

**STATE OF OREGON
HOUSING AND COMMUNITY SERVICES
DEPARTMENT and OREGON HEALTH AUTHORITY**

**MULTIPLE AWARD OPPORTUNITY
NOTICE OF FUNDING AVAILABILITY (NOFA) #4392
Affordable Housing Projects for Mental Health Housing**

NOFA Issued Date: **June 30, 2016**

Application Due Date: **August 29, 2016**

Application Due Time: **4:00 PM PST**

Version 1.1
Updated 7/7/2016



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



1.0	INTRODUCTION.....	3
1.1	Purpose	3
1.2	Funding Sources.....	3
1.3	Application Parameters.....	3
1.4	Definitions	3
1.6	Allocations for housing type:.....	6
1.7	Reservation Process	7
	A. Application Ranking Process.....	7
	B. Tie Breaking Rule	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.....	9
3.1	Administrative Review	9
3.2	Minimum Threshold Requirements (Part 3 Submission)	10
	A. Readiness to Proceed	
	B. Coordinated Care support letters	
	C. Community Mental Health Program/Tribal Authority support letter	
	D. Development Team Capacity (3.4)	10
	E. Ownership Integrity (3.5).....	11
3.3	Competitive Scoring (Part 4 Submission)	11
	A. Need:	12
	B. Impact:	12
	C. Financial viability:	15
	D. Capacity:	15
4.0	APPLICATION EVALUATIONS	16
4.1	Evaluation Process	16
4.2	Evaluation Criteria	16
4.3	Notice of Intent to Issue Reservation Letter	16
5.0	GENERAL NOFA TERMS	17

1.0 INTRODUCTION

1.1 Purpose

The State of Oregon, acting by and through its Housing and Community Services Department (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 serve statewide Supported Housing for persons with addictions and mental health disorders.

All persons or entities submitting Applications responsive to this NOFA are herein referred to as Applicant(s). Applicants and/or Project owners are collectively hereinafter referred to as "Applicants." 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 (Allocation) of Funds for this NOFA will be from the Mental Health Housing Fund (MHHF). MHHF funding is subject to MHHF Program requirements (Program Requirements). MHHF 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.

1.3 Application Parameters

- A. Applicants must identify the type of housing they are applying to provide as outlined below:
 - 1. Individuals with a serious mental illness (SMI) as defined in OAR 309-036-0105(11) who are able to live independently in supported and/or supportive housing with appropriate and available supportive services.
 - 2. Individuals with a substance use disorder (SUD).
 - 3. Crisis respite housing for individuals with an SMI.
- B. Applicants may only apply for funding of one (1) phase of a multi-phase Project.
- C. Applicants may not submit more than three (3) applications for 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:

"Crisis Respite Housing": A residential setting that provides a bed and associated services to individuals for up to 30 days. The distinct types of crisis respite beds and the facilities in which they are to be sited are:

- A. **Community crisis beds:** Community crisis beds are located in apartments, private residences or unlicensed facilities that provide temporary housing and coordinate with behavioral health providers to assist individuals experiencing a behavioral health crisis.
- B. **Short-term crisis stabilization beds:** Short-term crisis stabilization beds are located in a licensed non-secure crisis respite facility.
- C. **Subacute beds:** Subacute beds are located in licensed and secure crisis respite facilities.

Short-term crisis stabilization beds and subacute beds must comply with the Oregon Administrative Rule (OAR) for either Residential Treatment Facility (OAR 309-035-0100 through 0190) or Residential Treatment Home (OAR 309-035-0250 through 0460)

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

“Metro Oregon”: Clackamas, Multnomah, and Washington Counties

“Non-Metro Oregon”: All areas of the State not including Metro Oregon areas.

