



May 29, 2024

Barbara Richards
4% Housing Tax Credit Section Chief
Ohio Housing Finance Agency
2600 Corporate Exchange Drive, Suite 300
Columbus, OH 43231

Dear Ms. Richards,

Thank you for the opportunity to provide feedback on the first draft of the *4% LIHTC with Bond Gap Financing Program Year 2024 Guidelines*. The Ohio Housing Council (OHC) is following our traditional policy of providing comment only on items where there is consensus among our diverse membership.

Underserved Areas as a Scoring Criteria

OHC is supportive of OHFA's goal of "allocat[ing] its limited affordable rental housing resources in a manner that effectively serves all parts of the state." However, OHC strongly suggests a different approach. Rather than making "Service Time" a scoring criterion for all projects, we believe that OHFA should consider a different approach, such as one of the following options:

- A geographic strategic initiatives set-aside through which OHFA would have discretion to award a project (or projects) in underserved areas.
- A geographic set-aside for underserved areas in which state legislators wishing to have their district be included as an underserved area would submit a request to that effect, with scoring criteria that would differentiate applications within this pool.
- A geographic set-aside for areas of the state that have been determined to be underserved through the use of objective criteria, with scoring criteria that would differentiate applications within this pool.

Expiring Extended Low-Income Housing Commitment

OHC has long believed that it is important to keep developments that have been funded with LIHTC affordable well past the required 30 years, and we are appreciative of OHFA's focus on this aspect of the industry. We strongly recommend that OHFA change the scoring criteria so that any project that is beyond the 15-year Compliance Period be competitive for

this funding rather than forcing projects to wait until Year 25 to begin receiving additional points.

Rehabilitation Hard Construction Costs per Unit

OHC agrees with OHFA's desire to use BGF resources wisely while also achieving the policy objective on page 19 of reinforcing "the scope of work with enough improvements that will allow for long-term sustainability." We believe the better policy approach, though, is to focus on wise use of the *OHFA BGF resources* rather than artificially limiting the *Hard Construction Cost*. It doesn't make sense for OHFA to disincentivize owners from seeking additional funding from other sources such as Federal Historic Tax Credits or green money – such as EPA Greenhouse Gas Reduction funds and HUD GRRP – which can actually reduce operating expenses for the property and living expenses for the residents. Each of these sources have their own required scope of work which may be above and beyond OHFA requirements. In addition, this policy could create new issues if construction costs change as a project moves from proposal application to 8609. OHFA could face situations where projects no longer receive the same competitive points if their costs go up over the 24 months from application to construction completion.

Thank you again for your work on these guidelines and we look forward to continuing to work with you to refine this program.

Sincerely,



Ryan Gleason
Executive Director

cc: Shawn Smith, Executive Director, Ohio Housing Finance Agency
Joe Hewitt, Senior Director of Housing Programs, Ohio Housing Finance Agency
Taylor Koch, Director of Multifamily Housing, Ohio Housing Finance Agency