



Ohio Revised Code

Section 174.03 Loan programs to provide housing and housing assistance for specifically targeted low- and moderate-income families and individuals.

Effective: October 16, 2009

Legislation: House Bill 1 - 128th General Assembly

(A) The department of development and the Ohio housing finance agency shall each develop programs under which, in accordance with rules adopted under this section, they may make grants, loans, loan guarantees, and loan subsidies to counties, municipal corporations, townships, local housing authorities, and nonprofit organizations and may make loans, loan guarantees, and loan subsidies to private developers and private lenders to assist in activities that provide housing and housing assistance for specifically targeted low- and moderate-income families and individuals. There is no minimum housing project size for awards under this division for any project that is developed for a special needs population and that is supported by a social service agency where the housing project is located. Activities for which grants, loans, loan guarantees, and loan subsidies may be made under this section include all of the following:

- (1) Acquiring, financing, constructing, leasing, rehabilitating, remodeling, improving, and equipping publicly or privately owned housing;
- (2) Providing supportive services related to housing and the homeless, including housing counseling. Not more than twenty per cent of the current year appropriation authority for the low- and moderate-income housing trust fund that remains after the award of funds made pursuant to divisions (A)(1) and (A)(2) of section 174.02 of the Revised Code, shall be awarded in any fiscal year for supportive services.
- (3) Providing rental assistance payments or other project operating subsidies that lower tenant rents;
- (4) Improving the quality of life of tenants by providing education for tenants and residents of manufactured home communities regarding their rights and responsibilities, planning and implementing activities designed to improve conflict resolution and the capacity of tenants to negotiate and mediate with landlords, and developing tenant and resident councils and organizations;



(5) Promoting capacity building initiatives related to the creation of county housing trust funds.

(B) Grants, loans, loan guarantees, and loan subsidies may be made to counties, municipal corporations, townships, and nonprofit organizations for the additional purposes of providing technical assistance, design and finance services and consultation, and payment of pre-development and administrative costs related to any of the activities listed above.

(C) In developing programs under this section, the department and the agency shall invite, accept, and consider public comment, and recommendations from the housing trust fund advisory committee created under section 174.06 of the Revised Code, on how the programs should be designed to most effectively benefit low- and moderate-income families and individuals. The programs developed under this section shall respond collectively to housing and housing assistance needs of low- and moderate-income families and individuals statewide.

(D) The department and the agency, in accordance with Chapter 119. of the Revised Code, shall each adopt rules to administer programs developed under this section. The rules shall prescribe procedures and forms that counties, municipal corporations, townships, local housing authorities, and nonprofit organizations shall use in applying for grants, loans, loan guarantees, and loan subsidies and that private developers and private lenders shall use in applying for loans, loan guarantees, and loan subsidies; eligibility criteria for the receipt of funds; procedures for reviewing and granting or denying applications; procedures for paying out funds; conditions on the use of funds; procedures for monitoring the use of funds; and procedures under which a recipient shall be required to repay funds that are improperly used. The rules shall do both of the following:

(1) Require each recipient of a grant or loan made from the low- and moderate-income housing trust fund for activities that provide, or assist in providing, a rental housing project, to reasonably ensure that the rental housing project will remain affordable to those families and individuals targeted for the rental housing project for the useful life of the rental housing project or for thirty years, whichever is longer;

(2) Require each recipient of a grant or loan made from the low- and moderate-income housing trust fund for activities that provide, or assist in providing, a housing project to prepare and implement a



plan to reasonably assist any families and individuals displaced by the housing project in obtaining decent affordable housing.

(E) In prescribing eligibility criteria and conditions for the use of funds, neither the department nor the agency is limited to the criteria and conditions specified in this section and each may prescribe additional eligibility criteria and conditions that relate to the purposes for which grants, loans, loan guarantees, and loan subsidies may be made. However, the department and agency are limited by the following specifically targeted low- and moderate-income guidelines:

(1) Not less than seventy-five per cent of the money granted and loaned under this section in any fiscal year shall be for activities that provide affordable housing and housing assistance to families and individuals whose incomes are equal to or less than fifty per cent of the median income for the county in which they live, as determined by the department under section 174.04 of the Revised Code.

(2) Any money granted and loaned under this section in any fiscal year that is not granted or loaned pursuant to division (F)(1) of this section shall be for activities that provide affordable housing and housing assistance to families and individuals whose incomes are equal to or less than eighty per cent of the median income for the county in which they live, as determined by the department under section 174.04 of the Revised Code.

(F) In making grants, loans, loan guarantees, and loan subsidies under this section, the department and the agency shall give preference to viable projects and activities that benefit those families and individuals whose incomes are equal to or less than thirty-five per cent of the median income for the county in which they live, as determined by the department under section 174.04 of the Revised Code.

(G) The department and the agency shall monitor the programs developed under this section to ensure that money granted and loaned under this section is not used in a manner that violates division (H) of section 4112.02 of the Revised Code or discriminates against families with children.