MF NOFA Frequently Asked Questions

Questions and answers as of March 13, 2015

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General Questions:

Q: Are the 2015 NOFA training materials available online?
A: Yes: http://www.oregon.gov/ohcs/HD/MFH/2015-LIHTC-HOME-NOFA/NOFA-Training-2015-Feb11.pdf

Q: Can we get a confirmation that you received our application in the mail or via Fed-Ex?
A: No, we cannot confirm receipt of your application. You can track your packages through Fed-Ex, or other delivery service.

Threshold Questions:

Q: It looks like there should be drop down menus where it says "choose an item" on my Total Development Cost worksheet 3.4, but they are not working. What should I do?
A: If the drop down menu's on this form are not working, you can write in your responses instead. The following is guidance for what those responses are looking for: "Region" identify if your project is in the Metro / non metro PJ / Balance of State; "Which unit limits apply to this project" identify if your project meets the Urban or Balance of State limits; "Is higher or lower than applicable limit?" identify in each row of table if your cost/unit is Higher or Lower than the applicable limit listed in the table.

Q: On the 4.3 questionnaire, the NOFA instructions say that each response should be completed within ½ page response, is that the case for all the questions including the first one?
A: Yes, the expectation is that the responses to the questions provide a narrative overview versus a line by line detail.

Q: What is the timeline for site control for the 2015 NOFA?
A: Site control that lasts through the end of the calendar year is required for the 2015 NOFA.

Q: Is a phase 1 environmental review required at the time of application?
A: No, it is not required, however if one has been conducted it is requested that the applicant submit the Executive Summary of the document only.

Q: For proof of site control, can we use a disposition development agreement from a government entity?
A: If elusive right exists, yes.

Q: Does a transfer satisfy the Federal Project Resource Status requirement?
A: Yes. Submit the letter you sent to RD, for example.

Q: What if our PJ's application time differs?
A: You will need to show you will be applying by April 17th.

Q: What do you look for in Readiness to Proceed?
A: Reasonableness of the project schedule and status of application for federal resources. LIHTC and HOME have strict timelines to meet, or otherwise jeopardize funding.

Q: Do we attach site control documents in section 3.1 of the application?
A: Yes, and number every page. Use tabs to separate parts and sections, and include on the application checklist.

Competitive Scoring Questions:

-Need:

Q: Where is the Affordable Housing Inventory referenced in the competitive scoring questionnaire?
A: It is available on the OHCS website here: http://www.oregon.gov/ohcs/Pages/research-multifamily-housing-inventory-data.aspx

Q: How do we show a 4-Bedroom unit on the Questionnaire?
A: Use 3-Bedroom category for 3 or more bedroom units.

Q: What information am I supposed to focus on in the 4.1B where it asks me to "Describe the numeric and percentage gap between your target population group and the funded affordable housing"?
A: You want to focus on the number of people in your target population VS the funded affordable housing units from the Housing Inventory. For example, if you had a senior project, you could identify how many low income seniors there are vs how many units in the affordable housing inventory are set aside to serve that population. IE: there are 200 low income seniors in the community vs just 5 affordable housing units; just 2.5% of the target population have housing available. The complete affordable housing inventory is online, and includes detail on population targets so you can refine the housing unit figures that address your target population: http://www.oregon.gov/ohcs/Pages/research-multifamily-housing-inventory-data.aspx

Q: Where do we find the need data?
A: You can use OHCS' Affordable Housing Inventory or another data source. Please cite your sources, so we can find it. Do not submit the source material with your application.

Q: Does the 5 points for Need come from different sections or just one?
A: It is a mix or match.

Q: How do we find census data sources?
A: We provide a link next to the question, or on the NOFA webpage, go to Multifamily Funding Data Resources. http://www.oregon.gov/ohcs/Pages/research-multifamily-funding-data-resources.aspx

-Impact:

Q: Can I group two sites together and be considered a Preservation Project under the set-aside if only one project is considered big P preservation?
A: In order to be considered Preservation, 25% of the units in the project must have federal project based rent assistance (not portable vouchers). As long as this is the case when sites are combined, then it would be eligible.

