

# OHCS Training Mental Health Housing 2016 Notice of Funding Availability

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Welcome



# NOFA Training Agenda

- **Welcome**
- **Dates to Remember**
- **NOFA Application Process**
- **NOFA Document Overview**
- **NOFA Submission Overview**
- **Threshold Detail**
- **Competitive Scoring Detail**
- **Program Submission**
- **Program Highlights**
- **General Reminders**
- **Dates to Remember**
- **Questions**

# NOFA Process – Dates to Remember

- **Release date: June 30<sup>th</sup>**
- **Questions should be posed to:**
  - [MFNOFA@oregon.gov](mailto:MFNOFA@oregon.gov) \*Please include the NOFA number or name (MH Housing) in the subject line of the email\*
  - Darcy Strahan [Darcy.Strahan@state.or.us](mailto:Darcy.Strahan@state.or.us)
- **FAQs will be published at regular intervals**
- **Questions until: August 16<sup>th</sup>**
- **Application due date: August 29<sup>th</sup>**

# NOFA Allocations and Application Parameters

**Mental Health Housing NOFA** will allocate \$20 Million in Mental Health Housing Funds

Applicants must be developing one of the identified types of housing:

1. Individuals with serious mental illness (SMI) who are able to live independently in supported and/or supportive housing
2. Individuals with substance use disorder (SUD)
3. Crisis respite housing for individuals with SMI

Applicants may only apply for one phase of a project

Applicants may not submit more than three applications for this NOFA

# NOFA Housing Type Definitions

- **Crisis Respite Housing**: residential setting that provides a bed and associated services to individuals for up to 30 days.
  - Community crisis beds
  - Short-term crisis stabilization beds
  - Subacute beds
- **Supported Housing** : scattered site, permanent affordable housing that offers individuals independent housing integrated into the community in a private, secure setting. Services voluntary. For SMI: No more than 25% can be set aside for placement by a SMI Supported Housing Provider.
- **Supportive Housing**: single-site housing in which all or a majority of tenants who receive support services are individuals with a SMI and/or SUD who live together in a single building or complex with or without on-site support services. If designated as transitional occupancy limited to no more than 2 years. Services voluntary for SMI, required for SUD.

**See Pages 4-5 of MH Housing NOFA for more description**

# Funding Set-Asides

**Mental Health Housing Funds are set-aside for different activities:**

<b>\$20,000,000</b>	<b>in Mental Health Housing Funds</b>
<b>\$10,000,000</b>	in SMI Supported Housing - \$5 million in Metro; \$5 million in Non-Metro
<b>\$5,000,000</b>	in SUD Supported Housing
<b>\$2,500,000</b>	in SMI and/or SUD Supportive Housing
<b>\$2,500,000</b>	in Crisis Respite Housing

# Funding Request 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.*

## Funding Request Limits, continued

- Small Project bonus: Eligible Small Projects can request the percentage of eligible units PLUS 10% of total development costs.
  - Eligible Small Projects must have 5 or less units and must demonstrate why the development of a larger supported housing project is not practical.
  - Example:
    - *An eligible Small Project with four (4) units where one (1) unit, or 25% of the units, are reserved for tenants with SMI, the Applicant could request 25% + 10% of the total Project development cost, not to exceed 35% of the development costs.*

# The NOFA Submission

- Part 1:** Application Data Submission
- Part 2:** The Applicant and Project Information Submission
- Part 3:** The Threshold Submission
  - Readiness to Proceed
  - Development Team Capacity
  - Ownership Integrity
- Part 4:** Competitive Scoring Submission
  - Questionnaire
  - Pro Forma
  - Financial Assumptions
  - Resident Services Plan
  - Tenant Survey & Relocation
  - Architectural Submission Attachments
  - Capital Needs Assessment
  - Replacement Reserve Analysis
  - Construction Hard Cost Estimate

# Part 1: Application Data Submission Attachments

- 1.1:** NOFA Cover Sheet
- 1.2:** Application and Charge Transmittal
- 1.3:** Authorization and Acceptance Signature Authority Form
- 1.3A:** Board of Directors Resolution (if required)
- 1.4:** Organizational Documents Attachment
- 1.5:** Application Submission Checklist

## **Part 2: Applicant and Project Information Submission**

**The following information is required on the form:**

- Applicant and Project information
- Development Team information
- Department Based Program Funding Requests
- Unit Type and funding Program designation
- Target Population
- Rent Table
- Site and Building information

**This information is critical to providing a thorough snapshot of the project. It is used throughout the review process to orient the reader to the project highlights.**

## Part 3: Threshold Submission

- 3.1:** Readiness to Proceed
  - Letters of Support from the Coordinated Care Organization
  - Letter of Support from the Community Mental Health or Tribal Authority
- 3.2:** Development Team Capacity
- 3.3:** Ownership Integrity

**No additional submission is required for the Program Compliance Threshold review**

## Part 3.1: Readiness to Proceed

### A: Zoning & Site Control:

Project must be zoned for intended purpose; provide Certification.

Site control is not required at the time of application.

### B: Development Schedule

Applicant must complete OHCS form

Part 3.2: Letters of Support from the Coordinated Care Organization AND

Part 3.3: Letter of Support from the Community Mental Health or Tribal Authority

**Letters must be included to pass threshold and move to scoring.**

## Part 3.4: Development Team Capacity

### A: Capacity Worksheet

This form contains all the key categories that the reviewers need to properly evaluate the sponsor's experience and capacity.

