

Advisory Committee Meeting III: Notes

National Housing Trust Fund

- I. Welcomed group and completed introductions
- II. OHFA reviewed purpose of NHTF and Advisory Committee
- III. OHFA provided overview of past meetings and planning calendar
- IV. OHFA provided summary of the work-product from Meeting II committees
- V. Group discussed how to best implement the program objectives within the HDAP structure proposed by working committees. Topics included:
 - a. Application Streamlining. Group recommended OHFA embed NHTF within the existing application deadlines to avoid administrative obstacles.
 - b. Experience and Capacity. Group discussed whether allowing newer developers to participate would be beneficial. While the proposition was generally supported, it was noted that some experience and capacity requirements are mandated by the Interim Rule and could not be avoided.
 - c. Environmental Review. Group discussed whether Part 58 applies, further reference to the Interim Rule is needed. [*The ER requirements are codified at §93.301(f) state, "All proposed multifamily (more than four housing units) HTF projects require a Phase I Environmental Site Assessment (ESA-ASTM). If the Phase I ESA identifies recognized environmental concerns (RECs), a Phase II (ESA-ASTM) will be required. ASTM reports shall be prepared in accordance with the most current ASTM standard. Single family housing does not require a Phase I ESA."*]
 - d. Closing. Group recommended OHFA research whether a single closing, or single closing date, is possible to minimize administrative costs.
 - e. Per Unit Costs. Group wanted clear guidance on per unit cost limitations and preferred incorporating the existing rules of other programs. Pairing with HOME cost limits was recommended.
 - f. Compliance Period. Group recommended a 30 year compliance period.
 - g. Leveraging. Group recommended leveraging incentives and capital caps to ensure that the small initial award is conserved and disbursed effectively.
 - h. Training. Group requested comprehensive training after launch to ensure applicants understood the participation, construction, and operation requirements. OHFA discussed partnering with community leaders for peer training opportunities.
 - i. Tracking and Reporting. Group indicated that PY16 can be tracked and studied to increase program efficiencies in future years.
 - j. Program Income. Group discussed the benefits and risks of requiring repayment. Both alternatives could support the affordable housing mission and a final recommendation was not reached. If program income is returned, the group did recommend that it continue to be used for the ELI population, within HUD regulations.
- VI. Group may email additional comments to NHTFAllocation@ohiohome.org
- VII. OHFA thanked group for their attendance and adorned