“Serious Mental illness” Person with “serious mental illness”: an individual who is

- A. Diagnosed by a Qualified Mental Health Professional as suffering from a chronic mental disorder as defined by ORS 426.495, which includes, but is not limited to, conditions such as chronic schizophrenia, chronic affective disorder, chronic paranoid disorder, and other disorders which manifest symptoms that are not solely a result of mental retardation or other developmental disabilities, epilepsy, drug abuse, or alcoholism; which continue for more than one (1) year, or on the basis of a specific diagnosis, are likely to continue for more than one (1) year; and
- B. Is impaired to an extent that substantially limits the person’s consistent functioning in one (1) or more of the following areas:
 1. Home environment: independently attending to shelter needs, personal hygiene, nutritional needs and home maintenance;
 2. Community negotiation: independently and appropriately utilizing community resources for shopping, recreation and other needs;
 3. Social relations: establishing and maintaining supportive relationships;
 4. Vocational: maintaining employment sufficient to meet personal living expenses or engaging in other age appropriate activities.

“Set-Aside”: The portion of the Allocation of Funds available in this funding cycle of this NOFA for Applications with respect to the respective Metro Oregon and Non-Metro Oregon areas.

“Small Projects”: A Project with five (5) or less units in areas of the State where development of a larger Supported Housing Project may not be practical.

“Substance Use Disorder”: Substance use disorders occur when the recurrent use of alcohol and/or drugs causes clinically and functionally significant impairment, such as health problems, disability, and failure to meet major responsibilities as work, school, or home. According to the DSM-5, a diagnosis of substance use disorder is based on evidence of impaired control, social impairment, risky use, and pharmacological criteria.

“Supported Housing (Supported Housing) for Individuals with a Serious Mental Illness (SMI)”: Scattered site, permanent affordable housing that offers individuals independent housing integrated into the community in a private, secure setting. It must enable individuals with disabilities to interact with individuals without disabilities to the fullest extent possible with all the same rights and responsibilities of tenancy. SMI Supported Housing services include the provision of evidence-based approaches and recognized best practices in mental health treatment available to tenants including resident-involved planning. Participation in SMI Supported Housing services by residents must be voluntary and not a condition of occupancy. Supported Housing providers cannot reject individuals for placement due to medical needs or substance abuse history.

If permanent SMI Supported Housing units are part of a larger apartment building or complex, no more than 25% of the total units of that building or complex may be **set aside** for placement of a tenant by a SMI Supported Housing provider. The balance of the units would not be restricted for tenants with a Serious Mental Illness.

Except in the case of families, SMI Supported Housing has no more than two people in an apartment or house, each with a private bedroom. Individuals may choose to live as housemates but individuals cannot be required to live together.

“Supported Housing (Supported Housing) for Individuals with a Substance Use Disorder (SUD)”: Scattered site, permanent affordable housing integrated within the community in a private, secure setting that enables individuals with disabilities to interact with individuals without disabilities in the community with the same rights and responsibilities of tenancy. SUD supportive services include the use of evidence-based practices in substance use disorder treatment and recovery services including access to case managers and peer mentors. The provision of SUD supportive services must support recovery and enable residents to live independently with increased self-sufficiency. Individuals maintain their own SUD Supported Housing unit and visitors are not restricted.

SUD Supportive Housing providers must ensure that resident’s need for medication, both psychotropic and otherwise (including medication assisted treatment for substance use disorder) is not restricted.

“Supportive Housing (Supportive Housing) for Individuals with a Serious Mental Illness (SMI)”: Single-site housing in which all or a majority of tenants who receive support services are individuals with a serious mental illness who live together in a single building or complex with or without on-site support services. Individuals maintain their own unit and visitors are not restricted. SMI supportive services include the provision of evidence-based approaches and recognized best practices in mental health treatment available to tenants including resident-involved planning. Individuals have the ability to engage freely in community activities and manage their own activities of daily living.

SMI Supportive Housing may include housing serving individuals with a co-occurring condition or a population of individuals with multiple behavioral health and physical health conditions.

Occupancy of SMI Supportive Housing that is designated to be transitional is limited to no more than two years.

