



LEGAL AID SOCIETY OF
SOUTHWEST OHIO, LLC

AN AFFILIATE OF THE LEGAL AID SOCIETY OF GREATER CINCINNATI

HAMILTON

10 Journal Square
Hamilton, Ohio
45011

Telephone
(513) 241-9400
(800) 582-2682

Facsimile
(513) 894-7669

August 9, 2016

VIA EMAIL: 2017QAPMailbox@ohiohome.org

Ohio Housing Finance Agency
57 East Main Street
Columbus, Ohio 43215

Dear Ohio Housing Finance Agency:

On behalf of our low-income clients and communities, we are writing to comment on your proposed amendments to the 2017 Qualified Allocation Plan (QAP) for Low Income Housing Tax Credits (LIHTC). We believe the amendments are a step in the right direction; however, as described in our July 11, 2016 letter, the changes are still not sufficient to address the historical imbalance in allocations that has disproportionately placed LIHTC developments in racially and ethnically concentrated areas of poverty and has limited housing options for families with children. These allocations have hindered fair housing choice.

Unfortunately, as we have demonstrated, OHFA's allocations have not reflected a balance between the promotion of fair housing choice and a true investment in the urban core that supports low income and minority communities. We have outlined this concern several times, and we now have a thorough and detailed report from Abt Associates plainly showing that the family housing has been overwhelmingly placed in racially and ethnically concentrated areas of poverty. We have attached a copy of this report to the letter, and we are happy to review it with you.

Our clients want to have choices in where they live. For example, the Housing Research & Advocacy Center in Cleveland polled local voucher holders about their preferences and found that tenants want to live in affordable, low-crime areas with good schools.¹ Unfortunately, as the Housing Research & Advocacy Center report shows, the tenants, who were disproportionately African American, had extremely limited options for such housing. The LIHTC program should promote such mobility, but it has instead limited it. We have enclosed another copy of the report with this letter.

¹ Healy, L., and M. Lepley 2015, pg. 42. *Housing Voucher Mobility in Cuyahoga Count*. Cleveland OH: Housing Research and Advocacy Center.

LEGAL SERVICES IN

Brown County
Butler County
Clermont County
Clinton County
Hamilton County
Highland County
Warren County



We applaud OHFA for its willingness to propose some changes to the 2016-17 QAP in recognition of the imbalance that we have outlined. As we discussed in our May 2, 2016 and July 11, 2016 letters, the 2016 LIHTC allocations continued the problematic trend from previous years and did nothing to affirmatively further fair housing.

We believe that OHFA should adopt our proposal from July 11, 2016 to truly reverse the historical imbalance that its past allocations have caused. We reiterate our belief that 33% of all LIHTC awards must be committed for the development of new family developments – with appropriate bedroom size – outside of racially and ethnically concentrated areas of poverty. We have specific comments below on some of the changes in the draft 2017 QAP, but the comments should be considered in the context that more needs to be done.

We appreciate that OHFA has apparently increased the set aside in the new family construction pool and has added additional set asides for family housing in low poverty areas in other pools. We also appreciate that OHFA states its obligation to affirmatively further fair housing into its strategic initiatives and that OHFA has included high opportunity developments for HDAP funding and for a basis boost. The QAP remains very complicated, and we are hopeful that OHFA's steps will promote fair housing choice. Due to the complicated nature of the QAP scoring, OHFA should premise the QAP with a strong statement about its duty to affirmatively furthering fair housing through its allocations. The statement should emphasize that OHFA has a commitment to make allocations that counter historical patterns of segregation that have limited access to opportunity and housing choice.

Many of OHFA's amendments for new family construction are still tied to opportunity mapping, and as we have explained before, we recognize that the Kirwan Institute's program for mapping can provide helpful information. The maps, however, cannot substitute for an analysis under the Fair Housing Act if they do not properly take race and family status into account. The maps should not label an area as providing good opportunity if it is a racially and ethnically concentrated area of poverty.

