

### **Role and Overview**

The Ohio Housing Finance Agency (OHFA) was created in 1983 as an agency within the Department of Development, and became independently administered by an 11 member board on July 1, 2005. The agency's activities include financing the acquisition, construction, rehabilitation, and remodeling of housing intended for rental or ownership, or both, by families of low or moderate income.

Nine of the 11 board members represent various sectors of the affordable housing community and general public, and are appointed by the Governor. The other two board members are the directors of the Ohio Department of Commerce and the Ohio Department of Development or their designees. A staff of 165 (including full-time, part-time, limited-term project employees, intermittent employees and interns), led by an executive director. Payroll is the only portion of the OHFA's overall budget to be appropriated through the state legislative process and thus to appear in the Executive Budget. OHFA charges user fees and seeks administrative reimbursement for services provided to outside organizations.

Since its inception in 1983, OHFA has issued over \$10 billion in tax-exempt mortgage revenue bonds and over \$645 million in multifamily mortgage revenue bonds. These have allowed more than 130,000 households in all of Ohio's 88 counties to become homeowners. As the allocating agency for the federal housing credit program, more than 88,000 rental-housing units have been created or upgraded since 1987.

More information regarding the Ohio Housing Finance Agency is available at <http://www.ohiohome.org/>.

### **Agency Priorities**

- Support the First Time Homebuyer (FTHB) Program using innovative financing structures to continue the issuance of tax-exempt bonds to fund the purchase of fixed interest rate mortgage loans.
- Implement and administer over \$570 million of U.S. Department of the Treasury's HFA Hardest Hit Funds, Restoring Stability: A Save the Dream Ohio Initiative, which will be used to assist homeowners experiencing financial hardship avoid foreclosure.
- Enhance efforts to make data-driven research based affordable housing policy decisions which expand the outreach to our partners and customers to address Ohio's affordable housing challenges and opportunities.
- Manage and invest OHFA's general fund reserves to support the agency's mission and ensure the long term viability of affordable housing programs.
- Administer existing and potential new state and federal resources that provide quality affordable rental housing throughout the state.
- Monitor viable housing development projects to ensure they remain safe, decent, and sanitary.
- Restore and redevelop abandoned and vacant properties through comprehensive urban revitalization initiatives.

### **Funding Recommendation for FY2012 and FY2013**

#### **Funding Summary**

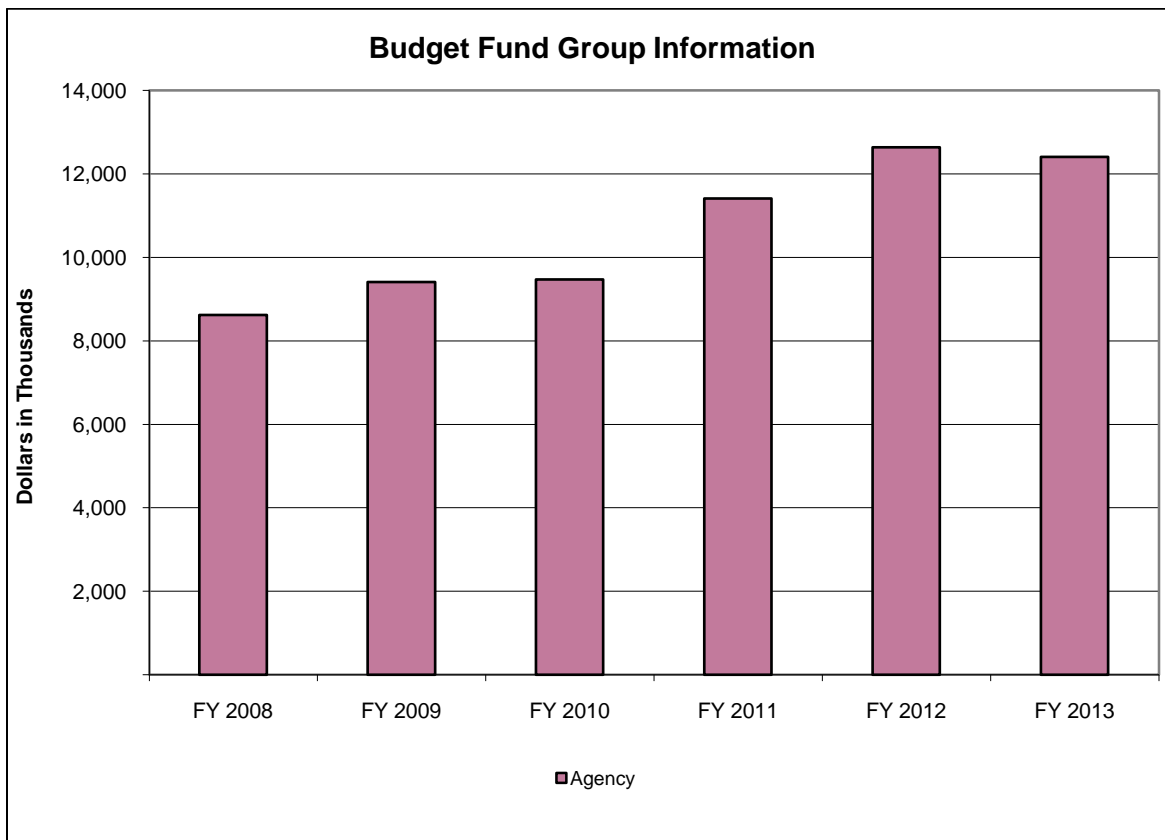
- All funds: Funding for fiscal year 2012 is \$12.6 million (or a 10.8% increase from fiscal year 2011). Funding for fiscal year 2013 is \$12.4 million (or a 1.8% decrease from fiscal year 2012).