When a sponsor notes that they do not have experience or capacity in a certain area, they must indicate the action plan that will mitigate this risk.

### B: Real Estate Holdings

This is a form that identifies all the real holdings of the sponsor or sponsors and what their current balances, values, net income, LTV's and debt service covers are.

To the extent that a project listed on the schedule has a material problem, such as negative cash flow or < 1.0 Debt Service Cover, the sponsor must provide a written explanation of the situation and its mitigation plan.

## Part 3.5: Ownership Integrity

- Ownership Integrity questionnaire; these are financial representations regarding such matters as fraud conviction, bankruptcy, and debarment.

# Competitive Scoring Submission

## 4.1: Questionnaire

Provides information for scoring Need, Impact, Financial Viability, and Capacity

## 4.2: Pro Forma

## 4.3: Financial Assumptions

## 4.4: Resident Services Plan

## 4.5: Tenant Survey & Relocation

## 4.6: Architectural Review, attachments

## 4.7: Capital Needs Assessment (CNA)

## 4.8: Replacement Reserve Analysis

## 4.9: Construction Hard Cost Estimate

# Competitive Scoring Overview

<b>Weight</b>	<b>Category</b>
<b>10%</b>	<b>Need</b>
<b>60%</b>	<b>Impact</b>
<b>15%</b>	<b>Financial Viability</b>
<b>15%</b>	<b>Capacity</b>

## 4.1: Competitive Scoring Questionnaire

### Notes / Reminders:

- Answer questions only as applicable to your project type (SUD, SMI, Crisis Respite); leave other areas blank
- “Need” data is available online on NOFA page, the questionnaire asks you to just specify county
- Make sure your response is thorough HOWEVER, remember your audience, reviewers will be reading a lot of applications – longer narratives does not mean higher scores. Relay your expertise but be as concise as possible.

## Part 4.2: Pro Forma

Updated Pro Forma must be used. Available on the website in a zipped folder, includes directions for using / unzipping the folder to access the file.

Highlighted areas in green to fill in project data.

## Part 4.3: Financial Assumptions

- Without requiring market studies or appraisals, this is a critical area of information for the reviewers.
- The rent and expense information should be detailed and concise. Cite your sources but do not attach, tables, surveys, etc.

## Part 4.4: Resident Services Plan

- OHCS has long recognized resident services as an integral part of the ongoing success of affordable housing developments.
- Appropriate services are important and empowering to residents and they bring benefit to project management, to the project sponsor/owner, and to the local community as well. Recognizing that they are voluntary to the tenant, but must be provided.

### **The anticipated outcomes and overall goals of the Resident Services Plan are:**

- Through coordination, collaboration, and community linkages, residents will be provided the opportunity to access appropriate services which promote self-sufficiency, maintain independent living, and support them in making positive life choices; and
- To maintain the fiscal and physical viability of the development by incorporating into the ongoing management the appropriate services to address resident issues as they arise.

## **Part 4.5: Tenant Survey and Relocation**

**A: Existing Tenant Survey**

**C: Tenant Relocation Questionnaire**

## Part 4.6: Architectural Review

### **For All New Construction Projects and Rehabilitation Projects That Include Any New Construction**

- Vicinity map
- Context photos
- Preliminary site design and development plan
- Required site accessibility and visitability features

### **For All Rehabilitation Projects**

- Rehabilitation Scope of Work
- Pest and Dry Rot Inspection Report
- Roof Inspection Report
- Estimate of probable rehabilitation cost
- Replacement Reserve Schedule

The Department also requires applicants of acquisition and rehabilitation projects to complete a thirty (30) year replacement schedule as part of the CNA.

### **Rehabilitation Assessment Criteria**

- Critical repair items
- Two (2) year physical needs
- Long term physical needs
- Analysis of reserves for replacement

## **Part 4.7: Capital Needs Assessment (CNA)**

**Within 12 months**

## **Part 4.8: Replacement Reserve Analysis**

**Excel workbook**

## **Part 4.9: Construction Hard Cost Estimate**

**A: Cost Estimates**

**B: Visitability Exemption Request**

# General Reminders

- Follow the order of the application submittal checklist completely and accurately.
- Make sure to provide all requested material in the order indicated on the checklist.
- Submit only the documents that are listed on the application submittal checklist.
- Use divider tabs to identify each part.
- Number every page of the application.
- When answering narrative questions, do not remove the question, question number, or the box provided.
- Keep responses within the stated length and font size limits.
- Do not double-space your text responses.
- Always mark the project's location on maps and context photos.
- Identify acronyms used by your organization.
- Answer questions completely. Don't assume the reader is familiar with your organization or project.
- Double-check that each copy of the application includes all the same documents as the original.

# NOFA Process – Dates to Remember

Release date: June 30<sup>th</sup>

Questions until: August 16<sup>th</sup>  
[MFNOFA@Oregon.gov](mailto:MFNOFA@Oregon.gov)

**Close date: August 29<sup>th</sup>**

All applications must be in the OHCS offices by 4pm on the close date; they must be complete; post marks do not apply

State Housing Council Presentation: October or November meeting

# Questions and Answers

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