STATE OF OREGON

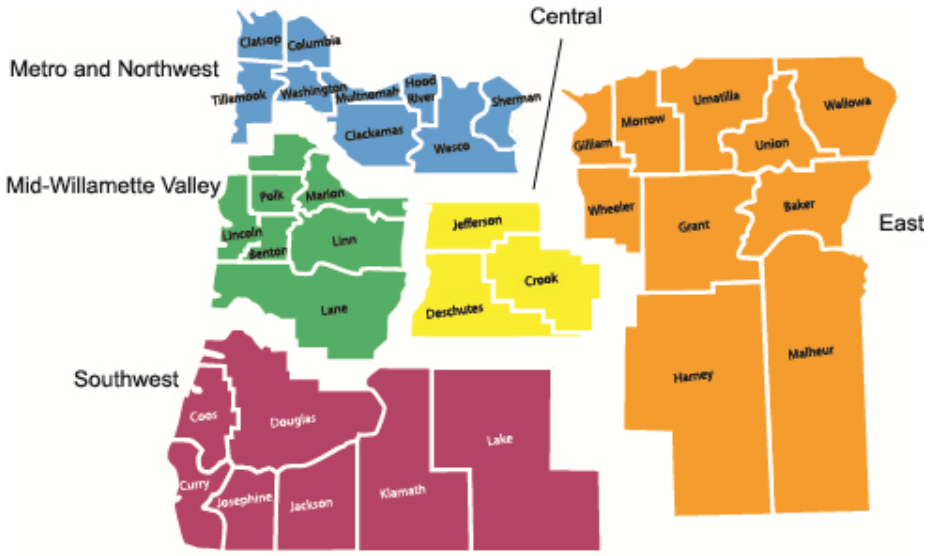
HOUSING AND COMMUNITY SERVICES DEPARTMENT
MULTIFAMILY FINANCE AND RESOURCES SECTION
725 Summer Street NE, Suite B
Salem, Oregon 97301-1266

NOTICE OF FUNDS AVAILABILITY #3002 FOR MANUFACTURED DWELLING PARKS PRESERVATION

Application Open Date: **January 15, 2013**
Application Close Date: **June 14, 2013**
Application Close Time: **5:00 PM PST**

Regional Advisors to the Department

	Central Region Counties Served: Crook, Deschutes and Jefferson.	**Kim Travis** (503) 428-3843 Kim.Travis@hcs.state.or.us Central Oregon Regional Solutions Office OSU—Cascades Campus 650 SW Columbia St., Millpoint Bldg. 7100 Bend, OR 97702
	East Region Counties Served: Baker, Gilliam, Grant, Harney, Malheur, Morrow, Umatilla, Union, Wallowa and Wheeler.	**Bruce Buchanan** (541) 980-6300 Bruce.Buchanan@hcs.state.or.us Regional Solutions Center 233 Badgley Hall Eastern Oregon University La Grande, OR 97850
	Metro and Northwest Region Counties Served: Clackamas, Clatsop, Columbia, Hood River, Multnomah, Sherman, Tillamook, Wasco, and Washington.	**Vince Chiotti** (503) 725-2184 Vince.Chiotti@hcs.state.or.us 1600 SW 4th Avenue, Suite 109 Portland, OR 97201
	Mid-Willamette Valley Counties Served: Benton, Lane, Lincoln, Linn, Marion, Polk and Yamhill.	**Karen Clearwater** (541) 346-8618 Karen.Clearwater@hcs.state.or.us South Valley Regional Solution Center University of Oregon, Thompson Center 720 E 13th Ave., Suite 304 Eugene, OR 97401-3753
	Southwest Region Counties Served: Coos, Curry, Douglas, Jackson, Josephine, Klamath, and Lake.	**Karen Chase** (503) 400-2787 Karen.Chase@hcs.state.or.us SW Oregon Regional Solutions Center 100 E Main Street Medford OR 97501



