



PRESERVE HOUSING

Preserving affordability across Kentucky

KHC | Kentucky
Housing
Corporation

2014 Kentucky Preservation Summit

October, 28, 2014

*Beginning a statewide conversation
about preserving Kentucky's at-risk
affordable rental housing*

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Welcome

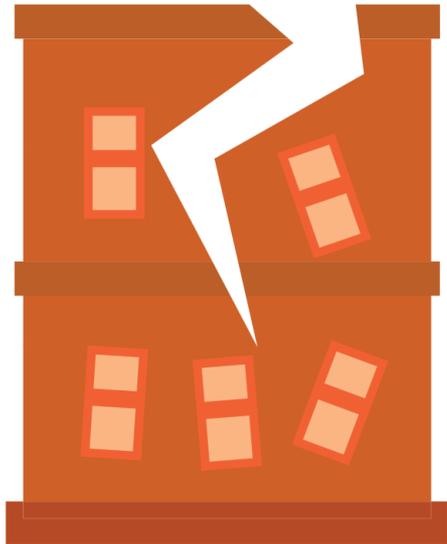
J. Kathryn Peters
Executive Director/CEO
Kentucky Housing Corporation

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**Long-term
subsidies and
restrictions are
expiring.**



**Aging properties
need repair and
renovation.**



**Increases in
operating costs are
outpacing rents.**



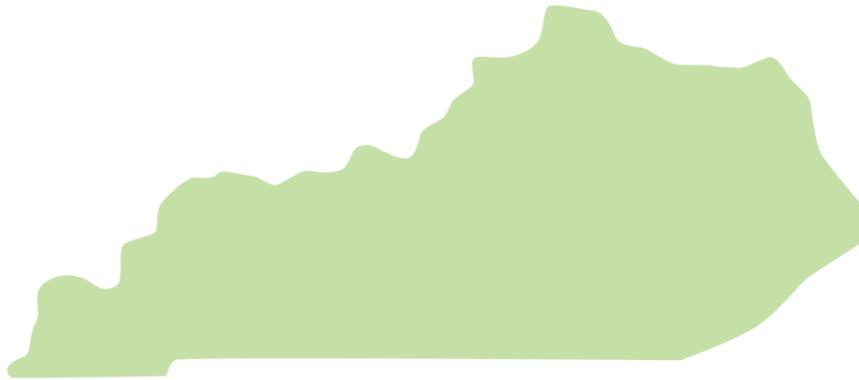
Households are increasingly housing cost-burdened.



**Preservation is
complicated.**



**It's not just a
Kentucky
problem.**



**Housing Policy
Advisory Committee**

**But it is a
Kentucky
priority.**





And a KHC priority

KHC Overarching Strategy:
Create a plan that leads the preservation of at-risk affordable rental housing across Kentucky.





Goals for today

Summit Agenda

10:00 am	Welcome
10:15 am	Kentucky's Preservation Challenge
10:45 am	Funders' Panel
12:45 pm	How KHC Supports Preservation
1:00 pm	Developers' Feedback
2:00 pm	Finance Panel
2:45 pm	The Ohio Preservation Compact
3:00 pm	Small Group Drilldown
3:45 pm	Conclusion

The Preservation Challenge

Wendy K. Smith

Strategy & Outreach Consultant

Kentucky Housing Corporation

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Challenge: What Does At-Risk Mean?

- Chronic high vacancy
- Poor physical condition
- Risk of losing rent subsidy (PBS8, RD)
- Expiring subsidies, due-at-maturity subsidies
- Allowable rents too low to support operations & debt service
- Exiting owners/limited partners
- Cannibalized by newer projects



KHC's Risks to Mitigate

- Default on Risk Share Loans
- Triggering repayment to HOME Program
- Falling out of compliance with IRS
- Losing affordable housing stock at a faster rate than we can create new units.



Data Sources

KHC Project Files

USDA Rural Development

National Housing Preservation Database preservationdatabase.org

Program Name:

[HUD Project Based Rental Assistance](#)

[Sec. 202 Direct Loans](#)

[HUD Insurance](#)

[State HFA Funded Sec. 236](#)

[Low Income Housing Tax Credits](#)

[HOME Rental Assistance](#)

[Sec. 515 Rural Rental Housing Loans](#)

[Rural Development Sec. 538](#)

[Public Housing](#)

Physical Inspection Scores

Source Data Set

Multifamily Assistance & Sec. 8 Contracts

[Sec.202 Direct Loans Dataset](#)

[Insured Multifamily Mortgages Database](#)

Active 236 Projects Dataset

[Low Income Housing Tax Credit Database](#)

File Received from HUD CPD

USDA Rural Housing Services

USDA Rural Housing Services

File received from HUD

[REAC Physical Inspection Scores](#)



About the Data

**Imperfect.
Best we have to work with
right now.**



Preservation: The Challenge in Numbers

49,380*

Estimated Units At Risk Now or by 2020

24,410

*Project-Based
Section 8*

13,530

*LIHTC, HOME,
202, etc.*

11,440

*USDA Rural
Development*

Key Risk Factors

1. No other funds in project except FHA/RiskShare
2. REAC score <70
3. Identified as troubled per KHC
4. Housing Credits expiring by 2020

1. Subsidy expiring by 2020
2. Reaching Year 15 of tax credit compliance period
3. Anticipated changes in ownership structure

1. Property age 19+ years
2. No transfer/rehab underway
3. No RD Rental Assistance

24,410

*Project-Based
Section 8*

Key Risk Factors

1. No other funds in project except FHA/RiskShare
2. REAC score <70
3. Identified as troubled per KHC
4. LIHTC expiring by 2020

KY PBS8 Units

	All PBS8	At-Risk PBS8
Average Subsidy End Year	2021	2020
Total Units	28,001	24,408
Rent Assisted	24,933	21,744
Properties	492	424

13,530

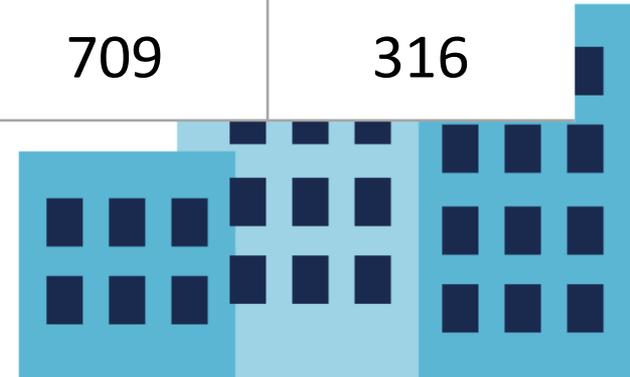
LIHTC, HOME,
202, etc.

