



August 25, 2025

VIA EMAIL: QAP@ohiohome.org

Ohio Housing Finance Agency
2600 Corporate Exchange Drive, Suite 300
Columbus, OH 43231

RE: 2026-2027 9% LIHTC QAP – Second Draft

Thank you for the opportunity to comment on OHFA's Second Draft of the 2026-2027 9% LIHTC QAP. Preservation of Affordable Housing (POAH) values the opportunity to share our perspective as OHFA updates and changes.

POAH appreciates the positive changes in this second draft and thanks OHFA for its responsiveness to stakeholder input.

Specifically, POAH supports the following changes:

- The removal of the Minimum Neighborhood Opportunity Index Threshold
- Updating the Amenities requirements for two per category and including an exception request
- Exempting preserved affordability projects from county limits restrictions
- Removing the alphabetical schedule from regional distribution

These changes will ensure that preservation projects are not hindered by their location and other circumstances that are outside of the project sponsor's control.

In addition, POAH thanks OHFA for not having a maximum on hard construction costs for rehab projects. This will allow development teams to implement a scope of work appropriate to each project and sufficient to stand the long use period expected of LIHTC projects.

POAH would like to share these additional comments on the revised draft:

Preserved Affordability Allocation Goal

We are concerned by the proposed reduction in the allocation goal for Preserved Affordability from 20% in the previous QAP to 15% in the 2026-27 draft. Preservation is a critical part of the state's housing strategy, since it protects existing residents from displacement; costs less per unit than production; stabilizes surrounding communities; and has less environmental impact.

According to research by the National Housing Trust, at least 30 state QAPs provide a preservation allocation, with an average of 20%. We would encourage OHFA to increase the allocation goal for Preserved Affordability projects to 25% to ensure a reasonable opportunity for preservation projects to access 9% LIHTC if they are not viable as 4% LIHTC projects.

Set-Asides and Award Sequences

We are concerned that the QAP's formula for statewide set asides and award sequences disadvantages Preserved Affordability projects, and we encourage OHFA to adjust the formula to seek a better balance of production and preservation projects. In the Second Draft (and in the current QAP), Preserved Affordability projects come third in the funding sequence in each region, and are capped at one award per region.

This formula has resulted in as few as 2 or 3 preservation projects being funded in recent years (distinct from RAD or USDA set-asides), meaning that preservation projects which are not viable as 4% LIHTC projects are unlikely to be able to access the 9% LIHTC resources they need to avoid physical deterioration. Accordingly, we would encourage OHFA to remove preservation projects from the regional award sequence and create a separate set-aside sufficient to fund the top scoring 5 preservation projects, or 25% of total credits, whichever is greater.

Placed into Service and IRS Form 8609

Under the application limit section, the change from simply 'placed into service' to 'PIS, as evidenced by IRS Form 8609' will likely negatively impact sponsor's ability to apply for funding. Agencies and accountants can take an additional 6 months following project completion and lease-up to complete and Form 8609. POAH requests that OHFA permit an exception request process for this requirement.

Preserved Affordability Tiebreakers

POAH is concerned that the criterion proposed as the new #1 tiebreaker for Preserved Affordability will disadvantage preservation projects in areas where concerted local revitalization efforts are underway. In such places, multiple preservation projects may need to advance in a short time period as part of a coordinated local strategy, and OHFA should be supportive of such efforts. Instead, this tiebreaker would make such communities less competitive for 3 years after each LIHTC award. We would encourage OHFA either to discard this proposed tiebreaker, or delete the reference to 4% LIHTC (so that it refers only to scarce/competitive 9% LIHTC awards).

Additionally, moving Highest percentage of ELI total units from first to second to last will have a negative impact on both projects and residents in need of those units. According to National Low-Income Housing Alliance [GAP report](#), 86% of Ohio residents at 30% of AMI are cost burdened, including 71% being extremely cost burdened. Units restricted to this level are in great need and POAH would encourage OHFA to move this category further up the tiebreaker ladder to second place.

Application Limits

As POAH has mentioned in past comments on the 4% LIHTC QAP, we appreciate OHFA's changes to the Experience and Capacity standards that would allow developers with substantial out-of-state LIHTC experience more than one reservation.

POAH strongly encourages OHFA to implement these experience and capacity standards consistently across all its multifamily programs, including the 9% LIHTC QAP. In the last 10 years, POAH has successfully placed into service fourteen (14) 9% LIHTC projects in states other than Ohio, but are limited to only one application under the current draft.

Allowing only one 9% application from sponsors with significant non-Ohio LIHTC experience prevents high-capacity sponsors – who may be responsible for many OHFA-assisted properties – from effectively pursuing the resources their properties need to address mounting capital needs. Residents of these properties, and their surrounding communities, suffer real harm as a result.

We would be happy to discuss or elaborate on these comments if that would be helpful to OHFA as you continue to refine these updates. Again, we deeply appreciate OHFA's commitment to ensuring this QAP is the best possible reflection of Ohio's housing needs and priorities.

Sincerely,



Molly Ekerdt
Vice President
Preservation of Affordable Housing (POAH)