



To: All Interested Parties
From: Ohio Housing Finance Agency
Date: August 30, 2024
RE: **2024 4% LIHTC with Bond Gap Financing (BGF)
Frequently Asked Questions (FAQ)** as of August 30, 2024

FAQ Background

The following is a summary of questions received in advance of the 2023 4% Low-Income Housing Tax Credit (LIHTC) with Bond Gap Financing (BGF) Proposal Application deadline regarding the 2024 4% LIHTC with BGF Guidelines (the “Guidelines”). Questions were edited for style, to remove identifying details, and combined with similar questions from various individuals. The answers posted herein clarify and modify the Guidelines and will be considered during the program round.

Eligible Projects

Q: Would OHFA accept a project that bundles multiple projects which are located in more than one county?

A: The funding sources used for the gap financing have specific program requirements, both in the development and long-term compliance phases, that make bundling projects in multiple counties problematic. OHFA would accept applications that bundled multiple projects in the same county. *(Added August 13, 2024)*

Maximum HDAP Award

Q: If a project has a prior HDAP award, how much should the developer request in its application? Will OHFA reduce the amount requested in the AHFA by the prior award of HDAP funds?

A: The total amount of HDAP requested plus the amount of the prior award cannot exceed the maximum amount allowable for the proposed project. OHFA will only reduce the amount requested if the prior HDAP plus the new request exceed the maximum amount allowable. However, any project that has successfully completed the original affordability period (including any OHFA extended affordability period) defined in the HDAP Funding Agreement, the prior award of HDAP will not be included in this calculation. *(Added August 13, 2024)*

Q: If a project does have a prior award of HDAP, will OHFA calculate the BGF per unit based on the new amount requested, or the new amount plus the original amount of HDAP.

A: OHFA will calculate the BGF per unit based on the total amount of HDAP in the project, which will include the original amount awarded plus any new funds being requested. However, for any project that has successfully completed the original affordability period (including any OHFA extended affordability period) defined in the HDAP Funding Agreement, the prior award of HDAP will not be included in this calculation. *(Added August 13, 2024)*

Proposal: Experience and Capacity

Q: What do development teams approved in a different 2024 round need to submit?

A: That development team needs to submit their approval letter on OHFA letterhead, and a copy of the Entity ID Tab of the Pre-Application Spreadsheet submitted. *(Added August 13, 2024)*

Q: What if a member of the development team approved in a different round in 2024 changes? Does the application need to include documentation for Experience and Capacity on the entire Development Team or only the new member(s)?

A: The documentation required for Development Team Experience and Capacity Review only needs to be submitted for entities not previously approved. The team as a whole must still meet the minimum requirements to participate in the funding round.

However, the entity previously approved must submit the documentation noted in this FAQ. *(Added August 13, 2024)*

General: Threshold Requirements

Q: Please clarify the Site Control expiration requirements.

A: All forms of site control may not expire within six months of the Proposal and Final Application. Specifically, at Proposal Application, site control must not expire before 3/13/2025 and at Final Application, site control must not expire before 9/14/2025. *(Added August 13, 2024)*

Q. Is there a specific BGF-Specific form to complete or should we use the Pre-Application Package (Excel Workbook) used for the 9% round?

A. OHFA will use the “Team” tab within the [2024 4% LIHTC with BGF AHFA](#) to identify developers and owners. All other documents will either be found in the AHFA (Financial Capacity). Please note, the tab titled “HDAP-Unit” replaces the Unit Comparability Form. *(Added August 30, 2024)*

Q. Where can I find the Unit Comparability Form?

A. The form is located in the AHFA as a tab titled “HDAP-Unit”. *(Added August 30, 2024)*

Q. There are a few items (i.e. Related Party Transaction Questionnaire, Public Notification) noted in Appendix A: Submission Requirements as not due at proposal. However, this is inconsistent with the Summary of Submission Requirements on page 35. Please clarify.

A. Please follow the submission requirements detailed in Appendix A. However, be aware if a project is invited to submit a final application, and anything changes between Proposal and Final Application, some of these documents required at Proposal may need to be redone with a Final Application. *(Added August 30, 2024)*

Preserved Affordability – Non LIHTC Rental Subsidy

Q: If an existing project is applying for rental subsidy but it will not be in place until the final application, will it still qualify under the Preserved Affordability – Non LIHTC Rental Subsidy?

A: The goal of this pool is to preserve an existing affordable housing property that already has 75% or more of the units encumbered by a project-based rental assistance contract. Therefore, a project that does not have a project-based rental subsidy contract on 75% or more of the units at the time of the proposal application would not be eligible to compete in Preserved Affordability – Non LIHTC Rental Subsidy. *(Added August 21, 2024)*

General Questions

Q. When do you expect the AHFA will be released?

A. The BGF AHFA has been posted and can be found on the [4% LIHTC w/ Bond Gap Financing](#) web page under the Forms section. *(Added August 30, 2024)*

Q. Page 10 of the guidelines note the income targeting minimum requirements. How do these targeting requirements apply for projects with rental assistance? Is OHFA looking for the lower targeting (50% AMI) even on units with long-term rental subsidy?

A. The rent and income limits detailed on page 10 of the 4% LIHTC with Bond Gap Financing Guidelines apply only to the units which are designated as Assisted Units and Restricted Units. These units are calculated based on the amount of HDAP being requested as well as the location of the proposed project. These requirements apply to all projects. However, projects with federal or state project-based rental subsidy may be exempt from the rent restrictions that apply to the Assisted and Restricted Units. The income restrictions, however, will still apply. *(Added August 30, 2024)*

Q. Can you clarify the total amount of BGF available? The guidelines detail the Non-LIHTC Rental Subsidy pool definition will received 25% of the total allocation. How is this calculated?

A. The full amount of the resources available for the BGF round had not yet been established. However, the amount will be established before funding decisions are made. OHFA will reserve 25% of the amount for the Preserved Affordability – Non-LIHTC Rental Subsidy Funding Pool. Regardless of the amount, OHFA will ensure at least one project is funded in the non-LIHTC Rental Subsidy pool. *(Added August 30, 2024)*