

**STATE OF OREGON  
HOUSING AND COMMUNITY SERVICES OHCS**

**MULTIPLE AWARD OPPORTUNITY**

**NOTICE OF FUNDING AVAILABILITY (NOFA) #4391**

**Affordable Housing Projects with HOME Investment Partnerships Program**

NOFA Issued Date: **June 29, 2016**

Application Due Date: **September 12, 2016**

Application Due Time: **4:00pm**

**Version 1.1**

*Updated June 30, 2016*



725 Summer St NE Suite B, Salem, OR 97301-1266  
(503) 986-2000 FAX (503) 986-2002 TTY (503) 986-2100

[www.oregon.gov/ohcs](http://www.oregon.gov/ohcs)



- 1.0 INTRODUCTION ..... 4**
  - 1.1 Purpose .....4**
  - 1.2 Funding Sources.....4**
  - 1.3 Application Parameters.....4**
  - 1.4 Definitions .....5**
  - 1.5 Allocations.....6**
  - 1.6 Reservation Process .....6**
    - A. Application Ranking Process..... 6
    - B. Tie Breaking Rule..... 7
    - C. Reissuing Returned Reservations ..... 7
    - D. Re-Evaluation of Reservations..... 7
  
- 2.0 APPLICATION REQUIREMENTS ..... 8**
  - 2.1 Application Submission .....8**
  - 2.2 Application Submission Information .....8**
  - 2.3 NOFA Questions .....9**
  
- 3.0 EVALUATION CRITERIA ..... 10**
  - 3.1 Administrative Review .....10**
  - 3.2 Minimum Threshold Requirements (Part 3 Submission) .....10**
    - A. Program Compliance ..... 10
    - B. Relocation Plan ..... 10
    - C. Minority, Women, and/or Emerging Small Business (MWESB) Engagement ..... 11
    - D. Readiness to Proceed (3.1)..... 11
    - E. Development Team Capacity (3.2)..... 13
    - F. Ownership Integrity (3.3) ..... 13
    - G. Total Development Cost Per Unit (3.4) ..... 14
    - H. Program Compliance Review..... 15
  - 3.4 Competitive Scoring (Part 4 Submission).....16**
    - (A) Need: 20 points ..... 17
    - (B) Impact: 40 points..... 18
    - (C) Preference: 10 points ..... 23
    - (D) Financial viability: 15 points..... 23
    - (E) Capacity: 15 points ..... 24

**4.0 APPLICATION EVALUATIONS..... 26**

**4.1 Evaluation Process .....26**

**4.2 Evaluation Criteria .....26**

**4.3 Notice of Intent to Issue Reservation Letter .....26**

**5.0 GENERAL NOFA TERMS..... 26**

## 1.0 INTRODUCTION

### 1.1 Purpose

The State of Oregon, acting by and through its Housing and Community Services OHCS (OHCS), is seeking applications (Applications) in this Notice of Funding Availability (NOFA) with respect to multifamily residential rental housing developments, i.e., Affordable Housing Projects (Projects) whose development, *inter alia*, will require OHCS HOME Investment Partnership Program (HOME) funding in order to serve qualifying low-income and very low-income populations.

All persons or entities submitting Applications responsive to this NOFA are herein referred to as Applicant(s). Applicants, if any, that OHCS determines to provide a reservation of funding (Reservation) pursuant to this NOFA will be designated as Grantees in the conditional commitments issued to them (Reservation Letter) by OHCS. All Reservations are conditional in nature, contingent upon the terms upon which they are made, approval by the Housing Stability Council, the continuing availability to OHCS of the described funds or tax credits (collectively or individually without distinction Funds), the continuing authority of OHCS to disburse or allocate such funds, and the successful negotiation, execution, and recording (if required) of relevant documents in a manner satisfactory to OHCS at its sole discretion.

### 1.2 Funding Sources

The Allocation of Funds for this NOFA may derive from federal, state, or other funds or tax credits, which may include:

Home Investment Partnership Program (HOME) funds,  
**Gap Funds \***  
Oregon Affordable Housing Tax Credits (OAHTC),  
HELP Program Financing Adjustment Factor Savings (FAFS) funds, and  
Low Income Weatherization Program (LIWP) funds.

The above-described funding sources are subject to their respective set of standards (Programs) and corresponding Program requirements (Program Requirements). Program Requirements governing funding and relevant to a particular Application must be satisfied by the corresponding Applicant in order to qualify for funding under this NOFA.

\* See definitions for description

### 1.3 Application Parameters

- A. OHCS HOME Funds can only be utilized within the designated Geographic Regions (Regions) of the State of Oregon's HOME Program administered by OHCS. The areas within what are known as Participating Jurisdictions maintain their own HOME Program and are not eligible for OHCS HOME funding or other funding under the current funding cycle of this NOFA.
- B. Applicants may only apply for one (1) phase of a multi-phase Project in each funding cycle of this NOFA.

## 1.4 Definitions

Terms defined in this NOFA (including those provided in this subsection), as well as terms defined in other Program Requirements, shall be construed in this NOFA consistently with those definitions unless the context clearly indicates otherwise. The following terms shall have the following meanings:

**“Affordable Housing Gap”** means the difference between the supply of funded Affordable Housing units for a specified population and the Need for Affordable Housing units by that population.

**“Gap Funds”** means the following funding sources: General Housing Account Program (GHAP) and the Housing Development Grant Program (HDGP).

**“Impact of Project”** means a competitive scoring category that identifies and measures the potential social, economic and financial benefits a particular Project will provide to its community for the purpose of selecting the highest-benefit Projects for Reservations.

**“Need for Project”** means a competitive scoring category that identifies and measures the degree of need for a particular Project in its community (its Project Need Severity) for the purpose of selecting the highest-need Projects for Reservations.

**“Need”** means the level of demand for affordable housing in a given Geographic Region, county or city based on low income population, rent burden, and affordable housing inventory that is identified and measured for the purpose of allocating Funds under this NOFA.

The **“Geographic Regions”** (or “Regions”) applicable to this NOFA are further identified herein as:

- **“Balance of State”** means the eligible region for OHCS HOME funding, and includes the following counties: Baker, Clatsop, Columbia, Coos, Crook, Curry, Deschutes, Douglas, Gilliam, Grant, Harney, Hood River, Jackson, Jefferson, Josephine, Klamath, Lake, Lincoln, Linn, Malheur, Morrow, Polk, Sherman, Tillamook, Umatilla, Union, Wallowa, Wasco, Wheeler, and Yamhill Counties as well as the balance of Benton, Lane, and Marion counties not included in Participating Jurisdictions. Only Projects proposed within this Region will be eligible for funding under the current funding cycle of this NOFA.
- **“Participating Jurisdictions”** means Portland/Multnomah County/Gresham, Washington County, Clackamas County, Eugene/Springfield, Salem/Keizer, and Corvallis. Projects proposed within Participating Jurisdictions are not eligible for funding under the current funding cycle of this NOFA.

**“Public Policy”** means a policy, principal or standard defined in a public document, created by a legitimate process, that guides decision making and aids in planning efforts at any level of government (including, local, statewide or regional).

**“Special Needs Populations”** means categories of people with particular needs related to housing, including but not limited to veterans, elderly, people with the presence of a disability, previously incarcerated persons, and survivors of domestic violence.

