



OCCH

2019 Annual Report



This is a consolidated version of the 2019 Annual Report. View the full report online: annual-report.occh.org

DRIVING INNOVATION THROUGH STRATEGIC PARTNERSHIP

The demand for affordable housing continues to grow, and through strategic partnerships OCCH is creating innovations that advance affordable housing investment and development within our footprint to ensure that stable, affordable housing is available to all. Through collaborations with our partners, we are driving the research, technology and policy agendas within our industry, assuring win-win partnerships to meet future challenges.

Our mission is to advance the preservation, production, and management of affordable housing through collaborative partnership and innovative thought leadership. We envision a world where stable, affordable housing is available to all, and the residents and communities we serve feel supported and empowered to grow and thrive.

We are passionate about what we have already done and what we, together with our partners, can achieve in the future to provide affordable housing opportunities, enhanced by supportive services, to build sustainable communities that provide greater opportunities and empowerment in the lives of our residents.



PRESIDENT'S MESSAGE

2020: Clear Vision for Tomorrow

We envision a world where stable, affordable housing is available to all, and the residents and communities we serve feel supported and empowered to grow and thrive. Our mission is to advance the preservation, production, and management of affordable housing through collaborative partnership and innovative thought leadership.

And so we began 2020 at Ohio Capital Corporation for Housing. We are pleased to share our Annual Report, which describes 2019 as a record year of delivering equity and debt capital, grants, and property and asset management to create impact:

- \$412 million raised from 29 institutions for multi-investor Fund XXIX;
- \$400,000,000 invested in 53 LIHTC projects;
- \$87,750,000 in 48 loans closed;
- 3,000 units under management;
- 325 property management and maintenance workers trained at M2CON; and
- 900 low-income children sent to summer camp; 30 college scholarships awarded totaling \$995,000.

We have adopted a refreshed vision and mission statement, grounded in our 30 years of partnership and experience with you, to propel us firmly into a new decade. It is a big vision, no doubt, but one that drives our shared work forward and makes us excited about tomorrow.

But what does that mean for you? As we work to build our strategic plan, we have also worked with consultants to help us think through how we do what we do, and how we can do it better and more efficiently, with an eye toward ensuring you have a consistently great experience partnering with OCCH. From updated procedures and policies to new technologies and services, we want to simplify some of how we work with you, while maintaining the innovative flexibility on which you have come to rely. The onset of the COVID-19 crisis has not derailed this effort.

We are doing this now, in this uncertain time, because the need for quality affordable housing is great and becoming greater. Because together, we need to keep getting better at using the tools we have, innovating new solutions, stretching our resources farther, and achieving more. Because, especially today, you, our partners, are depending on OCCH, just as you have since 1989. Thank you for your confidence and trust. Together, we rise.

Be well,

Peg Moertl

BOARD OF DIRECTORS

The OCCH Board of Directors provides foresight, oversight, and insight in ensuring a sustainable future for OCCH while fulfilling its mission. The Board is comprised of knowledgeable and experienced community leaders who are prominent experts in their respective fields and the affordable housing industry.

Susan E. Weaver, Chair

Angela M. Mingo, Vice-Chair

Jeanne M. Golliher, Secretary

Thomas T. Loos, Treasurer

Grady P. Appleton

Ohio Equity Fund, Inc., Board only

Dennis S. Guest

John Lee

Richard McQuady

Jeanne Schroer



OCCH FINANCIALS

STATEMENT OF FINANCIAL POSITION

ASSETS	2019	2018
Unrestricted Cash	48,108,484	43,466,746
Restricted Cash	25,393,900	24,306,785
Accounts Receivable (net of allowance)	764,163	1,160,958
Office Furniture and Equipment (net of accumulated depreciation)	172,730	127,817
Other Assets	3,496,610	3,641,150
Investment in Operating Entities	56,336,201	42,618,547
Total	\$134,272,088	\$115,322,003
LIABILITIES AND NET ASSETS		
Accounts Payable	3,100,842	1,686,742
Other Accrued Expenses and Liabilities	5,585,771	4,493,105
Deferred Income	14,732,236	15,462,307
Project Partnership Cash Reserves	1,825,055	1,825,055
Mortgage and Other Notes Payable	18,699	19,599
Grants Payable	-	-
	\$25,262,603	\$23,486,808
NET ASSETS	\$109,009,485	\$91,835,195
Total	\$134,272,088	\$115,322,003

