



September 2, 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 2nd draft of the *9% LIHTC Qualified Action Plan Program Year 2026-2027*

Dear Dr. Price,

On behalf of the Ohio Housing Council (OHC) membership, thank you for the opportunity to comment on the second draft of the *Program Year 2026–2027 9% LIHTC Qualified Allocation Plan (QAP)*. We appreciate OHFA's continued engagement with stakeholders and your responsiveness to several concerns raised in the first draft.

Positive Changes

While we still have concerns about some portions of the QAP as it's drafted, we are appreciative of several meaningful improvements between the first and second drafts.

Removal of Neighborhood Opportunity Index Threshold

The elimination of the regional median threshold that would have categorically excluded half of all census tracts in each region addresses our concern about limiting the opportunity for rural areas, legacy cities, and communities with revitalization priorities to apply. While we continue to have broader questions about the way the Neighborhood Opportunity Index is used as a scoring mechanism and the weight given to it, removing the threshold at least preserves the possibility for projects in lower-scoring areas to submit an application, even if they remain at a scoring disadvantage.

Lien and Litigation Reports Limited to Final Application

Removing this requirement from the proposal application stage while maintaining it at the final application stage reduces unnecessary administrative burden and costs while maintaining appropriate due diligence. We continue to encourage OHFA's efforts to streamline the Experience & Capacity process to strike a better balance between administrative burden—on both the developers and OHFA—and the risk of an applicant failing to deliver a quality development.

Adjustment to Mandatory Amenities

We recognize that OHFA reduced the mandatory amenity selections from three to two in each category, demonstrating some responsiveness to stakeholder feedback regarding cost implications.

Tiebreaker Modifications

We appreciate that OHFA moved the 30% AMI tiebreaker down in the sequence, addressing concerns about its potential impact on project feasibility, particularly in rural and lower-cost markets.

Continued Concerns

Threshold vs. Scoring Criteria

While we appreciate the reduction from three to two mandatory amenities in two of the amenity categories, we continue to believe that amenities should remain scoring criteria rather than threshold requirements. Making any combination of cost-generating features mandatory imposes additional costs on every project, regardless of location, market context, or funding constraints.

We understand OHFA's perspective that features universally pursued by developers might as well be threshold requirements, but we maintain that scoring criteria preserve developer discretion and provide OHFA with greater flexibility to support innovative or context-specific proposals that advance other policy goals. The distinction matters because scoring allows developers to make strategic decisions about leaving points on the table when costs don't justify benefits for their particular project and market.

We recognize OHFA has made some movement on this issue and appreciate that adjustment, while respectfully remaining on record that amenities could be returned to scoring criteria to better balance program integrity with development feasibility.

Regional Distribution Complexity and Implementation Clarity

We continue to be concerned with the complexity of the funding framework, particularly given the relatively small number of projects that will be funded. Because of this complexity and a lack of confidence in our understanding of how the funding will flow, developers are struggling to make informed decisions about where to invest their limited resources. In the hopes that OHFA can reduce this uncertainty and provide significantly more clarity, we have several suggestions and requests.

Implementation Example

The regional allocation framework involves complex sequencing of set-asides, regional distribution, and project type priorities that stakeholders are finding difficult to interpret. We recommend OHFA publish a concrete example showing how this system would work with hypothetical applications—for instance, showing the specific order in which projects would be selected across regions, how much funding remains at each step, and which project types might consistently be left unfunded due to the allocation sequence. Without such an example, developers cannot make informed decisions about application preparation, and OHFA cannot fully assess whether the system will produce the intended distribution of awards.

Census Tract Data

The tiebreaker system relies on census tract-level LIHTC award history across both 9% and 4% programs over multiple years, but this information is not readily accessible to applicants. Developers would need to manually research and compile award data across multiple program years and funding sources to understand their competitive position under the tiebreaker criteria. To reduce this administrative burden and ensure equitable access to information, we request that OHFA publish comprehensive census tract-level data showing LIHTC awards made during the relevant measurement periods, including project types and award years. This transparency would continue OHFA's tradition of predictable, understandable scoring systems.

Set-Aside Tiebreaker

When ties occur between different set-aside categories, the current language states that OHFA will use the New Affordability – General Occupancy tiebreaker list to break ties across funding pools within the same set aside. Because that tiebreaker list uses factors that do not apply to senior housing projects, preservation, or special population projects, such as number of bedrooms and eventual tenant ownership, we would suggest using the New Affordability – Seniors tiebreaker list which contains tiebreakers applicable to all types of projects.

Analysis to Prevent Unintended Consequences

Given the complexity of the allocation sequence and the interaction between regional distributions and set asides, we encourage OHFA to analyze the funding framework to ensure it operates as intended without creating unintended barriers for any project type or geographic area. A review of potential scenarios would help confirm that the structure achieves the intended policy outcomes.

Experience & Capacity

We are encouraged by OHFA's ongoing efforts to streamline the Experience & Capacity Review process and related administrative requirements. As discussed in previous correspondence, allowing established developers in good standing to submit certifications of material changes rather than complete annual re-submissions would reduce burden on both applicants and OHFA staff without compromising oversight. We look forward to supporting refinements to this process.

Community Impact Strategic Initiatives

We appreciate OHFA's reinstatement of the Community Impact Strategic Initiative, and we support increasing flexibility in this category. We would suggest that OHFA consider whether limiting it to New Affordability General Occupancy and New Affordability Senior Funding pools provides sufficient discretion to address unforeseen circumstances or unique opportunities that advance program goals while maintaining appropriate justification and transparency standards.

Conclusion

We appreciate the complexity of balancing competing priorities in the QAP while serving Ohio's diverse housing needs. The changes in the second draft demonstrate OHFA's commitment to stakeholder engagement and program improvement. As always, our comments are offered to strengthen the QAP's ability to support financially viable, community-responsive, and affordable housing developments across Ohio.

Thank you for your consideration of these comments. We welcome further discussion and remain committed to our collaborative partnership as the QAP is finalized.

Sincerely,



Ryan Gleason
Executive Director

cc: Bill Beagle, Executive Director, Ohio Housing Finance Agency
Matt Sutter, Senior Director of Housing Programs, Ohio Housing Finance Agency
Barbara Richards, Director of Multifamily Housing, Ohio Housing Finance Agency