1.0 INTRODUCTION
1.1 Background
1.2 Purpose
2.0 APPLICATION REQUIREMENTS
2.1 Application Submission
2.2 NOFA Questions
2.3 Eligible Applicant Qualifications
2.4 Funding Criteria
2.5 Mandatory Application Requirements
3.0 PRELIMINARY UNDERWRITNG CRITERIA
3.1 Agency Technical Assistance
3.2 Closing/Disbursements
3.3 Sample Park Preservation Use Agreement Documents
3.4 Application Processing Overview
4.0 GENERAL NOFA TERMS

See also attached forms:
Application Checklist;
Application Charge and Transmittal Form;
Authorization and Acceptance Form;
Application Information Summary;
Narrative Questions; and
Environmental Review Checklist.

1.0 INTRODUCTION

The State of Oregon acting by and through its Housing and Community Services Department ("Agency") is issuing a multiple award Notice of Funds Availability ("NOFA") for Manufactured Dwelling Parks Preservation ("Park Preservation") for the acquisition and renovation of manufactured parks.

1.1 Background

Agency is Oregon's housing finance agency, providing financial and program support to create and preserve opportunities for quality, affordable housing for Oregonians of lower and moderate income. Agency administers federal and state antipoverty, homeless and energy assistance, and community service programs. Agency also assists in the financing of single-family homes, the new construction or rehabilitation of multifamily affordable housing developments, as well as grants and tax credits to promote affordable housing.

1.2 Purpose

The NOFA is designed to assist eligible manufactured dwelling park, mobile home park resident groups, or qualified non-profits in gaining control over rising rents and/or provides a way to take control when park owners are considering closing the Park.

"Applicant" means any eligible group applying for funds who will be the recipient of the funds and owner of the Park.

"Dwelling unit" means a structure or the part of a structure that is used as a home, residence or sleeping place by one person who maintains a household or by two or more persons who maintain a common household. A manufactured dwelling park does not include a lot or lots located within a subdivision being rented or leased for occupancy by no more than one manufactured dwelling per lot. (ORS Chapter 90)

"Manufactured dwelling park" or "mobile home park" or "Park" means any place where four or more manufactured dwellings are located, the primary purpose of which is to rent space or keep space for rent to any person for a charge or fee. (ORS Chapter 90)

There are $1.2 million of General Housing Assistance Program (GHAP) funds available, maximum $600,000 per project and $5 million of Oregon Affordable Housing Tax Credits (OAHTC) available, maximum $3 million per project.

2.0 APPLICATION REQUIREMENTS

2.1 Application Submission

Applications must be submitted no later than:

DUE DATE AND TIME:
June 14, 2013 by 5:00 PM PST

to:

DELIVERY ADDRESS:
Oregon Housing and Community Services
Attn: Connie Lelack
725 Summer Street NE, Suite B, Salem, OR 97301
Phone: 503-986-0974
Fax: 503-986-2002
Email: connie.lelack@hcs.state.or.us

Submission of the Application

Applications may be submitted at any time between the Application Open Dates of January 15, 2013, and the Application Close date of June 14, 2013 by 5:00 PM PST. Send the completed Application to the Agency contact person listed above with a copy of the Application (without attachments) to the appropriate Agency Regional Advisor to the Department ("RAD"). Applications may be mailed or sent electronically. Electronic Applications are acceptable if the e-mail indicates the Application processing fee will be received by Agency within 7 days of receipt of the Application. Any applications received without the Transmittal form (see Attachment B) and payment of the Application Charge will be returned to the applicant.

Mailing Address for Transmittal with Application fee payment attached:
Oregon Housing and Community Services
ATTN: Cashier
c/o Multifamily Resource and Finance Section
725 Summer Street NE, Suite B
Salem, Oregon 97301-1266

Or

E-mail the Application to the contact person listed above. The Agency reserves the right to request an original copy of the Application.

If the Applicant chooses to transmit an electronic application, Agency shall not be responsible for any failure attributed to the transmission, or receipt of the electronic application including, but not limited to the following:

1) Receipt of or incomplete application documents.
2) Availability or condition of the receiving email equipment.
3) Incompatibility between the sending and receiving equipment.
4) Delay in transmission or receipt of application documents.