STATEMENT OF ACTIVITIES

REVENUES	2019	2018
Acquisition and Consulting Fees	20,459,204	14,081,226
Other	11,317,219	13,649,648
Total	\$31,776,423	\$27,730,874
EXPENSES		
Program Services	24,381,024	20,995,409
General and Administrative	3,643,142	3,065,614
Loss (Gain) from Investment in Affiliated Entities*	(13,422,033)	(5,766,824)
Total	\$14,602,133	\$18,294,199
CHANGE IN NET ASSETS	\$17,174,290	\$9,436,675

PURPOSEFUL DEVELOPMENT AND IMPACT

OCCH has invested more than \$4.75 billion in sustainable affordable housing development and community revitalization throughout Ohio, Kentucky, and surrounding states.

We work to support and empower our residents and improve the quality of life in the neighborhoods in which we live and serve. We work with our development partners to be catalysts for change that leads to stable and secure housing, better health and wellness, financial knowledge and improvement, and employment opportunities for all.

\$4.75 Billion

Equity Investment

49,000

Affordable Housing Units

860

Affordable Housing Projects

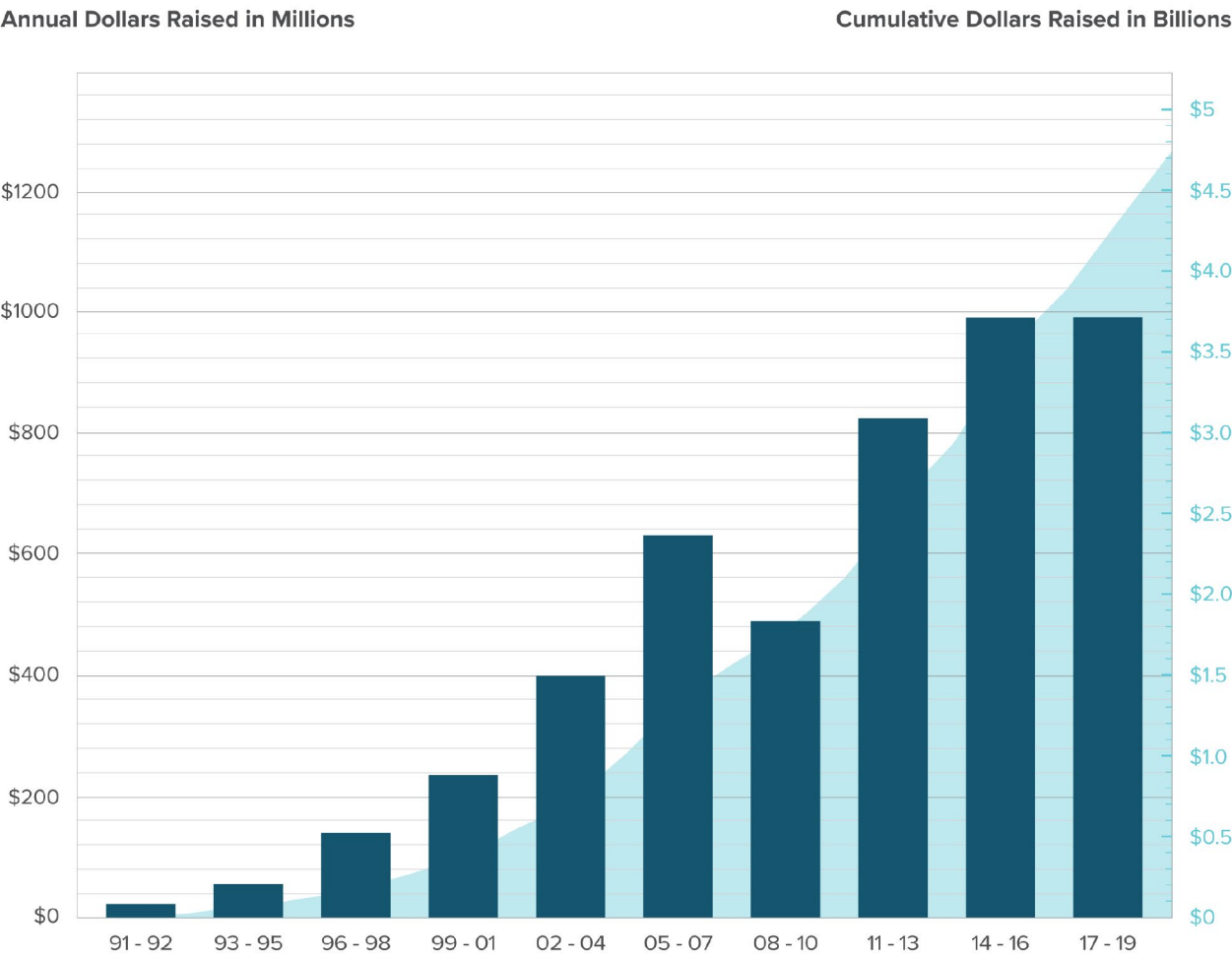
Zero

Foreclosures



AFFORDABLE HOUSING INVESTMENT

OCCH invests capital—and experience—into helping partners meet their business goals and missions. As a trusted investment partner, OCCH is well-capitalized with a deep bench of market intelligence and financial strength. This competitive advantage allows us to provide innovative financial solutions, strong portfolio performance, and expertise in structuring deals that exceed partner expectations.



INVESTMENT PARTNERSHIPS

OCCH is the partner of choice for our investors, many of whom have been working with OCCH for over 30 years. We believe in the power of relationships and doing things the right way to create deeper collaborations and true partnerships that make a difference in our work and impact together.