**“Underserved Geography or Underserved Area”** means counties or cities, or parts of same, whose affordable housing needs are identified as underfunded based on their proportion of the state’s affordable housing relative

to other areas and their proportion of the state’s population materially challenged in accessing or maintaining safe, sanitary and affordable housing (based on low income and rent-burdened criteria) relative to other areas.

## 1.5 Allocations

The Allocation of Funds for this 2016 NOFA, restricted to Projects proposed within the Balance of State Geographic Region, is as follows:

Programs	Balance of State
HOME*	\$3,000,000
Gap funds**	\$1,500,000
OAHTC***	\$2,000,000
HELP	\$150,000
LIWP	\$600,000

- \* HOME funds allocated will be redistributed across the HOME and LIHTC NOFAs if successful projects warrant, in order to commit all available funds.

In accordance with Federal Regulation, 15% of HOME funding must be awarded to state-certified **Community Housing Development Organizations (CHDOs)** that meet specific requirements for development capacity. The approximate amount of CHDO funding for 2016 is \$946,939.

- \*\* There is a cap of \$500,000 per Project for Gap funding in this NOFA.

- \*\*\* There is a cap of \$1,800,000 per Project for OAHTC funding in this NOFA.

## 1.6 Reservation Process

**A. Application Ranking Process:** Funds are reserved by OHCS on a competitive basis to Projects of qualifying Applicants that:

1. pass the Administrative Review,
2. meet the Minimum Threshold Requirements; and
3. have the highest qualifying scoring rank in accordance with available funding.

OHCS may choose not to award all available funding or may allocate funding under this NOFA to Applications selected for Reservations under the concurrent 9% LIHTC NOFA.

During the funding process, limits on the remaining available resources may result in lower-ranked Applications receiving a funding Reservation if higher-ranked Applications would require combinations of resources that exceed relevant funding source amounts that remain available for award purposes. In addition, the use of HOME funds for potential or actual awards to qualified Projects in this NOFA are potentially used in conjunction with the concurrent 9% LIHTC NOFA that may limit the availability of this resource.

In the event of a tie in the regional or pooled ranking processes, and assuming sufficient funding for either of the tied Applications, OHCS will apply the following tie breaking rules in making funding awards.

- B. Tie Breaking Rule:** If the total evaluation scores of two (2) or more Applications result in a tie and HOME availability is insufficient to fund all tied Applications, the following scores, in order of priority, will break the tie:
- The Project with the highest Impact score will be funded.
    - If the Impact scores are tied, the Project with the highest Need Severity score will be funded.
    - If the Need Severity scores are tied, the Project with the highest Financial Viability score will be funded.
    - If the Financial Viability scores are tied, the Project with the highest Capacity score will be funded.
- C. Reissuing Returned Reservations:** In the event one (1) or more Applications being considered for a Reservation or final release of funding is withdrawn, cancelled, not provided a Reservation or otherwise not funded under this NOFA (a Returned Reservation), OHCS, at its sole discretion, may do any of the following with the then available funding:
1. If needed and available, fill Project funding gaps for previously funded Projects;
  2. Select for funding the next highest ranking qualified Application(s) from the current funding cycle consistent with then available funding. Applicants with newly-selected Applications will be given thirty (30) days to reevaluate the financial feasibility of their Applications and determine whether or not the proposed Project can move forward.
  3. OHCS may issue a Request for Proposals, employ a special solicitation process, or otherwise act to award HOME and related funding remaining from the Allocation of Funds to this NOFA, if any, that OHCS decides to disburse, including making such funding available under the concurrent LIHTC NOFA.
- D. Re-Evaluation of Reservations:** The following events will result in a re-evaluation of a previously-issued Reservation:
1. Failure to meet all requirements for funding (which includes firm commitment of all funding sources in the project) prior to December 1, 2017 for Projects awarded 2016 HOME funds. Failure to close construction within two hundred forty (240) days of the Reservation.
  2. A material adverse change so the Project, Applicant, or Sponsor no longer meets any of the Minimum Threshold Requirements or of the Competitive Scoring criteria.
  3. The proposed Project will not receive Certificate of Occupancy or Certificate of Substantial Completion by the date required by OHCS.
  4. The failure to execute or record Affordability Agreements or other documents to the satisfaction of OHCS.
  5. Other causes at OHCS' discretion.

In the event of a re-evaluation of a Reservation, OHCS, at its sole discretion, may do any of the following:

1. Revoke or modify the Reservation,
2. Approve requested changes to the original Application as proposed,
3. Take no action; Or
4. Take such other action as OHCS determines to be appropriate.

## 2.0 APPLICATION REQUIREMENTS

**2.1 Application Submission:** Applications must be submitted no later than:

**APPLICATION DUE DATE AND TIME:**

**September 12, 2016, by 4:00 PM PST**

**DELIVERY ADDRESS:**

**Oregon Housing and Community Services  
Attn: Lisa Cimino  
725 Summer Street NE, Suite B  
Salem, OR 97301**

**Applications must be received and date and time stamped by OHCS receptionist no later than the Application closing date and time. Applications must be delivered in a sealed envelope or container that clearly identifies the NOFA number, Applicant's name, name of the contact person for the Applicant, OHCS name and address, and the Application closing date and time. Mis-deliveries and late submittals will not be accepted or considered. Post-marked dated Applications will not be considered. Only Applications actually received by OHCS by the Application closing date and time specified herein will be processed.**

Faxed, electronically transmitted, late or incomplete Applications will not be accepted or reviewed. All Applications and any accompanying documentation become the property of OHCS, subject to Oregon Public Records Law, and will not be returned. **Application Charges will not be refunded.**

**All costs associated with Applicant's submission of its Application are the sole responsibility of the Applicant and will not be borne by the State of Oregon.**

OHCS is not responsible for any errors or omissions resulting from the Applicant obtaining the NOFA electronically. The official version of the NOFA is the one held at OHCS.

Applications determined by OHCS to be incomplete, to not meet all submission requirements of the NOFA, or otherwise fail to satisfy Administrative Review requirements will be deemed by OHCS as "non-responsive" and rejected without further review. Applications considered complete, meeting all submission requirements, and otherwise satisfying all Administrative Review requirements by OHCS will then be evaluated to determine if they comply with the Minimum Threshold Requirements. Applications determined by OHCS as failing to meet any of the Minimum Threshold Requirements also will be deemed as "non-responsive" and rejected without further review. The remaining "responsive" or "qualifying" Applications will be evaluated for ranking and award purposes as provided hereafter.

## 2.2 Application Submission Information

The *Instruction document for 2016 NOFA Applications* (<http://www.oregon.gov/ohcs/Pages/nofa-2016-low-income-housing-tax-credits.aspx>) contains detailed information about the format and content of the required submission.

## 2.3 NOFA Questions

Inquiries relating to the NOFA process, its administration (including deadlines and Reservations), or to the substantive technical portions of the NOFA should be directed to the individuals listed below:

**General NOFA questions** should be sent in writing to:

[MFNOFA@oregon.gov](mailto:MFNOFA@oregon.gov)

**Programmatic Questions:**

About HOME Program contact: Carole Dicksa, [Carole.Dicksa@oregon.gov](mailto:Carole.Dicksa@oregon.gov); 503.986.2137

**For A Project Site Checklist Review**, contact OHCS Representative to schedule:

Email: [Site.Visit@oregon.gov](mailto:Site.Visit@oregon.gov)

Frequently Asked Questions will be posted with applicable answers on the OHCS website. When appropriate, revisions, substitutions, or clarifications shall be issued as addenda to this NOFA. Changes or modifications to the NOFA requirements will **ONLY** be recognized if in the form of written addenda issued by OHCS. OHCS shall provide copies of any addenda to all known NOFA recipients as well as post the addenda at:

<http://www.oregon.gov/ohcs/Pages/multifamily-housing-announcements.aspx>

*[The balance of this page is intentionally left blank.]*

### 3.0 EVALUATION CRITERIA

After passing Application Administrative Review for timeliness and completeness, a Threshold Review Team will evaluate each Application for its satisfaction of the Minimum Threshold Requirements. The Application(s) must pass each criterion below to proceed to the next level of review. If at any point between the criteria listed in sections 3.1 through 3.3 an Application fails, the Application will be deemed nonresponsive and will not be reviewed further.