#### **The Executive Recommendation will fund the following objectives:**

- Conduct the First-Time Homebuyer Program, which will issue \$350 million per year in mortgage revenue bonds which will fund 3,000 mortgages statewide and assist an additional 1,000 homebuyers with Mortgage Credit Certificates. Staff will also be administering the disbursement of over \$570 million within the Restoring Stability program.

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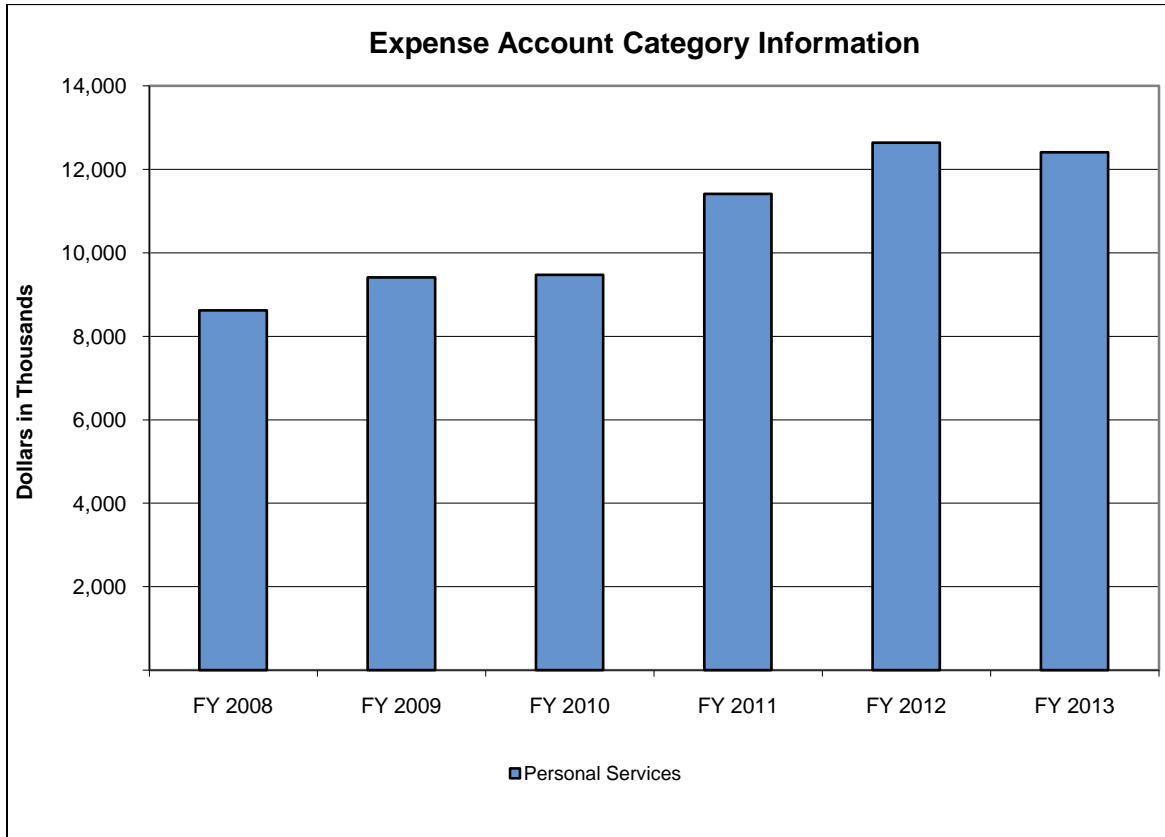
- Provide staffing for the Housing Tax Credit Program, from which the agency will allocate \$60 million in credits during the biennium that will leverage approximately \$420 million in private investment for the development of 90 properties consisting of 8,000 affordable housing units.
- Support the Housing Development Loan Program, which will provide approximately \$50 million in funds during the biennium to sustain new properties receiving Housing Tax Credits.
- Further the Housing Development Assistance Program and CHDO Operating Grant program, from which the agency expects to award \$28 million per year.
- Support the continued administration, including draw processing, Davis-Bacon and jobs reporting, and construction monitoring, of the remaining balance of funds provided through the American Recovery and Reinvestment Act and the Neighborhood Stabilization Program. Approximately \$150 million in funds remain to be distributed to 90 projects that must be completed by December 31, 2011.
- Monitor compliance at over 71,000 Housing Credit and Housing Development Assistance Program rental units, 3,500 multifamily bond-financed units, and 202 Federal Deposit Insurance Corporation units.
- Oversee all agency activities, including centralized information technology and human resources, along with financial, marketing, internal audit, and legal services.