We are grateful to the Ohio Equity Fund XXIX Investors, including the Impact Investors who commit a percentage of their equity investment to the Ohio Capital Impact Corporation (OCIC). OCIC administers all philanthropic activities that benefit our residents and neighborhoods.

2019 OHIO EQUITY FUND XXIX INVESTORS

INVESTORS	AMOUNT INVESTED
JPMorgan Capital Corporation	\$90,000,000
Private Investment	\$45,000,000
Huntington Community Development Corporation ☆	\$30,000,000
US Bank Community Development Corporation	\$30,000,000
Key Community Development Corporation ☆	\$25,000,000
Fifth Third Community Development Corporation ☆	\$15,000,000
Republic Bank ☆	\$11,500,000
Park National Bank	\$10,000,000
WesBanco Bank ☆	\$7,000,000
Community Trust Bank	\$5,000,000
First National Bank of PA	\$5,000,000
Peoples Bank	\$5,000,000
United Bank	\$5,000,000
FC Bank/CNB Bank	\$3,000,000
Home Savings Bank	\$3,000,000
First Federal Bank of the Midwest ☆	\$3,000,000

INVESTORS	AMOUNT INVESTED
First Financial Bank ☆	\$3,000,000
Heritage Bank ☆	\$3,000,000
City National Bank	\$2,000,000
Civista Bank	\$2,000,000
LCNB National Bank	\$2,000,000
First Commonwealth Bank*	\$1,500,000
Cortland Bank	\$1,000,000
Farmers & Merchants State Bank*	\$1,000,000
First Federal Community Bank*	\$1,000,000
The Union Bank Co.*	\$1,000,000
Unified Bank	\$1,000,000
CFBank ☆	\$500,000
RiverHills Bank ☆	\$500,000
Total	\$312,000,000

*New OCCH Investor
 ☆ Impact Investors

INVESTING FOR OUR FUTURE

OCCH takes pride as a catalyst for positive social impact in neighborhoods and communities, and in providing opportunities for the futures of our residents. By leveraging our investors’ commitments in affordable housing, we are providing homes, changing lives, revitalizing neighborhoods, creating jobs, and contributing to the health and well-being of society.