5) Failure of the Applicant to properly identify the application documents.
6) Illegible application documents.
7) Security and confidentiality of Application.

Submission of the Application must clearly identify the NOFA number, "Park Preservation Application", the contact person name, agency name and address, and the NOFA closing time and date. Mis-deliveries and late submittals shall not be accepted or considered.

All applications and any accompanying documentation become the property of Agency, subject to public record, and will not be returned.

Agency will not be held responsible for any error or omissions from downloading the NOFA. The official solicitation document is the one held at the Agency.

If the Application is unclear, the applicant may be asked to provide written clarification to assist Agency in determining the issue of the application's responsiveness.

2.2 NOFA Questions

All inquiries relating to the NOFA process, administration, deadline or award, or to the substantive technical portions of the NOFA, must be directed to the individual listed in Section 2.1. All questions regarding the intent of NOFA must be submitted in writing (mail, fax, or e-mail). When appropriate, revisions, substitutions, or clarifications shall be issued as addenda to this NOFA. Changes/modifications to the NOFA requirements shall **ONLY** be recognized if in the form of written addenda issued by Agency. Agency shall provide copies of any addenda to all known NOFA applicants as well as posted at www.oregon.gov/OHCS.

2.3 Eligible Applicant Qualifications

Minimum Eligibility and Qualifications for Applicants

Applicants must be:

- A tenants' association as provided in ORS 90.760;
- A manufactured dwelling park nonprofit cooperative as provided in ORS 62.803;
- A facility purchase association as provided in ORS 90.815;
- A tenants' association supported nonprofit organization as provided in ORS 90.820;
- A housing authority established under ORS 456.055-456.235; or
- A local government as defined in ORS 197.015.

2.4 Funding Criteria

The availability of funding is limited to the funding state above in Section 1.2. Due to the limited amount of funding available, applications submitted will be reviewed on a first-come, first ready to proceed to closing on acquisition basis.

If awarded, Applicant will be required to sign a formal Reservation Letter accepting the award amount, time limits to complete the closing, terms, and conditions. Applicants will have a period of one year from the date of the Reservation Letter to secure all financing and close the transaction (purchase of park). If the applicant is unable to close within the allocated time period, Agency reserves the right to rescind the reserved funds.

Grant Terms

a. All funds will be awarded in the form of a Grant.
b. Parks utilizing funds must agree to a minimum of 20 years of affordability with a minimum of 60% of the spaces occupied by residents at or below 80% of area median income

c. Grant funds will require repayment if the Park is sold or there is a change in the property's use or affordability.
d. Funding should only be used for project development costs. Administrative costs, developer fees and operational expenses may not be covered with these funds.

2.5 Mandatory Application Requirements

As part of the application submission, Applicant must provide all materials identified in the Application Checklist, as available. Applicant may be asked to provide additional information during the underwriting process as needed or requested by the Loan Officer.

Application Criteria

Agency encourages diverse geographic distribution of the funds to assist parks throughout the state of Oregon. Applications will be reviewed and awarded a reservation on a first-come first served basis contingent upon available funds.

With the initial application, the Applicant is to provide:

- A cover letter summarizing the funding request, attachments, other application items that will be forwarded when they become available, and when those items are expected to be completed.
- The Application Checklist, Application Charge and Transmittal Form, and $250 check or money order attached to the Transmittal Form.
- The Authorization and Acceptance Form completed.
- The Application Information Summary form completed.
- Responses to the Narrative Questions form. *(Note: Resident owned communities must include an ongoing technical assistance plan, experienced management agent, and copies of contracts.)*
- The Environmental Review Checklist form completed.
- The narrative describing the experience of the active parties involved in the transaction.
- The applicant's proposed proforma including current actual rents, proposed rents, other income , expenses, debt (primary and subordinate), sources of funding, uses of funding (line item costs associated with acquisition, renovation, lender fees, development costs, etc.).
- The purchase and sale agreement signed by both the buyer and seller.
- A capital needs assessment completed by a disinterested third party qualified inspector identifying life/health/safety immediate needs and ongoing capital needs to maintain an acceptable physical condition of the park for at least the term of the affordability period. The inspection shall include all improvements on the property (excluding the individually owned homes) and infrastructure.
- The estimated timelines for completing all acquisition due diligence, funding due diligence, and meeting closing due diligence. Include all key elements to accomplish closing and dates expected to achieve the key elements.
- Other pertinent items on the Application Checklist may be provided to the Agency Loan Officer as the materials become available.
- Based on the information received, the Agency Loan Officer may request further documentation.

