



Factory-Produced Housing Application Guidance and Rubric

Background and General Information

Established by HB 3145 (2025), Oregon Housing and Community Services (OHCS) has allocated \$25 million in Local Innovation and Fast Track (LIFT) funds for the construction of affordable rental or for-purchase housing using factory-produced methods. These funds aim to showcase the innovation and promise of Oregon factory-produced housing (FPH) as a solution to increase housing production in Oregon.

OHCS will accept FPH applications from March 9 through April 6 at 5 p.m. Applicants must submit a complete application by filling out the FPH Project Selection Form as well as the FPH Workbook.

Once the application window has closed, the FPH review team will use the rubric and evaluation processes described below to rank applications and select a final cohort of projects. All projects selected to move forward must successfully complete the Rental Division's Oregon Centralized Application (ORCA) or Homeownership Notice of Funding Availability (NOFA) applications.

Factory-Produced Housing Project Selection Rubric

Eligibility Criteria (Pass/Fail)

Applicants will confirm their eligibility by responding to questions in the Smartsheet form.

Criteria (Pass/Fail)	Additional Guidance
Project is for the construction of new units.	
Applicant has site control.	Acceptable forms of site control include: <ul style="list-style-type: none">• A recorded deed or conveyance showing the applicant is the owner of the site,• A valid purchase and sale agreement,• A valid option to purchase,• A valid option for a long-term lease, or• Other evidence satisfactory to OHCS.
Project has not yet started vertical construction.	
Applicant is registered with Secretary of State in Oregon and in good standing (not disbarred).	State of Oregon: Business - Register a Business. Signed Integrity Certification Form attached to the application submission.

Criteria (Pass/Fail)	Additional Guidance
Project meets definition of factory-produced housing defined in the bill (see definitions section).	Project aligns with definition and goes beyond factory-built components that are commonly used in stick-built housing, such as roof trusses, panelized walls, and engineered floor joists.

For Homeownership (HO) projects only (pass/fail)

Criteria (Pass/Fail)	Additional Guidance
Project will operate as a shared-equity homeownership model.	Applicant must specify type of shared-equity model: land trust, leasehold condo, limited-equity cooperative, other.
Applicant is an eligible covenant holder.	See eligible covenant holder definition in Oregon Statute 456.270.
Homes will be affordable to households at or below 80% of area median income (AMI).	
Homes will be affordable for a minimum of 20 years.	

For Affordable Rental Housing (ARH) projects only (pass/fail)

Criteria (Pass/Fail)	Additional Guidance
Units will be affordable to households at or below 60% of AMI.	
Units will be affordable for a minimum of 30 years.	
Project contains at least five units.	

Project Feasibility and Readiness (Pass/Fail)

Project Feasibility and Readiness will be evaluated based on responses to questions in the Smartsheet form as well as information provided in the FPH Workbook. The following table shows where each criteria response is located and how the response will be evaluated. Applicants must pass each criterion to be eligible for selection.

Criteria/Question	Where Information Is Provided	Evaluation Method (Pass/Fail)
Project description	Smartsheet response	Description provided and substantive enough to portray project goals.
Developer market entrance capacity	Smartsheet response	Narrative shows a thoughtful and realistic approach and/or a demonstrated track record of entering the market within the project location.
Development schedule	Development Schedule tab of the FPH Workbook	<p>The Development Schedule is complete.</p> <ul style="list-style-type: none"> • LIFT closing will occur by February 2027. • Project will be complete by 2029.
Development team	Development Experience tab of the FPH Workbook	All essential development team members are identified, including: applicant, developer (if different from applicant), contractor, factory-produced housing manufacturer, and long-term steward (homeownership only).
Development team FPH experience	Development Experience tab of the FPH Workbook	The Development Team table shows that at least one member/entity of the development team has experience with a housing-related FPH project. Their experience is clearly explained in column H, with at least two projects successfully completed.
Development experience	Development Experience tab of the FPH Workbook	The Development Project History table demonstrates that main applicant or developer has completed at least one project of similar size and scope.
Sources and Uses	Sources and Uses tab of the FPH Workbook	<ul style="list-style-type: none"> • Sufficient sources are identified to cover project costs, with no budget gaps. • Identified sources can be feasibly committed by the LIFT closing deadline. • Applicant provides a thorough estimate of project costs, including FPH component costs. • LIFT request aligns with subsidy limits for Rental or Homeownership.

