Amenities