**OHCS may employ, but is not limited to, the following selection criteria upon which to base its decisions:**

#### 3.1 Administrative Review

Each Application will be reviewed for timeliness and completeness of the NOFA requirements. The following are Pass/Fail criteria:

- A. NOFA Cover Sheet submitted by due date and time,
- B. Application and Charge Transmittal Form,
- C. Owner/Board of Director's Authorization and Acceptance Form,
- D. Organizational Documents,
- E. Complete NOFA Application with Required Exhibits.

#### 3.2 Minimum Threshold Requirements (Part 3 Submission)

After passing Administrative Review, all of these Minimum Threshold Requirements must be met. The following are Pass/Fail criteria:

##### A. Program Compliance

Applicants must satisfy all Project requirements including, but not limited to, the Program Requirements for all applicable OHCS funding sources. Each OHCS funding source has separate requirements within the Application, including forms and exhibits that must be submitted simultaneously. These forms and exhibits are more particularly described and available in the Applications, General Policy and Guideline Manual and individual Program Manuals.

##### B. Relocation Plan

If any relocation or displacement of existing tenants might occur as a result of an Allocation, the Application must contain a relocation plan satisfactory to OHCS including all of the following:

- a. A complete survey of existing tenants using the format provided by OHCS. This survey must be augmented to include third party income verification.
- b. Type of displacement that will occur (permanent or temporary).
- c. Proposed relocation/displacement process. Availability of comparable units in the community.
- d. Describe how tenants with disabilities will be assisted regarding relocation or displacement.
- e. Provide regular updates on each resident to be relocated or displaced; and
- f. For HOME funded Projects, Uniform Relocation Act (URA) will apply. URA requirements, if inconsistent with any other requirements, will supersede any of the above.

**C.Minority, Women, and/or Emerging Small Business (MWESB) Engagement**

Minority, Women, and / or Emerging Small Businesses (MWESB) contractors are those registered with the State. (<http://www.oregon4biz.com/How-We-Can-Help/OMWESB/> )

All Applicants will be required to identify ways and/or targets that they will utilize to contract with MWESB contractors/subcontractors in the construction and operation of the proposed Project. Awardees will be required to submit a report to OHCS demonstrating outcomes of their efforts to contract with MWESB contractors/subcontractors, using state registry, at completion of construction.

**D. Readiness to Proceed (3.1)**

Application must demonstrate the Project’s readiness to proceed based on the following information:

**1. Site Control and Zoning**

**Site Control**

Applicant must have control of the land necessary for the Project by the Application deadline as evidenced by one of the following:

- a. a recorded deed or conveyance showing the Applicant has Ownership,
- b. a valid purchase and sale agreement,
- c. a valid option to purchase,
- d. a valid option for a long-term lease (lease must be approved by Oregon DOJ), or
- e. any other evidence satisfactory to OHCS.

The Applicant must be sure the name on the evidence of site control and the Application is exactly the same. The site control document should also identify the exact same area as the Project site listed in the Application and the exact same cost for the land and/or existing buildings for the Project referenced in the development budget provided with the Application. If the site description in the Application and the site control document are not exactly the same, the Applicant must provide a narrative description and supporting documentation to clarify how the area and cost for the Project were established.

OHCS will only accept one Application for a specific site or for any part of the same site, regardless of whether Applications are submitted by the same Applicant or by multiple Applicants. If there is more than one (1) Application received for the same site, or any part of the same site, OHCS may disqualify one (1) or all of the Applications. The *non-refundable* Application charge for each Applicant will be retained by OHCS.

**Zoning**

The Project must be properly zoned for the type of intended Project. The Applicant must provide the Certification of Zoning executed by the appropriate zoning authority to verify this.

**2. Additional Federal Project Resources Status**

The Applicant must be able to provide satisfactory documentation of their progress on their applications for federal resources.

If the Applicant has identified additional federal resources, such as rental or capital assistance from HUD, RD, or VA, as part of the funding structure, the Applicant must provide evidence satisfactory to OHCS that an application for these resources has been submitted and remains active.

### **3. Adequacy of Development Schedule**

Within the development schedule provided, the Applicant must be able to meet the required deadlines applicable to the HOME Program and related funding Programs.

The Applicant's development schedule must clearly demonstrate that funds will be invested and the project will be constructed, leased and stabilized within all required Program deadlines. These deadlines are published in the HOME Program Manual: <http://www.oregon.gov/ohcs/Pages/nofa-2015-home-program.aspx> and other appropriate OHCS program manuals.

### **4. Adequacy of the Project Site Review Checklist**

Applicants must identify any adverse environmental or site information indicated on the Project Site Checklist revealed during the OHCS Representative visit to the site or otherwise. The deadline for initiating scheduling the site visit is Friday, July 8, 2016 at 5:00 pm. In order to initiate scheduling a site visit, send an email to [Site.Visit@oregon.gov](mailto:Site.Visit@oregon.gov). If you do not contact an OHCS Representative before the deadline, the OHCS Representative has no obligation to view the Project site or sign the Review Checklist

OHCS's Project Site checklist contains questions regarding:

- a. the suitability of the site,
- b. the distances to services,
- c. transportation and schools,
- d. the nature of existing structures,
- e. soil suitability,
- f. environmental hazards,
- g. safety concerns,
- h. noise problems,
- i. air quality issues,
- j. historic preservation,
- k. flood plain and wetlands issues,
- l. solid waste, waste water and storm water concerns, and
- m. Federally Listed Species and/or Designated Critical Habitat

Depending on the impact to the Project, the Applicant must provide a satisfactory mitigation plan for any materially adverse information revealed in the Project Site Checklist or subsequently identified.

## **E. Development Team Capacity (3.2)**

### **1. Construction Experience**

- a. Does the Applicant have a successful history of leading construction development Projects of similar (or larger) size and scope, such as, mid-rise versus high-rise, wood frame versus steel, and new construction versus rehabilitative construction?
- b. If Applicant's history is limited, will the Applicant partner with an appropriate party to mitigate this concern?

### **2. Financing Experience**

- a. Does the Applicant have a successful history of closing the requested combination of financing, such as mortgage financing, HOME funds, and other grant or government loan programs?
- b. If Applicant's history is limited, will the Applicant partner with an appropriate party to mitigate this concern?

### **3. Development Team Experience**

- a. Has the Applicant managed similarly comprised development teams?
- b. Explain the development team experience with Projects of this type, size, and scope?
- c. If an Applicant has applied for multiple Project reservations, does the development team have the capacity to administratively and financially support all Projects simultaneously?

### **4. Financial Capacity**

- a. As disclosed in the Application or other required information, does the Applicant's financial condition indicate any adverse conditions that might materially impair the Applicant's ability to perform the financial obligations as sponsor during the construction or stabilization of the Project?
- b. As disclosed in the Real Estate Owned Schedule, is the Applicant's existing real estate portfolio stable and self-supporting? If there are any significant problem projects, is there a reasonable mitigation plan in place?