Key Risk Factors

1. Subsidy expiring by 2020
2. Reaching year 15 of tax credit compliance period
3. Anticipated changes in ownership structure

LIHTC, HOME & 202 Units

	All	At-Risk
Avg. Subsidy End Year	2021	2014
Total Units	32,922	13,526
Avg. Years Since Placed in Service	11	14
Properties	709	316



11,440

USDA Rural
Development

Key Risk Factors

1. Property age 19+ years
2. No transfer/rehab underway
3. No RD Rental Assistance

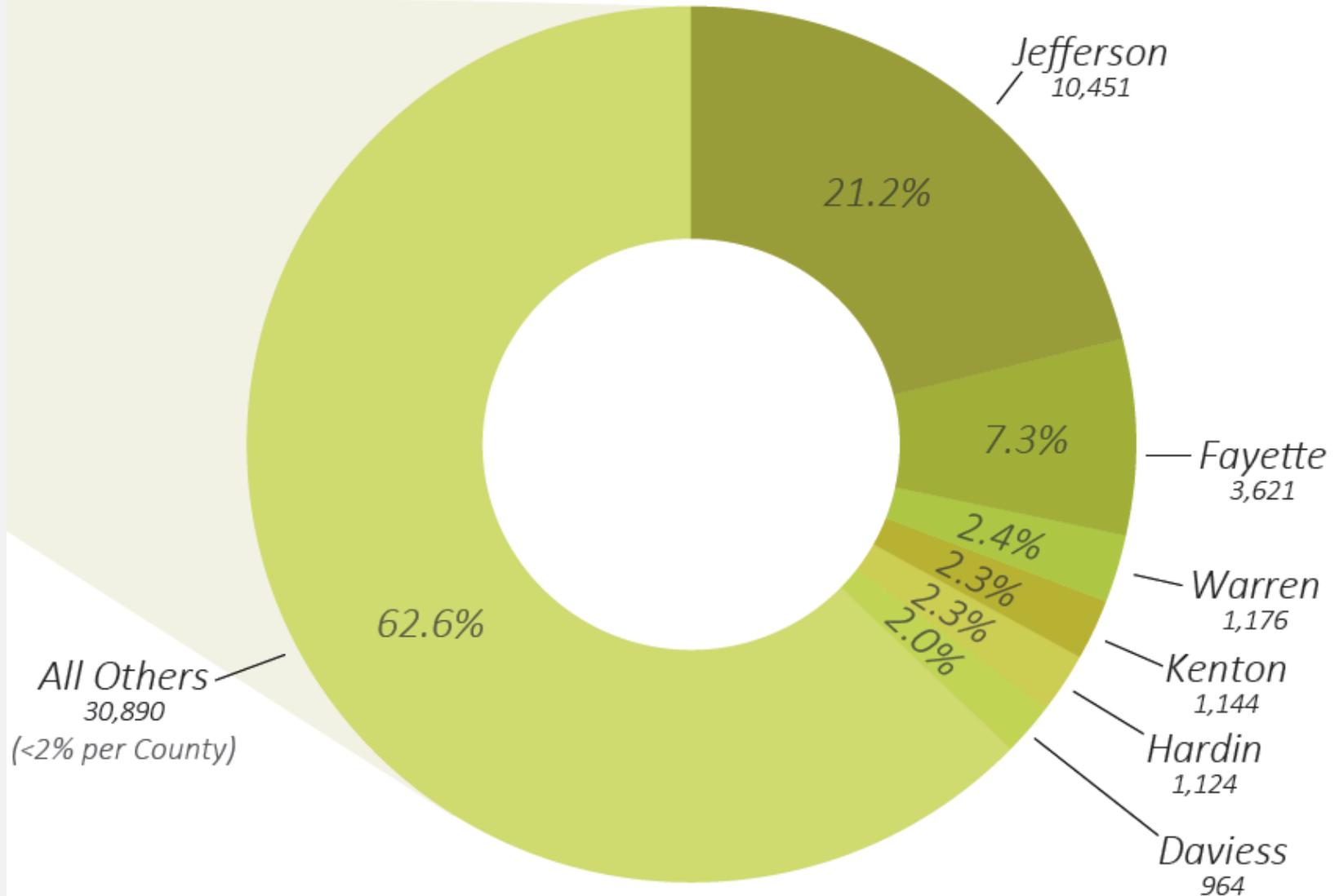
RD Units in Kentucky

	All RD Units	At-Risk RD
Average Age	26.4 yrs	26.9 yrs
Units	11,885	11,436
Rent Assisted	6,281 53%	5,883 51%
Properties	440	421
Family	302 69%	291 69%
Elderly	138 31%	130 31%

RD Preservation Issues

- USDA has insufficient funds to renew all contracts in the future
- Housing Assistance Council estimates 330 USDA-financed properties in KY will payoff debt by 2020
- Not well aligned with LIHTC Program
- Long delays in processing

By County: Units At-Risk Now or by 2020



Louisville Metro Units

	All		At-Risk	
	Units	Projects	Units	Projects
PBS8	7,315	102	5,772	87
LIHTC, HOME, 202	10,369	196	4,592	109
Total	17,684	298	10,364	196

What we're hearing from other funders

- Current go-to resources are dwarfed by the volume of preservation candidates.
- Focus on properties with rental assistance—once they are lost, those subsidies won't return.
- Shift from funding individual properties to larger portfolios to achieve scale and make recapitalization work.

What we're hearing from other funders

- Steer feasible projects to tax-exempt bond and 4% credit financing. Necessitates large # of units.
- Bonds and tax credits work for moderate rehab and recapitalization but are often insufficient for complete rehab.
- Nonprofits are often the next-generation owners of preservation properties.