Q: Is there any guidance for jurisdictions in establishing the priority for a particular project requesting a letter?
A: The only guidance is that the jurisdiction may only award one project each priority placement (i.e. there may only be 1 priority 1 project letter from a jurisdiction). It is otherwise up to the jurisdiction to make decisions about local priorities and preferences for affordable housing.

Q: What is the definition of "porting rate".
A: How many vouchers are being ported in or out of a particular jurisdiction; this information is generally tracked by Housing Authorities.

Q: Under the Vulnerable Tenant Displacement criteria, what are "service dependent" tenants? How do we document tenants that meet this criterion?
A: In the NOFA a vulnerable tenant is defined as: "a population (frail elderly, disabled, large families, special needs populations, service dependent) who would face hardships from relocation". It is up to the project to define what portion of their tenants are considered service dependent and would consequently face hardships from relocation; no additional documentation needs to be submitted.

Q: Without a market study, how do we document the vacancy rates are below 3% in the community? What sources would OHCS consider for verification of the vacancy rates? If the market study reveals vacancy rates exceed 3%, will there be an allowance (i.e. 0.5%) to keep the points awarded?
A: It is up to the applicant to assemble reasonable and defensible information to serve as the basis for the response to this question; that could be done through local real estate sources or agencies as well as reasonable informal comparative studies by reaching out in the community/phone surveys. A full market study could be used, but is not required.

Q: In the Opt-Out/Market Conversion Risk criteria, is there a time limit on the expiration of a contract?
A: If the contract is going to expire in the near term (generally thought of as 3 years) and is in a strong market it would be seen as having a stronger risk of conversion. If awarded funds, a new 20 year contract is required.

Q: If the local government's comprehensive plan is dated, do we still use it to align our project with community purposes and priorities?
A: If the comprehensive plan is current / within the past 5 years then it should be treated as current; in the Balance of State there is a Comprehensive Plan that is covered through Oregon Housing & Community Services. If there are community priorities and purposes established outside of these types of plans, then they could also be included in the response to this question.

Q: If applying for capital preservation, do we include the questions for the acquisition/rehabilitation preservation path?
A: No, choose one path or the other.

Q: Under Impact for New or Acq/Rehab, how many points is Plan Alignment in the Balance of State?
A: Plan alignment for New / Acq/Rehab is worth 5 points in the Balance of State (and 6 points in Participating Jurisdictions).

Q: How do we explain Risk of Loss?
A: This is a specific question based on the current market and physical condition of the project. There is no need to survey the tenants.

Q: How many plans do we need to show we are in Alignment with?
A: Showing that your project meets a plans specific goals is more important than showing you meet several plans general criteria (though multiple plans can be submitted, reviewers preference quality of connections over quantity of plans).

Q: Regarding Prudence of Investment, are points data driven or subjective?
A: Both; 4 points come from cost information and 4 points are subjective from narrative description.

Q: Do we need a priority letter for preservation?
A: No, a local preference letter is not required for preservation projects. Instead use local plans, Regional Solutions Team or CCOs to show Impact under plan alignment.

Q: What if we get a preference letter from a city with a population less than 10,000?
A: Obtain the letter from the county. We only accept letters from cities with populations over 10,000.

Q: What is the best way to answer 4.1B Location Efficiency?
A: Answer by entering the distance or by calculating your transit score.

Q: Under Tenant Impact, how do we show voucher utilization?
A: Obtain statistics from the housing authority.

Q: Housing authorities does not have the mileage information.
A: We will look into that in the 2016 application. Use turn back and porting statistics.

Q: Under Tenant Impact, why do the last few categories (Tenant Protections, Voucher Utilization, Available and Affordable Rental Housing in the Community) have lesser points available?
A: We will answer this in a technical advisory.

Q: How do you want us to show our resident services collaborations?
A: Just describe your resident services partners. We do not need a copy of your MOU.

-Preferences:

Q: Are DDAs eligible for preference points in competitive scoring?
A: No, though DDAs are eligible for basis boost they are not among the areas given additional preference per the IRS. Preference points are given to those projects located in Qualified Census Tracts or Low Poverty Tracts.

