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Questions as of October 25, 2019

Question: When filling out the 30 Year Replacement Schedule, do we put the cost per unit or the total costs for all units?

Answer: [There is no need to fill out the 30 Year Replacement Schedule tab for this NOFA. If your project is a rehab project, then a 30 year replacement schedule is required as part of the CNA.](#)

Question: The Core Development Documents (CDD) specify the need to have the cost estimate done by a 3rd party. This would normally be done by a General Contractor. Can the GC still do this if they are a partner/manager of the applicant? Is there a specific form or standard that the cost estimate needs to comply with?

Answer: [The GC who is also a partner/manager cannot prepare this estimate. See Appendix P.1 in the PDM Update 2018-R1 published on the Department's website.](#)

Question: The NOFA states that a project is expected to begin construction within 240 days. When does this clock start?

Answer: [The clock starts at reservation. Once a sponsor has received the funding reservation letter they have 240 days. Understand that this is not a hard timeline and can be adjusted if required.](#)

Important Information from the TA posted 10/18/2019:

Important Gap NOFA Deadlines

The last day to submit your questions about the [2019 Summer Gap Funding and Veterans NOFA #2019-4](#) to MFNOFA@oregon.gov is **Friday, October 25, 2019**. Any questions received before this time will be included in a last Frequently Asked Question document posted to the [NOFA webpage](#).

We are accepting electronic application submissions for this NOFA through Procorem. In order to submit your application document electronically, you must request access to the Procorem system by emailing OHCS at MFNOFA@oregon.gov. We have extended the deadline for requesting this access to **12 PM on Friday, October 25, 2019**.

Scoresheet Correction

Thank you to all of you who have submitted your questions and notified us of irregularities in our new application. Partner feedback has led to clarification on the application scoring tab for small project applicants. The two corrections affect small projects scoresheets only, and this information will also be included in the [FAQ](#) document that will be updated later today.

- 1) The small project application scoring tab is displaying an incorrect total for *Culturally Specific Partnerships*. As indicated in the NOFA, this point category is worth 5 points. Specifically, in the scoring tab, the Cell H101 point value should be zero (0) or five (5). If you select the two (2) points in this cell, we will make the appropriate adjustments to reflect five (5) points during our scoring process.
- 2) There is an error in the calculation for the *Development Characteristics* total point category in the small project application scoresheet. Specifically, in the scoring tab, Cell H129 is not calculating the total points for that category. Once submitted, staff will ensure that it is accurately calculated during our scoring process.

If you would like an updated scoresheet before you submit your application, please send a copy of your application file to MFNOFA@oregon.gov and it will be updated.

Questions as of October 18, 2019

Question: can the Pro Forma that is included in the Gap Funding Application be used in the 4% Pre-Application?

Answer: Yes. The application covers both Gap and 4% LIHTC.

Question: Is the OHCS Multifamily Energy Program considered an existing effort?

Answer: No. The ties to existing efforts need to be ties to capacity building efforts funded by OHCS. The MEP program is not for capacity building purposes.

Question: What is the Veterans Capacity program referenced in the NOFA?

Answer: Please follow this link for more information:

<https://www.oregon.gov/ohcs/Pages/best-practices-veteran-homelessness-prevention.aspx>

Question: The GHAP manual requires Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) standard appraisals to determine eligible basis on new construction improvements in a project. Will this requirement be waived for small scale projects under this NOFA?

Answer: OHCS requires FIRREA standard appraisals by policy for all appraisals. This requirement will not be waived.

Question: How should the Maximum Developer Fee be calculated for small projects that don't include tax credits?

Answer: Please use the 9% Developer Fee limits referenced in Section II A-4 of the GPGM:

<https://www.oregon.gov/ohcs/HD/MFH/2016-LIHTC-HOME-NOFA/GPGM-2016.pdf>

Question: Could you clarify Resident Services requirements for small projects? Are resident services required? Are they a scoring criteria?

Answer: Resident Services are a threshold requirement. Please include a description of the proposed resident services in the "Narrative" tab in the application workbook.

Questions as of October 14, 2019

Question: Can a project that has already started construction but that is not yet completed or in service apply for funding in this NOFA?

Answer: Yes, but the project cannot be complete, and no expenses older than 6 months will be reimbursed. Other issues with starting a project prior to any reservation is that it makes it very difficult to ensure that the project meets the baseline requirements of our underwriting. OHCS must ensure any phase I environmental concerns are addressed prior to funding. A letter of determination from BOLI must show that BOLI standard wages are not required, and if they are, they must be paid. Another factor is that if the project has already started construction, then it must have met some threshold financially to be built. What need is there for additional funding? OHCS will not subsidize a project more than what is needed to construct the project. In addition, a management agent packet must be submitted and approved by OHCS staff prior to funding. The ownership structure of the project must be approved by OHCS. For these reasons and others, it's preferred the project not be started prior to application.

