



2020 Housing Development Gap Financing (HDGF) Frequently Asked Questions

May 4 is the first day OHFA will be accepting a Notice of Intent to Apply and Exception Requests for the [2020 HDGF program](#).

1. In regards to numbers with decimals, does OHFA round up or down?

When completing the proforma, numbers should be rounded to the nearest whole number (up or down). For example, 4.2 will round down to 4, while 4.5 will round up to 5.

However, when calculating Restricted Units, Assisted Units or 504 Units, OHFA always rounds up to the next whole number. For example, 4.2 will round up to 5.

2. Can scattered site HUD vouchers (tenant-based) be accepted by the project if you can demonstrate they have more than enough subsidy than what is allocated to the project?

Projects can accept tenant-based vouchers. However, OHFA cannot include any income from tenant-based vouchers for the purposes of underwriting. For projects that qualify as Permanent Supportive Housing (PSH), please refer to OHFA's Permanent Supportive Housing Framework: <https://ohiohome.org/ppd/documents/PSH-policy.pdf>

3. How quickly were all HDGF funds reserved in 2019?

The application window was able to remain open until the deadline in 2019. However, additional resources were available last year that are not available this year. Therefore, applicants should not assume the application window for the 2020 year will be open through the deadline. The application window will close as soon as all available resources are reserved. OHFA has not yet been notified about 2020 resources, but OHFA's goal is to provide at least \$3.0 Million for HDGF applicants.

The 2020 Round opens in May and we will review applications on a first-come, first-served basis. If requested, OHFA will do a review of applications we could not fund to provide feedback.

4. Can 811 mainstream vouchers be utilized in projects funded through HDGF?

Yes, the project can accept residents with this subsidy. However, for purposes of underwriting, only project-based rental assistance may be included in the budget.

- 5. Other than local housing based housing vouchers what funding sources do you see?** A local board sometimes will provide other funding (e.g. Operating Subsidy). But it must be project-based if it is to be included in the project budget.
- 6. Do the requirements relating to project-based vouchers apply to rehab projects as well?**
Yes.
- 7. Are CDBG funds available from OHFA for HDGF projects?**
OHFA does expect to receive CDBG funds which must be used to provide disaster relief to areas in Montgomery County that were impacted by the recent tornados. While we have not developed the program requirements as of yet, OHFA's goal will be to produce as many units as possible and leverage these CDBG funds with 4% credits, bonds and other resources.
- 8. How much information will you need from an architect for the Notice of Intent to Apply?**
One of the documents required with the Intent to Apply includes the [Design & Construction Features Form](#), which must be completed by the project Architect. The Gap Financing Application (GFA) also requires the applicant to detail the construction costs. The project design must be far enough along for the applicant and architect to complete these. OHFA's review includes evaluating these. Pages 11 and 12 of the [HDGF Guidelines](#) detail what must be submitted with the Intent to Apply.

Applicants should ensure they are in a position to move forward as required before submitting an Intent to Apply. This includes ensuring the architectural designs are advanced enough to develop a budget and identify financing sources. Predevelopment costs can be included in the Gap Financing Application, and OHFA may be able to reimburse for some of these if the project is selected to move forward. However, reimbursement would not take place until the funding is approved by the OHFA Board and the project has completed the closing process with OHFA's legal office.

OHFA encourages applicants to review all guidelines related to the program, including the [Guide to Requesting HDAP Funds](#), to ensure there are no barriers to moving forward.

FAQs will be updated weekly from April 30 until May 1st.