“Supportive Housing (Supportive Housing) for Individuals with a Substance Use Disorder (SUD)”: Single-site housing, either permanent or transitional, in which all or a majority of tenants with a substance use disorder live together in a single building or complex with or without on-site support services. SUD supportive services include the use of evidence-based practices in substance use disorder treatment and recovery services including access to case managers and peer mentors. The provision of SUD supportive services must support recovery and self-sufficiency. Individuals maintain their own SUD Supportive Housing unit and visitors are not restricted.

SUD Supportive Housing providers must ensure that residents’ access for medication, both psychotropic and otherwise (including Medication Assisted Treatment for Substance Use Disorder) is not restricted.

SUD Supportive Housing may include housing serving individuals with a co-occurring condition or a population of individuals with multiple behavioral health and physical health conditions.

Occupancy of SUD Supportive Housing that is designed to be transitional is limited to no more than two years.

1.6 Allocations for housing type:

Funding Set-Asides:

Funding allocation for each housing type:

a.	SMI Supported Housing*	\$10.0 million
	1.Metro set-aside	\$ 5.0 million
	2.Non-Metro set-aside	\$ 5.0 million
b.	SUD Supported Housing	\$ 5.0 million
c.	SMI and SUD Supportive Housing	\$ 2.5 million
d.	Crisis Respite Housing	<u>\$ 2.5 million</u> \$20.0 million

* Only 25% of the units in a building or complex of buildings may be reserved for SMI tenants, referred by the State or its contractors who shall make good faith, best efforts to facilitate the use of those units by persons with SMI.

Funding Limits:

Applicants may request up to 25 percent of the total development cost of the proposed Project in Mental Health Housing Funds. Funding for Projects will be prorated based on the number of eligible units and the total number of units in the Project, though will not exceed 25 percent of total development costs. Eligible units are those which are reserved for the set-aside populations.

For example:

- In a Supported Housing Project with 25 total units where 5 units, or 20% of the units, are reserved for individuals with serious mental illness, the applicant could request 20% of the total Project development cost; and
- In a Supportive Housing Project with 20 total units where all 20 of the units, or 100% of the units, are reserved for individuals with a substance use disorder, the applicant could request 25% of the total Project development costs.

Small Project bonus: Eligible Small Projects* can request the percentage of eligible units PLUS 10% of total development costs. For example, an eligible Small Project with four (4) units where one (1) unit, or 25% of the units, are reserved for SMI tenants, the Applicant could request 25% + 10% of the total Project development cost, not to exceed 35% of the development costs.

* Eligible Small Projects must have five (5) or less units and be located in an area of the state where development of a larger Supported Housing Project may not be practical. Applicants will be required to provide information on the proposed Supported Housing Project for SMI tenants that clearly define the following issues:

- A. Evidence to support why a larger Project, more than five (5) units, is not feasible in the proposed community; evidence the proposed housing is a demonstrated need for the community; if applicable, explanation about why meeting the 25% rule is not practical or reasonably feasible; and evidence supporting the particular percentage requested.
- B. The number of units set aside for individuals with a serious mental illness cannot account for more than 50% of the total units of a building or complex. The total number of units for all residents in the complex cannot exceed five (5) units.
- C. Eligible individuals must be offered a clear and informed choice of housing options regardless of the location.
- D. The units must be located near community amenities such as mental health and physical health services, shopping, recreation facilities or library. If amenities are not nearby. Applicant must explain why the Project is being proposed for that location.
- E. A transportation option must be available to residents and a plan in the place for accessing services if services are not nearby.
- F. The other key points of Supported Housing will continue to apply including the requirement for a private bedroom; the ability to choose a roommate if appropriate; the availability of services that are voluntary and not a condition of tenancy; and the expectation that residents will have the same rights and responsibilities of tenancy as other residents in the building or complex.

1.7 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 scoring rank in accordance with available funding.

OHCS may choose not to award all available funding.