Public Funding Panel

Virginia Peck, Louisville Metro Government

John Hamm, Louisville HUD Field Office

Paul Higgins, USDA Rural Development

Carol Spencer, Louisville HUD Field Office

Emily Allison, Duvernay + Brooks LLC

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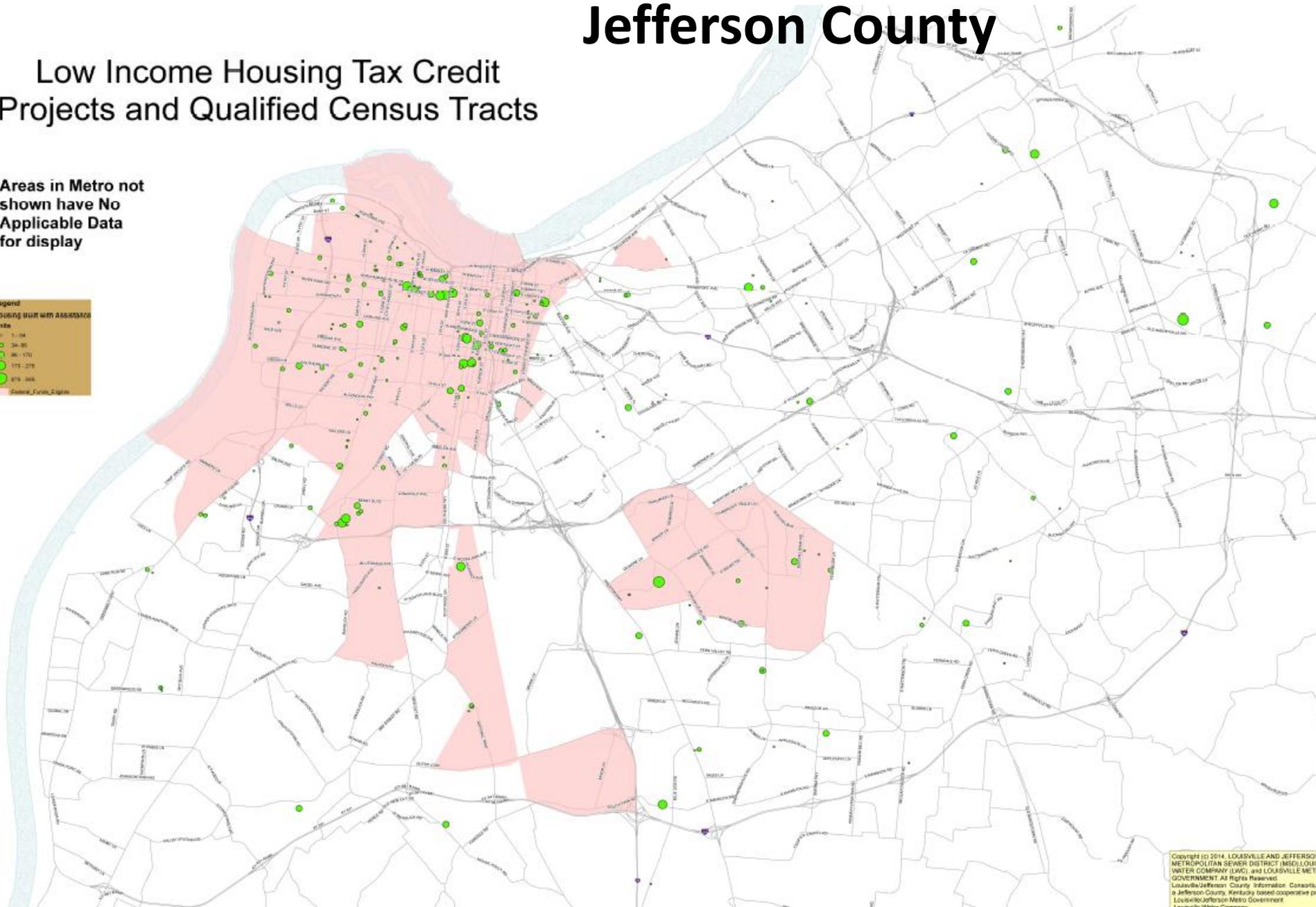
Louisville Metro Perspective

- Most subsidized units are QCTs.
- Need to strike the balance of neighborhood development vs. impaction.
- Aim is to create a better mix of incomes in LMG neighborhoods.
- Need to incentivize mixed-income development.

Jefferson County

Low Income Housing Tax Credit Projects and Qualified Census Tracts

Areas in Metro not shown have No Applicable Data for display



Louisville Metro: At-Risk by Zip Code

Zip Code	PBS8		LIHTC	
	Units	Projects	Units	Projects
40203	1,979	14	703	18
40215	558	3		
40214	348	4		
40219	327	4		
40218	302	3		
40204	247	3		
40216	231	7	287	7
40211	215	4	761	17
40208			350	3
40207			347	3
40219			294	3
40210			259	7
40212			234	10



Multifamily Low Income Housing Tax Credit Pilot Program

Purpose of LIHTC Pilot:

- Identifies a subset of low risk LIHTC transactions for expedited application processing using Section 223(f).

Multifamily Low Income Housing Tax Credit Pilot Program

- Acquisition and/or refinance and mod rehab of properties with at least 90% of units having project-based section 8, with tenants remaining in place except for temporary relocation.
- Permanent financing of newly constructed or sub rehabbed (with Tax Credits) projects that are complete, and have reached stabilized occupancy, processed under an extension of the 3-year rule waiver.
- Permanent financing and mod rehab of stabilized tax credit projects that are being re-syndicated and rehabbed with new credits and new equity investors.



Features of “Expanded” 223(f)

- Allows “moderate rehabilitation” of LIHTC and rental assistance properties.
- Moderate rehabilitation is defined as repair work that exceeds the limits normally permitted under 223(f) but does not exceed \$40,000 per unit in hard costs (with no adjustment for high cost areas).
- Repair work funded with insured loan funds still can’t exceed the statutory 223(f) limit for the project’s location (\$6,500 per unit x HCF), and the balance up to the \$40,000 limit can be funded by tax credit proceeds, or other sources.
- Prohibition of replacement of two or more “building systems”

Building Systems

- for LIHTC Pilot Program purposes

Building systems consist of: the building envelope (windows, doors, roof and external walls), the structural system, the plumbing system, the electrical system, and the HVAC system.

“Replacement” is defined as the replacement of 50% or more of the components of any system, based on cost.

This information is not in Notice H 2012-1. See “Rehabilitation Limits” page 22 of Pilot Processing Guide.

FHA Housing Tax Credit Pilot Program

General Information

- ▶ [Pilot Loan Committee Guide](#) (3/13/2013)
- ▶ [Tax Credit Pilot Program Lenders](#) (7/25/13)
- ▶ [Housing Notice 2012-1](#)
- ▶ [Mortgagee Letter 2012-1](#)
- ▶ [Pilot Hub Jurisdictions](#)
- ▶ [Tax Credit Pilot Field Office Staff](#)

Processing Guide

- ▶ [Application Processing Guide](#) (January 16, 2013)
- ▶ [Appendix A – Project Eligibility Checklist](#)
- ▶ [Appendix B – Lender’s Narrative](#) (January 16, 2013)
- ▶ [Appendix C1 – Wheelbarrow Instructions](#)
- ▶ [Appendix C2 – Wheelbarrow](#) (June 5, 2013 update)
- ▶ [Appendix D – Application Exhibits Checklist](#)
- ▶ [Appendix E – Sample 223\(f\) Master Certification Documents](#)
 - ▶ [FHA Insurance Certification Requirements](#)
 - ▶ [Lenders Super Certification 223\(f\)](#)
 - ▶ [Principals Super Certification 223\(f\)](#)
- ▶ [Appendix F – State Historic Preservation Office \(“SHPO”\) Letters](#)
- ▶ [Appendix G - Pilot Processing out of Jurisdiction](#)
- ▶ [Appendix H - Tax Credit Pilot Loan Committee Submission Template](#)

What's New

- ▶ [Additional MAP lenders approved for LIHTC pilot, July 2013](#)
- ▶ [Tax Credit Pilot FAQ #5](#) (May 30, 2013)

Training

- ▶ [Lender Training](#) (August 8, 2013)
- ▶ [Appendix E – Sample 223\(f\) Master Certification Documents](#)
 - ▶ [FHA Insurance Certification Requirements](#)
 - ▶ [Lenders Super Certification 223\(f\)](#)
 - ▶ [Principals Super Certification 223\(f\)](#)
- ▶ [Training webcast Session 1](#) (November 13, 2012)
- ▶ [Training webcast Session 2](#) (November 19, 2012)
- ▶ [Training webcast Session 3](#) (November 27, 2012)