- The agency experienced a significant increase in employees in 2011, when it began administering federal Hardest Hit Fund dollars targeted towards foreclosure prevention. These employees are project-based, and will remain with OHFA for the duration of the administration of the federal award.

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(in Thousands)	Actual			Est.	% Change	Recommended			
Budget Fund Group	FY 2008	FY 2009	FY 2010	FY 2011	FY10-11	FY 2012	% Change	FY 2013	% Change
Agency	8,615	9,408	9,466	11,407	20.5%	12,637	10.8%	12,405	-1.8%
<b>Totals</b>	<b>8,615</b>	<b>9,408</b>	<b>9,466</b>	<b>11,407</b>	<b>20.5%</b>	<b>12,637</b>	<b>10.8%</b>	<b>12,405</b>	<b>-1.8%</b>



(in Thousands)	Actual			Est.	% Change	Recommended			
Expense Account Category	FY 2008	FY 2009	FY 2010	FY 2011	FY10-11	FY 2012	% Change	FY 2013	% Change
Personal Services	8,615	9,408	9,466	11,407	20.5%	12,637	10.8%	12,405	-1.8%
<b>Totals</b>	<b>8,615</b>	<b>9,408</b>	<b>9,466</b>	<b>11,407</b>	<b>20.5%</b>	<b>12,637</b>	<b>10.8%</b>	<b>12,405</b>	<b>-1.8%</b>

**Program Series 1: Affordable Housing (133A0)**

This program series allows The Ohio Housing Finance Agency to provide housing opportunities to low- and moderate-income Ohioans. The Agency creates first time homebuyer opportunities and a wide array of affordable housing rental units throughout the state. OHFA primarily utilizes the issuance of tax-exempt bonds, federal resources, the Housing Trust Fund, Unclaimed Funds, and its own reserves to provide and maintain affordable places for Ohioans to call home. The program series houses four programs: Homeownership (133B1), Planning, Preparation, and Development (133B2), Program Compliance (133B3), and Program Management (133B4).

			Estimated	Recommended			
Fund	ALI	ALI Name	FY 2011	FY 2012	% Change	FY 2013	% Change
5AZ0	997601	Housing Finance Agency - Personal Services	11,406,647	12,636,646	10.8%	12,405,084	-1.8%
<b>Total for Affordable Housing</b>			<b>11,406,647</b>	<b>12,636,646</b>	<b>10.8%</b>	<b>12,405,084</b>	<b>-1.8%</b>

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**Line Item Summary By Budget Fund Group**

			Actual			Estimated	Recommended			
Fund	ALI	ALI Name	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	% Change	FY 2013	% Change
5AZ0	997601	Housing Finance Agency - Personal Services	8,614,627	9,408,208	9,465,581	11,406,647	12,636,646	10.8%	12,405,084	-1.8%
<b>Total for Agency</b>			<b>8,614,627</b>	<b>9,408,208</b>	<b>9,465,581</b>	<b>11,406,647</b>	<b>12,636,646</b>	<b>10.8%</b>	<b>12,405,084</b>	<b>-1.8%</b>
<b>TOTAL Ohio Housing Finance Agency</b>			<b>8,614,627</b>	<b>9,408,208</b>	<b>9,465,581</b>	<b>11,406,647</b>	<b>12,636,646</b>	<b>10.8%</b>	<b>12,405,084</b>	<b>-1.8%</b>