Q: In 4.1C, can a project get partial points for being located in a Census Tract adjacent to either a Low Poverty Tract or QCT? Are these points all-or nothing, or could some points be gained if a project is across the street from one of these qualifying Census Tracts?
A: Points are only prescribed for those projects cited within an eligible Census Tract.

Q: What is a Low Poverty Tract?
A: A Low Poverty Tract is defined in the states Qualified Allocation Plan as “Census Tracts where less than 10 percent of the population lives below the poverty level”. This data is gathered from the

American Community Survey, which OHCS has published online here: http://www.oregon.gov/ohcs/ISD/RA/housing-profiles/Oregon-Census-Tract-Poverty-Rates-2009-2013.pdf

Q: If my Census Tract has 10.2% poverty, can it be rounded down to qualify as a Low Poverty Tract?
A: No, eligibility is defined as "less than 10 percent" poverty rate. In practice, consistent with the OHCS publication of data, these have been calculated at 1 decimal point so eligibility extends up to 9.9% Census Tracts. http://www.oregon.gov/ohcs/ISD/RA/housing-profiles/Oregon-Census-Tract-Poverty-Rates-2009-2013.pdf

Q: How is the 4 points given under Federal / QAP Preferences?
A: It is one point per item.

Q: How do we show we have a historic value?
A: Use the SHPO registry. A narrative description alone is not verifiable.

Q: How does OAHTC affect the score under Preferences: Serving Lowest Incomes?
A: Income limits described in section 4.1C will match the declaration. Consider how low rents will be met at year 20 when OAHTC goes away.

-Financial:

Q: What percent of median income do we use for market rate units?
A: Use 100% area median income for market rate units.

Q: Define leverage.
A: Leverage is the use of any non-OHCS source.

Q: How do we describe our exit strategy? For example, at year 15, our investor is leaving and we plan to refinance.
A: That works. We want to know that you have thought about it and have a plan.

-Tenants:

Q: When does the Tenant Survey need to be done?
A: Within a year of application.

-Construction:

Q: Will you only accept CNAs from Architects licensed in Oregon, or can I submit CNAs under my license from a different State?
A: The 2015 NOFA does require a professional currently licensed in the State of Oregon to perform the Property Inspections and prepare the Rehabilitative Assessment.

Q: What qualifications, if any, are required from the party providing the roof report in the CNA? Is the architect completing that report qualified?
A: OHCS doesn't have specific qualifications prescribed, but it is up to the individual developing the CNA to determine if outside expertise is required to have dependable and defensible information.

Q: Were any changes made to the Architectural Guidelines?
A: No changes were made in the 2015 NOFA Architectural Guidelines; the last changes were made in 2014 and complete information on these can be found in the General Policy and Guideline Manuals

Q: Do we need to submit a BOLI letter with our application?
A: Not at time of application. This is a reservation letter requirement upon funding.

Q: A small portion of our development is new construction. Which rehab plan do we use?
A: You will need to complete all portions.

Q: How long are C N As good for?
A: 12 months.

Q: Do you need 30 year replacement reserves for rehabilitation only, or for new construction also.
A: Both.

Q: Regarding Green Building, do we use the OHCS Green Building path in addition to the other choices?
A: Use OHCS path if you do not meet any of the other three.

Q: Can I use one Green Building path for our new construction portion and another path for our rehabilitation portion?
A: No, pick only one path. We will issue a technical advisory about this.

Program Questions:

Q: Is acquisition a choice limiting action under HOME?
A: Yes. Talk to Carole Dicksa about any HOME questions. Call before you dig!

Q: Does an interest letter from the bank suffice for OAHTC?
A: Obtain an interest letter with enough information to fill out the spreadsheet and OAHTC Loan Information form. It does not need to be a term sheet.

Q: How do we show project based assistance in new construction income sheet?
A: Show LIHTC rent as usual, and excess PBA under Other Income. We will issue an FAQ on this subject.

Q: Do we need pass through on non PBA units?
A: PBA needs to be identified on both before and after OAHTC income sheets.

Q: Is there a dollar amount limit for LIWP?
A: No limit, but costs can only be 20% over code. Also, applicants must be in PGE or Pacificorp service areas.

Q: Will questions to Carol and Carole (LIHTC and HOME Program Managers) be included in FAQs?
A: Yes.

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