## **F. Ownership Integrity (3.3)**

1. Single-Asset Ownership: The Project will be owned by a single-asset entity duly organized under the laws of the State of Oregon, or if allowed, duly authorized to conduct business in the State of Oregon unless otherwise approved by OHCS.
2. Eligible ownership includes individuals, local governments, nonprofit and for-profit organizations including, but not limited to, cities, counties, housing authorities, nonprofit community-based organizations such as community housing development organizations (CHDOs), community development corporations (CDCs), and community action programs (CAPs).
3. Neither Applicant nor any member or principal within the Project ownership or management will have been convicted of fraud, misrepresentation, theft or other moral turpitude within the previous ten (10) years.
4. Neither Applicant nor any member or principal within the Project ownership or management will have been involved in a bankruptcy proceeding within the previous five (5) years.

5. Neither Applicant nor any member or principal within the Project ownership or management will have been debarred from federal projects or otherwise sanctioned by OHCS.
6. CHDOs, specific types of nonprofit organizations defined exclusively for the HOME Program, must be organized and structured according to strict standards specified in the HOME regulations. In order to qualify as a CHDO, the entity must be organized under the Internal Revenue Code of 1986 (IRC) at 501(c)(3) or 501(c)(4). CHDOs must demonstrate development experience with projects of the same size, scope and level of complexity as the proposed project. CHDOs must employ professional staff having the knowledge, skills, and experience necessary to undertake HOME funded projects. Volunteers, board members, or consultants are not considered to be staff and do not count toward meeting HUD's criteria for CHDOs.

**G. Total Development Cost Per Unit (3.4)**

In order to begin assessing and containing costs, the following cost-per-unit limits have been established. The costs are based on the total development and construction costs (excludes acquisition). The limits are established using recently funded (five (5) year) history of OHCS Projects and based on unit size.

Once completed, OHCS pro forma will calculate the cost per unit using the correct methodology on the Summary page of the Excel document.

Most Project units should have costs well below the listed limits. However there are occasionally exceptions. If the Applicant Project costs exceed those listed in the table, a letter explaining the costs will need to be submitted in the Application. Exceptions will not need to be approved, just submitted.

<b>2015 Oregon LIMIT cost / unit</b>	<b>Studio</b>	<b>1 Bedroom</b>	<b>2 Bedroom</b>	<b>3 Bedroom</b>	<b>4 Bedroom</b>
Urban	\$200,000	\$240,000	\$280,000	\$320,000	\$355,000
Balance of State	\$155,000	\$190,000	\$235,000	\$270,000	\$300,000

Urban definitions would to any Project where the Project meets two (2) urban Project criteria (e.g. more than four (4) stories, elevator, required structured parking, located on urban infill site).

**Minimum and Maximum Funding**

**The minimum investment of HOME funds is \$1,000 per unit. The maximum amount of HOME subsidy is limited by:**

- **The total per unit development costs: HOME assistance cannot exceed the actual per unit development costs for the HOME assisted units in the Project;**
- **The financial needs of the project: HOME projects may not receive more subsidy than is required to produce financially feasible Projects;**
- **The number of HOME assisted units in the Project: The HOME assistance cannot exceed the maximum subsidy allowed per HOME unit.**

**The HOME maximum per unit subsidies, adjusted by bedroom size, as follows:**

<b>Zero Bedroom</b>	<b>One Bedroom</b>	<b>Two Bedroom</b>	<b>Three Bedroom</b>	<b>Four Bedroom</b>
<b>\$140,107</b>	<b>\$160,615</b>	<b>\$195,304</b>	<b>\$252,662</b>	<b>\$277,344</b>

**H. Program Compliance Review**

Applicants for HOME funding must adhere to the requirements of the Uniform Relocation Act. Review these requirements in the OHCS HOME Program Manual in order to submit the appropriate Seller and Tenant Notices required with application for HOME funds. OHCS, at its sole discretion, may choose not to review Applications submitted without the required Seller and Tenant Notices.

**\*\* New Requirement for 2016\*\***

**Utility Allowance Requirements**

A single utility allowance (such as that established by the local PHA) is no longer permitted for use in HOME projects. This requirement was established by HUD because as more projects are constructed or rehabilitated to higher energy-efficiency standards, the use of a standard utility allowance that may not represent actual utility costs and is difficult to justify.

HOME recipients are now required by HUD to determine an individual utility allowance for each HOME funded rental project, either by:

- 1) Using the HUD Utility Schedule Model, located at: <http://huduser.org/portal/resources/utimodel.html>, OR
- 2) Otherwise determining the allowance based upon the specific utilities used at the project.

*Note: OHCS requires HOME recipients to utilize the Energy Consumption Model when not utilizing the HUD Utility Schedule Model.*

Energy Consumption Model: HOME recipients may retain the services of a qualified professional or properly licensed engineer to calculate utility allowances based on an energy consumption model (also known as an energy and water/sewage consumption and analysis model). The energy consumption model must, at a minimum, take into account specific factors including but not limited to, unit size, building orientation, design and materials, mechanical systems, appliances, and characteristics of the building location.

The use of the energy consumption model is limited to the buildings consumption data for the 12-month period ending no earlier than 60 days prior to the date the utility allowance will change. For newly constructed or rehabbed buildings with less than 12 months of consumption data, consumption data for the 12-month period for similarly sized and constructed units in the geographical area in which the building is located will be used. Utility rates must be the rates in place 60 days prior to the date the allowance will change and must be provided by the utility company that will service the property.

Owners using this model must maintain and provide documentation providing the source and content of all factors considered when computing the utility allowance calculation. A list of approved qualified

professionals and licensed engineers can be found on the OHCS website at [http://www.oregon.gov/ohcs/APMD/PCS/pdf/Approved\\_UA\\_Calculator\\_Contacts.pdf](http://www.oregon.gov/ohcs/APMD/PCS/pdf/Approved_UA_Calculator_Contacts.pdf)

All qualified professionals must be approved by OHCS prior to the property implementing calculations. Licensed Engineers do not need prior approval to calculate allowances if they are not requesting to be included on the OHCS approved and published list, however the agency retains the authority to approve or disapprove an energy consumption modeling method or require more information before approving of any method or calculation calculated by a licensed engineer.

Projects are no longer permitted to use a single utility allowance (such as that established by the local PHA) for every HOME-assisted rental project. This is because as more projects are constructed or rehabilitated to higher energy-efficiency standards, the use of a standard utility allowance that may not represent actual utility costs.

The model can be found at: <http://huduser.org/portal/resources/utlmodel.html>.

### **3.4 Competitive Scoring (Part 4 Submission)**

A Scoring Committee will competitively score five (5) sections of the Application by the Scoring Criteria described below. These sections are:

- (A) Need,
- (B) Impact,
- (C) Preferences,
- (D) Financial Viability,
- (E) Capacity.

OHCS is committed to investing public resources in a way that makes best use of the funds considering all benefits to the community as well as the viability of the Project. OHCS is also committed to ensuring resources are invested in a way that is geographically equitable, and responsive to the diversity of low-income housing needs around the state.

The scoring criteria are designed to measure the severity of need, and overall impact to the community as well as to prioritize those Projects that best meet established preferences, demonstrate dynamic partnerships and outcome based service delivery, and who involve sponsors, owners, and management agents with demonstrated high levels of performance.

