
Draft 2 QAP Feedback

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To QAP, OHFA <QAP@ohiohome.org>

Cc Ben Paulus <bpaulus@modelgroup.net>

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2026 QAP Feedback Draft 2:

Thank you for the opportunity to give feedback on the 2nd draft of the QAP. The following comments correspond in page number with the redline version of Draft 2 QAP.

- Page 22 – I appreciate OHFA reducing the number of required amenities and including an exception request. I think this is important to help keep costs down and to allow different projects to choose the amenities that make the most sense for their location and target population. I would encourage OHFA to allow as many different amenities and flexibility as possible. What works well for a new construction family project on 10 acres often doesn't work well for scattered site historic in urban neighborhoods.
- Page 28 – I am still confused if the "Previously Assisted Project Eligibility" section applies to projects with previous HDAP from OHFA or any HOME funds from City or County, etc. The paragraph uses HOME in some places and HDAP in others. Please clarify as most preservation projects have some form of local gap funding.
- Page 29 – I appreciate the flexibility of the Discretionary Basis Boost policy on page 26.
- Page 30 – I think OHFA's application limits should include an additional application + award for Mentor Developers who agree to partner with a smaller capacity developer. Otherwise, why have the distinction and what is the advantage to being a Mentor Developer vs. just an Experienced Developer? There should be some benefit to a developer for choosing to take on a partner and split their fee.
- Page 31 – I appreciate the reduction to Compliance Monitoring Fee.
- Page 33+ – I appreciate OHFA's attempt to clarify how funding priorities will happen, but I am still a bit confused! Has OHFA run through simulations on this? Am I understanding correctly that basically Tenant Population with Special Needs Housing will be the app that might not get funded if a region runs out of credits?
- Page 39 – I think the census tract limitation is a good improvement.
- Page 45 – Lowering the number of 811 units from 20% to 15% is good, but I still think this is a lot of ELI units. I'm not sure this is good for neighborhoods or good public policy. That is a lot of 30% units in a building and will make it difficult to maintain a good mix of tenant incomes. This also increases financing gaps by decreasing projects' ability to support permanent debt. Finally, it is very difficult to have these units without some form of operating subsidy.
- Page 46 - Tie Breakers: I appreciate OHFA moving ELI units down. I'm not sure anything will get to tie breakers with both Housing Need and Opportunity Index going to the hundredth decimal place.
- Page 49 – The section on demonstrating infeasibility of a 4% deal is very unclear how a project can prove financial infeasibility. Every 4% deal works at some level of gap financing or at some minimum amount of rehab. How will OHFA determine what is a feasible amount of gap financing? What is a project works but paid developer fee is only \$400k. Does that count as financially infeasible? At very least I would suggest bumping up # of units to at least 75 or 80. I highly doubt if

projects are feasible in non-competitive 4% LIHTC that developers are choosing to take a riskier pathway of applying for 1 of 5 Preservation awards in a competitive round.

- Page 56: Competitive Scoring: I continue to suggest inserting Neighborhood Change index into the scoring framework rather than have it be a tie breaker. I doubt apps will go to the tie breakers.
- Thank you for removing the minimum Threshold Opportunity index.
- I understand OHFA is limited on funds and producing new units is currently politically popular and needed. However, I am concerned about the lack of OHFA resources going towards preservation of existing projects. I am concerned that as projects become 15, 20, or 25 years old and have greater capital needs than a straight 4% deal can handle, that these LIHTC projects will continue to deteriorate and eventually give the LIHTC program a bad reputation.

Thank you.

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