Resident-owned communities must provide a description of the type, length and source of appropriate ongoing technical assistance and an experienced third party management agent. Technical assistance and an experienced third party management agent must be involved for the term of affordability. If awarded a reservation of funds, the applicants must be prepared to provide copies of the consultant's and management agent's contracts demonstrating appropriate ongoing technical assistance will be provided through the term of the affordability period. The Agency encourages all applicants to seek legal advice for structuring the ownership entity, purchase of the property and ongoing legal guidance.

Preliminary uses of funding must estimate the cost of repairing any physical deficiencies of the park (including infrastructure) and the final Uses of Funding must address all health, life, safety issues identified in the capital

needs assessment and any renovations needed to maintain the useful life of the park beyond the affordability period.

An estimated development schedule (timeline for completion of the acquisition) identifying all benchmarks needed for closing on acquisition is to be attached to the Narrative Questions. If the schedule changes prior to closing on the acquisition of the park and completing the necessary renovations, the applicant must provide an updated schedule. If the Applicant is unable to meet the proposed development schedule, the Agency may withdraw the Reservation of funds.

Charges

- A *non-refundable* Application processing fee of $250.00 shall be due to Agency by the Applicant upon submission of Application, unless stated otherwise.
- A 2% Reservation Fee is due upon the Applicant's written acceptance of the reservation letter and payable at the time of the closing or 90 days after acceptance of the reservation letter (whichever is sooner). The Reservation Fee is 2% of the requested funds.
- After Agency has executed the grant agreement and the Owner wishes to transfer ownership, a transfer application charge of $250.00 will be due to Agency along with the transfer request and a $500 per document preparation charge shall be due to Agency upon closing of the ownership transfer or sale.
- The applicant shall reimburse Agency for all reasonable Department of Justice costs incurred during the course of the initial grant request, or any subsequent transfer of ownership. Agency will send an invoice for the Department of Justice costs to the Applicant for payment.

3.0 PRELIMIARY UNDERWRITING CRITERIA

3.1 Agency Technical Assistance

Agency offers one-stop shopping for affordable housing finance programs. Agency staff will guide the Applicant through a dynamic underwriting and approval process where there is an opportunity to work through important issues that may arise. For technical assistance on completing this Application, contact the Loan Officer.

3.2 Closing/Disbursements

Agency will close the funding use agreements at a title company of the Applicant's choosing, subject to approval by Agency. The Applicant is responsible for all costs of closing, including but not limited to legal costs, irregular interest charges, loan fees, tax service fees, title insurance, hazard and liability insurance, flood insurance if applicable, recording fees, etc. Agency will wire the funds to the title company directly; who will disburse the funds.

3.3 Sample Park Preservation Use Agreement Documents

Agency has standard agreement documents that are not open to modification. Copies of sample agreement documents will be forwarded to the Applicant during the underwriting process or upon request. Agreement documents should be reviewed by the Applicant and their legal counsel to acquaint themselves with the use restrictions and obligations. Should conflicts with other funding sources arise, modifications to the agreement and any legal costs incurred by Agency will be billed to and paid by the Applicant prior to disbursement of funds. Any requests for modifications to the standard agreement documents should be discussed with the Agency Loan Officer during underwriting.

3.4 Application Processing Overview

This overview is intended to provide Applicants with general information about the Application process and is not intended to be all inclusive.