Legal and Closing Documents

- ▶ [FHA-LIHTC Certification and Pre-Approval Docs](#)
 - ▶ [Sample LIHTC Borrower Structure](#)
 - ▶ [Identification and Certification of Eligible Limited Liability Investor Entities](#)
 - ▶ [Instructions for Pre-Approval of Special Limited Partners](#) As Interim Replacement GP/MM for LIHTC Transactions
 - ▶ [Rider to security instrument](#) (LIHTC properties)

Frequently Asked Questions

- ▶ [Tax Credit Pilot FAQ #1](#), (May 23, 2012)
- ▶ [Tax Credit Pilot FAQ #2](#), (July 10, 2012)
- ▶ [Tax Credit Pilot FAQ #3](#), (October 16, 2012)
- ▶ [Tax Credit Pilot FAQ #4](#) (April 5, 2013)



About the Web Page

- The LIHTC Pilot web page is found at HUD.gov. Here is a link:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/map/maphome/taxcredit
- If you just want an overview of the program, the Housing Notice (2012-1) or Mortgagee Letter (2012-1) is a good place to start.
- “Pilot Hub Jurisdictions” identifies the Hubs designated to process Pilot transactions, and the states/territories they are responsible for. Atlanta is the Pilot Processing Hub for most of the southeast.
- Within Atlanta Hub Jurisdiction: Georgia, Kentucky, Puerto Rico, Tennessee
- Additional States Assigned to Atlanta Hub: Alabama, Florida, North Carolina, South Carolina, and Mississippi



LIHTC Pilot Time Frames

- The intended outcome of the Pilot Program is to complete processing of applications, from lender submission to closing, in a 120 day time frame. Suggested time frames are:
 - Preliminary Review 5 days.
 - Underwriting 45 days.
 - Approvals 10 days (from DU recommendation to issuance of Firm).
 - Closing 45 days.
 - Total 105 days.
- From the Processing Guide, “The Flow Chart is a tool, but Hubs participating in the Pilot are encouraged to find other ways to expedite the review process.”

Processing of Pilot Transactions – Asset Management

- Program Center or Hub Asset Management staff have a vital role in Pilot Transactions.
- For properties with Project Based BS8 tasks may include:
 - Section 8 HAP Contract Renewals
 - Budget Based or Market Based Rent Increases
 - Post Rehab Rent Increases
- Properties with HUD held or insured mortgages require prepayment approval.
- Capacity of management agent and LIHTC experience.
- Relocation Plan and capacity of sponsor to manage relocation.

Rental Assistance Demonstration Overview

- **1st Component** - Allows Public Housing & Moderate Rehabilitation properties to convert to long-term Section 8 rental assistance contracts
- **2nd Component** - Allows Rent Supplement (Rent Supp), Rental Assistance Payment (RAP), and Mod Rehab properties to convert tenant-based vouchers to project-based assistance.
- **GOAL:** to demonstrate how the conversion of public housing units to long-term, project based Section 8 contracts can generate access to private debt and equity to address the capital needs of public housing.

RAD Overview: Key Features

Section 9 to Section 8

- **Under current authorization, 60,000 units can convert to Section 8.**
- Allows conversion of Section 9 assistance to Section 8 by combining a property's Operating and Capital Fund into a single long-term Section 8 HAP contract.
- Converted property can support conventional and bond debt.
- Proceeds from conversion expected to be used to address long term capital needs or for new construction, on-site or off.
- PHAs may choose between two forms of Section 8 HAP contracts: 1) PBVs (housing authority administered) and 2) PBRAs (HUD administered).

Minimum Requirements

- PHA must replace 95% of all units at project converting – with some exceptions.
- Conversion of assistance does not require approval through Section 18, unless the proposal would reduce the number of assisted units by more than 5%.

RAD Overview: Key Features

Operating Funding

- Once a project's assistance is converted under RAD, the PHA and project will no longer receive public housing Operating or Capital Fund subsidies for that project.
- No incremental funds for rent subsidy are authorized.
- To assist with relocation costs, funding begins at construction closing (During the remainder of the initial calendar year, project receives only what it would have under the public housing program).

Relocation

- All existing residents have right to return to the RAD project. Residents may voluntarily waive their right to return – a PHA may offer a turnover voucher or a unit in public housing
- URA may apply to relocation and the PHA must provide public housing or vouchers.

RAD Overview: Key Features

Public Housing Development Funds

- PHAs are permitted to use available public housing funding, including Operating Reserves and unobligated Capital Funds, as an additional source of capital to support conversion.
- The owner may be another public, non-profit, or for-profit owner (mixed-finance projects)
 - To convert mixed finance project to RAD, both the PHA and the mixed-finance ownership entity must agree. HUD will fund the project at the established RAD contract rent (or some other amount if the PHA is “bundling” projects); however, the PHA and ownership entity can decide how those funds are split (say, a new lease payment).
 - The PHA and the ownership entity will need to “unwind” the mixed-finance project – (1) the Declaration of Restrictive Covenants, (2) mixed-finance ACC, and (3) the Regulatory and Operating (R&O) Agreement. HUD recommends that the R&O be replaced by a streamlined regulatory agreement.

RAD: Feasibility Factors

- Physical Conditions Assessment / required repairs
- **Post-conversion RAD rent levels**
 - Most important factor when deciding whether to convert to RAD (are rents sufficient to support required debt?)
 - MTW or RHF subsidy to augment rents
- Subordinate Financing may be secured to support a RAD conversion
 - Public Housing Funds
 - Other funding (state, local, FHLB, etc.)
- Current debt on properties (Cap Fund debt or EPC debt)

RAD: Financing Options

- FHA Loan Only – 221(d)(4) and 223(f) Loans
- FHA LIHTC PILOT Program – 9% and 4% LIHTCs
- Tax-exempt Bonds
 - FHA Section 221(d)(4) and 223(f) Loans combined with Short-term bonds
 - Fannie & Freddie Preservation Short Term Bonds
 - Freddie Mac / Fannie Mae Permanent Bond Credit Enhancement
 - S&P Unenhanced Bond Program
 - Private Placements Bond Issuance

RAD Case Study: Centre Meadows, Lexington (KY) Housing Authority

- MTW agency
- RAD conversion of 206 unit family building
- Substantial rehab – \$84k per unit
- Short Term Tax-Exempt/FHA 221(d)(4) structure w/ 4% LIHTC
- \$5.78M FHA loan. 40-year term. 5% all-in rate.
- Post-conversion RAD rent: \$608/m average = **\$7,296** pupa
- Post-conversion RAD rent with RHF = \$640/m avg., **\$7,682** pupa
- Operating expenses: avg. **\$5,195** pupa net of repl reserve
- Year 1 expense ratio (including repl res) is 72%. 1.27 dcr.
- LHA subordinate funding of \$8.95M. \$43k per unit.
- LHA is developer and managing GP. Developer fee \$3M (15%).
- Interim Income - \$410/m avg. rent during construction.
\$1.86M total
- Closed March 2014 – among first RAD closings