A total of one hundred (100) maximum points is possible, weighted twenty (20) for Need, forty (40) for Impact, ten (10) for Preferences, fifteen (15) for Financial Viability, and fifteen (15) for Capacity. Any Application that does not have the minimum overall score of seventy-five (75) points will be disqualified, and the Application charge will not be refunded.

Both quantitative and qualitative factors are considered in the scoring. The criteria to be used, and the scoring group, for each scored section will be as follows:

**(A) Need: 20 points**

**1. Target Population – 5 points**

Applicable Criteria:

- a. Five (5) points: 30% of units for households with children OR 25% for special needs populations,
- b. Four (4) points: 25-29% of units for households with children OR 20-24% for special needs populations,
- c. Three (3) points: 20-24% of units for households with children OR 15-19% for special needs populations,
- d. Two (2) points: 15-20% of units for households with children OR 10-14% for special needs populations,
- e. One (1) point: 10-14% of units for households with children OR 5-9% for special needs populations.

**2. Severity of Need - 9 points**

Applicable Criteria:

- a. Population Growth Rate; three (3) points if 1.5 times the state, two (2) points if 1.1-1.5 that of the state, one (1) point if equal that of the state, negative one (-1) point if
- b. Rental Housing Age; three (3) points if rate more than 1.5 times that of the state, two (2) points if 1.1-1.5 that of the state, one (1) point if rate equal to that of the state;
- c. Severe Housing Burden (spending 50% or more of household income on housing expenses) Rate; three (3) points if 1.2 times that of the state, two (2) points if 1-1.2 that of the state, one (1) point rate equal to state;
- d. If New Construction or Acquisition / Rehab: Affordable Housing Gap (difference between the supply of affordable housing and the target population in need of housing) three (3) points if fewer than 5% of the target population is represented with the currently funded affordable housing, two (2) points if 5-10%, one (1) point greater than 10%;
- e. If Preservation: Community Affordable Housing Percent (the percentage of the community's affordable housing stock the Project represents) three (3) points if project is more than 30% of the community affordable housing, two (2) points if 15-30%, one (1) point 10-15%.

**3. Equitably Served Geography - 6 points**

Need Distribution of Affordable Housing Units vs. Actual Distribution of Affordable Housing Units; Six (6) points if community has fewer than 30% of the units merited by the Need Distribution, five (5) points if 31-45%, four (4) points if 46-50%, three (3) points if 61-85%; two (2) point if 86-100%, one (1) point if 101-105%.

**(B) Impact: 40 points**

**New Construction and Acquisition / Rehabilitation project Impact criteria**

**1. Plan Alignment – 8 points**

Project Applicants are asked to identify connections between the proposed Project and the States' Consolidated Plan, as well as established local and regional plans, including but not limited to planning efforts of Regional Solutions Teams, Coordinated Care Organizations, Early Learning Hubs, or Workforce Investment Boards, Oregon Consumer Advisory Council, the Mental Health Planning and Advisory Council, or State Olmstead Plan.

Applicable Criteria:

Maximum points will be awarded to Applications for Projects that demonstrate alignment with deliberate planning efforts; examples will be included in questionnaire.

**2. State initiative / policy alignment – 5 points**

Project Applicants are asked to identify the way in which the proposed Project advances long-term statewide human service policy priorities as articulated by the Governor or in enacted legislation and can demonstrate a specific plan for improving human service outcomes.

Applicable Criteria:

Maximum points will be awarded to projects that demonstrate alignment with state initiatives and policies; examples will be included in questionnaire.

**3. Service Delivery – 6 points**

Project Applicants are asked to identify resident service delivery information. This information will include the partners involved, the division of responsibilities and accountability for service provision, referral, and outcome tracking.

Applicable Criteria:

Maximum points will be awarded to projects that demonstrate thorough understanding of tenant needs and have fully developed service plans in place to address the needs; examples will be included in questionnaire..

**4. Affirmative Fair Housing Marketing – 5 points**

Project Applicants are asked to identify ways that their anticipated Affirmative Fair Housing Marketing Plan achieves above and beyond the elements required by HUD. Additional actions should include, but not be limited to, using detailed demographic factors in designing outreach strategies; including partner agencies in marketing; a language access plan; preparing reports on identified outcomes; and continuous outreach programs that would be conducted to maintain a well-balanced waiting list that will assure the meeting of the affirmative marketing goals at all times.

Applicable Criteria:

Maximum points will be awarded to projects that demonstrate comprehensive plans to affirmatively market the proposed housing units; examples will be included in questionnaire.

## 5. Location Efficiency – 8 points

Applicable Criteria:

1. Walk-ability; score from <http://www.walkscore.com/cities-and-neighborhoods/> ; two (2) points if 70+, one (1) point if 50-69;
2. Food Access; two (2) points if grocery store within a half a mile / within 5 miles if rural, one (1) point if not in a USDA Food Desert <http://www.ers.usda.gov/data-products/food-access-research-atlas/go-to-the-atlas.aspx#.Uw9-EOOwI5I>,
3. Medical Access; two (2) points if available within 1 mile / within 5 miles if rural, one (1) point if within 5 miles / 10 miles if rural,
4. Public Transit; two (2) points if available within ¼ mile or a Transit Score from <http://www.walkscore.com/cities-and-neighborhoods/> of 70+ / within 5 miles if rural, one (1) point if within ½ mile or Transit Score of 50+ / within 10 miles if rural,
5. Education for family housing; two (2) points if schools or libraries are within ½ mile / within 5 miles if rural, one (1) point if schools or libraries are within 1 mile / 10 miles if rural.

## 6. Location Preferences – 8 points

Applicable Criteria:

Applicants may receive points using the Vulnerable Gentrification Area criteria OR the Opportunity Area criteria (not both).

### a. Vulnerable Gentrification Areas

1. Revitalization Plan; existing planning efforts are required to get points in this section. Describe the Revitalization Plan in effect for the project site area; this will be reviewed by Scoring Committee to determine eligibility for Vulnerable Gentrification Area points. Preference is for established and documented plans, though accommodation for concerted revitalization efforts in rural communities without significant planning efforts may be made at Scoring Committee discretion,
2. Qualified Census Tract; Two (2) points,
3. High Percentage Communities of Color; Two (2) points; Concentration of race / ethnicities; rates of non-white-non-Hispanic in Tract above that in the Region,
4. High Percentage Low Educational Achievement; Two (2) points; Concentration of low educational achievement; rates of non-college degree higher in Tract than that in the Region,
5. High Percentage Renters; Two (2) points; Concentration of renters; rates of renters in Tract higher than that in the Region.

### b. Opportunity Areas

1. Low Poverty Census Tract; 2 points: Low Poverty Census Tract; poverty rate in Tract lower than the region,
2. High Ratio of Jobs to Population; 2 points: High Ratio of Jobs to Population; ratio of jobs to population in Tract higher than that in the region,

3. Below Average Unemployment; 2 points: Below Average Unemployment; unemployment rate in Tract lower than the region,
4. High Scoring Schools; 2 points: High Scoring Schools; assigned Elementary school has a score of 4 or 5.

