

2014 NOFA



PARTNER INPUT SESSION #3

JANUARY 17, 2014

Timeline



December - January

- Partner input; work sessions 1-3
- Incorporate changes

End of January

- Rules completed

February - March

- Public comment on rules
- Hearing scheduled
- Adopt formal rules

Goal:

- Finalized to release NOFA in April 2014

Agenda- Work Session #3



- Update on Work Session #2

- Competitive Scoring
 - History
 - Lessons Learned

- 2014 Competitive Scoring
 - Draft Concept
 - Feedback

- Open Discussion

Work session # 2

Update



POLICY PRIORITIES

**IDENTIFYING &
IMPLEMENTING**

9% LIHTC Competitive Scoring



**HISTORY
LESSONS LEARNED**

Competitive Scoring History



- In the 2013 Competitive Scoring, the pendulum swung from reliance on quantitative scoring to a subjectively scored questionnaire:
 - Need
 - ✦ Need in region
 - ✦ Need in community
 - Impact
 - ✦ Project type and Population served
 - ✦ Location & Building features
 - ✦ Community Impact
- Used a review committee including external stakeholders

Goal was to not be prescriptive, to prioritize projects that were to make catalytic impact on communities and be investments in innovative solutions to address community problems

Competitive Scoring Lessons Learned



- Committee: membership, effectiveness, size
- Applicants focused on scored elements of NOFA
- Competitive scoring should encompass financial and capacity as well as need and impact aspects of projects
- Add more specificity into scoring, point definition and weighting
- Important to consider diversity of projects in regions

Bring some of the threshold elements into competitive scoring to improve response quality and incorporate key elements of financial feasibility and capacity that have direct impact of project quality

2014 Competitive Scoring



DRAFT CONCEPT:

**IMPACT
(NEW, ACQ/REHAB, PRESERVATION)
FINANCIAL REVIEW
CAPACITY
NEED IN COMMUNITY
PRIORITY PROJECTS
SITING & SUSTAINABILITY**

Draft Concept:



- Looking for feedback on:
 - Elements to include in competitive scoring
 - Criteria for assessing scores within each elements

Important to note:

- This is not vetted or final
- Will be incorporating feedback and balancing competing interests before making a recommendation to the Director

Draft Concept:



● Impact:	20 %
○ New Construction & Acq/Rehab	
○ Preservation	
● Financial Review:	20 %
● Capacity:	20 %
● Need in Community:	15 %
● Priority Projects:	15 %
● Siting & Sustainability:	10 %
	<hr/>
	Sum 100 %

Impact: New Construction, Acq/Rehab & Preservation



- Concept: Evaluate Impact of New Construction and Acq/Rehab versus Preservation using different Impact evaluation criteria that are valued the same

DISCUSS

Impact, New Construction & Acq/Rehab (20%):



- Responsive to planning and policy direction
- Collaboration & Partnerships for development and services for greatest outcomes
- **Appropriate Services:**
 - Population targeted
 - What services will be provided
 - Why will they be provided
 - Who will provide the services (expertise / experience)
- **Innovation**

DISCUSS

Impact, Preservation - p & P (20%):



- **Timing and Risk of Loss**
 - Market conversion
 - Physical condition (construction defect vs deferred maintenance requirements)
 - Financial viability
 - Expiring affordability
- Risk of tenant displacement (do vouchers become mobile)
- Number of units / percentage of communities affordable housing
- Responsive to planning and policy direction

DISCUSS

Financial Review (20%):



- Proforma; feasibility analysis
- Cost Containment measure
- Leverage; percentage of available funding
 - Different criteria in / out of PJs

DISCUSS

Capacity (20%):



- **Owner Capacity**
 - Financial Capacity
 - Compliance history with other programs (OHCS and other)
 - Condition of housing portfolio
 - Demonstrated partnerships & expertise for target population

- **Developer Capacity**
 - Development experience
 - Demonstrated partnerships & expertise for target population

DISCUSS

Need in Community (15%):



- Target Population, percentage served
- Community Needs addressed by project
- Demand for affordable housing in the community

DISCUSS

Priority Projects (15%):



- **Identified Priority**
 - State or regionally identified priority project or population types
 - PJ identified priority projects (in applicable regions)
- **Target Areas**
 - Under-served markets based on equitable distribution
- **Serving Lowest Incomes**
 - HUD required preference

DISCUSS

Siting & Sustainability (10%):



- Green Building
 - LEED, Earth Advantage, Enterprise, OHCS, ?
- Proximity to Services
- Low Poverty Areas
- QCTs

DISCUSS

Draft Concept:



- Other factors to consider?

DISCUSS

Open Discussion



**COMMENTS AND DISCUSSION
WITH PARTICIPANTS**

Thank you for your participation in Work Session #3



The information we gain from these discussions will inform the recommendations that go to the OHCS Director

If you have any other thoughts that you would like to share about Competitive Scoring, please send them to Julie Cody at

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