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NATIONAL HOUSING TRUST FUND ADVISORY GROUP

WORK SESSION III

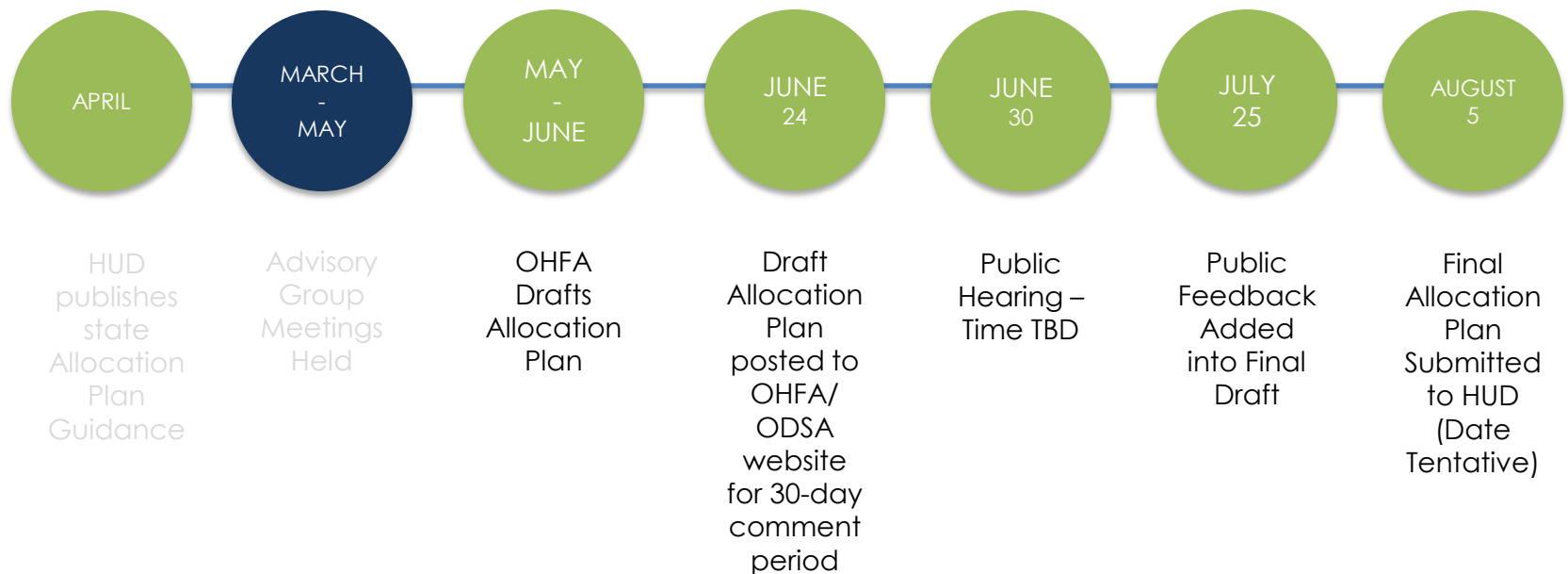
THURSDAY, May 19, 2016 1PM



AGENDA ■ ■ ■

- WELCOME AND INTRODUCTIONS
- PURPOSE AND REVIEW OF PAST MEETINGS
- FACILITATED DISCUSSION
- NEXT STEPS

NATIONAL HOUSING TRUST FUND ALLOCATION PLAN TENTATIVE TIMELINE



ADVISORY GROUP Purpose & Past ■ ■ ■

- To involve community and stakeholder representatives in decision making concerning the use of National Housing Trust Fund resources in Ohio
- February 25, 2016 – Public Forum Soliciting Feedback
- March 22, 2016 – Narrowed Inquiry to Three Priority Areas:
 - Achieving Lower Rents in Tax Credit Properties
 - Supporting Small, Non-LIHTC Multifamily Developments
 - Leveraging 4% Non-Competitive Credits
- April 26, 2016 – Developed Program Suggestions from Priority Areas...

Achieving lower rents in tax credit properties



HDAP framework + operating subsidy

Preserve existing affordable housing leveraging 4% (non-competitive housing credits)



HDAP framework to reduce hard debt in bond transactions

Capital dollars to support small, non-LIHTC multifamily developments



HDAP framework to provide capital in non-LIHTC deals

ADVISORY GROUP Reporting Out ■ ■ ■

Many Common Themes Emerged in Working Groups:

- Reducing hard debt enables developers to offer lower rents
- Modeling off an existing program provides greater likelihood of success
- Increasing volume cap utilization in 4% is a collateral objective
- Working within HDAP provides predictability to development community
- Targeting ELI generally without a subset population allows local tailoring
- May look to build off emerging fields: 811, green infrastructure, etc.
- Operating subsidies are desirable but costly given small Year 1 award

Linking Objectives to Operations ■ ■ ■

Acknowledging that need outpaces funding, the following questions may help us ‘zero in’ on the most supported and replicable proposals.

- What initiatives have the best track record?
- How can we leverage OHFA's administrative experience?
- How can we provide developers predictability?
- Expanding access versus concentrating assistance?
- What HDAP “red flags” should we watch for in implementation?
 - Applications, Timing, Building Standards, Billing, Staffing, Compliance

*HDAP/BGF +
operating subsidy*

*HDAP framework to
reduce hard debt in
bond transactions*

*HDAP framework to
provide capital in
non-LIHTC deals*

ADDITIONAL INPUT OPPORTUNITIES ■ ■ ■

EMAIL

NHTFAllocation@ohiohome.org

PUBLIC COMMENT

June 24, 2016

PUBLIC HEARING

June 30, 2016

Vern Riffe Center - Room 1932 at 11:00 am

ADVISORY GROUP RESOURCES ■ ■ ■

HUD's Exchange Webpage: National Housing Trust Fund

<https://www.hudexchange.info/programs/htf/>

OHFA's NHTF Webpage

<http://www.ohiohome.org/housingtrust/default.aspx>

National Low-Income Housing Coalition

<http://nlihc.org/issues/nhtf/videos>

2016 Ohio Housing Needs Assessment

<http://www.ohiohome.org/2016-HousingNeedsAssessment.pdf>

OHFA's Multifamily Development Programs

LIHTC Qualified Allocation Plan

http://www.ohiohome.org/lihtc/2016-2017_QAP-Final.pdf

Housing Development Assistance Programs (HDAP) – include 4% LIHTC/MF Bond (BGF) and non-LIHTC (HDGF)

http://www.ohiohome.org/hdap/Consolidated-HDAP-Guidelines_2016.pdf