
Comments on the 2026-2027 9% LIHTC QAP

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Date Fri 8/1/2025 3:47 PM

To QAP, OHFA <QAP@ohiohome.org>

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Dear OHFA,

Thank you for the opportunity to provide feedback on the first draft of the QAP. Below are the comments from my organization, Talbert House, and its real estate subsidiary, Talbert Services Inc.:

Cost Containment

- The containment standards for Preservation Projects involving historic structures should be the same as those for Adaptive Reuse projects.
- There are aging LIHTC projects in Cincinnati in historic properties that are located in high-opportunity areas that are at grave risk of losing their affordability when the extended use period ends. A 9% LIHTC award, coupled with other funding sources, is the only way to preserve these buildings and keep them affordable. However, unlike many preservation projects, because of their age and location in a historic district, the buildings require a full gut rehab, and total development costs allowed under the Cost Containment standards simply cannot be met. The TDC caps need to be raised for Preservation Projects involving historic properties.

Target Population Special Needs Pool- General:

- OHFA should seriously weigh input from stakeholder partners the Special Needs Housing pool to provide clear priorities for these critical resources.
- Homelessness in Ohio increased by 3% between 2023 to 2024 to nearly 12,000 individuals. With immense need, expanding this pool to non-PSH populations without significant increases to resources is not ideal. Instead, **OHFA should include the non-PSH populations in the General Occupancy Pool, providing that such housing only targets 25% of total units, preserving the Special Needs to serve 100% of the target population.**
- OHFA should reinstate the previous Balance of State definition, expanding the geographical definition that mirrors the Continuum of Care mapping. Given the increased homelessness Ohio faces, OHFA should commit a minimum floor of PSH Policy Framework target populations and limit the Balance of State set aside to the PSH Framework population only.

Target Population Special Needs Pool- Scoring:

- Opportunity Index- PSH housing is growing increasingly difficult to site given unprecedented levels of opposition and the likelihood of local zoning issues many PSH development teams face. The scoring criteria related to high opportunity areas, low poverty rates and low unemployment rates only add to the challenge. It does not capture the challenge of siting supportive housing projects compared to affordable housing. Affordable housing is rightly evaluated by market conditions for long term feasibility while supportive housing operators are incentivized from their local Continuum of Care's and HUD to help tenants 'Move-On' when they no longer need the intense services that PSH provides. This speaks to the underpinnings of tenant success in supportive housing; access to robust and tenant centered services and key community amenities are primary to creating

housing stability, not market conditions. Therefore, **OHFA should use access to amenities (grocery store, medical services, transportation, etc.) as this pool's focus of location criteria.**

- **Housing Needs Index-** The need for supportive housing, particularly as outlined in the Interagency PSH Policy Framework, is not adequately captured through traditional housing needs analysis, such as OHFA's Housing Needs Index. **OHFA should, instead, have a Housing Needs Index score for the Special Needs Housing Pool that more accurately reflects the needs of the populations this pool serves.** Data collected by Continuums of Care, such as the Point-In-Time (PIT) Count and the Housing Inventory Count (HIC) could be used to create priorities for supportive housing development. Should non-homeless populations included in the PSH Policy Framework not receive a separate set aside in the General Occupancy pool, relevant data sources could include County Developmental Disability Boards, child welfare systems, and supportive service providers for Transition-Aged Youth. Scoring related to supportive housing must be based exclusively on data specific to the target population.

Target Population Special Needs Pool- Expert Recommendation documentation:

- OHFA should require additional information in the Letter of Recommendation, which includes the following:
 - Funding resources that an expert entity has outlaid for supporting the target population and whether the proposed project would be able to apply for this funding if the project were built
 - The expert has evaluated the proposed project's Service Plan, including the project's service provider and service plan budget and sources and agrees that the plan is reasonable and uses documented best practices and has a good chance for success
 - The expert will either serve as a coordinated referral agency for the community to the project or support the project long-term by marketing the project and its units to the target population for no less than 15 years
- OHFA should require the Supportive Service Plan be due at initial application rather than at final.

QAP General- Threshold Opportunity Index:

- Thank you for agreeing to remove the Threshold Minimum Opportunity Index.

QAP General- Broadband Infrastructure and Wi-Fi Access:

- Requiring broadband infrastructure in all developments is good policy and aligns with national best practices. However, mandating free in-unit Wi-Fi for every household creates a cost burden that far exceeds what is typically offered even in market-rate or hotel environments. A more balanced approach would be to require free Wi-Fi access in common areas (similar to a hotel lobby or common space), which provides value to residents without unduly impacting operating budgets.

QAP General- Building Amenities as Threshold Requirements:

- Requiring all projects to meet the same amenity thresholds, regardless of context, may unintentionally penalize certain developments, especially urban scattered-site or historic preservation projects. These developments often have limited space and must work within strict physical and regulatory constraints. For instance, amenities like outdoor patios, playgrounds, dog parks, or smoking pavilions may not be feasible for an existing building or in an urban setting—but the surrounding neighborhoods might already offer these features.
- We recommend OHFA allow a "Preservation Amenity Waiver" option, in coordination with the OHFA architect, to enable applicants propose contextually appropriate alternatives. Without this flexibility, developers may feel compelled to include non-functional or redundant features solely to meet QAP thresholds, which serves neither tenants nor long-term property operations.
- Additionally, many of the listed amenities significantly increase development costs. At a time when construction and financing costs are under intense scrutiny, we should be cautious about introducing further cost drivers into the threshold criteria.

QAP General- Federal Historic Tax Credit Requirements:

- The revisions to this section are a welcome improvement and better align the actual FHTC process.

QAP General- Lien and Litigation Reports:

- This requirement adds both cost and confusion. It appears that lien and litigation reports may be required three separate times: before application (#14), at proposal, and again at final application (#20). Please clarify the timing and streamline the requirement where possible to reduce duplicative expenses.

QAP General- Discretionary Basis Boost:

- We appreciate and support the continued inclusion of a flexible Discretionary Basis Boost policy.

QAP General- Developer Caps/Mentor Developer Policy:

- It's unclear what tangible benefit is offered to Mentor Developers. If there is no advantage in terms of additional application slots or awards, it may discourage experienced developers from assuming the additional responsibility of mentoring. We suggest offering Mentor Developers one additional application and/or award if they partner with an emerging or less experienced developer. This would meaningfully incentivize partnerships and fulfill the intended goal of capacity-building across the development community.

QAP General- Compliance Monitoring Fee:

- Why has the Compliance Monitoring Fee increased again? This fee saw a significant bump in recent years. Any further increase should be accompanied by a justification, especially as developers are managing tighter operating budgets and higher service expectations.

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