Once the Application and Application Charge has been received by Agency, the Agency Multifamily Finance and Resources Section will review the Application for general compliance with requirements and an Agency Loan Officer will be assigned to the proposed park purchase application. The Agency Loan Officer will contact the Applicant to discuss the requirements as they apply to the specific park conditions, ownership structure and financing structure.

When all required and requested documentation is received and accepted by the Agency Loan Officer, the Agency Loan Officer prepares a written report with recommendations and presents the funding recommendations to Agency's Finance Committee. The Agency Finance Committee reviews the report and recommends action on the request. If the Agency Finance Committee recommends approval, the Loan Officer presents the written report with recommendations to the State Housing Council for final action/decision. Applicants are strongly encouraged to attend the State Housing Council meeting. The Finance Committee typically meets once a week and the State Housing Council typically meets once per month.

If the State Housing Council approves the funding request, a reservation letter is presented to the Applicant. The reservation becomes effective only after the applicant signs and returns the letter to Agency. The Reservation Charge becomes an obligation of the applicant upon signing, but may be paid through escrow closing or 90 days after signing; whichever occurs first. The Application Charge is non-refundable and the Reservation Charge may be refunded at the Agency's sole discretion if the Applicant decides to withdraw their acceptance to the reservation letter.

4.0 GENERAL NOFA TERMS.

4.1 Agency may require clarification to understand any of the applicants' submitted documentation. Any necessary clarifications or modifications will be made before executing any award and may become part of the final Agreement.

4.2 Submission of an Application does not constitute an agreement between Agency and applicant, nor does it secure or imply that Applicant will be selected.

4.3 All costs associated with applicant's submission of an application are the sole responsibility of the applicant and shall not be borne by the state of Oregon.

4.4 Successful applicants will be required to maintain appropriate levels of Workers Compensation, General Liability, and Automobile Liability insurance.

4.5 ORS 60.701 requires that 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 corporation-for-profit incorporated under a law other than the law of the State of Oregon. If a firm is selected for the Contract as a result of this solicitation they must register to do business in Oregon.

4.6 By submitting an application, applicant accept all of the terms and conditions of this NOFA, and any terms and conditions imposed by the requirements of the funding source and the Agency. No funds will be released prior to all program conditions being met and funding agreements executed.

4.7 Agency reserves the right, at its sole discretion: (1) to amend the NOFA prior to the closing date (2) to amend the deadline for submitting applications; (3) to determine whether a application does or does not substantially comply with the requirements of this NOFA; (4) to waive any minor irregularity, informality, or nonconformance with this NOFA; (5) to obtain from and/or provide to other public agencies, upon request, references, regarding the applicant's performance; (6) at any time prior to Agreement execution: (a) to reject any application that fails

to substantially comply with all prescribed NOFA procedures and requirements; and (b) to reject all applications received and cancel this NOFA upon a finding by Agency that there is good cause and that such cancellation would be in the best interests of the State; and (7) seek clarification on any or all applications.

4.8 This NOFA and one copy of each original response received, together with copies of all documents pertaining to the award of an Agreement, shall be kept by Agency and made a part of a file or records, which may be open to public inspection. If an application contains any information that is considered a trade secret under ORS 192.501 (2), each sheet of such information must be marked with the following legend:

> "This application constitutes a trade secret under ORS 192.501 (2), and shall not be disclosed except in accordance with the Oregon Public Records Law, ORS Chapter 192."

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

If an application contains any information that may be considered exempt from disclosure under the various grounds specified in Oregon Public Records Law, ORS 192.430 through 192.505, applicant must clearly designate any portion of its application as exempt, along with a citation to the authority relied upon. Application of the Oregon Public Records Law shall determine whether any information is actually exempt from disclosure. Identifying an application in whole as exempt from disclosure is not acceptable. Failure to identify a portion of the application as exempt from disclosure, and the authority used, shall be deemed a waiver of any future claim of non-disclosure of that information.

4.9 The successful applicant will be required to assume responsibility for all services outlined and finalized in the Agreement, whether the contractor, a representative or subcontractor produces them. Agency considers the Applicant responsible for any and all contractual matters, including performance of work and the stated deliverables.