During the funding process, limits on the remaining available funding may result in lower-ranked Applications receiving a funding Reservation if higher-ranked Applications would require combinations of funding that exceed relevant funding source amounts that remain available for award purposes.

In the event of a tie, 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 funding availability is insufficient to fund all tied Applications, the following scores, in order of priority, will break the tie:
 1. The Project with the highest Services score will be funded.
 2. If the Services scores are tied, the Project with the highest Need Severity score will be funded.
 3. If the Need Severity scores are tied, the Project with the highest Financial Viability score will be funded.

2.0 APPLICATION REQUIREMENTS

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

APPLICATION DUE DATE AND TIME:

August 29, 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, Department 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* contains detailed information about the format and content of the required submission.

2.3 NOFA Questions

Inquiries relating to the NOFA process, its administration, or 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

In subject line please put "MH NOFA Question"

Programmatic Questions:

Oregon Health Authority; Darcy Strahan Darcy.Strahan@state.or.us

Oregon Housing and Community Services; Heather Pate Heather.Pate@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>

3.0 EVALUATION CRITERIA

After passing Application Administrative Review, including for timeliness and completeness, a Threshold Review Team will evaluate each Application for its satisfaction of the Minimum Threshold Requirements. The Applications 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 farther.

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 and Payment of Application Charges
- 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. Readiness to Proceed

OHCS requires that Projects be planned at the time of Application and are ready to proceed upon meeting all Reservation Letter requirements. The required Project development schedule will be adequacy by OHCS, including with respect to timeline appropriateness and demonstration by Applicant of its understanding of timeline requirements.

OHCS requires Applicant to submit all requested documents on time and to be complete and accurate. OHCS may withhold construction closing for any Project until all required documents are received and approved by OHCS. Any Project that had been awarded funding that does not show significant progress toward completion in line with the Project Development Timeline is subject to having funds rescinded.

B. Coordinated Care Organization Letter of Support

All Applications for Supported Housing must be accompanied by a Letter of Support from the Coordinated Care Organization (CCO) for the service area in which the Project will be located. If the proposed Project location is in the service area of two CCOs, the Applicant must provide a letter from each.

The letter must clearly demonstrate the CCO's relationship with the Applicant and how the relationship will benefit the Project's residents.

C. Community Mental Health Program or Tribal Authority letter of Support

All Applications for Supported Housing must also include a Letter of support from either the appropriate Community Mental Health Program (CMHP) or the Tribal Authority (TA) if the Project will be located on Tribal land. The letter must describe the relationship with the applicant and how the relationship will benefit tenants.

Additionally, Applications for Supported Housing to serve individuals with a substance abuse disorder are encouraged but not required to provide a Letter of Support from the Local and Alcohol and drug Planning Committee (LADPC).

D. Development Team Capacity

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?
- b. If Applicant's history is limited, will the Applicant partner with an appropriate party to mitigate?

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?

E. Ownership Integrity (3.5)

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 by OHCS, duly authorized to conduct business in the State of Oregon.
2. 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.
3. 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.
4. Neither Applicant nor any member or principal within the Project ownership or management will have been debarred or otherwise sanctioned by OHCS.

3.3 Competitive Scoring (Part 4 Submission)

A Scoring Committee will competitively score four (4) sections of the Application by the Scoring Criteria described below. These sections are:

1. Need
2. Impact
3. Financial Viability
4. 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. The scoring criteria are designed to measure the severity of need, and overall impact to the residents and 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, ten (10) for Need, sixty (60) for Impact 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 for each scored section will be as follows:

A. Need: 10 points

1. Severity of Need – 5 points

- 1 point if one criterion is greater in the county than the state as a whole
- 3 points if two criteria are greater in the county than the state as a whole
- 5 points if three (or more) criteria are greater in the county than the state as a whole

Applicable Criteria:

- a. Percentage of adults with Substance Use Disorder Diagnosis in county is greater than the state rate (for SUD)
- b. Percentage of adults with Mental Health Diagnosis in county is greater than the state rate (for SMI and Crisis Respite)
- c. Percentage of Crisis Respite claims to OHP/Medicaid as a percentage of adult population with MH diagnosis is greater than the state (for Crisis Respite)
- d. Percentage of population in Oregon Health Plan in county is greater than the state rate
- e. Percentage of the population in poverty in county is greater than the state rate

2. Equitable Distribution – 5 points

Applicable Criteria:

Based on the county ratio of the number of OHP eligible to the number of Addiction and Mental Health Housing Inventory units; in comparison to the state rate

- a. 1 point if the ratio is 1.1 to 1.2
- b. 2 points if the ratio is 0.9 to 1.0
- c. 3 points if the ratio is 0.7 to 0.8
- d. 4 points if the ratio is 0.5 to 0.6
- e. 5 points if the ratio is less than 0.5

B. Impact: 60 points

1. Services – (30 points)

SMI Applicable Criteria: Applicant must describe their provision of evidence-based approaches and recognized best practices in mental health treatment. Applicants must also describe their experience and familiarity with the application of resident-involved planning. The inclusion of peer mentors is required.

The expectation is that services will be readily available on a voluntary basis and that Applicant will design and manage support services that will actively engage residents. The service provision philosophy should support recovery with the goal of residents living successfully in the community:

- a. Provide a description of proposed services to be available on-site that will be available to individuals with a serious mental illness and describe how these voluntary services will be offered to residents.

- b. Please describe Applicant's response to problems encountered by a resident such as being at risk for either eviction or reentering a licensed residential or hospital setting. Describe your plan for these situations including use of crisis and early intervention resources.
- c. Describe in detail how resident-involved planning will assist resident's transition to increased self-sufficiency and independent living. How will Applicant create relationships with residents to actively engage residents in voluntary services?
- d. Describe the role of peers in Applicant's occupancy and services functions. How will the support of peers enhance the stability of residents in their community?
- e. Describe in detail how Applicant will meet the individualized needs of residents by working with each of the following entities:
 - 1. Coordinated Care Organization (CCO):
 - 2. Community Mental Health Program (CMHP) or Tribal Authority (TA):
- f. Describe how community partners and Applicant will meet the individualized needs of residents including the role of culturally responsive and linguistically appropriate services and Applicant's knowledge and experience in this area. Include in your response information on the recruitment, training and retention of culturally and linguistically appropriate staff.
- g. Describe how Applicant will work with residents to identify employment opportunities in the community. Describe current relations with Supported Employment Programs and how it will enhance this program.

SUD Applicable Criteria: Applications must describe the evidence-based approaches or recognized best practices in substance use disorder treatment(s) and recovery services that will be offered to residents. Access to case managers and peer mentors is required.

Applicant's service provision philosophy should support recovery and enable residents to live independently. The proposed Project must incorporate the resident-involved planning model with a focus on transitioning residents toward increased self-sufficiency.

- a. Describe the services that will support residents with a substance use disorder or co-occurring condition. Indicate whether these services will be offered on-site or through arrangement with an off-site provider. Include further detail on services that will be provided on-site.
- b. Describe how community partners and Applicant will meet the individualized needs of residents.
- c. What will be the role of culturally responsive and linguistically appropriate services and Applicant's knowledge and experience in this area? Include in your response information on the recruitment,
- d. Describe who is responsible for implementing and monitoring residents' adherence with their treatment and/or recovery plans and how this monitoring will be accomplished. What will be Applicant's response to problems encountered by a resident being at risk of eviction or relapse?
- e. Describe how the program will ensure that residents' need for medication, both psychotropic and otherwise (including Medication Assisted Treatment for SUD), are

assessed and attended to and that clients are not discriminated against due to their use of prescribed medication.

