

Notices: Questions Asked and Answered

2022 Competitive Housing Development Request for Grant Applications (RFGA)

SUPPORTIVE HOUSING FOR INDIVIDUALS WITH SERIOUS AND PERSISTENT MENTAL ILLNESS

April 29, 2022

Notices

Any questions that we receive after 12 pm on Wednesdays will be answered on the subsequent Q&A next week.

Questions + Answers

General Guidance for All Potential Applicants:

We have received questions about whether we can fund a project with a specific scenario. Please note we can't answer these questions because they effectively are asking if we can make a tentative commitment to fund such a project. Our advice is to follow the criteria in the Application Notice to your best ability and present the scenario in your application. We have also received questions that we don't understand because we cannot interpret what is being asked. In this case we'll post the questions but may not be able to understand them and provide.

There have been several questions about targeted populations not listed in the Application Notice. If the population is not listed in the Notice, then we cannot fund such populations.

Finally, please note there have been requests for funding Substance Use Disorder (SUD) housing and Children's Psychiatric Residential Treatment Facilities (PRTF) housing as well. We are working on these applications and will post these mid to late summer of this year. Please continue to check our website weekly.

Questions

- Q:** When you mentioned one funding source, \$130 million, and prior grant awards. Is the full \$130 million available for current RFGA's and upcoming, is this amount reduced already for the prior year's awards?

A: We will release or award the funds in increments to ensure that we have enough funds to disburse for each phase of Solicitations released. In other words, we will award funds for each solicitation process up to the point where we will still have funds set aside for additional rounds of funding solicitations. This is because we do not know what the demand for funds will be for each type of housing we propose to fund.

2. **Q:** Is there a limit as to how much an individual project can request.

A: Maximum per Project is \$2.7 million, Minimum per project is \$10,000, Unit maximums per SPMI Unit is \$300,000 per unit.

3. **Q:** Could you clarify whether operational costs are allowable, and if so, for how long?

A: Funding awards cannot be used for start-up costs, operating costs or support service costs of a project this funding cycle.

4. **Q:** Can funds be used to add elements (such as cost of hardening) to a project being funded by OHCS where units are set aside for SPMI?

A: Funding awards may be used for real property, new construction or acquisition/rehabilitation and associated costs and associated Costs may include fixtures, furnishing and equipment. If “cost hardening” is intended to mean leveraging or matching funds to another source, yes, these funds may be added to a project with other funding sources. However, if there are other funding sources please note if our loan is subordinated to another loan, we need to ensure our equity position is covered. In other words, the appraised value of the property cannot be less than the sum of the total of all mortgages.

5. **Q:** Just to confirm, the definition of supportive housing in this RFGA is not scattered site housing with a NTE % (NTE = Not to Exceed) set aside for people with SPMI in a housing development?

A: Supportive Housing (defined on Page 6 of Notice) is community-based housing and should provide opportunities for all persons housed to interact with neighbors and community members, who do not have a disability. There is not a NTE % set aside for people with SPMI for this supportive housing funding solicitation.

6. **Q:** Can subsidized housing that would accept section 8 vouchers be created?

A: See #9 Affordability Requirement (page 5). Project Rents for any unit must be affordable for the target population. Affordable is defined as monthly housing costs (e.g., rent, utilities) that does not exceed 30% of an individual’s monthly income. Project-based or tenant-based rent subsidies may be utilized to make rents affordable for individuals of the target population.

7. **Q:** If operational costs are not allowed, do projects have to demonstrate funding the operations from another source?

A: Yes, you should describe how you intend to fund operations to ensure how the project can be leased up and sustained. See the Finance & Budget Sheet pg. 25 TBD See #5 Finance and Budget c & d on Application.

8. **Q:** What if the CMHP is the one applying for dollars if we are in partnership with a developer who does not want to own the housing? Would we still need to have a letter from a CMHP?

A: The RFGA is for applicants to apply for housing development funds in the form of forgivable loan assistance for real property, new construction, or acquisition/rehabilitation projects. Yes, all Applicants have to include a letter of endorsement from appropriate CMHP. In other words,

you have to provide a letter explaining how you would meet the criteria in Section 12, page 7 of the Application Notice even if you are the CMHP.

9. **Q:** It looks like start-up, operational and support services are not allowable costs, so will there be a parallel process to right size the funding for these services?

A: Applicants will need to secure funding for operational and support services from other sources since this funding cycle is for capital construction only. Please look at OregonBuys for future funding opportunities for services from other entities, local housing authority, Oregon Housing and Community Services or other local governmental entities with HUD or other program rental subsidies.

10. **Q:** When describing the items needed in a service set agreement between owner/providers I did not see a slide. It would be helpful to see these requirements listed. They may be listed elsewhere so please direct.

A: Page 23 of the Application Notice lists the Community Resources and Supports.

11. **Q:** If a project is already under construction, does that make it ineligible for these funds?

A: Correct, if a project is already under construction it would not be eligible for this funding.

12. **Q:** Reviewing of application form, can you please send out all of your talking notes in an email?

A: For fair and equitable information we will post all information including the webinar.

