



July 18, 2025

Cody Price  
9% Tax Credit Section Chief  
Ohio Housing Finance Agency  
2600 Corporate Exchange Drive, Suite 300  
Columbus, OH 43231

Re: Comments on the 1st draft of the 9% LIHTC Qualified Action Plan Program Year 2026-2027

Dear Dr. Price,

Thank you for the opportunity to provide recommendations and comments on OHFA's first draft of the Program Year 2026–2027 9% LIHTC Qualified Allocation Plan (QAP). Below is a list of comments and recommendations for your consideration, organized by the order in which they appear in the draft document.

### **Set Asides**

First, we appreciate OHFA's decision to reduce the number of set-asides, allowing competitive scoring to drive project selection. However, evaluating set-aside projects first can undermine that competitive nature by unintentionally removing some of the highest-scoring proposals from consideration. A fairer approach would be to score all projects on their merits first, then assess whether set-aside goals have been met. Remaining funds could be reserved for set-aside projects that weren't selected through the general competition.

### **Funding Pools**

#### **New Affordability Senior**

We appreciate that OHFA has made the split between General Occupancy and Senior occupancy closer to 50%, at 60% general occupancy, 40% senior, however we would advocate for an equal 50% split between senior and general occupancy. According to the 2024 OHFA Housing Needs Assessment, the number of Ohioans aged 85 years and over will have doubled in size by 2050. Additionally, the number of older Ohioans who live alone is increasing. One of every eight Ohio households—or more than 613,000—houses a single adult aged 65 or over. Affordable senior housing creates significant cost savings in other areas of Ohio's budget, most notably in its Medicaid program. Older Ohioans who reside in safe housing, often supplemented by the support of a service coordinator, can access home and community-based services to forestall institutional care by months to years, and in some case are able to avoid nursing home care entirely. Furthermore, older Ohioans are more likely to rely on fixed income and experience disability than their working-age counterparts, putting them at increased risk for poverty and in particular need of the support that publicly-funded housing offers. According to a recent article by Axios, experts expect a 24% cut in social security payments by 2032, further limiting the income of seniors in our state.

Finally, low-income seniors also have something to offer Ohio's housing market: Seniors who downsize to LIHTC-supported housing free up single family homes suitable for young families.

It is for these reasons that we urge for more parity in the funding pool split. We advocate for keeping the geographic split even, at 50% general occupancy and 50% senior, which would increase the benefit to both senior and non-senior populations.

### **Preservation**

We recognize and commend OHFA for using different funding pools for different projects but would caution against fully eliminating the preservation pool from future QAPs as the 9% round is sometimes the only financially feasible avenue for renovation to occur. We also recognize the desire to prove that a 9% award is the only feasible option. We would recommend implementing a much earlier exception period to allow developers to provide their exception request prior to preparing a full application for a potential preservation project. National Church Residences would recommend reviewing Michigan's QAP for an example of how an earlier exception period can be implemented effectively.

### **Tiebreaker Priorities**

We have concerns with the use of 30% AMI units as the first tiebreaker. While extremely low-income targeting is important, it introduces significant cost and risk. Additional 30% units can create a deeper financial burden on projects in an already challenging economic market. While a 30% AMI threshold may be feasible today, we've seen firsthand how rent and income limits can severely constrain projects 15 to 20 years after they've been placed in service. This often leads to financial distress and the need to request rent and income restriction relief well into the project's lifecycle. To support long-term financial viability while preserving affordability, we would recommend removing the 30% AMI tiebreaker as the first tiebreaker. Instead opting for the second highest tie breaker in each category, and either eliminating this tiebreaker category, or placing it as the last tiebreaker.

### **Competitive Scoring**

Generally, it would be beneficial to clarify the scoring scale, specifically: will scoring be based on whole numbers or decimal points and to what extent?

### **Opportunity Index Threshold & Philosophy**

We appreciate the clarification that a minimum threshold will be eliminated from the next QAP draft as stated at the Public Hearing on July 30<sup>th</sup>. We would like to reiterate our support for the removal of the minimum threshold and point out that many of the eliminated minimum threshold areas had very high housing need scores. Even without a formal threshold, projects in low-scoring areas are already at a disadvantage. In the many QAP discussions between OHFA and constituents the message has been clear; the Opportunity Index alone cannot be the only indicator of a desirable LIHTC project. The QAP could offer scoring bonuses for service packages, design features, or local partnerships that overcome the limitations of the Opportunity Index. This more traditional approach also opens a dialogue with local partners that can reveal important human insights that the Map misses. Which neighborhoods are showing early signs of gentrification, where the next major economic development deal is about to land, or where the city is committing big public infrastructure resources are critical pieces of information that will evade the Maps. Creating space for local expertise to complement hard data ensures that OHFA can move at the speed of business and benefit from real-time intel.

**Lien and Litigation Reports**

The requirement to submit lien and litigation reports, particularly at both the proposal and final application stages, adds cost and administrative burden without a clear benefit. Lenders and investors already require these reports during underwriting and closing, and their reviews are often more comprehensive and more directly aligned with financial risk management.

While we would prefer this requirement be eliminated, at a minimum we recommend OHFA limit it to a single submission per project cycle.

**Submission Requirements**

**Board Resolution:** We noticed that for non-profit participants a Board Resolution is required at proposal application rather than final. This is onerous and unnecessary, potentially adding an advantage to for-profit developers. We would recommend putting this back to final application only as it has been in the most recent QAP.

**Conditional commitments:** We noticed that the 9% QAP continues to require conditional financial commitments while the OLIHTC & BGF proposal applications do not require commitments. We recommend eliminating this requirement at proposal application to be consistent across programs. Exception of FHLB because many would wait to receive 9% before FHLB. Ownness is one Developer fee to fill gaps regardless.

Again, we thank you for this opportunity to submit comments and look forward to working with OHFA as the new guidelines are finalized.

Thank you,

A handwritten signature in blue ink, appearing to read "Sarajane Steffes".

Sarajane Steffes  
Senior Project Leader

CC: Amy Rosenthal, Vice President, Affordable Housing  
Matt Rule, Senior Vice President, Housing Development and Asset Management