Scored Criteria (26 possible points)

Scored Criteria uses information provided in the FPH Workbook and narrative answers in the Smartsheet Form. The table below provides detail on how each response will be assessed. Each response will be evaluated by multiple reviewers, and points will be averaged to result in one final score for each question.

OHCS recognizes that many of these criteria are interrelated. For instance, time savings can result in cost savings. Applicants are encouraged to note these connections when relevant; however, each response must still directly and fully address the core question being asked.

Project advances the factory-produced housing industry in Oregon by demonstrating cost savings.

Criteria	Points
The applicant makes a strong, well-supported, and quantifiable case for total project cost savings by a) clearly explaining assumptions made in the budget provided in the Sources & Uses tab and b) providing comparison data, such as industry benchmarks, historical project data, or contractor estimates that demonstrate the project achieves significant cost savings relative to traditional stick-built construction. The analysis is thorough and the scale of savings is substantial enough to advance Oregon's factory-produced housing industry meaningfully.	6
The applicant provides a clear and quantifiable case for cost savings by a) explaining key budget assumptions with reasonable clarity and b) providing comparison data to comparable stick-built construction projects. Cost savings is substantial, but the overall savings or inclusion of comparison data may be less comprehensive than a top-tier application.	5
The applicant provides evidence of cost savings by a) explaining project budget assumptions and b) providing data that compares costs to stick-built construction projects, but either the projected cost savings are moderate and/or they are only moderately substantiated by the comparison data.	4
The applicant shows some level of cost savings, but cost savings appear modest and/or moderately supported by the workbook data or comparison data. The analysis is high-level and may be limited in project specific detail.	3
The applicant provides some relevant explanation of budget assumption and comparison data suggesting cost savings, but the savings is minimal or the explanation is somewhat incomplete or inconsistent with the evidence.	2

Criteria	Points
The applicant provides data that is related to cost, but the relationship to savings is unsupported or indirect. There is no meaningful demonstration of cost savings.	1
The applicant does not demonstrate that the project achieves cost savings.	0
Applicants can gain back up to two points if they can demonstrate that during the project, they will be using new technology or processes that will generate quantifiable cost savings in subsequent, near-term projects. The applicant provides an evidence-based justification of how this new technology/process will provide future cost savings. This bonus is an opportunity to gain back points, but total points earned for overall evaluation of this criterion will not exceed six points.	2 bonus points

Project advances the factory-produced housing industry in Oregon by demonstrating time savings and efficiencies in the overall development schedule.

Criteria	Points
The applicant provides a strong, well-supported, and quantifiable demonstration of project time savings by: a) clearly explaining key assumptions in the Development Schedule tab of the FPH Workbook, b) providing meaningful comparison data (such as industry benchmarks, past project timelines, contractor estimates, or typical stick-built durations), and c) explaining how use of factory-produced components or processes creates efficiencies in the overall development timeline. Time savings are clearly stated in terms of number of weeks and are significant.	5
The applicant provides a clear, mostly quantifiable explanation of time savings. The applicant explains major schedule assumptions with reasonable clarity, and offers some comparison to stick-built timelines, though data may be less detailed than a top-tier application. Time savings are clearly stated in terms of number of weeks, and the evidence shows moderate, meaningful time savings linked to efficiencies due to use of factory-produced components or processes, though not as substantial as a five-point response.	4
The applicant provides a moderately supported demonstration of time savings by describing budget assumptions, providing comparison data, and explaining efficiencies from using factory-produced components or processes. Demonstrates some time savings. Time savings may be stated in weeks, but the savings are modest and/or the case is only partially supported or substantiated at a high level.	3
The applicant provides some evidence of time savings but may not directly tie the savings to schedule assumptions, comparison to stick-built timelines, or references to factory-produced efficiencies. Time savings seem plausible but are relatively small or not specific.	2

Criteria	Points
The applicant mentions time savings, but there is no meaningful evidence of savings and no specific time is given. Applicant provides limited discussion of development schedule, comparison data, and efficiencies.	1
The applicant does not demonstrate that the project achieves time savings.	0

Project demonstrates that it will strengthen the factory-produced housing industry in Oregon by making advancements in replicability.