### **Preservation Project Impact Criteria**

#### **1. Tenant Impact – 16 points**

Applicable Criteria:

- a. Vulnerable Tenant Displacement; Five (5) points, more than 60% of the project units occupied by a vulnerable population (frail elderly, disabled, large families, special needs populations, service dependent) who would face hardships from relocation; Three (3) points, if 40-60% of the project units; One (1) point, if 20-40% of the project units.
- b. Extremely Low Income; Five (5) points, Greater than 60% of the units at 30% of Area Median Income or below; Three (3) points, 40-60% of the units at 30% of Area Median Income or below; One (1) point, 25- 40% of the units at 30% Area Median Family Income or below.
- c. Percentage of Rent Assisted Units; Five (5) points, Greater than 75% of the units have new or existing Project Based assistance; Three (3) points, 50-75% of the units; One (1) point, 30-50% of the units.
- d. Tenant Protections if federal rent subsidy expires; Three (3) points, Change of use requires relocation. Enhanced Vouchers issued only for the residents under the Section 8 contract - no EVs for HUD maturing mortgages. Limited vouchers issued for RD prepayments.
- e. Voucher Utilization of the community's housing authority; Three (3) points, High voucher turn back, porting rate or likelihood of relocating more than 20 miles.
- f. Alternative available and affordable rental housing options in the community; Three (3) points, Limited MF housing exists in the community or very low vacancy rates: 0%-3%.

#### **2. Risk of Loss – 6 points**

Applicable Criteria:

- a. Opt-out / Market Conversion Risk; Four (4) points, Strong rental market with no Use Restrictions in place once contract expires. Project rents are generally below market. For RD, this would be projects that are prepayment eligible. Owner has filed one-year opt-out Notice and/or has opted out in the past. Projects located in gentrified or rapidly gentrifying neighborhoods; Two (2) points, Owner intent unclear - may have executed multiple short term contract renewals. Weak market or inability of project to compete for market rate tenants. Project rents above market, in poor physical condition or lacks desired amenities, services, infrastructure, etc.
- b. Physical Condition Risk; Four (4) points, Proposed rehabilitation scope, replacement reserve analysis and proposed reserve capitalization address long-term project physical needs and improves resident quality of life. Building envelope is adequately addressed; Two (2) points, Project is in good physical condition needing only very light rehabilitation. Minimal rehab scope presents other viable financing options.

### **3. Prudence of Investment – 6 points**

Applicable Criteria:

- a. Total Cost per Unit; Three (3) points, total development cost per unit (excluding acquisition) are 70% or less of the published Total Development Costs Per Unit Limits; Two (2) points, 71-90% of the published Total Development Costs Per Unit Limits; One (1) point, 91-100% of the published Total Development Costs Per Unit Limits.
- b. Narrative Description of Costs; Applicants are asked to describe the cost of the Preservation Project including providing context for the investment and assessing the Prudence of Investment for preserving the Project as compared to building new units.

### **4. Plan Alignment – 2 points**

Project Applicants are asked to identify connections between the proposed Project and established local, regional and/or state published plans, including but not limited to Consolidated Plans and planning efforts of Regional Solutions Teams, Coordinated Care Organizations, Early Learning Hubs, or Workforce Investment Boards, Oregon Consumer Advisory Council, the Mental Health Planning and Advisory Council, or State Olmstead Plan.

Applicable Criteria:

Maximum points will be awarded to projects that demonstrate alignment with deliberate planning efforts; examples will be included in questionnaire.

### **5. Service Delivery – 3 points**

Project Applicants are asked to identify service delivery information. This information will include the partners involved, the division of responsibilities and accountability for service provision, referral, and outcome tracking.

Applicable Criteria:

Maximum points will be awarded to projects that demonstrate thorough understanding of tenant needs and have fully developed service plans in place to address the needs; examples will be included in questionnaire.

### **6. Affirmative Fair Market Housing – 3 points**

Project Applicants are asked to identify ways that their adopted Affirmative Fair Housing Marketing Plan achieves above and beyond the elements required by HUD. Additional actions should include, but not be limited to, using detailed demographic factors in designing outreach strategies; including partner agencies in marketing; a language access plan; preparing reports on identified outcomes; and continuous outreach programs that would be conducted to maintain a well-balanced waiting list that will assure the meeting of the affirmative marketing goals at all times.

Applicable Criteria:

Maximum points will be awarded to projects that demonstrate comprehensive plans to affirmatively market the housing; examples will be included in questionnaire.

## 7. Location Efficiency – 2 points

Applicable Criteria:

- a. Walk-ability score from <http://www.walkscore.com/cities-and-neighborhoods/>; two (2) points if 70+, one (1) point if 50-69;
- b. Food Access; two (2) points if grocery store within a half a mile / within 5 miles if rural, one (1) point if not in a USDA Food Desert <http://www.ers.usda.gov/data-products/food-access-research-atlas/go-to-the-atlas.aspx#.Uw9-EOOw15I>;
- c. Medical Access; two (2) points if available within 1 mile / within 5 miles if rural, one (1) point if within 5 miles / 10 miles if rural;
- d. Public Transit; two (2) points if available within ¼ mile or a Transit Score [http://www.walkscore.com/cities-and-neighborhoods/of 70+](http://www.walkscore.com/cities-and-neighborhoods/of-70/) / within 5 miles if rural, one (1) point if within ½ mile or Transit Score of 50+ / within 10 miles if rural;
- e. Education for family housing; two (2) points if schools or libraries are within ½ mile / within 5 miles if rural, one (1) point if schools or libraries are within 1 mile / 10 miles if rural.

## 8. Location Preferences – 2 points

Applicable Criteria:

Applicants may receive points under the Vulnerable Gentrification Area criteria OR the Opportunity Area criteria (not both).

### a. Vulnerable Gentrification Areas

1. Revitalization Plan; existing planning efforts are required to get points in this section. Describe the Revitalization Plan in effect for the project site area; this will be reviewed by Scoring Committee to determine eligibility for Vulnerable Gentrification Area points. Preference is for established and documented plans, though accommodation for concerted revitalization efforts in rural communities without significant planning efforts may be made at Scoring Committee discretion,
2. Qualified Census Tract; One (1) point,
3. High Percentage Communities of Color; One (1) point, concentration of race/ethnicities; rates of non-white-non-Hispanic in Tract above that in the Region,
4. High Percentage Low Educational Achievement; One point (1), Concentration of low educational achievement; rates of non-college degree higher in Tract than that in the Region,
5. High Percentage Renters; Concentration of renters; rates of renters in Tract higher than that in the Region.

### b. Opportunity Areas

1. Low Poverty Census Tract; One (1) point, Low Poverty Census Tract; poverty rate in Tract lower than the region,
2. High Ratio of Jobs to Population; One (1) point, High Ratio of Jobs to Population; ratio of jobs to population in Tract higher than that in the region,

3. Below Average Unemployment; One (1) point, Below Average Unemployment; unemployment rate in Tract lower than the region,
4. High Scoring Schools; One (1) point, assigned Elementary school has a score of 4 or higher.

**(C) Preference: 10 points**

**1. Serving Lowest Incomes – 7 points**

- a. Average Gross Median Income Restrictions on qualified units – 5 points
  1. In High Income Counties; five (5) points if AGMI is 45% or less, four (4) points if 46-50%, three (3) points if 51-59%, two (2) points if 60-69%, one (1) point if 70-79%;
  2. In Low Income Counties; five (5) points if AGMI is 50% or less, four (4) points if 51-59%, three (3) points if 60-69%, two (2) points if 70-79%.
- b. Rental Assistance such as Project Based Subsidy – 2 points
  1. Two (2) points if project based assistance for more than 25% of the affordable units, one (1) point if project based assistance on 1-25% affordable units or voucher commitment.