13. **Q:** Will the application require an MOU between the applicant and the partner agencies or just a description of how these agencies will partner to provide services?

A: The application does not require an MOU to BAA. See page 7 you will find the requirements, which only include a letter of indorsement of a CCO and CMHP.
MOU or BAA
MOU = memorandum of understanding BAA= business associate agreements.

14. **Q:** On April 28, OHA staff indicated that Additional funds are avail for start-up and to support housing or facilities for 2 months of operation for staff recruitment or training. Can you clarify how this statement will complement the new construction/acquisition requirements?

A: This is a Supportive Housing RFGA and it does not include start-up funding.

15. **Q:** For smaller projects like a 12 plex focusing on co-occurring or dual diagnosis mental/behavioral health am I understanding correctly that NO program guidelines can be implemented I.E criminal behavior, cleanliness and upkeep of units, active or excessive drug use, communal groups and activities?

A: The applicant (i.e., project owner & operator) is responsible for establishing their own criteria for tenant applications and operating policies. As with any rental housing the owner would be responsible for compliance with all Fair Housing Regulations. Also, please refer to page 22 under the services tab for the guidelines.

16. Q: What are the specific definitions of a "unit"?

A: A housing unit is any type of independent living space that includes a kitchen, living or sleeping area, sanitary facilities that may be single room occupancy, one, two, three or more bedrooms in an apartment. It is community-based housing. Please see page 6 of Notice.

17. Q: I understand that operating costs are not allowed under the SPMI RFGA, but will there be an exception for the cost required to do the monthly and quarterly reporting as well as financially managing the construction budget?

A: Operating costs are not eligible costs under this funding program. However, financially managing the construction budget would be part of your development budget. This cost would typically be rolled into your developer fee which pays you for your personnel and office expenses for building the project.

18. Q: I saw a similar presentation that indicated some support for start-up, operational and services for a two-month period. Could you clarify?

A: That would be for the Licensed Residential Treatment Home or Facilities Application.

19. Q: Are there any supportive services that are specifically required?

A: Please refer to page 6 of the Application Notice for housing types of requirements

20. Q: For the narrative responses, can you clarify if there's a character or word limit on each one? The text boxes in the PDF don't seem to change in size at all.

A: There is no character requirement but there is a page limit noted in the question.

21. Q: Regarding the "Form of Resolution by Organization Type", which type would a 501(c)3 be considered?

A: Non-profits can apply however, there is no specific type of Resolution by Organization Type. A Resolution is simply a statement of intention or permission to take an action and is agreed upon by a governing board or if permitted by an executive of the organization authorized to submit a funding application.

22. Q: Would this project support a recovery home model? Shared bedroom spaces and living spaces?

A: No, it needs to be a community-based housing.

23. Q: Would funds possibly be available before October 2022?

A: Applications close on July 29. Review process take place during August 1st to August 31. It is possible that funds could be available by October 2022 but at this time we cannot guarantee the delivery of funds by this date.

24. Q: Typically, the SPMI population is receiving social security income, on average \$841 per month. 30% of that is about \$250 per month is rent. Can subsidized housing that would accept section 8 vouchers be created?

A: Yes, you may obtain Section 8 rental subsidy vouchers in any form available to you to subsidize your rent revenues. Contact your local housing authority for more information on obtaining Section 8 Housing vouchers.

25. Q: Our organization is a nonprofit in good standing with the Secretary of State. We also operate the CMHP. How do you recommend we handle the letter of endorsement?

A: You may endorse your own organization if you are the CMHP. If you read the requirements of Section 12 page 7 of the Application Notice you will see the criteria you need to verify about your CMHP.

26. Q: If I'm renting and I want to buy the building, can I qualify. It's a mental health and behavioral house.

A: Yes, if it's an acquisition. This depends on several factors: 1) If you are renting an apartment in the building but you yourself do not qualify under the criteria in Attachment A of the Application Notice then no the program will not fund the apartment you live in; and 2) If you intend on maintaining building as a mental health or behavioral health housing you must demonstrate through the application how you will operate the program and meet all other criteria in the Application Notice.

27. Q: Will this webinar be available after today for review?

A: Yes

28. Q: If we had a large facility (50 units) that we are able to purchase and rehab and we have residents who are in the SPMI population, can we also have units that house people who have a SUD and are in recovery?

A: This funding is for Supportive Housing with the target population persons with SPMI. You may have persons with a co-occurring diagnosis (both SPMI & SUD) which would be eligible. However, a 50-unit project for Supportive is not advisable due concentrating such large population of persons with either such diagnosis.

29. Q: A Three Part Question:

- a. Does this application allow for targeted demographic I.e. Transitional youth of color with SPMI? Are there considerations for SMI?
- b. What are the requirements for obtaining a letter or endorsement?
- c. What barriers exist to obtaining property certification?

A: a: This application does not fund transitional housing for any population. It is for permanent supportive housing.

b. Section 12, page 7 of the Application Notice states the agencies or entities to contact for Letters of Endorsement and what information is needed for the endorsement.

c. We are not sure what is meant by "barriers to obtaining property certification"?