Criteria	Points
Applicant provides a clear narrative that demonstrates specific, transferable assets that will advance the broader FPH industry including, but not limited to, shareable designs, templates, playbooks, or other creative methods of showcasing replicability. The applicant provides evidence of intentional design for replication across multiple factories or regions. Applicant demonstrates a plan to share and make resources accessible to others upon completion of the project.	4
Applicant provides a credible plan for replication with some identified assets (e.g., design standards, process checklists, or lessons learned) and indicates a willingness to share resources but lacks detail on dissemination or point of access. Replication appears feasible but may be limited to certain contexts (e.g., one factory or product type).	3
Applicant mentions replication conceptually and identifies at least one transferable element but lacks detail on scope, format, or sharing method. No clear commitment to public access or dissemination. Replication benefits are uncertain or narrow.	2
Applicant provides minimal or vague reference to replication; no specific assets or processes identified. No plan for sharing or making resources accessible to others.	1
No mention of opportunities for replication of project elements.	0

Project advances the factory-produced housing industry in Oregon by using a) nontraditional materials, including mass timber, and/or b) materials with strong environmental performance, such as low-carbon, low-emitting, energy-efficient materials, and/or c) materials that support climate resilience, such as fire resistance or earthquake readiness.

Criteria	Points
Applicant demonstrates that the project incorporates nontraditional materials, materials with strong environmental performance, and/or climate resilient materials in major structural or envelope components. Applicant provides material specifications, coverage information, and addresses performance benefits (e.g., durability, moisture/fire resistance, climate resilience) of materials. The impact of high environmental performance for materials/products and/or overall buildings is specific, quantifiable, and verifiable by third-party certifications for other reputable sources.	4
Applicant demonstrates that the project uses significant portions of nontraditional materials, materials with strong environmental performance, and/or climate-resilient materials in structural or envelope components and provides partial documentation of material specifications or performance benefits.	3
Applicant demonstrates that the project includes limited use of nontraditional materials, materials with strong environmental performance, and/or climate-resilient materials (e.g., feature elements or small assemblies) with basic rationale for environmental or resilience benefits; documentation is minimal.	2
Applicant mentions intent to use nontraditional materials, materials with strong environmental performance, or climate-resilient materials but provides no clear evidence of feasibility, scope, or performance benefits.	1
Applicant does not mention or intend to use nontraditional material, materials with strong environmental performance, and/or climate-resilient materials.	0

Project advances the factory-produced housing industry in Oregon by using manufacturer(s) located in Oregon for FPH components, excluding raw materials.

Criteria	Points
Development Experience tab of the FPH Workbook shows that the FPH manufacturer(s) has/have a facility in Oregon.	3
If using multiple FPH manufacturers, at least one but not all manufacturers have a facility in Oregon.	2
FPH manufacturer(s) do/does not have a facility in Oregon.	0

The applicant entity is based in Oregon.

Criteria	Points
Development Experience tab of the FPH Workbook shows that the applicant entity is physically based in Oregon.	2
Applicant entity is not physically based in Oregon.	0

Two or more development team members have successfully completed a residential (meaning housing-related) FPH project. Key team members include architects, developers, general contractors/installers, or a consultant; it does not include the factory itself.

Criteria	Points
The Development Experience tab of the FPH Workbook shows that three or more development team members have successfully completed a residential FPH project.	2
The Development Experience tab of the FPH Workbook shows that two development team members have successfully completed a residential FPH project.	1
Fewer than two development team members have successfully completed a residential FPH project.	0

Project-Balancing Criteria

Once applications are scored, OHCS will use the Project-Balancing criteria to look across the diversity of projects, manufacturers, sponsors, and geographies to rebalance the rankings and make final project selections. This is an internal process using the following guidelines:

- Minimum of three projects and no more than five projects, with at least one homeownership and one rental project.
- No more than two funded projects per FPH manufacturer.
- No more than two funded projects per sponsor/applicant.
- Geographic distribution: Require one project in two out of the following three regions: coastal, east of the Cascades, and disaster recovery areas (collectively as a region), with the remainder anywhere.
 - [View a map of coastal boundaries.](#)
 - Projects east of the Cascades include those located in the following counties: Baker, Crook, Deschutes, Gilliam, Grant, Harney, Jefferson, Klamath, Lake, Malheur, Morrow, and Sherman.