**2. Federal Preferences – 3 points max**

- a. Energy efficient measures employed – One (1) point,
- b. Evidence of historic value for the community – One (1) point, Historic value for the community is limited to the restoration of registered historical landmarks or the identification within an historic district undergoing revitalization. Scoring committee will review applicant provided explanation to make a determination.
- c. Established commitment to marketing to public housing wait lists – One (1) point.

**(D) Financial viability: 15 points**

**1. Development pro forma review**

- a. Pro forma includes only realistic and available resources on the Sources of Funding. Capital fundraising campaigns are not considered realistic and available resources. Any inclusion of resources that are unrealistic or unavailable will result in a score of minus fifteen (-15) points in this category.
- b. Explanation of how the development budget will still be valid at the start of construction.
- c. Relocation Plan completed if warranted and aligns to development budget.
- d. Developer Fee is within the OHCS maximum allowable.
- e. If Uniform Relocation Act (URA), the budget line item accurately reflects the Project cost based on the sufficient Relocation Plan.
- f. If Commercial Real Estate is included in the Project, Sources and Uses are provided on a separate pro forma page

**2. Operating pro forma review**

- a. Affordable rents at least ten percent (10%) below estimated market rents.
- b. Debt coverage ratio is a minimum of 1.15:1 for hard amortizing debt. When utilizing OAHTC funds, the minimum debt coverage ratio is required to be met after the OAHTC pass through is applied.
- c. Cash flow within OHCS guidelines or adequately explained (1.30 or below, unless adequately explained or declining cash flows require a higher debt coverage).
- d. Vacancy rate at seven percent (7%) or adequately explained if different.

- e. Submitted reserves for replacement analysis and included adequate amount for replacement items in pro forma as detailed in IV.E.ii Operating Pro forma of the QAP.
- f. Income inflation factor is less than expenses inflation factor.

**3. Reasonable request and demonstrated need for resources**

- a. Eligible basis requested is analyzed to determine accuracy (land, commercial, ineligibles are not supporting annual allocation, and there will not be a material gap in finances).

**4. Well documented and explained construction costs**

- a. Construction documents, including CNA, if required, provide enough detail to adequately calculate Project hard costs.
- b. Construction and rehabilitation estimates substantially agree with the pro forma.
- c. Green building costs reflected in construction costs.
- d. Contractor overhead, profit and general conditions are within the required range for LIHTC as specified in IV.E Financial Feasibility section of the QAP.

**5. Explained exit strategy at year 15**

- a. Exit strategy explanation adequate and acceptable; plans imparted with strategies for success for the year 15 transfer to the general partner / managing member.

**(E) Capacity: 15 points**

**1. Owner, sponsor, management performance**

Applicants with projects in the OHCS portfolio will be reviewed on the performance of all projects in the portfolio, the average score of all Projects will be used; Applicants without projects in the OHCS portfolio will be asked to submit a letter indicating their compliance status with any existing projects (if unreported noncompliance is discovered later, it may be grounds for rescinding awarded credits or negatively impact future applications for funding).

Portfolio project criteria will be calculated for each relevant project and summed and apportioned based on portfolio size.

**a. OHCS Portfolio Compliance – 3 points**

Based on a percentage average of the following criteria; if receive 67 percent or more of the possible points, 3 points; if 50-66 percent of possible points, two (2) points; if 25-49 percent of possible points, one (1) point, if less than 25 percent of possible points, zero (0) points

- 1. Most recent Real Estate Assessment Center (REAC) score; three (3) points if 80 and above, two (2) points if 70-79 or N/A, one (1) point if 60-69, zero (0) points if below 60.
- 2. Most recent Physical Review; three (3) points exceeds expectations, two (2) points if meets expectations, pending or N/A, zero (0) points if does not meet expectations corrected, negative 3 (-3) if does not meet expectations uncorrected.
- 3. Most recent File Review; three (3) points exceeds expectations, two (2) points if meets expectations, pending or N/A, zero (0) points if does not meet expectations corrected, negative 3 (-3) if does not meet expectations uncorrected.

4. Most recent Resident Services Review; three (3) points exceeds expectations, two (2) points if meets expectations, pending or N/A, zero (0) points if does not meet expectations corrected, negative 3 (-3) if does not meet expectations uncorrected.
5. Most recent Response Review; three (3) points exceeds expectations, two (2) points if meets expectations, pending or N/A, zero (0) points if does not meet expectations corrected, negative 3 (-3) if does not meet expectations uncorrected.
6. Certification of Continuing Program Compliance (CCPC) submission received for current year shows compliance; 1 point if Yes, -3 points if No

**b. OHCS portfolio Viability Criteria – 3 points**

Based on a percentage average of the following criteria; if receive 67 percent or more of the possible points, 3 points; if 50-66 percent of possible points, two (2) points; if 25-49 percent of possible points, one (1) point, if less than 25 percent of possible points, zero (0) points

1. Financial submission as requested; three (3) points if Yes, two (2) points if N/A, negative 3 (-3) points if No.
2. Most recent financial audit is closed; three (3) points if Yes, two (2) points if N/A, negative 3 (-3) points if No.
3. Most recent audited financials Debt Coverage Ratio; three (3) points if 1.25 or above, two (2) points if 1.15-1.24 or N/A, one (1) point if 1.00-1.14, zero (0) points if below 1.00.
4. Asset management community evaluation completed satisfactorily; three (3) points if yes, two (2) points if N/A or Improved, one (1) point if Performance Improvement Plan in Place, zero (0) points if Performance Improvement Plan in Place Not Improved, negative 3 (-3) points if non-compliant..

**2. Minority Women and Emerging Small Business Utilization – 2 points**

- a. Identification of plans to engage MWESB contractors and subcontractors during the development process; full points to comprehensive plan and targets.
- b. Evaluation of performance against previous MWESB plans, when available.

**3. Readiness to proceed – 4 points**

- a. Funding commitment for planned Project funds.
- b. Explanation of when other sources of funds will be available to the Project if not already committed is reasonable.
- c. Demonstrated ability to begin construction within 12 months.
- d. Proposed Project schedule appears adequate and reasonable.
- e. Explanation of why Project must be funded now as opposed to future NOFAs is reasonable.

## **4.0 APPLICATION EVALUATIONS**

### **4.1 Evaluation Process**

After Administrative Review (see Section 3.1) and Minimum Threshold Requirements Review (see Section 3.2), remaining Applications will be reviewed and scored competitively (see Section 3.3). Applications that have met Administrative Review, Minimum Threshold Requirements, and Competitive Scoring 75-point hurdles will be ranked by the Scoring Committee based on the Scoring Criteria described in Section 3.3.

The final selection for Reservations, if any, will be from those Applications that best meet the competitive scoring requirements set forth in this NOFA based on the recommendation from the Scoring Committee, as approved by the Director and the Housing Stability Council, in accordance with available funding sources applicable to the various Applications.

### **4.2 Evaluation Criteria**

Each Application must clearly address Application requirements and all selection criteria in the NOFA (see Section 3.0).

### **4.3 Notice of Intent to Issue Reservation Letter**

Applicants will be notified in writing of OHCS's Notice of Intent to Issue a Reservation Letter, which will also be posted on OHCS's website.

