

Attachment A

Reservation and Conditions Letter Checklist

Instructions:

1. A signed Reservation and Conditions Letter that is associated with this Attachment A (this checklist) indicates acceptance of all conditions listed in this checklist.
2. Respond as directed to all items listed in this checklist. Contact the OHCS Loan Officer assigned to your project for assistance if and when needed. The assigned Loan Officer is indicated on page 2 of the Reservation and Conditions Letter associated with this checklist.
3. All conditions listed in Sections B through H of this this checklist are designated with either “Charge” or “Action” in the lower right corner of the condition description. These designations serve to describe what type of project management response to the condition is needed as follows:

Charge	Requires ongoing attentive application of the core expectation expressed in the stated “condition” over the full duration of the reservation period. These items may or may not require a specific action or response connected to a specific timeframe. Some “Charge” items may be informational only.
Action	Requires Action or series of Actions which may include a defined deliverable associated with a defined delivery timeframe.

Section A: General Conditions

No.	Condition	Notes
B01	<u>NOFA Recipient Charge</u> Due with the return of this original executed Reservation Letter to OHCS.	Action
B02	<u>Initial Conference Call</u> Scheduled a conference call with loan officer within 5 days of executing this letter.	Action
B03	<u>Monthly Progress Reports Through Project Completion</u> Download the form and submit the first report. A report will be submitted every month by the 10th of the month through Project Close Out by OHCS.	Action
B04	<u>Non-OHCS Funding Sources [or] Firm Commitment of All Funding Sources</u> Submit status of all sources shown as uncommitted on NOFA Application Sources Page. For each of the following non-OHCS funding source(s): supply evidence no more than 6 months older than the date of the RCL, either the firm commitment, the review status or evidence of a formal application submittal and describe the remaining submission criteria.	Action

<p>B05</p>	<p><u>OAHTC Reservervation Letter</u> A letter of intent to commit or conditional commitment must be provided from the permanent lender within ninety (90) days of the date of this Reservation Letter.</p> <p>At a minimum, the letter of intent must state the following</p> <ul style="list-style-type: none"> • Loan amount • Interest stated in the OAHTC application <p style="text-align: right;">Action</p>	
<p>B06</p>	<p><u>Prompt and Complete Responses</u> Sponsors are expected to provide information and respond to questions from OHCS personnel in a prompt manner and with complete information. Information or change in status affecting the Project must be shared immediately with the OHCS Loan Officer including, but not limited to: site concerns, change in financial structure or Project cost, changes in ownership or design or issues affecting the Project schedule. OHCS requires the opportunity to approve or reject proposed changes. Changes made without notification and consent of OHCS could result in revocation of OHCS funds.</p> <p style="text-align: right;">Charge</p>	
<p>B07</p>	<p><u>Acknowledgement of Oregon Housing and Community Services</u> Oregon Housing and Community Services shall be listed by name on all materials including all media coverage where the Project contributors are listed or named.</p> <p style="text-align: right;">Charge</p>	
<p>B08</p>	<p><u>Release of Developer Fee</u> OHCS may approve release of up to 50% of the total developer fee when the project has reached 50% completion of construction. This must be evidenced by an AIA statement signed by the project architect.</p> <p style="text-align: right;">Charge</p>	
<p>B09</p>	<p><u>Change in Developer Fee</u> The developer fee will be set at the time of the construction/equity closing based on the project’s final budget after construction bids have been accepted and final sources and uses have been balanced. The fee presented in the final pro forma at completion of the project may not exceed the amount previously approved at the construction/equity closing.</p> <p style="text-align: right;">Charge</p>	
<p>B10</p>	<p><u>Standardization and Sufficiency of Legal Documents</u> All Project approvals and funding are subject to the successful execution and recording of related documents satisfactory to OHCS and the Oregon Department of Justice (DOJ). If Applicant requests negotiation of any OHCS-required document including, but not limited to, requesting any changes to the documents or the inclusion of other documents, they must pay such charges as may be assessed by OHCS with respect to its reasonable legal and administrative costs with respect to such requests.</p> <p style="text-align: right;">Charge</p>	
Underwriting Pre-Closing Phase		
<p>B11</p>	<p><u>Updates to Project Schedule</u> Provide updates to the project schedule as the schedule changes. Describe reason(s) for changes and any plans to mitigate.</p> <p style="text-align: right;">Charge</p>	