RAD Case Study: Centre Meadows, Lexington (KY) Housing Authority

Sources	Total	Per Unit
FHA 221(d)(4)	\$ 5,780,000	\$ 27,670
HOME	\$ 500,000	\$ 2,427
LHA Funds	\$ 8,950,000	\$ 43,447
LHA Acquisition	\$ 5,700,000	\$ 27,670
4% Equity	\$ 9,379,000	\$ 45,529
Total	\$30,309,000	\$147,131

Uses	Total	Per Unit
Acquisition	\$ 5,700,000	\$27,670
Rehabilitation	\$ 17,220,000	\$83,592
Soft Costs	\$ 1,581,000	\$ 7,675
Financing Fees	\$ 1,590,000	\$ 7,718
Developer Fee	\$ 3,000,000	\$14,563
Operating Res	\$ 1,218,000	\$ 5,913
Total	\$30,309,000	\$147,131

RAD / Issues & Questions

- Shift of capital and operating funds to projects
 - Project financial management issues
 - Agency financial management issues
- Operating subsidy regulatory risk vs. debt-related risk
- New ways for PHAs to participate in projects
 - Different roles in ownership structure & provision of guarantees
 - Possibility to control cash flow
 - Potential to earn developer fee

KHC's Preservation Efforts

Andrew Hawes

Managing Director, Multifamily Programs

Kentucky Housing Corporation

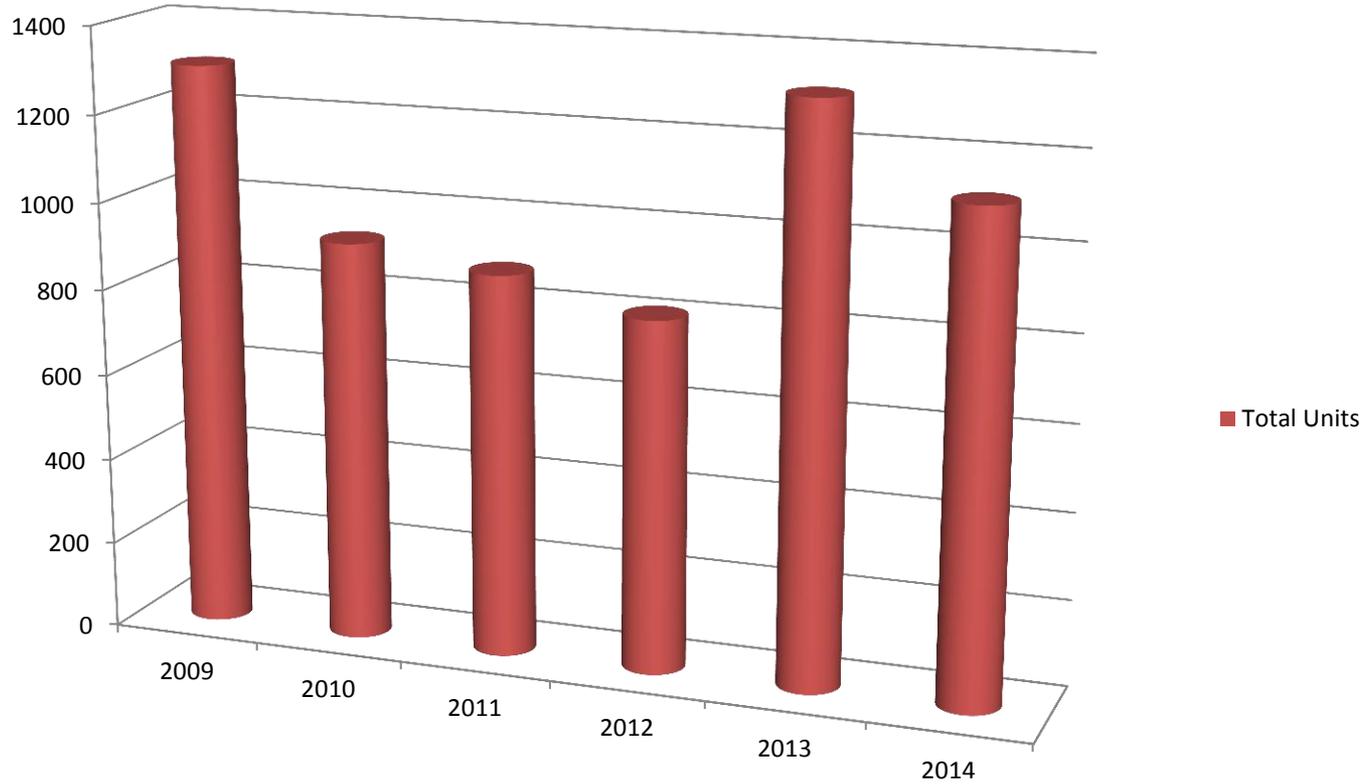
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What Have We Done?

- Over the past 6 years KHC has:
 - Created 2,262 new units of affordable housing
 - Preserved 4,090 existing affordable units
 - Average 1,050 units per year
 - Invested \$25,587,500 in HOME funds to tax credit projects
 - Invested \$10,200,000 in AHTF funds to tax credit projects.
 - Invested \$1,000,000 in HOME to TEB projects.

2009- 2014 Total Units



How KHC Supports Preservation

- One of KHC's over-arching strategies
- 9% Tax Credit QAP (LIHTC) commits a larger % to preservation
- Recent NOFA sought preservation deals that combine multiple projects into a portfolio application.
 - 4% LIHTC Equity & Tax Exempt Bonds
 - \$6 million KHC Equity Bridge Loan
 - \$2 million Rural Preservation Loan Fund
 - \$1.1 million HOME/AHTF as gap subsidy
- Additional \$12 million for construction/bridge loans supporting 2015 LIHTC projects



NOFA RESPONSES

- 5 applications submitted
 - 31 projects
 - **1145 units**
- Total Funds Requested
 - \$46,390,00 Tax Exempt Bonds
 - \$17,979,100 EBL/PRL Bridge Loans
 - \$2,000,000 HOME
 - \$300,000 AHTF
 - \$2,609,331 4% LIHTC