## **5.0 GENERAL NOFA TERMS**

- 5.1 OHCS may require clarification to understand whether or not an Application satisfies relevant criteria. Any necessary clarifications or modifications normally will be made before OHCS makes any Reservation and may become part of the final Agreement documents.
- 5.2 Submission of an Application by Applicant or acceptance by OHCS of a submitted Application neither constitutes an agreement of any kind between OHCS and Applicant nor does it secure or imply that Applicant will be selected for receipt of a Reservation of funds.
- 5.3 All costs associated with Applicant's submission of an Application are the sole responsibility of the Applicant and shall not be borne to any degree by the State of Oregon.
- 5.4 Successful Applicants, *inter alia*, will be required to maintain appropriate levels of insurance and to comply with other Program Requirements.
- 5.5 OHCS reserves the right and option to amend any Reservation Letter and other related documents that result from a Reservation made pursuant to this NOFA. All such amendments will be in writing and must be signed by relevant authorized parties.
- 5.6 ORS 60.701 requires foreign corporations be registered by the State of Oregon, Office of the Secretary of State, before conducting business in the state. A foreign corporation (ORS 60.001) means a for-profit corporation incorporated under a law other than the law of the State of Oregon. If a foreign corporation is selected for the Agreement because of this NOFA, it must register to do business in Oregon.

5.7 OHCS reserves the right, at its sole discretion:

- A. to amend the NOFA prior to the closing date,
- B. to amend the deadline for submitting Applications,
- C. to determine whether an Application does or does not substantially comply with the requirements of this NOFA,
- D. to waive any minor irregularity, informality, or nonconformance with the requirements of this NOFA;
- E. to obtain from and/or provide to other public agencies, upon request, references, regarding the Applicant's performance;
- F. at any time prior to execution of Agreement documents (including after announcement of the apparent Reservation) to reject any Application that fails to substantially comply with all prescribed NOFA procedures and requirements including the executing and recording of documents satisfactory to OHCS;
- G. to reject all Applications received and cancel this NOFA upon a finding by OHCS that such cancellation would be in the best interests of the State;
- H. to use adherence with components of the Applicant's Application and this NOFA as scoring criteria in future multifamily funding solicitations;
- I. to withdraw any identified funding from this NOFA; and
- J. to waive any term or condition of this NOFA for good cause as determined by OHCS subject to applicable law.

5.8 This NOFA and one (1) copy of each original Application received, together with copies of all documents pertaining to a Reservation, will be kept by OHCS and made a part of a file or record, and be available for disclosure pursuant to the Oregon Public Records Law

5.9 The Oregon Public Records Law exempts purported trade secrets from disclosure only so far as they qualify as bona fide trade secrets, and the exemption in ORS 192.501(2) from disclosure applies only "unless the public interest requires disclosure in the particular instance". Therefore, non-disclosure of a document or any portion of a document submitted as part of an Application may depend upon official or judicial determination made pursuant to Oregon law.

5.10 The Applicant will be required to assume responsibility for performance required by the Agreement documents, whether performed by the Applicant, a representative, assignee or subcontractor. The Applicant is responsible for performance of any and all Agreement documents.

5.11 An Applicant or potential qualifying applicant may protest or otherwise challenge the NOFA process by first requesting administrative review as herein specified. An Applicant may protest or otherwise challenge any OHCS determination or order (collectively hereinafter, "determination") related to this NOFA by first requesting administrative review as herein specified.

- A. A timely, qualifying request for administrative review is necessary to satisfy the conditions of this section and a condition precedent to judicial review consistent with ORS 183.480.
- B. Failure to file a timely, qualifying request for administrative review with OHCS will constitute a failure to exhaust administrative remedies and terminate further rights to protest or otherwise challenge the solicitation process or any related department determination, including judicial review thereof.

- C. An Applicant under this section is a person or entity that makes an Application (including delivery to the department under the terms of this NOFA) for an OHCS funding award pursuant to this NOFA.
- D. A potential qualifying applicant is a person or entity that qualifies to make an Application for a department funding award under the terms of this NOFA with respect to the process of which it requests administrative review consistent with the terms of this section.
- E. An Applicant or potential qualifying applicant seeking to protest or otherwise challenge any aspect of a this NOFA process (other than an OHCS determination related thereto) must request review by OHCS within fourteen (14) days of the NOFA Application due date.
- F. An Applicant seeking to protest or otherwise challenge a determination by OHCS related to this NOFA must request review by OHCS of such determination within fourteen (14) days of the Applicant receiving notice from OHCS of that determination.
- G. Any request for review must be in writing, specifically identifying:
  - 1. the nature of the requestor's interest, including the facts showing how the requestor is adversely affected or aggrieved by the NOFA process or an OHCS determination related thereto;
  - 2. the relief sought;
  - 3. each of the grounds for review;
  - 4. an explanation of each of the grounds upon which relief should be granted; and
  - 5. any supporting information the requestor desires to have considered by OHCS.
- H. The envelope containing the request for review **MUST**:
  - 1. be marked **PROTEST**;
  - 2. identify the NOFA number;
  - 3. identify the closing time and date for acceptance of NOFA Applications;
  - 4. identify OHCS' contact person for the NOFA; and
  - 5. be received by OHCS at its main Salem Office,

**Oregon Housing and Community Services  
725 Summer Street NE, Suite B  
Salem, OR 97301,**

not later than **4:00 PM** on the fourteenth(**14th**) day after the solicitation closing date or the applicant's receipt of notice from the department of the department determination from which review is requested, whichever due date is applicable under this section.

- I. The Applicant will be deemed to have received notice of an OHCS determination upon the sooner of:

1. three (3) days after OHCS' determination is mailed to the Applicant;
2. two (2) days after such determination is posted to the OHCS website;
3. two (2) days after the list of successful NOFA Applicants is posted to the OHCS website; or
4. one (1) day after such determination is emailed to the Applicant.

- J. OHCS may request additional information from the requestor with respect to its request and consider such other information as it deems appropriate.
- K. OHCS will endeavor to provide a written response to a timely, qualifying request for review within thirty (30) days.
- L. Judicial review of the OHCS response to a timely, qualifying request for review shall be limited to those grounds the requestor raised with OHCS in its request for review.
- M. The filing of a request for review, or subsequent judicial review (if any), will not preclude OHCS from moving forward with the NOFA or the award of funding assistance thereunder. However, OHCS reserves the right to delay, terminate, modify, or take other action it determines to be appropriate with respect to the NOFA or any related award of funding assistance in response to a request for review or subsequent judicial review.

5.12 Reservations, Allocations or Awards (collectively, Determinations) subject to State Housing Council review under ORS 456.561, and Determinations where additional OHCS funding supporting such Determinations are subject to Council review, are contingent, *inter alia*, upon Council approval of those Determinations or supporting funding. The Council may approve, reject, modify, or further condition funding awards submitted for its review, thereby directly or indirectly impacting OHCS Determinations.

5.13 All Reservations made pursuant to this NOFA are subject to the successful execution and recording (if required) of Agreement documents satisfactory to OHCS in its sole discretion. Projects that have only a leasehold interest in relevant real property must include documented commitments executed and recorded by the landlord satisfactory to OHCS, including but not limited to covenants respect to the ongoing use and operation of the real property and leasehold interest for affordable housing acceptable to OHCS.

5.14 OHCS may charge, and the Applicant shall pay, legal and administrative costs incurred by OHCS in negotiating and preparing Agreement documents and other related documents.

5.15 Provisions stated in the form of a question in this NOFA shall be construed as required action by Applicants.

5.16 OHCS reserves all other rights not specifically identified herein.

***[The balance of this page is intentionally left blank.]***