<p>B12</p>	<p><u>Construction Budget Updates</u> Update Uses of Funding when costs change – include all cost estimates within 10 days of new estimates.</p> <p>Re-examine both construction cost and total Project cost estimates, consider any local jurisdiction design review. If applicable, include written verification from the contractor or third party cost estimator to substantiate construction costs. If costs have changed, submit revised Sources and Uses spreadsheets. Include a written narrative describing the changes in costs and the plan for addressing them. The OHCS Loan Officer will review this information and may request additional measures be taken to reduce Project costs.</p> <p style="text-align: right;">Charge</p>	
<p>B13</p>	<p><u>Operating Budget</u> Provide written confirmation that rents, income levels and expenses indicated on the pro-forma budget pages of the submitted NOFA application have remained constant prior to issuance of any OHCS legal documents.</p> <p>If changes have occurred, write a narrative and revised pro forma budget to describe changes and why the changes are necessary. Please note: OHCS may authorize or deny any income or rent level changes. If approved, OHCS will consider this to be the final income and rent restrictions for the Project, and will develop restrictive covenants and agreements based upon this information.</p> <p>NOTE: Assurance the Project rents are still at the levels indicated in the application is an expectation.</p> <p style="text-align: right;">Action</p>	
<p>B14</p>	<p><u>Master Lease Agreement Approvals</u> Any master lease agreement that is recorded or otherwise must be approved by OHCS in writing prior to execution. By signing this RCL you agree to this condition from the date of signature through the end of the project’s affordability restriction period.</p> <p style="text-align: right;">Charge</p>	
<p>B15</p>	<p><u>DUNS Number</u> Register and provide evidence of registration through the Central Contractor Registry. Registration in the Central Contractor Registry for receipt of a DUNS number is a requirement of receiving federal resources either directly or indirectly by all involved recipient entities.</p> <p>Verification of the registration is required prior to disbursement of funds. Maintaining a DUNS number through the course of development is required.</p> <p style="text-align: right;">Action</p>	
<p>B16</p>	<p><u>Cost Savings Clause</u> Construction contracts which include any provision for cost savings to be retained by the general contractor or split with the project developer are not permitted.</p> <p style="text-align: right;">Action</p>	

Section B: Core-Development Conditions

Core-Development Conditions are conditions that relate directly or closely to the Department’s Project Development Manual (PDM)

No.	Applies To:	Condition	Notes
C01	All Projects	<p><u>OHCS Project Development Manual (PDM)</u></p> <p>Review and make project team aware of the PDM and its requirements:</p> <p>Sponsor’s Team has read and agrees to abide by the project requirements as defined by the specific version of the Agency’s PDM that applies to this project. The version of the PDM that is applicable to this project is given in the NOFA under which funding for the project has been conditionally reserved by OHCS. Versions of the PDM, including the version that is applicable to this project are available for viewing and download on the Department’s website.</p> <p><u>Important:</u></p> <p>The PDM contains critical Core-Development document submittal and task requirements that are additional to those listed in this Section of the Department’s Reservation & Conditions Letter (RCL).</p> <p style="text-align: right;">Charge</p>	
C02	All New Construction and All Change of Use Projects	<p><u>Preliminary Land-Use (Planning/Zoning) Review Meeting</u></p> <p><u>Submit an Owner’s Preliminary Land-Use Review Meeting Statement:</u></p> <p>Provide a written statement/summary with a title as given above, summarizing the Development team’s meeting with the applicable planning authority. Provide the date the meeting was held, the parties attending and the outcome. Discuss the plan to address any actions that may be required by the planning authority and provide a timeline for completing those actions. In cases where the Development Team has determined a meeting with the planning authority is not necessary, the statement must briefly indicate the rationale for this decision.</p> <p style="text-align: right;">Action</p>	
C03	All New Construction and All Change of Use Projects	<p><u>Land-Use Decision</u></p> <p><u>Submit Land-Use Decision Documentation and Owner’s Land-Use Decision Statement:</u></p> <p>(Applies only when a Land-Use Decision is needed or proposed as part of the proposed project design).</p> <p>If a land-use decision has been rendered or if one is needed on the project, provide a copy of the land-use related request and the decision that was rendered by the planning authority. In cases where a decision remains pending at 45 days from RCL issuance, provide an <u>Owner’s Land-Use Decision Statement</u> giving the current status, reasons for why the decision is still pending and a timeframe for completion. Provide supporting documentation from the applicable planning authority as evidence of the status of the decision process.</p> <p>Land-Use actions/decisions include but are not limited to variance requests, conditional use permits, land-use appeals.</p> <p style="text-align: right;">Action</p>	