2019 NUMBERS

53

Projects Closed

3,657

Units Constructed or Rehabilitated

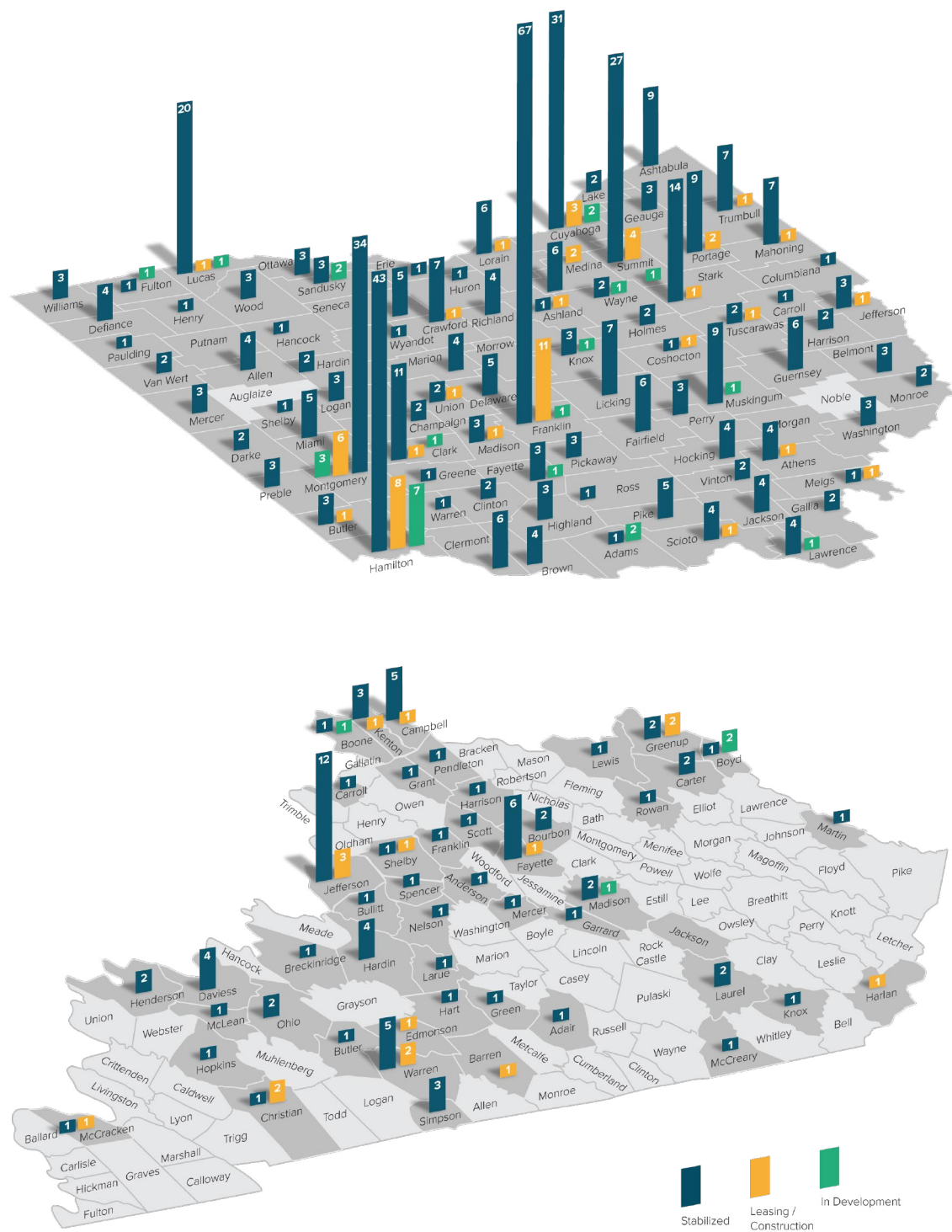
\$400 Million

Investments Made



2019 OHIO & KENTUCKY PORTFOLIOS

OCCH is committed to our core business and mission—creating opportunities for working families, seniors, and special needs populations in rural, urban, and suburban communities to obtain affordable, stabilizing housing. We go where our partners take us to have the most impact for the most people.



FEATURED PROJECT

The Wilds at Harvest Rose

Energy-Efficient Unique Yurt-Style Homes for Seniors | Ravenna, Ohio

The Wilds at Harvest Rose is a unique senior housing community in Ravenna, Ohio, designed after the traditional yurt-style homes used by Central Asia for at least 3,000 years. The aerodynamic design of the yurts provides energy-efficient capabilities; and the homes were designed to conserve water and energy, utilizing materials that complement the natural surroundings.

