

LIFT Frequently Asked Questions

Updated 7/21/2016 *New FAQs have been added in blue font*

Program information and outreach schedules are available on the LIFT program webpage here:

<http://www.oregon.gov/ohcs/Pages/lift-housing-development-program.aspx>

Table of Contents

General Timeline.....	1
Use of Funds.....	1
Program Restrictions and Use with Other Sources.....	2
Ownership & Operational Structures	2
Architectural / Construction Standards	3
Serving Communities of Color	3
Rural Communities.....	4
Funding Resources	4
Partnerships	4
General.....	5

General Timeline**When will the LIFT NOFA be published?**

The specifics of the timing depends on a lot of factors that are subject to change, however as of today (7/14/2016) we anticipate releasing the NOFA in September 2016 and awarding projects funding in December 2016. The bonds for this funding source are currently projected to be sold in February 2016, however this is subject to change without notice.

Will site control be a requirement of LIFT at application?

Yes, a project will be required to have site control at the time of application.

Use of Funds**Can LIFT funds be used for acquisition / rehab in cases where the building had not previously been used as housing?**

No, in the first iteration of LIFT (LIFT 1.0) it has been decided to use the funding only for new construction of multifamily rental housing.

Are funds going to be lent or granted?

It is anticipated that funds will be lent to the project at low or no interest rates.

Program Restrictions and Use with Other Sources

What is the duration of the affordability requirements of LIFT funds?

It is anticipated that the LIFT funds would come with a 20 year affordability. However, if additional sources of funds are used it is expected that the most restrictive program would apply. If the LIFT funds are used in conjunction with 4% LIHTC which has a 30 year affordability, the LIFT funds would also be made to have a 30 year affordability.

What program rules will be used for compliance activities?

The LIFT program will have its own, basic, compliance requirements. However, if additional program funds are put into the LIFT project the most restrictive will apply to the project. For example, if LIFT is used in conjunction with 4% LIHTC or HUD project based vouchers, any and all requirements of those programs that are more restrictive than LIFT will apply to the project.

Ownership & Operational Structures

What does the ownership structure look like?

The concept for the ownership structure is overviewed in the LIFT framework available on the LIFT program webpage <http://www.oregon.gov/ohcs/Pages/lift-housing-development-program.aspx> ; the legal agreements are still being drafted, once they are available they will be released for review. To receive any updates, subscribe to the LIFT Housing Development Updates by clicking [here](#)

What will the operational structure look like?

The concept for the operational structure is overviewed in the LIFT framework available on the LIFT program webpage <http://www.oregon.gov/ohcs/Pages/lift-housing-development-program.aspx> ; the legal agreements are still being drafted, once they are available they will be released for review. To receive any updates, subscribe to the LIFT Housing Development Updates by clicking [here](#)

Does the state plan to staff on-site at LIFT projects to own / operate them?

No, the OHCS does not plan to provide on-site staff to own or operate projects. While structures will be in place to ensure that the ownership or operational requirements of the LIFT funding source are met, OHCS does not intend to directly staff the projects. Project owners and management companies will operate these projects as traditionally has been the case; however with LIFT there will be additional oversight staff at OHCS to assume the role defined by the required legal agreements for ownership or operational oversight.

If we pursue the land ownership path for meeting the requirements of the Article XI-Q bonds, does that mean that the state will purchase the land from a third party for the development?

No, OHCS would purchase the land from the sponsor / owner / developer of the project.

Architectural / Construction Standards

What about construction standards for LIFT?

- Framework does not contemplate prescriptive green building standards or building design;
- Allows for both traditional and alternative / innovative methods of construction;
- Desire to not burden tenants with higher than average utility expenses.

What are the specific LIFT architectural requirements going to be?

As reflected in the framework, LIFT requirements are intended to encourage innovation and allow for all types of new construction. As we have been asked by many stakeholders to provide more guidance – our current thinking (subject to update) is that we will consider the Chapter 4 “Baseline Design Requirements”, which covers compliance with code, of the OHCS Project Development Manual (PDM) <https://www.oregon.gov/ohcs/HD/MFH/Project-Development-Manual.pdf> to apply to LIFT projects. In addition, for those elements in chapter 5 that apply to 4% LIHTC projects, LIFT projects will need to convey to the staff architect what of the proposed project elements are not consistent with the noted standards.