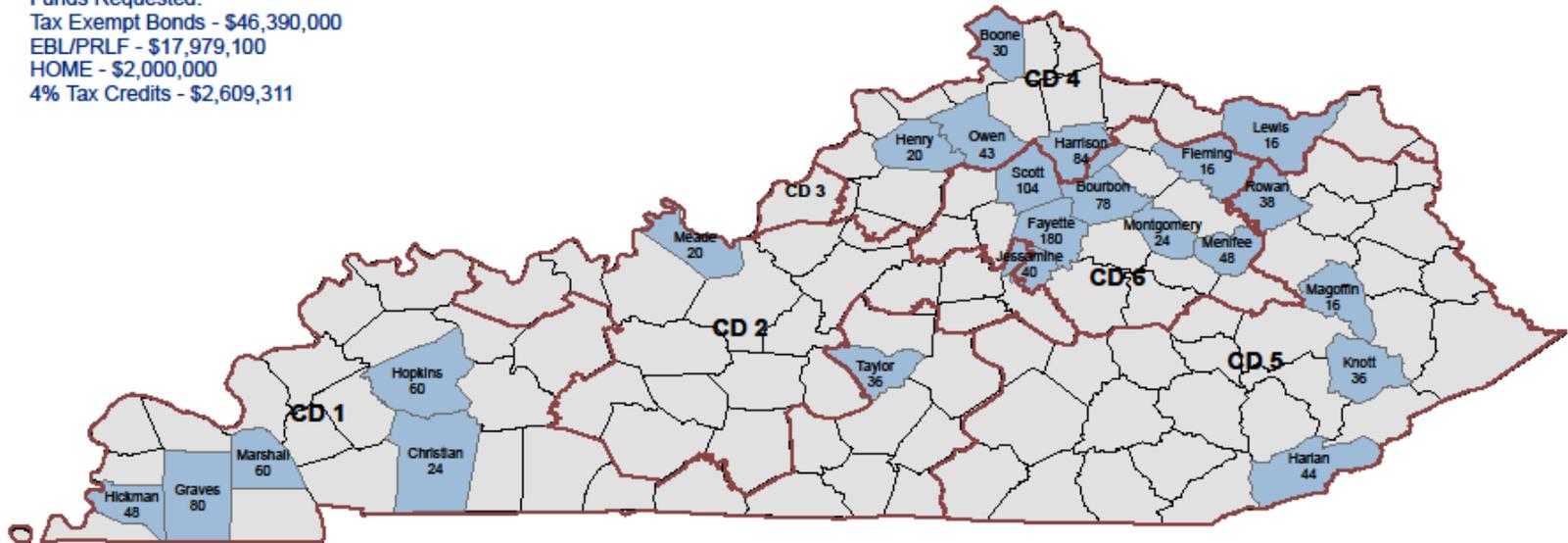
Cong. Dist.	# of Project
1	8
2	2
3	0
4	8
5	7
6	6
Total 31	

2014 TAX EXEMPT BOND NOFA RESPONSE



ALL APPLICATIONS
1,145 UNITS

Funds Requested:
Tax Exempt Bonds - \$46,390,000
EBL/PRLF - \$17,979,100
HOME - \$2,000,000
4% Tax Credits - \$2,609,311



This Map Prepared By:
Bernadette Hillman
Kentucky Housing Corporation
October 10, 2014

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NOFA Awards

- 3 applications submitted
 - 21 projects
 - **739 units**
- Total Funds Reserved
 - \$29,390,000 Tax Exempt Bonds
 - \$15,724,100 EBL/PRL Bridge Loans
 - \$1,000,000 HOME
 - \$300,000 AHTF

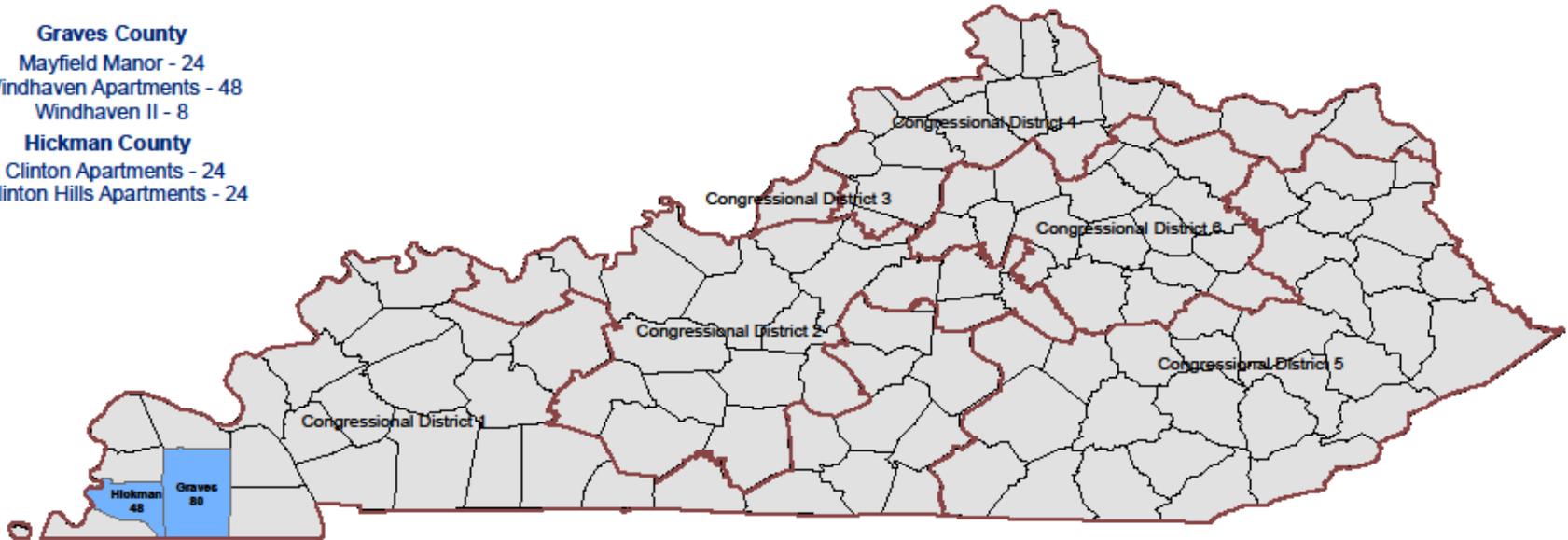
2014 TAX EXEMPT BOND NOFA RESPONSE



TURKEY RD PORTFOLIO 128 UNITS

Graves County
Mayfield Manor - 24
Windhaven Apartments - 48
Windhaven II - 8

Hickman County
Clinton Apartments - 24
Clinton Hills Apartments - 24



Funds Requested:
Tax Exempt Bonds - \$9,000,000
EBL/PRLF - \$6,424,100
HOME - \$500,000
Tax Credits - \$390,393



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Bernadette Hillman
Kentucky Housing Corporation
October 8, 2014