Developed by Neighborhood Development Services, Inc., the community includes 45 individual permanent yurt apartments: 36 two-bedroom homes and 9 one-bedroom homes. Each home features an open-concept kitchen and living area, access to natural lighting, energy star compliant appliances, central air conditioning, and washer/dryer hookups. Other amenities include a community building with an on-site management office, central laundry facilities, fitness center and community room; and a picnic and garden area. Residents have access to various supportive services, including meal delivery, transportation, and health screenings.

The Wilds at Harvest Rose was developed using a combination of Low Income Housing Tax Credits and a bridge loan administered through the Ohio Housing Finance Agency. Other funding sources include RiverHills Bank and NeighborWorks America. An equity investment of \$8.7 million was provided by Ohio Capital Corporation for Housing.



FEATURED PROJECT

Larimer/East Liberty Phase II

Mixed-Income Community Creates Continued Transformation of the Larimer Neighborhood | Pittsburgh, Pennsylvania

McCormack Baron Salazar, Inc., and Allies & Ross Management and Development Corporation have committed to transforming the Larimer/East Liberty neighborhood in Pittsburgh with the development of a mixed-income housing community containing 108 affordable units and 42 market-rate units. Larimer/East Liberty Phase II is a component of the Vision to Action Plan, a collaborative effort of the City of Pittsburgh, the Housing Authority of the City of Pittsburgh, and community stakeholders to transform the Larimer neighborhood through private investment. Pittsburgh received a \$30 million Choice Neighborhoods grant from the U.S. Department of Housing and Urban Development that was also leveraged in the development of the project.

Larimer/East Liberty Phase II is a mix of townhomes and garden apartments, designed with a commitment to sustainable energy efficiency as well as the inclusion of green stormwater design. Amenities include on-site management, computer center, playground, intrusion alarm system, community room and fitness center. Urban Strategies, a nonprofit affiliated with McCormack Baron Salazar, provides supportive services to the residents.

Larimer/East Liberty was developed with financing from the following: Choice Neighborhood Implementation Grant through the Housing Authority of the City of Pittsburgh, Red Mortgage Capital, URA HOME funds through the Urban Redevelopment Authority of Pittsburgh, and Ohio Capital Finance Corporation. An equity investment of \$10.5 million was provided by Ohio Capital Corporation for Housing.



OHIO CAPITAL FINANCE CORPORATION

Expansion and new capital marked two of the accomplishments for OCFC in 2019. Led by the implementation and leverage of OCFC's 2018 Capital Magnet Fund Award from the CDFI Fund, OCFC provided **48** loans to affordable housing developers with total production exceeding **\$87,750,000** and assisted with the production and preservation of over **3,171** units.

OCFC created a new initiative, The 614 for Linden, to revitalize a disinvested neighborhood on the northeast side of Columbus. The 614 for Linden is a collaborative named for six nonprofits partnering with four community development financial institutions (CDFIs) to have a positive and significant impact on one Columbus neighborhood, Linden. Its mission is to create and preserve affordable housing and commercial development, as well as to provide access to capital for small businesses, and offer health services to residents.

The 614 for Linden received a **\$5 million** grant as a national competition winner of JPMorgan Chase's PRO Neighborhoods initiative. As the award recipient and lead CDFI, OCFC embarked on developing and structuring a **\$20 million** loan pool in partnership with three other CDFIs: The Affordable Housing Trust for Columbus and Franklin County, Finance Fund Capital Corporation, and the Economic and Community Development Institute (ECDI). This collaboration intends to develop **700** affordable housing units, create **two** healthy food outlets, provide technical assistance and microloans to small businesses, improve health and wellness, and build community engagement with the residents of Linden.

Additionally, OCFC was also the recipient of the highly competitive 2019 Capital Magnet Fund program. OCFC will utilize its **\$7,700,000** award to provide predevelopment and acquisition loans for LIHTC and non-LIHTC affordable housing developments, as well as support economic development activities within Ohio, Kentucky and West Virginia.

OCFC's core product lines continue to expand to meet the needs of affordable housing developers and provide a full range of services including predevelopment financing, acquisition financing, equity bridge/construction loan financing and permanent financing.