Will prevailing wages or Davis Bacon apply to LIFT projects?

The same regulations that apply to other affordable housing developments will apply to the LIFT program.

Serving Communities of Color

What does it mean to serve communities of color?

Service to communities of color can be achieved in a number of ways, and should be relevant to the community in which the project is located, and the target population anticipated to be served. In general OHCS would expect that addressing this disparity could be accomplished in one of the following ways:

- Development, sponsorship or management by a culturally specific organization with a diverse and representative leadership.
- An ongoing service partnership with a culturally specific organization.
- A relevant marketing and outreach plan designed to publicize to communities of color the availability of the new housing opportunities created by the project, and to affirmatively further fair housing.
- A project explicitly designed and located to address displacement.

How will we address fair housing if we chose to build a project which serves Communities of Color?

- Fair Housing prohibits the targeting or exclusion of any protected class; including all race and ethnic groups;
- The intent of ‘serving communities of color’ for the LIFT program is not to limit tenancy by race or ethnicity. The intent is to ensure that the housing is made available to and is responsive to the needs of historically underserved population groups; in this case, communities of color.
- Communities of color is defined as racial / ethnic groups that have been historically underserved and is not specific to a geographic area or determined by specific geographic demographic factors.

Rural Communities

What do you mean by rural communities?

- A community of less than 25,000 people outside of the Portland Urban Growth Boundary <http://www.oregonmetro.gov/urban-growth-boundary> .
 - Communities that are not incorporated cities are eligible to apply.

Funding Resources

What other resources are available to fill the gap?

Working with community partners will be critical to accomplish the goals. OHCS does not intend to use other state resources for LIFT projects, though a project may choose to pursue the use of 4% LIHTC. Since OHCS began discussions with the Legislature regarding this money, a range of partners have expressed an interest in committing resources such as:

- Project Based Vouchers (Public Housing Authorities)
- Land (City or County)
- Financial Resources

Can my project get funded if we request more than \$38,000 per unit in LIFT subsidy?

Yes. Projects requesting more than \$38,000 per unit in LIFT subsidy will get secondary consideration, and could not be reviewed if OHCS decides that ample applications requesting \$38,000 per unit or less have been submitted. The only way to ensure that your project application gets reviewed will be for it to get primary consideration by requesting \$38,000 per unit in LIFT subsidy or less. All applications will have the same deadline for submission.

The framework establishes that “Developer fees will be capped at a rate less than allowed through federal tax credit projects as defined in the most recent OHCS Qualified Allocation Plan.” If we use 4% LIHTC with LIFT funding, does that still apply?

Yes, the more restrictive policy would apply.

Partnerships

Questions to ask of potential partners:

- Have you asked your Housing Authority whether they have filed a plan with HUD to site base vouchers? Would the Housing Authority be willing to commit project based vouchers to help serve lower income families?
- Would the local DHS office commit to partnering with you in exchange for a few units set aside for their clients? Would the local office commit to maintaining a waiting list for those units? Would the local office commit to providing services on an on-going basis to those families?
- Have you considered partnering with your Coordinated Care Organization? Do they have families who need housing? Would they be willing to help pay for the housing to be built? Or provide on-going rent assistance? Or assist with service coordination and provision?
- Have you met with your Continuum of Care? Do they have site-based vouchers they could commit to the project or other funding?

General

Ways to decrease the cost of the building:

- Alternative construction methods;
- Mixed income;
- Additional sources of non-state gap funds;
- Developer equity;
- Designing smaller units;
- Leverage project based rent assistance;
- Limiting cash developer fee;
- Land donation;
- Dense development on low cost land; and/or
- Lowering operational costs.

What if we want to do this but don't have development experience?

OHCS expects that an experienced developer is part of the development team for all funded projects; the application will require that you indicate how the group has adequate experience. If your organization does not already have this experience on staff, you would be able to hire this experience as a contractor to work with you on the project.