



Addendum to the 2026-2027 9% LIHTC Qualified Allocation Plan (QAP)

2026 Additional Credits Policy

Approved by OHFA Board: August 20, 2026

Purpose

This policy establishes the criteria and procedures governing the allocation of limited Additional 9% Low-Income Housing Tax Credits (LIHTC) and Housing Development Loan (HDL) resources to projects that are experiencing documented construction cost increases for items within the original scope of work, reduced equity pricing, or other challenges that are affecting project feasibility or the timely completion of affordable housing units to low-income Ohioans.

Available Resources

Approximately \$1,450,000 in additional annual 9% LIHTCs is available. Eligible projects may request up to \$1,000,000 in HDL resources and the following amounts of 9% LIHTC per unit based on the project's program year, capped at \$110,000 per project:

- Projects awarded under the 2026-2027 9% LIHTC QAP: Ineligible
- Projects awarded under the 2024-2025 9% LIHTC QAP: Up to **\$1,500 per unit**
- Projects awarded under the 2022-2023 QAP: Up to **\$3,000 per unit**

OHFA reserves the right to add, remove, or reallocate its resources as needed to support the financial feasibility of a project.

Deadline

Applications will be accepted until October 1, 2026, on a first come, first served basis until available 9% LIHTCs are fully allocated or until the deadline has passed.

Eligibility

Projects with a final application and a current Conditional Qualification Letter or Carryover Allocation Agreement that have not yet placed-in-service are eligible to submit for additional credits and/or HDL. Projects already Placed-in-Service are ineligible to seek these additional resources.

Applicants must document increased hard construction costs, reduced equity pricing, or other financial hardship and demonstrate reasonable mitigation efforts such as value engineering, competitive bidding, or securing supplemental funds.



Submission Requirements to QAP@ohiohome.org

1. Reservation Fee & Proof of Payment
 - a. Non-refundable Reservation Fee equal to 6% of the additional LIHTC request (e.g., \$3,000 for \$50,000 in additional credits)
 - b. ACH payment confirmation
2. Updated Affordable Housing Funding Application (AHFA) tabs, including, but not limited to:
 - a. Details
 - b. Sources
 - c. Uses
 - d. Sources X Uses
 - e. LIHTCs
 - f. Cashflow
 - g. HDL
3. Finalized Construction Bid(s)
4. Final Equity Commitment (s) reflecting the additional LIHTC amount and/or additional HDL
5. Formal Request Memo and Narrative
 - a. Formal Request: Provide a formal request specifying the amount of additional LIHTCs and/or HDL.
 - b. Funding Gap Details: Detail the funding gap, comparing original and updated budgets, including mitigation steps and updated non-LIHTC sources.
 - c. Uses Update: Summarize changes in hard construction costs and total development costs with an explanation of causes.
 - d. Sources Update: Detail changes in sources of funds, including additional funding secured or lost since application.
 - e. Timeline to Closing: The projected timeline to closing and construction commencement (if closing/commencement has not yet occurred).

Applicants requesting additional resources must meet the following criteria:

- Developer fee may not increase from proposal application and at least 50% must be deferred, subject to syndicator/lender requirements
- Under no circumstances may the deferred fee decrease from what was included in the project's proposal application submitted to OHFA.
- The deferred developer fee will be verified at 8609, and if found to be below 50%, OHFA reserves the right to remove/revoke credits to ensure the deferred developer fee is greater than or equal to 50 percent.

OHFA will evaluate requests based on an updated financial analysis of cost increases, equity reductions, and overall project feasibility. The Agency will consider the reasonableness of the revised development budget, the legitimacy of the changes presented, and the sponsor's demonstrated efforts to manage and contain costs.

Conditions of Approval

Projects receiving additional resources may be subject to enhanced oversight, revised timelines, and additional monitoring.

Ramifications for the 2027 9% LIHTC Round

For every \$10,000 in 9% LIHTC requested (rounded up), a tenth of a point reduction will occur on each project submitted in the 2027 9% LIHTC round. For example, if a development team (Lead developer and co-developer) requests \$110,000 for one project, each project that a member of that development team submits in the 2027 9% LIHTC round will have a point reduction of 1.10 points.

Penalties for Non-Compliance

OHFA may impose penalties for inaccurate information, missed schedules, or failure to implement corrective actions.

Appeals

Applicants may appeal in writing within 10 business days of receiving notice of an adverse determination. Appeals must identify errors in OHFA's evaluation or present new, relevant information not previously considered. OHFA will review the appeal and issue a written decision, which shall be considered final.

OHFA Authority

OHFA may interpret, revise, or revoke this policy as needed based on market conditions and program needs.