OCFC operates five revolving loan funds:

- Ohio Affordable Housing Loan Fund
- Ohio Preservation Loan Fund
- OCFC Capital Magnet Loan Pool
- Southside Renaissance Fund
- Cincinnati Neighborhood Transformation Fund

OCFC is a Community Development Financial Institution (CDFI) Entity, as certified by the United States Department of the Treasury.

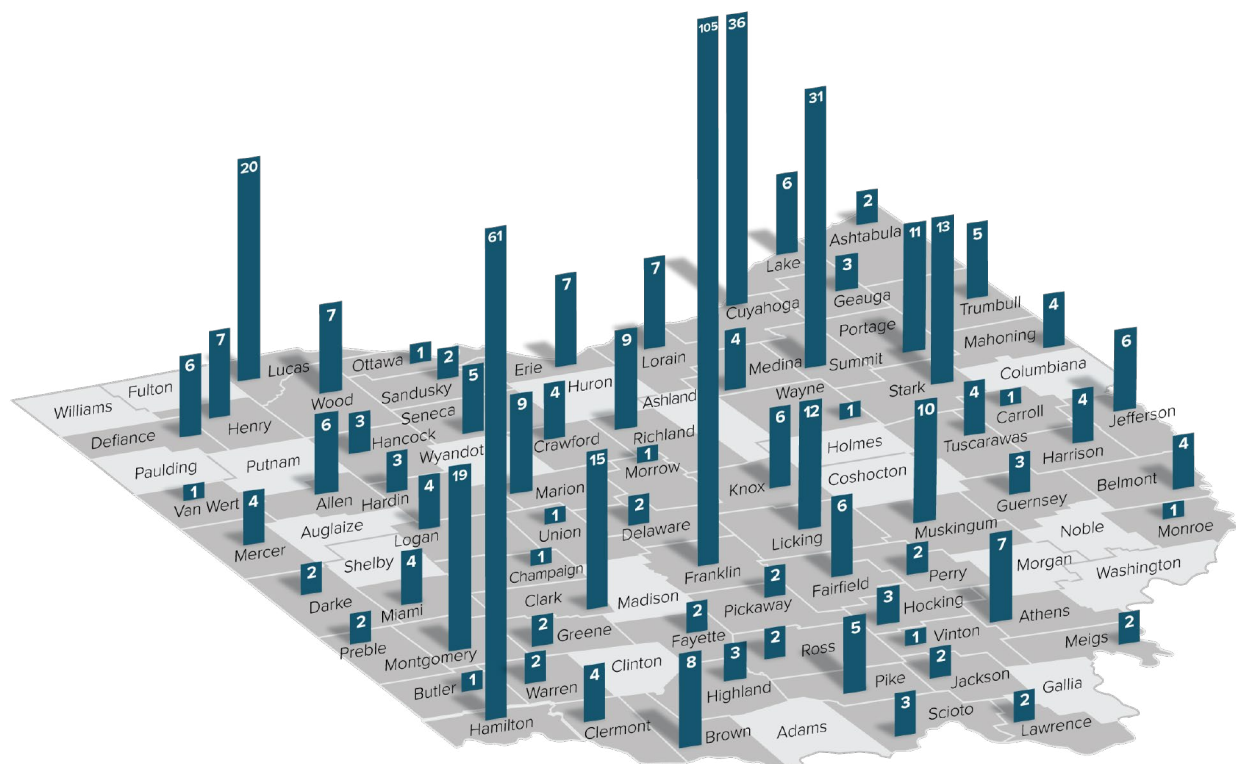
Member of:



2019 OHIO LOANS BY COUNTY

OCFC has provided loans in 78% of Ohio's counties.

OCFC's mission of "providing a flexible source of capital to increase and improve the supply of affordable rental housing across Ohio" has remained steadfast while expanding to meet market needs.



OCFC PARTNERS

Since 2002, OCFC has generated over \$583 million in 675 loans utilized to develop and finance 29,105 units of affordable housing (36% of which were preservation) across Ohio. OCFC is grateful to its investors and participants for their commitment to affordable housing while being mindful of the needs of its borrowers.