- Disaster recovery areas are those that have faced a natural disaster in 2020 or later as designated by the Federal Emergency Management Agency (FEMA) or the state.
 - Projects can search and confirm if they fall in a disaster recovery area by searching the [FEMA website](#).
 - Note that if the disaster is a state-declared natural disaster, it may not appear on the site. In that case, the applicant can list the name of the state-declared disaster on the FPH Project Selection Form.
- The total selected projects do not exceed the \$25M funding limitation.

If there is ambiguity in project selections after employing the Project-Balancing Criteria, OHCS will consider the following:

- Composition of highest scoring projects that meets project-balancing criteria and allows the greatest number of units to be funded.
- Composition of highest scoring projects that meets project-balancing criteria and includes a culturally specific developer.
- Composition of highest scoring projects that meets project-balancing criteria and has the highest score in cost effectiveness and time savings combined.

Key Definitions

- **Factory-Produced Housing:** Housing that is produced through off-site construction of housing or housing components, and that includes manufactured dwellings, as defined in ORS 446.003, prefabricated structures, as defined in ORS 197A.015, or other types of housing developed through volumetric modular, panelized modular, or other modular components (HB 3145, 2025). Factory-built homes are constructed almost entirely in a factory and arrive at the site 30% to 90% complete (HUD guidance).
- **Manufactured Home or Dwelling:** A residential trailer, mobile home, or manufactured home that does not include any building or structure constructed to conform to the State of Oregon Structural Specialty Code or the Low-Rise Residential Dwelling Code adopted pursuant to ORS 455.020, 455.610 or 455.616 (ORS 446.003 (19)). Homes arrive on-site complete with appliances, carpet, paint, lights, and with the utilities ready to be hooked up on-site. They are typically 80% to 90% complete (those consisting of two or more sections or two stories require extra on-site completion) (HUD guidance).

A manufactured home is a structure built for movement on public highways that has sleeping, cooking, and plumbing facilities; that is intended for human occupancy; that is being used for residential purposes; and that was constructed in accordance with federal manufactured housing construction and safety standards and regulations in effect at the time of construction (ORS446.003(21)).

- **Mass Timber** includes engineered wood products that are manufactured by bonding layers of wood together using adhesives or other bonding methods. The resulting panels or beams offer exceptional strength, durability, and fire resistance (Oregon Prefabricated and Modular Housing Model Code and Audit Workbook).

- **Modular homes** are built in a factory. Modules are shipped to the site either ready to be finished inside and out or complete with interior amenities, appliances, paint, carpet, and more. They are typically 70% to 85% complete. These homes are built in accordance with the model building code adopted by the state. Local codes, if different than state codes, apply only to home installation as well as site-built elements, such as foundations, garages, decks, and porches. A modular home is built in sections, transported to the home site, and set on a foundation. Many are two or three stories high and can consist of two to six modules or sections (HUD Guidance). Modular construction uses pre-engineered, factory-fabricated structures in three-dimensional sections that are transported to a job site, assembled, and finished. A prefabricated home is built to the same state, local, or regional building codes as site-built homes (Oregon Prefabricated and Modular Housing Model Code and Audit Workbook).
- **Panelized or component construction:** A structure constructed with factory-built panels for whole walls, usually with sheathing and occasionally with windows, doors, wiring, and outside siding. The panels are built in a factory according to a model design and transported to the site, and then the panels are assembled according to the design on a conventional foundation or slab (HUD guidance).
- **Prefabricated structure** is relocatable, more than 8.5 feet wide, and designed for use as a single-unit dwelling for residential occupancy in accordance with a specific jurisdiction's building regulations (ORS 455.010). It is a building or subassembly that has been, in whole or substantial part, manufactured or assembled using closed construction at an off-site location to be wholly or partially assembled on-site. It does not mean a manufactured dwelling (Oregon Prefabricated and Modular Housing Model Code and Audit Workbook).
- **Volumetric modular** is a construction method where entire three-dimensional building modules are manufactured in a factory and then transported to the site to be assembled into a finished building.

If you would like this information in a different language, please email Language.Access@hcs.oregon.gov.