Respite Care Applicable Criteria: Applications must describe how proposed Project creates a residential care facility that will provide planned or emergency care for an adult with a serious mental illness. Occupancy in the facility must not be a substitute for permanent housing.

- a. Describe how the proposed Project will provide a home-like environment with full time staffing. Please consider that admissions must be made 24 hours a day and that a key component will be the supervision of residents' daily medication regimen.
- b. Describe how the proposed Project will provide immediate access to and linkages with a full continuum of community-based behavioral healthcare services and crisis intervention.
- c. Describe how the service capacity of the CMHP and Applicant will meet the specialized needs of residents being served.
- d. Describe how person-centered planning will assist residents in transitioning to the appropriate level of care.

2. Occupancy Description (20 points)

SUD and SMI Applicable Criteria

- a. Describe who prospective residents will be, where they are currently residing, and what will be their service needs upon moving into Supported Housing. How will the proposed Supported Housing benefit these individuals and explain how Applicant will coordinate access to the housing as well as services to support their occupancy?
- b. Persons in recovery often experience multiple obstacles to securing housing such as poor credit and rental histories, criminal background, and lack of funds for security deposit and application fees. Individuals from diverse and underserved racial and ethnic communities may face unique barriers. How will Applicant provide assistance and support to overcome these barriers?
- c. Describe how Applicant will identify and support individuals as they move toward self-sufficiency and eventual transition from Supported Housing to independent living.

Respite Care Applicable Criteria

- a. Describe how the residents will be screened. Who will be responsible for ensuring residents will meet the eligibility criteria? Please attach a copy of the resident selection process if available.
- b. Describe how Applicant will safely manage the occupancy of residents in the facility. Will there be a limit on the number of days an individual can stay at the facility and if so, what is that limit?
- c. Describe how the resident medical issues will be managed by the Applicant.
- d. Describe how Applicant will provide a program that will benefit a resident in a brief stay in the facility.

3. Location Efficiency – 10 points

Applicable Criteria:

- a. Describe nearby community amenities, mental health treatment providers OR drug and alcohol substance use disorder treatment providers, support groups and other services that will be available including physical and behavioral healthcare as well as recreational and social opportunities. How will residents access these services? (4 points)

1. How will Applicant ensure that residents can access services if those services are not readily available within a reasonable distance from the proposed Supported Housing?
- b. Walk Score; two (2) points if 70+, one (1) point if 50-69;
- c. 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;
- d. Public Transit; two (2) points if available within ¼ mile or a Transit Score of 70+ / within 5 miles if rural, one (1) point if within ½ mile or Transit Score of 50+ / within 10 miles if rural;

C. Financial Viability: 15 points

1. Development pro forma review –5 points

Applicable Criteria; points will be assigned based on the following concepts:

- a. Pro forma includes only realistic and available resources on the Sources of Funding,
- b. Explanation of how the development budget will still be valid at the start of construction,

2. Operating pro forma review –5 points

Applicable Guidelines:

- a. Affordable rents are affordable to target population
- b. Year one debt coverage ratio is 1.1 to 1.15 with OAHTC or 1.20 to 1.25 without OAHTC,
- c. Cash flow within OHCS guidelines or adequately explained (1.25 or below, unless adequately explained or declining cash flows require a higher debt coverage);
- d. Vacancy rate at 7% or adequately explained,
- e. Submitted reserve or replacement analysis and included adequate amount for replacement items in pro forma,
- f. Income inflation factor is less than expenses inflation factor.

3. Well documented and explained construction costs – 5 points

Applicable Criteria:

- a. Construction documents, including CNA, 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.

D. Capacity: 15 points

Applicable Criteria: Applicant must demonstrate sufficient experience in Project development along with the requisite fiscal expertise to bring a Project to completion. Past experience in housing development and experience bringing together a competent development team or partnership is preferred. If Applicant does not have adequate experience to develop the funded units, explain how the appropriate services will be secured.

1. Provide detailed information which supports Applicant’s experience in providing Supported Housing for the population being served through this application.