OCFC LENDERS AND INVESTORS

PNC Community Development Corporation	\$18,950,000
US Bank Community Development Corporation	\$15,500,000
First Financial Bank	\$14,250,000
Fifth Third Bank	\$7,000,000
First Federal of Lakewood	\$7,000,000
Huntington Community Development Corporation	\$7,000,000
KeyCorp Community Development Corporation	\$7,000,000
First National Bank of PA	\$5,800,000
John D. and Catherine T. MacArthur Foundation	\$4,000,000
Ohio Housing Finance Agency	\$4,000,000
WesBanco Bank	\$3,500,000
The Affordable Housing Trust for Columbus and Franklin County	\$3,400,000
National Cooperative Bank	\$2,450,000
First Merchants Bank	\$2,250,000
RiverHills Bank	\$1,500,000
Heritage Bank	\$1,000,000
The Union Bank Co.	\$1,000,000
WoodForest Bank	\$1,000,000
First State Bank	\$500,000
CF Bank	\$250,000

ACCOMPLISHMENTS 2002-2019

29,105

Units financed (36% of which were preservation)

675

Loans closed

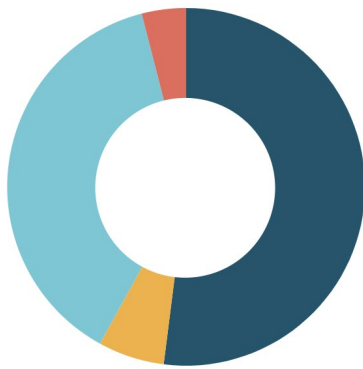
\$583,301,524

Total loan production

69

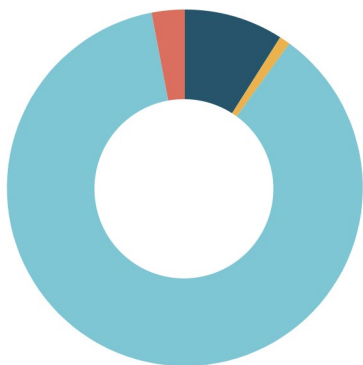
Ohio counties (78%) in which loans have been made

2019 LOAN PRODUCTION DISTRIBUTION



Number of Loans

- Predevelopment – **25 loans**
- Acquisition – **3 loans**
- Equity Bridge/Construction – **18 loans**
- Permanent – **2 loans**



Amount of Loans

- Predevelopment – **\$8,169,394**
- Acquisition – **\$1,044,000**
- Equity Bridge/Construction – **\$76,015,154**
- Permanent – **\$2,557,000**

REVITALIZING NEIGHBORHOODS, IMPACTING LIVES

CPO Management | www.cpoms.org

Community Properties of Ohio Management Services (CPO Management) serves as the property management affiliate of Ohio Capital Corporation for Housing, and manages a variety of affordable housing communities. Using the Housing-First model, CPO leverages affordable housing as a platform from which individuals and families can build stability and thrive. Through CPO Impact, CPO's 501(c)(3) affiliate, we go beyond traditional property management to provide innovative programs that promote goal achievement and self-sufficiency for our residents. CPO currently manages over 2,900 units including our original CPO portfolio (982 units), as well as properties developed and owned by valued OCCH partners such as Homeport, Columbus Metropolitan Housing Authority, Connect Realty, YWCA/YMCA, Community Development for All People, Franklinton Development Corporation and Homes on the Hill.



EMPOWERING RESIDENTS TO PROSPER

CPO Impact | www.cpoimpact.org

Many residents have both the drive and capacity to move beyond the need for subsidized housing over time. In 2019, resident growth opportunities focused on employment, adult education, financial fitness, and family-achievement coaching.

Sponsors: The Annie E. Casey Foundation, The City of Columbus, AmeriCorps, ServeOhio, and United Way of Central Ohio

86%

Employment rate of those completing a transitional job

75.5%

Goal achievement rate among participants in family self-sufficiency coaching

\$1,840

Earned by Matched Savings participants in 2019

28

Residents of Columbus Scholar House who received college degrees (2012-2019)



IGNITING BRIGHT FUTURES

CPO Impact | www.cpoimpact.org

Children and youth make up 56% of our resident population. The greatest opportunity for impact is helping CPO children prepare for success. Strategies include home-based kindergarten readiness interventions, linkage to quality child care and summer camp, and community supports at Weinland Park Elementary School. As a new initiative in 2019, we partnered with YMCA Camp Wilson to create overnight camp opportunities for 14 children.

