

Guide to Ohio's Housing Development Incentives

Ohio REALTORS® has successfully advocated for a range of programs that support housing development across the state. From tax credits to grants and infrastructure loans, these tools are now available to help members and developers build more housing. Whether it's affordable rentals, single-family homes, or redevelopment projects, this dashboard outlines the key incentives currently in place and how to access them.

State Incentives & Programs

Ohio Housing Finance Agency (OHFA)

The Ohio Housing Finance Agency is the state's primary resource for financing affordable housing development, rehabilitation, and homeownership. OHFA supports first-time homebuyers, renters, senior citizens, and others seeking quality, affordable housing. The agency offers competitive fixed-rate mortgage loans, funds the development and preservation of affordable rental housing through the Housing Tax Credit program, and issues tax-exempt mortgage revenue bonds. Established as an independent state agency in 2005, OHFA plays a central role in expanding housing opportunities across Ohio.

Ohio Housing Trust Fund

The Ohio Housing Trust Fund is the state's primary flexible funding source for expanding affordable housing opportunities and improving housing conditions for low-income Ohioans. It supports activities ranging from housing development, emergency repairs, and accessibility modifications to rental assistance, housing counseling, rehabilitation, and new construction. Funds are available to local governments, housing authorities, nonprofits, private developers, and lenders, with allocations guided by a seven-member advisory committee representing housing, lending, and local government sectors. The program prioritizes helping low-income working families and addressing housing needs across the state.

Ohio Historic Preservation Tax Credit Program

This highly competitive program offers tax credits to support the private redevelopment of historic buildings across Ohio. With bi-annual application rounds in March and September, the program has already supported 734 projects involving nearly 1,000 historic buildings in 93 communities. To date, it has helped leverage over \$10.9 billion in private investment and federal tax credits, fueling preservation-focused development statewide and revitalizing neighborhoods through adaptive reuse.

Welcome Home Ohio Program

The Welcome Home Ohio program supports the purchase, rehabilitation, and construction of affordable single-family homes through land banks, subdivisions, and eligible developers.

The program includes WHO-P (grants for property acquisition), WHO-RC (up to \$30,000 per property for construction or rehab), and WHO-TC (nonrefundable tax credits up to \$90,000 per home, issued when a property is sold to a qualified buyer).

***In the 136th General Assembly, Ohio REALTORS® successfully advocated for expanding the eligibility to nonprofit developers to increase the number of Ohioans who can benefit from this important program.

Building Demolition and Site Revitalization Program

This grant program supports the demolition of blighted, vacant, or abandoned commercial and residential buildings, excluding brownfield sites, to prepare land for future development. Each Ohio county is allocated a \$500,000 set-aside, with the remaining funds awarded statewide on a first-come, first-served basis. Eligible properties include buildings previously used for residential, retail, office, manufacturing, institutional, or mixed-use purposes. To apply, each county must designate a “Lead Entity,” typically the county land reutilization corporation (land bank), or another entity approved by the board of county commissioners based on population criteria. If applicable, Lead Entities must also submit subrecipient agreements with other local partners. The program is designed to remove unsafe or obsolete structures and revitalize underused land for new community or private investment.

Ohio Low-Income Housing Tax Credit Program

The Ohio Low-Income Housing Tax Credit program offers \$100 million per year in state tax credits to support the development of affordable rental housing. Modeled after the federal LIHTC, the credits are issued over a 10-year period and must be paired with projects that have secured a reservation of federal credits. The program is administered by the Ohio Housing Finance Agency and aims to fund developments that would not be feasible through federal, state, or private financing alone.

Residential Development Revolving Loan Program

This \$100 million fund will provide loans for infrastructure to support single-family housing in rural counties (population under 75,000). Homes built using these funds will be exempt from property taxes, with those payments redirected to repay the loan.

Single Family Tax Credit Program

This program provides \$50 million annually for four years to support the construction or rehab of affordable single-family homes. Projects must include at least five homes and meet specific affordability and design standards. Qualified buyers must use the homes as their primary residence, and the homes must remain affordable for 10 years. Developers can receive up to \$100,000 per home in state tax credits, issued upon project completion and claimed over a 10-year period.

Brownfield Remediation Program

This grant program provides funding for the cleanup and redevelopment of brownfield sites: abandoned or underused industrial, commercial, or institutional properties where redevelopment is complicated by real or potential contamination. Grants may cover property acquisition, demolition, environmental remediation, and infrastructure upgrades needed to make a site development-ready. Each county must designate a “Lead Entity,” typically the land bank, to apply and manage awards. Eligibility requirements and application procedures mirror those of the Building Demolition Program, with flexibility for counties of varying size and governance structures.

Residential Economic Development District (REDD) Program

With \$25 million allocated, this upcoming grant program will help local governments near major economic development sites create housing solutions. To qualify, jurisdictions must adopt pro-housing policies that support workforce housing aligned with local growth needs.