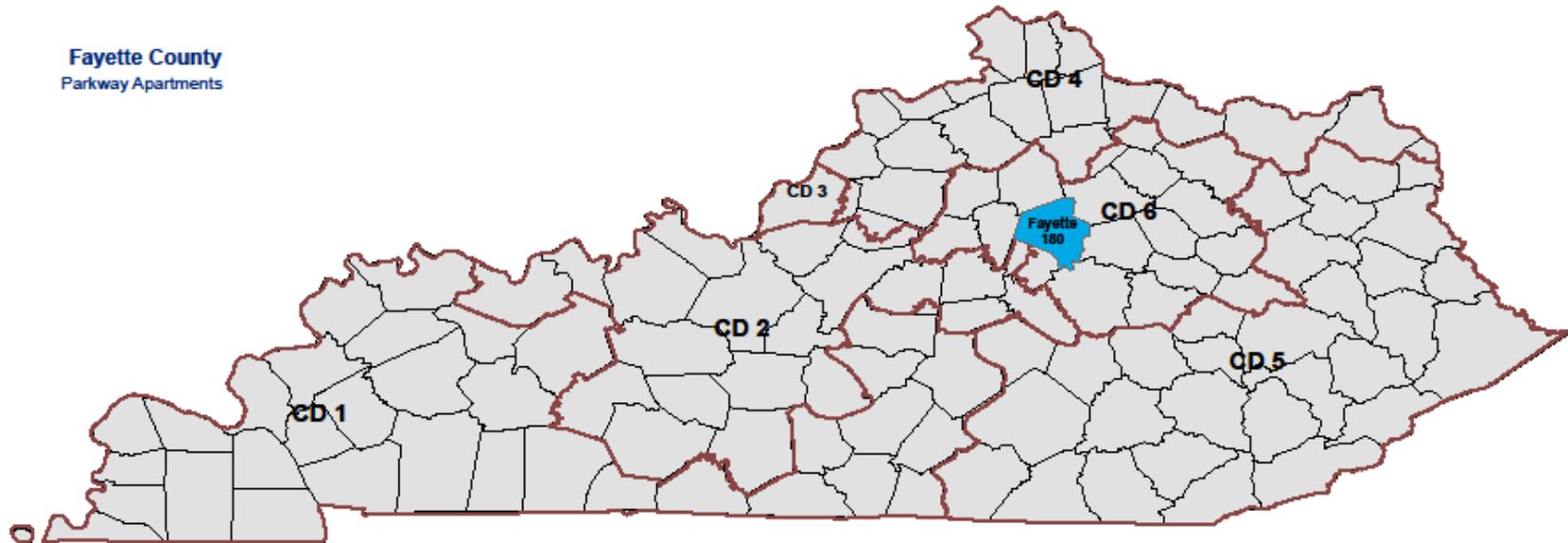


2014 TAX EXEMPT BOND NOFA RESPONSE

WINTERWOOD - PARKWAY 180 UNITS



Fayette County
Parkway Apartments



Funds Requested:
Tax Exempt Bonds - \$6,000,000
EBL/PRLF - \$2,000,000
AHTF - \$300,000
Tax Credits - \$256,089



This Map Prepared By:
Bernadette Hillman
Kentucky Housing Corporation
October 9, 2014

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Planning For The Future

- Prioritizing the QAP
 - New Construction
 - Rehabilitation
 - Types of properties that are best suited for 9 % credits
 - Types of properties that are best suited for TEB and 4% credits.
- What kind of training can KHC bring to the affordable housing industry in the Commonwealth?
 - Tax Exempt Bonds?
 - Deal structuring?
 - Combining portfolio properties?
 - RAD training?
- Asset Management Strategies
 - Workouts?
 - Additional loan products for sustainability

Planning For The Future

- Coordinating funding rounds with other affordable housing providers
 - FHLB
 - Louisville/Lexington
 - Opportunities to leverage resources
 - Prioritizing TEB activity

Developers' Feedback

Johan Graham, AU Associates, Inc.

Garry Watkins, Wabuck Development Company

David Cooper, The Woda Group

Moderator:

Lewis Diaz, Peck Shaffer & Williams

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Preservation Focus Group Takeaways

September 10, 2014

- Many owners are having or foresee problems with their maturing portfolios.
- Tax Exempt Bonds + 4% Credits are not a sufficient source for portfolio deals
- Rural Development is a much-needed partner for preservation, but RD processes and requirements are not well-aligned with other funding sources.



Preservation Focus Group Takeaways

KHC should consider:

- Committing more subsidy dollars to preservation (HOME/AHTF)
- Increased flexibility for struggling and/or expiring projects
- Creating a streamlined application process for preservation projects



Preservation Focus Group Takeaways

Owners/Developers may need to organize.

- Advocate for a Kentucky housing tax credit
- Property tax exemption for affordable properties.



Finance Panel

Brian Langmeyer, Ohio Capital Corporation for Housing

Douglas Leezer, Citi Community Capital

Billie Wade, HOPE of Kentucky

Don Beaty, The Summit Group

Moderator:

Sujyot Patel, Peck Shaffer & Williams

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The Ohio Preservation Compact

Hal Keller

Ohio Capital Corporation for Housing

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OCCH
OHIO CAPITAL
CORPORATION
FOR HOUSING

OHIO PRESERVATION COMPACT

KENTUCKY PRESERVATION SUMMIT
FRANKFORT KENTUCKY
OCTOBER 28, 2014



OHIO CAPITAL CORPORATION FOR HOUSING

OHIO CAPITAL CORPORATION FOR HOUSING



OCCH
OHIO CAPITAL
CORPORATION
FOR HOUSING

\$3.0+
Billion

Total Equity
Raised

33,500+

Units of
Affordable
Housing

675+

Affordable
Projects
Completed

0

Foreclosures





The Ohio Preservation Compact

Objective: Preserve 14,000 units via financial & non-financial interventions

- Ohio Housing Finance Agency (OHFA)
- Coalition on Homelessness and Housing in Ohio (COHHIO)
- Ohio Capital Finance Corporation (OCFC) / Ohio Capital Corporation for Housing (OCCH)

MacArthur Foundation Assistance

- John D. and Catherine T. MacArthur Foundation's \$150 million "Window of Opportunity" initiative
- 12 grantees nationwide
- \$5 million award to Ohio Preservation Compact
 - \$4 million Program Related Investment (PRI)
 - \$1 million Grant
- Ohio's Compact modeled after Chicago Preservation Compact

Preservation is.....

- Section 8
 - 202s (senior)
 - 811s (disabled)
- LIHTCs
- USDA RD 515s
- Public Housing

Ohio's Affordable Housing Stock

2,410 unique projects with 145,575 total units

<u>Assistance Type</u>	<u>Active Projects</u>	<u>Units</u>
Tax Credit	1,075	74,746
RD	394	8,905
S8/MFA	1,242	77,466
FHA	73	7,350
202/811	160	7,550
236	122	12,910
Public Housing	412	47,231

The Compact Initiatives:

1. Develop and manage an on-line database/ clearing house of affordable housing data
2. Determine properties most at risk and develop strategies to “save” them
3. Identify, structure and close Preservation deals
4. Provide TA to owners and managers
5. Complete policy work surrounding Preservation
 - Engage advocates, tenants, developers and owners
 - Expand the Ohio Preservation Network (OPN) activities
6. Implement a scalable and sustainable Preservation Loan Fund



www.OhioPreservationCompact.org

The screenshot shows a Windows Internet Explorer browser window displaying the Ohio Preservation Compact website. The browser's address bar shows the URL <http://ohiopreservationcompact.org/>. The website's header features the organization's logo and navigation links for [About Us](#), [Contact Us](#), and [Events](#). Below the header is a banner image consisting of three photographs: a multi-story brick apartment building, a storefront with a 'Gateway' sign, and another view of a brick building. Underneath the banner is a quote: *The MacArthur Foundation supports creative people and effective institutions committed to building a more just, verdant and peaceful world.* To the right of the quote is a list of links: [How to Get Involved](#), [Ohio Preservation Loan Fund](#), [Preservation FAQs](#), [Featured Preservation Deal](#), [Affordable Housing Database](#), [Professional Listing](#), [Grants and Funding Opportunities](#), [Partnerships](#), and [Additional Resources](#). At the bottom of the page, there are logos for OCCH (Ohio Central Council on Homelessness and Housing in Ohio) and COHIO (Coalition on Homelessness and Housing in Ohio). The browser's taskbar at the bottom shows the Start button, several open Microsoft Office applications, the Control Panel, and the system tray with the time 10:48 PM and 115% zoom level.