Sponsors: The Columbus Foundation, AmeriCorps, ServeOhio, Ohio Capital Impact Corporation (OCIC), United Way of Central Ohio, and Siemer Family Foundation

97

Children enrolled at partner child care providers

214

CPO children received free school supplies at our back to school event

351

Books provided through literacy program, CPO Building Blocks

61

Children attended OCIC-sponsored summer camps

CPO CHILDREN AND YOUTH AGES



- 0-5 years – 50%
- 6-12 years – 40%
- 13-17 years – 10%

IMPROVING LIVES

Our vision is more than just a world where stable, affordable housing is available to all. OCCH created the Ohio Capital Impact Corporation (OCIC) because we also envision a world where the residents and communities we serve feel supported and empowered to grow and thrive.

The Ohio Capital Impact Corporation awards philanthropic grants to our partners to enrich the lives of residents and improve communities.

Over \$25M

Raised since 2012

Over \$10M

Raised from Impact Investors

Over \$2M

Granted to partners in 2019

Dollars help

- Partners to further their goals
- Residents to improve their lives
- Students to pursue their degrees
- Communities to thrive



IMPACT INVESTORS

OCIC is not funded by OCCH’s earnings alone. Many of our investors stepped up to provide philanthropic dollars by taking a lower yield on their investments. With our Impact Investors’ advice, we are able to serve communities and partners that are of particular interest to them.

For example:

Fifth Third CDC

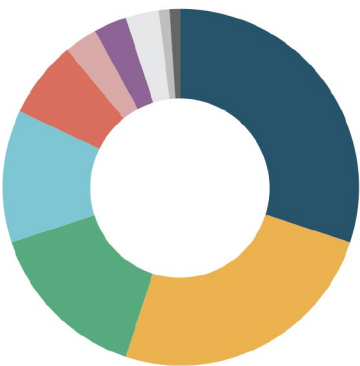
Fifth Third CDC has demonstrated a commitment to serve the children of Scholar House properties by providing back-to-school supplies and opportunities to attend summer camp. Scholar House properties are supportive environments where students with children pursue higher education and raise their children in a nurturing environment.

Huntington CDC

Huntington CDC made a \$2.5 million multi-year investment to encourage innovation in the area of digital inclusivity. Residents of affordable housing are often left behind in the world of technology and connectivity. Flexible grant dollars will support hardware and technical assistance to improve digital access. Hardware may include computers, Wi-Fi hot spots, tablets and other personal devices. Technical assistance may include staff to facilitate digital literacy training and economic empowerment. The first award went to St. Mary Development to provide voice-controlled smart speaker devices that run programs designed by AARP, and free Wi-Fi in 145 resident apartments.

Republic Bank

Republic Bank made nearly 20 \$5,000 grants to their partners that serve vulnerable populations throughout their footprint. Many regional Habitat for Humanity branches benefited.



2019 Investments

- Huntington CDC – \$30M
- Key CDC – \$25M
- Fifth Third CDC – \$15M
- Republic Bank – \$11.5M
- WesBanco Bank – \$7M
- First Federal Bank of the Midwest – \$3M
- First Financial Bank – \$3M
- Heritage Bank – \$3M
- CFBank – \$500,000
- RiverHills Bank – \$500,000

JERRY GRIER SCHOLARSHIP PROGRAM

The Jerry Grier Scholarship Fund, named after former OCCH board member and HUD attorney Jerry Grier, assists low-income students living in affordable housing communities with the cost of attending a college or university.

- OCCH has committed nearly \$1 million in scholarships to date.
- In 2019, the OCCH board committed another \$1 million to fund students for the years ahead.



SUMMER CAMP

Sending resident kids to summer camp has been a signature program for OCIC. Kids are provided with the opportunity to learn, explore, play, and form positive social relationships. Summer camp expands their vision and allows them to dream bigger.

- Over 700 kids to camp in 2019
- 35 camps throughout Ohio and Kentucky
- Nearly \$600,000 was provided to make camp a reality