We note that OHFA has amended the QAP to limit the proportion of one-bedroom apartments in new family construction and has clarified that senior developments serving Ohioans aged 55 and older cannot prevent a qualifying head of household acting as a caregiver for minor children from moving into the unit with those children. These changes are appropriate.

We also note OHFA's recognition that children living in LIHTC developments should have access to good schools. The amendment in the QAP to award points based on a school district's grade on the Ohio Department of Education's "Performance Index" Report Card measurement may hopefully increase the likelihood that LIHTC tenants will have access to good schools from the previous standard. However, this criterion is one of four ways a developer can earn 10 points for family development priorities and may be insufficient to achieve the new family production policy objectives. Changing the top tie breaker to "Developments that meet the highest number of Family Housing Priorities" could help meet that objective. Further, OHFA may also consider evaluating a school district's performance using the Ohio Department of Education's "Gap Closing" Report Card measurement, which measures how well school districts are meeting performance expectations and closing achievement gaps for particularly at-risk subgroups of students in math, reading, and graduation components. This may be a strong measure for assessing how schools perform for our clients and communities.

We are concerned however, by OHFA's changes to the visitability requirements in this QAP. In the 2016-2017 QAP, visitability requirements applied to "all developments financed with OHFA resources." In this QAP, the visitability requirements have been narrowed to "developments involving new construction and exclusively serving households with a head of household aged 55 and older." We are interested to learn more about the reason for this limitation and how it will be applied as it seems now to inappropriately limit this necessary design requirement.

We continue to support OHFA's efforts to support preservation of low income housing and the permanent supportive housing program. We simply call for a balanced allocation approach that also affirmatively furthers fair housing and stops the perpetuation of segregation. We note that this QAP draft still provides ample opportunity for developments in Ohio's urban core, especially if such development is linked to efforts to revitalize communities that have historically been ignored. In addition, it is important to note that OHFA's amendments related to school rankings will not prevent development in our urban core since developments may receive points for satisfying other criteria in the categories that consider education.

While we do credit OHFA for the above changes, bolder action is still needed to address the past imbalance in allocations that has overwhelmingly supplied developments in racially and ethnically concentrated areas of poverty and that has disproportionately favored senior over family development. As outlined in our July 11, 2016 letter, OHFA should devote a larger portion of the overall tax credits it receives to new family construction outside of racially and ethnically concentrated areas of poverty. In addition, OHFA should totally

eliminate points for municipalities, who already have significant power and control in the LIHTC process. Moreover, while we appreciate the set aside for family developments in the non-urban areas, OHFA still must go farther to incentivize the development of family housing in light of the extreme imbalance favoring senior housing in this pool.

We have called for OHFA to take bold and immediate action to reverse the trends that the Abt Associates report demonstrated and that the 2016 applications intensified. Bold action is still needed to end the perpetuation of segregation, to affirmatively further fair housing, and to address the historical imbalance in awards. We look forward to continued plans from OHFA to accomplish these goals.

Sincerely,



Steven Sharpe
John Schrider
Legal Aid Society of Southwest Ohio, LLC

Aneel Chablani
Matthew Currie
Advocates for Basic Legal Equality, Inc.

Jim McCarthy
Central Ohio Fair Housing Association
Miami Valley Fair Housing Center

Gary Benjamin
Greg Sain
Community Legal Aid Services, Inc

Lauren Green-Hull
Fair Housing Contact Service

Jeniece Jones
Housing Opportunities Made Equal

Carrie Pleasants
Kris Keniray
Michael Lepley
Housing Research & Advocacy Center

Hazel Remesch
The Legal Aid Society of Cleveland

Benjamin Horne
The Legal Aid Society of Columbus

Laura Osseck
Ohio Disability Rights Law and Policy Center, Inc.
Disability Rights Ohio

Janet Hales
Ohio Poverty Law Center

Kristen Lewis
Southeastern Ohio Legal Services

Michael Marsh
Toledo Fair Housing Center

Cc: Doug Garver, Executive Director
Sean Thomas, Chief of Staff
Marlo Tannous, Chief Legal Counsel

SRS/tnr
Enclosure