C04	All Projects	<p><u>Environmental Assessment-1</u> Submit Environmental Site Assessment (ESA) Reports and <u>Owner’s ESA Statement</u>: Note: ESAs are not to be confused with <u>Environmental Reviews</u> required for some federally funded projects. Phase I (and Phase II, if applicable) ESA reports must be dated no earlier than 180 days prior to the NOFA Application deadline. In addition to the ESA reports, provide an <u>Owner’s ESA Statement</u>, that lists all items identified by the ESA that should be addressed by the project and provide a brief description of how the project addresses the Identified items or issues.</p> <p style="text-align: right;">Action</p>
C05	All Projects	<p><u>Environmental Assessment-2</u> Submit Environmental Site Assessment (ESA) Updates (as applicable) and <u>Owner’s ESA Statement Update</u>: When ESA report updates are requested by a project stakeholder the update must also be submitted to the Department at the same time it issued to the party requesting the update. Additionally, an <u>Owner’s ESA Statement Update</u> must be submitted with the updated ESA report summarizing any changes in the ESA since the last update.</p> <p style="text-align: right;">Action</p>
C06	All Projects	<p><u>Owner’s Certificate(s) of insurance</u> Submit a Copy of the Owner’s Certificate(s) of Insurance Certificates must show Project Owner carried insurance as required by the PDM, Chapter 5.2, Sections 5.2.09a and 5.2.09b as applicable.</p> <p style="text-align: right;">Action</p>
C07	All Projects	<p><u>Preliminary Title Report-1</u> Submit Preliminary Title Report: The report must have an effective date of no more than 60 days prior to issuance of the Department’s Reservation and Conditions Letter. The report must include escrow company contact information, access to or copies of exceptions and the vesting deed, legal description, and a plat map of the subject site(s). If an ALTA survey has been completed, submit a copy to the Department.</p> <p>When Preliminary Title Reports are updated, provide the updated report including any applicable exceptions to the Department. Sponsors must be sure that the Department is included in the escrow company’s distribution list to insure that any such updates are automatically sent to the Department as they occur.</p> <p style="text-align: right;">Action</p>
C08	All New Construction Projects	<p><u>Geotechnical Evaluation</u> Submit Geotechnical Evaluation Report: Report must be dated no earlier than 12 months prior to issuance of the Departments Reservation and Conditions Letter.</p> <p style="text-align: right;">Action</p>

C09	All Projects	<p><u>Prevailing Wage Regulations-1 (Oregon): BOLI Wage Determination Letter</u> Submit BOLI Determination Letter and Owner’s BOLI Wage Statement: If the project is determined to be subject to BOLI wage rates, then in addition to the Determination letter, provide an <u>Owner’s BOLI Wage Statement</u> acknowledging the project budget has been based on this requirement.</p> <p style="text-align: right;">Action</p>
C10	All Projects	<p><u>General Contractor Status-01: CCB Search Results</u> Submit Documentation of Oregon Construction Contractor’s Board (CCB) Status Documentation must demonstrate that there are no current or prior unresolved complaints.</p> <p style="text-align: right;">Action</p>
C11	All New Construction Projects	<p><u>Third Party Cost Estimate</u> Submit a New Construction Cost Estimate: Submit a <u>third party</u> construction cost estimate complying with the requirements given in the PDM. Projects subject to the 2018 NOFA Reservation Letter must comply with the New Construction Cost Estimate requirements found in the PDM: <u>Version 2017.12.01, Chapter 3.2, Section 3.2.02-N01</u>. The New Construction Cost Estimate must be based on the same bid documents (same date and level of completeness) that the project’s General Contractor uses to develop their final bid and the Project team uses to develop their <u>final</u> Construction Close Proforma. The third party New Construction Cost Estimate must be submitted to the Department’s Loan Officer no later than 60 days prior to construction close.</p> <p style="text-align: right;">Action</p>
C12	All Projects	<p><u>OHCS Pre-Construction and Post-Construction Certifications</u> Submit Completed Certifications as Follows: <u>Pre-Construction Certification</u> Submit no later than 30 days prior to Construction Start <u>Post-Construction Certification</u> Submit no later than 30 days following date of Substantial Completion Certification forms can be obtained at: https://www.oregon.gov/ohcs/Pages/nofa-multifamily-housing-reservation-letter-attachments.aspx</p> <p style="text-align: right;">Action</p>
C13	All Projects	<p><u>Owner’s DPP Closeout Report: Form A-CR</u> Submit completed Form A-CR: Include all associated documentation required by this form in the submittal. Form A-CR is located in Appendix C of the PDM.</p> <p style="text-align: right;">Action</p>

End Attachment A