Ohio Opportunity Zones Tax Credit Program

This program incentivizes investment in economically distressed areas across Ohio designated as Opportunity Zones under federal law. By investing cash into an Ohio Qualified Opportunity Fund (QOF), which then invests in qualifying property within a designated zone, applicants can receive a nonrefundable state tax credit equal to 10% of the invested amount. The goal is to drive capital into underserved areas and stimulate housing and business development.

Transformational Mixed-Use Development Program

This program offers tax credits to support large-scale mixed-use developments that serve as catalysts for economic growth. Eligible projects include new construction or improvements to vacant buildings that combine residential, office, retail, recreation, parking, and similar uses. Developments can be a full project or a specific phase and must demonstrate major economic impact on the site and the surrounding area. Applications are grouped into two funding categories: “Major City” projects located within or near Ohio’s largest cities, and

“General” projects located elsewhere, with funding decisions based on location and transformational potential.

Housing Development Assistance Program

Administered by the Ohio Housing Finance Agency (OHFA), the Housing Development Assistance Program provides grants and loans to developers for the creation and preservation of decent, safe, affordable housing for very low- to moderate-income Ohioans. Funded through the HOME Investment Partnerships Program, the Ohio Housing Trust Fund, and the National Housing Trust Fund, HDAP supports both new construction and rehabilitation projects, helping expand housing opportunities across the state.

Community Housing Development Organization, Competitive Operating Grant Program

Administered by the Ohio Housing Finance Agency (OHFA) and funded through the federal HOME Program, the CHDO Competitive Operating Grant Program provides operating support to certified nonprofit housing organizations engaged in affordable housing development. Ohio receives an annual HOME allocation from HUD, with 15% set aside for CHDOs to develop housing. These funds are distributed as gap financing for Housing Tax Credit projects, supporting both rental and homeownership initiatives. State certification confirms an organization’s capacity to own, develop, or sponsor HOME-assisted housing and its deep connection to the community it serves.

Local Tools & Technical Assistance

Ohio Community Reinvestment Area (CRA)

The CRA program allows municipalities and counties to offer real property tax exemptions to property owners who invest in the renovation of existing buildings or the construction of new structures within designated areas. These CRAs are created locally and must be approved by the state. The program is divided into two categories based on when the CRA was established, and those created before July 1994 operate under different rules from those formed after. This local tool is designed to encourage revitalization and reinvestment in residential, commercial, and industrial properties.

Historic Preservation Pipeline Initiative

This initiative offers small grants and technical assistance to help nominate historic buildings and districts to the National Register of Historic Places, a key step in unlocking redevelopment funding through the Ohio Historic Preservation Tax Credit. Open to property owners, local governments, and civic organizations, the initiative strengthens local redevelopment efforts by identifying and documenting underutilized historic properties. Three project types are eligible: \$4,000 for individual building nominations, \$12,000 for

district nominations, and \$12,000 for building integrity investigations. With \$100,000 available per year, applications open July 1 and are accepted on a rolling basis until funds are fully allocated.

Tax Increment Financing (TIF)

Tax Increment Financing is a local economic development tool used by townships, municipalities, and counties to fund public infrastructure improvements. By capturing the increased property tax revenue generated from new development, TIFs redirect those funds into a dedicated account to finance eligible infrastructure projects that directly benefit the development area. Establishing a TIF requires local legislation that designates exempt parcels, declares the public purpose, outlines the infrastructure improvements, and creates the fund for redirected revenues. Eligible improvements must directly address increased demand resulting from the development, either for individual parcels or designated incentive districts.

Community Housing Impact and Preservation Program

The CHIP Program provides competitive annual funding to Ohio's non-entitlement communities to improve and expand affordable housing for low- and moderate-income residents. Administered in a single application round each year, the program allows eligible communities to address local housing needs through a flexible, community-wide approach. Activities may include rehabilitation, home repair, new construction, and other housing-related projects, all aimed at strengthening neighborhoods and fostering collaboration among local partners.

Housing Technical Assistance Program

The Housing Technical Assistance Program provides grants to political subdivisions, including cities, villages, townships, counties, and regional planning organizations, to modernize zoning regulations and streamline housing-related processes. Applicants must include a letter of support from their governing body or chief executive. The program is designed to help local governments update outdated policies, remove regulatory barriers, and create a more efficient environment for housing development.

Federal Programs & Resources

Community Development Block Grant Program (CDBG)

The CDBG Program provides annual formula-based grants to states, cities, and counties to create viable communities by supporting decent housing, a suitable living environment, and expanded economic opportunities for low- and moderate-income residents. Authorized under the Housing and Community Development Act of 1974, the program offers flexibility for communities to design local strategies, encourages coordinated planning among

government and private partners, and builds local capacity through technical assistance. Its adaptable funding structure allows communities to address housing, infrastructure, and economic development needs based on their own priorities.

Additional Federal Programs - HUD

Beyond the programs listed here, many other federal housing and community development resources are available through the U.S. Department of Housing and Urban Development (HUD). These include grants, loans, tax incentives, and technical assistance programs supporting affordable housing, community revitalization, and economic development.