Overview

This document outlines the first draft of changes made to the 2020-2021 Qualified Allocation Plan from when it was approved by the OHFA Board in September 2019. The first draft incorporates feedback received since the 2020 QAP was approved as well as revisions and clarifications arising out of OHFA’s review of the 2020 HTC applications.

This list does not reflect every revision appearing in the first draft QAP. Stakeholders are strongly encouraged to read the QAP itself to see all revisions made. If a section of the QAP is not noted below, no substantive changes were made.

See page 4 for a list of items that are being considered for revision but not reflected in this first draft, as well as items for which details are still being drafted.

Revisions

General Overview & Requirements

- **Modification:** Revisions made to clarify OHFA’s role in the administration and allocation of the tax credit program.
- **Application Process:** Added language regarding optional Pre-Application Meeting; added language regarding Development Team Pre-Approval process; added language regarding communication during the competitive review period.
- **Program Calendars:** Dates updated for 2021; added dates for optional pre-application meetings; added dates for Development Team pre-approval process.

HTC Requirements

- **Document Submission Requirements**
  - **General:** Revised to incorporate 2020 Frequently Asked Questions and to clarify certain documentation requirements.
  - **Development Team Experience and Capacity Review:** Revised for clarification; added in requirement for Development Team pre-approval.
  - **Phase I and II Environmental Site Assessments:** Added in option for scattered site projects that are not seeking HDAP funding to submit a mini-Phase I ESA *(requirements forthcoming)* at proposal application instead of a full Phase I ESA for each site.

- **HTC Programmatic Requirements & Oversight**
  - **General:** Revised to incorporate 2020 Frequently Asked Questions and to clarify certain requirements.
  - **Competitive Application Limitations:** Revised for clarification; added in additional tiers based on experience; revised process for applicant to rank proposals prior to awards.
- **Cost Containment**: No change in this draft, however OHFA plans to adjust the limits based on inflation rates closer to final QAP approval in late summer.

- **Basis Boost Policy**
  - **115% Discretionary Basis Boost**: Added eligibility for HUD Subsidy Preservation projects that are located in a Non-Urban area.

**Housing Policy Pools**

- **Pool Amounts**
  - Increased Allocation Amount for Service Enriched Housing: Substance Abuse Recovery pool from $750,000 to $1,000,000.

- **New Affordability**
  - Revised New Affordability definition for clarification.
  - Added provision for additional one-bedroom units in Urban Opportunity, General Occupancy Urban, and Non-Urban subpools if utilizing the Ohio 811 PRA program.

- **Service-Enriched Housing: PSH**
  - Added Lucas County to Set-Aside eligibility.

**Competitive Criteria**

- **New Affordability**
  - **Local Partner**
    - Reduced point value from 10 to 5.
    - **Nonprofit Partner**: Removed reference to Supportive Services Plan specific to this competitive criterion as SSPs for most developments are not submitted until the Compliance Next Steps meeting or 8609 submission.
    - **CHDO Partner**: Clarified that CHDO partners must be seeking HOME funds from OHFA as part of the proposal.
    - **In-State Partner**: Removed architect of record from list of partners.
  - **Integrated Communities**
    - **811 Units**: Added new scoring category for 811 units. This category will only be implemented if OHFA receives an award of Section 811 PRA funds from HUD. These awards are expected to be announced at the end of July.

- **Income Diversity**
  - **Project Based Rental Assistance**: Added language to provide clarification around ported rental assistance contracts.
  - **Average Income**: Removed as an option.

- **Accessible Design**
  - **504 Units**: Added language to clarify requirement.

- **Cost Efficiency**
  - **Leverage**: General revisions made for correction and clarification; incorporated language from Frequently Asked Questions; removed New Community Authority and Property Assessed Clean Energy Financing from list of eligible sources.

- **New Affordability - Sub-Pool Priorities: ALL**
  - General revisions made for correction and clarification.
• OHFA Interactive Map data will not be updated for 2021. Maps and data used for 2020 will also apply to 2021.
• Inclusive Tenant Selection Plan: Added language to clarify intent and requirements.
• Proximity to Amenities: General revisions made for correction and clarification; updated Amenity Definitions document (new link forthcoming); removed 500-foot buffer; expanded on submission requirements.
• Experienced Service Provider (Senior Urban and Non-Urban Senior only): Removed requirement for Memorandum of Understanding at proposal application.

• Preserved Affordability
  • Local Partner
    ▪ Nonprofit Partner: Removed reference to Supportive Services Plan specific to this competitive criterion as SSPs for most developments are not submitted until the Compliance Next Steps meeting or 8609 submission.
    ▪ CHDO Partner: Clarified that CHDO partners must be seeking HOME funds from OHFA as part of the proposal.
    ▪ In-State Partner: Removed architect of record from list of partners.
  • Development Characteristics
    ▪ Rehab Scope: General revisions made for correction and clarification; incorporated language from Frequently Asked Questions; added language regarding document submission requirements.
    ▪ Design Features: Added language specifying that features must be new or being replaced or renovated to be eligible for points.
  • Preservation Priorities
    ▪ Good Management: Revisions made for correction and clarification; added language regarding document submission requirements.

• Service-Enriched Housing
  • Local Service Providers: Removed requirement for Memorandum of Understanding at proposal application.
  • Neighborhood Development & Impact Initiative
    ▪ General revisions made for correction and clarification.
    ▪ OHFA Interactive Map data will not be updated for 2021. Maps and data used for 2020 will also apply to 2021.
    ▪ Inclusive Tenant Selection Plan: Added language to clarify intent and requirements.
    ▪ Proximity to Amenities: General revisions made for correction and clarification; updated Amenity Definitions document (new link forthcoming); removed 500-foot buffer; expanded on submission requirements.
  • Accessible Design
    ▪ 504 Units: Added language to clarify requirement.
• **Single Family Development**
  - General revisions made for correction and clarification.
  - **Competitive Criteria**
    - **Proximity to Amenities:** General revisions made for correction and clarification; updated Amenity Definitions document (*new link forthcoming*); removed 500-foot buffer; expanded on submission requirements.
  - **Accessible Design**
    - **504 Units:** Added language to clarify requirement.

**Appendices**

- **Appendix A- Fee Schedule:** Added in FHAct50 application fee.
- **Appendix B- Submission Requirements:** Added in requirement for Design and Construction Features Form (DCFF); removed separate requirement for Organizational Chart as chart is part of submission requirement for Development Team Experience and Capacity Review.
- **Appendix C- Experience & Capacity Characteristics:** Revisions made for correction and clarification; added minimum eligibility requirements for 4% and 9% HTC, including for entities wishing to partner with less experienced developers.
- **Appendix F: Tiebreaker #1 Composite Formula:** Revisions made for correction and clarification.

**Revisions under consideration**

Scoring adjustments to the following criteria:

- **New Affordability**
  - Number of bedrooms
  - ELI Targeting
  - Credits per Affordable Unit
- **Preserved Affordability**
  - Credits per Affordable Unit

**Items in progress**

- Requirements, process, and/or forms for the following:
  - Development Team Pre-Approval
  - Developer serving as experienced partner/co-developer to applicant who does not meet minimum LIHTC eligibility requirements on their own
  - PCNA, specifically as it relates to competitive scoring items (Rehab Scope, Good Management)
- Updates to the following sections:
  - Training and Technical Assistance
  - Program Compliance
  - Housing Credit Gap Financing
  - Universal Design components