Website Features

- How to get involved
- The Ohio Preservation Loan Fund
- Preservation FAQ's
- Featured Preservation Deal
- Ohio's Affordable Housing Database
- Professional Listing and Contacts
- Grants and Funding Opportunities
- OPC Partnerships and Resources
- Marketplace

Searchable Database



Affordable Housing Database

the affordable housing
database was created by:
Community Research Partners



General Project Characteristics

Project Name	<input type="text"/>
HUD ID	<input type="text"/>
Project Street Name	<input type="text"/>
Zip Code	<input type="text"/>
OHFA Tracking Number for Tax Credit Projects	<input type="text"/>
Organization or Individual Name	<input type="text"/>
FHA Loan ID	<input type="text"/>

- [About](#)
- [Contact Us](#)
- [Events](#)
- [How to Get Involved](#)
- [Ohio Preservation Loan Fund](#)
- [Preservation FAQs](#)
- [Featured Preservation Deal](#)
- [Affordable Housing Database](#)
- [Professional Listing](#)
- [Grants and Funding Opportunities](#)
- [Partnerships](#)
- [Additional Resources](#)



Properties At-Risk

- At-Risk Committee expanding to include developer community
- The At-Risk Committee seeks to develop strategies to save and preserve affordable housing that is at risk of being lost from the assisted housing stock



The Ohio Preservation Loan Fund

- The Fund provides a *flexible source* of capital to be utilized by the development partners of the Ohio Capital Corporation for Housing (OCCH) and the Ohio Housing Finance Agency (OHFA) for the preservation of affordable housing in Ohio.
- *Products*
 - *Predevelopment Loans – up to \$150,000*
 - *Acquisition Loans – up to \$5,000,000*
 - *Bridge Loans – up to \$5,000,000*
- *Term – up to 36 Months*
- *Pricing – 3.33%*

OPLF Production 2009-2014

- 55 Loans
- Predevelopment Loans – \$3,604,762
- Acquisition Loans – \$22,112,529
- Bridge Loans – \$25,531,357
- 4,148 Units Preserved
- 67% family and 33% elderly
- 67% for profit and 33% non profit

OCCH

OHIO CAPITAL
CORPORATION
FOR HOUSING



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Wrap-up & Next Steps

Rob Ellis

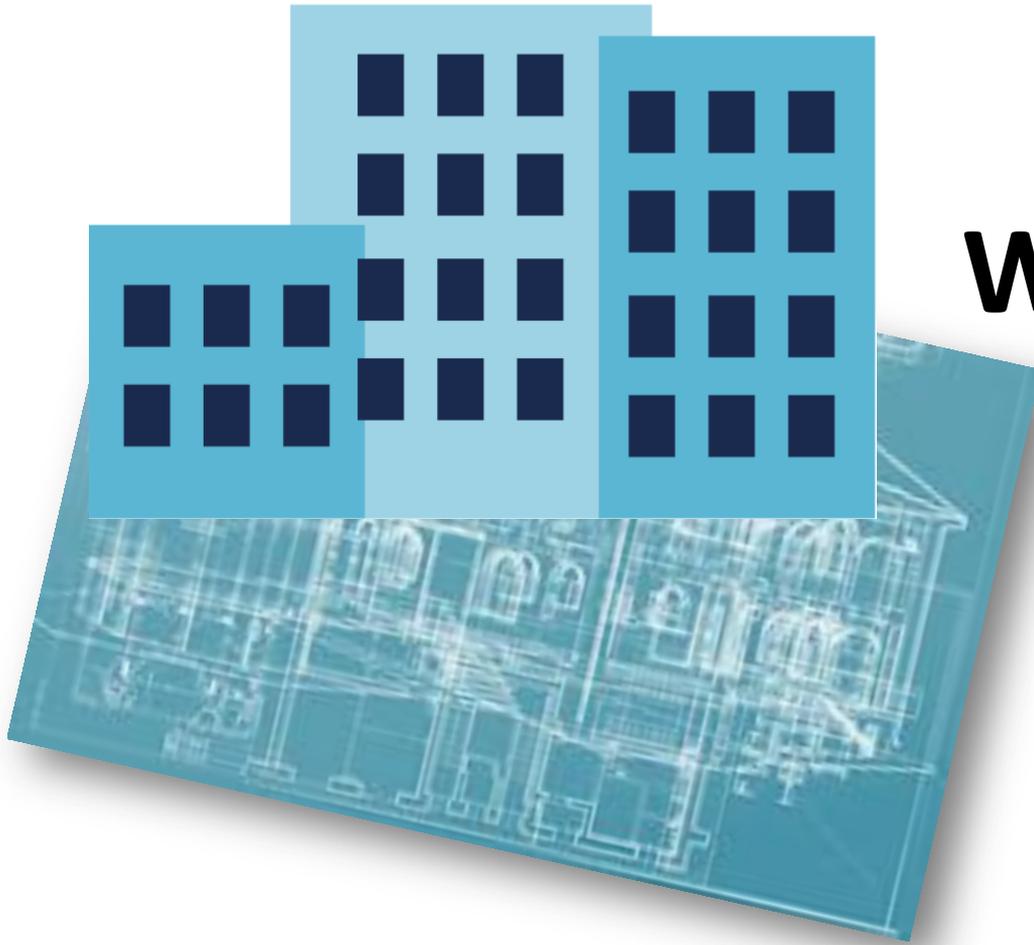
Deputy Executive Director

Housing Production & Programs

Kentucky Housing Corporation

PRESERVE
HOUSING

Preserving affordability across Kentucky



Where do we go next?

How we might work together

- Streamline processes for preservation.
- Clarify & align investment strategies.
- Coordinate asset management.
- Address troubled properties together.
- Preservation sessions at the April 8-9 KY Affordable Housing Conference in Lexington.



Save the Dates: April 8-9, 2015

Housing Kentucky Families: new vision new strategies

2015 Kentucky Affordable Housing Conference

Hyatt Regency and Lexington Convention Center
Wednesday and Thursday, April 8 and 9, 2015