2. Provide detailed information which supports Applicant’s readiness to proceed in the development of the Project. Are partnerships and the development team identified and ready to proceed?
3. List all housing Projects (a maximum of five) Applicant has completed and operated in the last five years to serve this target population
4. List all housing Projects (a maximum of five) Applicant has completed in the last five years **not** serving this target population including both commercial and residential ventures. (DO NOT INCLUDE PROJECTS LISTED ABOVE)
5. List all housing Projects currently under development.
6. For the proposed housing Project, list below the Applicant staff member or consultant assigned to each task. If position is not applicable, please enter “NA”.
7. Explain the roles of each of the above positions in the development and management of the proposed Project. Limit your response to one-half page per role.
8. Explain how multiple Projects will be managed within the organization if Applicant has more than one Project in development.
9. Explain how the coordination of those duties will be carried out if staff is expected to perform other agency duties in addition to the Project’s development.
10. Describe the expertise of Applicant’s Board or for-profit officers and principal members as it relates to real estate development and operations.

4.0 APPLICATION EVALUATIONS

4.1 Evaluation Process

After Administrative Review (see Section 3.1) and Minimum Threshold Requirements Review (see Section 3.1), remaining Applications will be reviewed and scored competitively (see Section 3.3). If Administrative Review, Minimum Threshold Requirements, and Competitive Scoring 75-point hurdles have been met, then such qualifying Applications 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 also will 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 Applicant seeking to challenge any aspect of the NOFA process must request review by OHCS within fourteen (14) days of the Application Due Date. An Applicant aggrieved by a final determination made by OHCS during the Administrative Review or Minimum Threshold Qualifications processes with respect to the success of its NOFA Application must request review by OHCS of such determination within fourteen (14) days of it receiving notice from OHCS of that determination. An Applicant aggrieved by a final determination made by OHCS with respect to its Application failing to score the requisite seventy-five (75)-point threshold must request review by OHCS of such determination within fourteen (14) days of it receiving notice from OHCS of that determination. An Applicant aggrieved by a final determination made by OHCS with respect to any other matter under this NOFA must request review by OHCS of such determination within fourteen (14) days of it receiving notice from OHCS of that determination.

Any request for review must be in writing, specifically identify each basis for review, contain an explanation of the basis for challenging OHCS’s determination, and include any supporting information the requestor desires to have considered by OHCS. The envelope containing the request for review **MUST**:

- be marked **PROTEST**,
- identify the NOFA number,
- identify the closing time and date for acceptance of Applications,
- identify OHCS contact person; and
- be received by OHCS at its main Salem Office,

Oregon Housing and Community Services

Attn: Lisa Cimino

725 Summer Street NE, Suite B

Salem, OR 97301

Fax: 503-986-2020

Email: OHCS.Contracts@oregon.gov

Not later than **4:00 PM** on the fourteenth (**14th**) day after the NOFA closing date or the Applicant’s receipt of notice from OHCS of the OHCS determination from which review is requested, whichever is applicable.

The Applicant will be deemed to have received such notice upon the sooner of:

- three (3) days after OHCS’s determination is mailed to the Applicant,

- two (2) days after such determination is posted to OHCS’s website,
- two (2) days after the list of successful NOFA Applicants is posted to OHCS’s website; or
- one (1) day after such determination is emailed to the Applicant.

OHCS may request additional information from the requestor with respect to its request and consider such other information as it deems appropriate. OHCS will endeavor to provide a written response to a qualifying request within thirty (30) days.

OHCS will provide written responses to all timely-filed protests. Failure to timely provide a qualifying protest will be deemed a failure to exhaust administrative remedies and terminate further rights by any person or entity seeking to challenge any aspect of the NOFA or any determinations, actions, or omissions by OHCS related thereto.

- 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 negotiation, 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, restrictive covenants with 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, including but not limited to rights, remedies, and requirements established in OHCS administrative rules or other law.

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