Question: In relation to the per unit subsidy caps, is the subsidy per unit requested based upon the Gap and GHAP grant funds only? Can you provide an example of how the subsidy is calculated?

Answer: Yes, the per unit subsidy caps are for GHAP funds. OAHTCs do not provide equity. You can leverage 4% LIHTCs to buy down your Gap request in order to maximize points. There are no other funds available in this offering.

The subsidy cap is the maximum dollar amount per unit that can be requested. A Small Scale Project that is new construction and consists entirely of studio units may only request a maximum of \$125,000 per unit. If there are veterans' unit, then instead of \$125,000 per unit, the limit increases to \$150,000 per unit - a \$25,000 per unit "veterans subsidy boost." Lower per unit spending below these subsidy caps yields projects more points. Projects that request 10%-29% less subsidy than the applicable cap are awarded five (5) points, projects that request 30%-49% less subsidy than the applicable cap are awarded ten (10) points, and projects that request 50% or greater less subsidy than the applicable cap are awarded fifteen (15) points.

To calculate this we will take the total non-veterans units and the total veterans units and calculate what the maximum allowable per unit subsidy would be based on the unit bedroom sizes. Then we will compare that total to what the project's actual per unit subsidy requested is, which will determine what percentage of the project's maximum allowable subsidy is being requested.

Question: Can applications for this NOFA include any land acquisition costs?

Answer: Yes, land acquisition costs can be included as long as you are building on it. No, if it is just to acquire the land.

Question: On page 9 of the NOFA, item j) states that projects must be owned by a single-asset entity. For Small Projects not requesting tax credits, is ownership by a single-asset entity still required?

Answer: OHCS requires ownership by a single asset entity. It lessens risk for all parties involved, including OHCS, and is our standard policy.

Question: For MWESB, would using a MWESB certified business during construction satisfy this requirement, or does the participation need to be ongoing?

Answer: It does not have to be ongoing. It may be a contractor, an Architect, the management agent, or a consultant. The bottom line is that you are engaging with and seeking ways to use MWESB certified businesses in your project.

Question: The Charge Submittal Form asks for the "Total NOFA Sources" is this the total sum of the funds available in the programs we are submitting for?

Answer: It is the sum of all the OHCS funding you are requesting for this project.

Question: For scoring criteria (vi) **Asset Building Opportunities**, what does an applicant need to show in order to demonstrate commitment to asset building? Are letters of commitment from partner organizations required?

Answer: Submission of an existing LOI or MOU if they have already been agreed upon with your partner agency will be accepted as sufficient evidence for points to be awarded. Alternatively, there is space to provide a detailed description of intent, including partner agencies that will be reached out to and the specific asset-building programs that you intend to provide, as well as any potential risks and contingency plans. This response will be judged by a scoring committee that will determine if it is adequate to receive points.

Question: In the Project Narrative tab of the Application Excel file, question #2 asks about *work* being scheduled more than 12 months out. Does *work* refer to active construction?

Answer: The work is any construction/acquisition/rehabilitation and related activities associated with creating the project.

Question: Can the Small Scale funds and Veterans subsidy funds in this NOFA be used to develop transitional housing?

Answer: No. We are not able to fund transitional housing with this NOFA. Transitional housing and shelter beds are funded out of OHCS's Homeless Services Section. To learn more about potential available funds, contact Homeless Services directly.

Question: Can the Small Scale funds and Veterans subsidy funds in this NOFA be used to develop shelter beds?

Answer: No. These funds are for permanent housing development.

Question: Can we submit a zoning confirmation form from a previous OHCS NOFA submission?

Answer: Yes. As long as the zoning confirmation was completed within the past 12 months at the time of submission and nothing has changed in the interim.

Question: The Core Development Documents in the PDM for New Construction include a Unit Size Variance Request and Visitability Variance Request. The PDM says that they can be found in Appendix C, but it doesn't look like the PDM online has an Appendix C.

Answer: The current PDM has two separate volumes; the Version 2017.12.01 and the update to that version Update 2018-R1. Appendix C is in the Version 2017.12.01 volume. Here is the link to both volumes:

<https://www.oregon.gov/ohcs/HD/MFH/PDM-Version-2017-12-01-E2.pdf>

<https://www.oregon.gov/ohcs/HD/MFH/PDM-Update-2018-R1.pdf>

Question: Is a Board Resolution required for the Small Project application?

Answer: A Board Resolution is required when it is required of the board to approve the project before coming in for funding.

Question: Can a small scale project include 4% tax credits

Answer: Yes. You may apply for 4% LIHTC when choosing a small project.

Question: Will OHCS consider applications pursuing both the SGAP funds and the future PSH capital funding? Would showing PSH as a capital Source of funding in this application be allowed?

Answer: No. The project must come in balanced with committed sources. If the project can come in balanced and feasible and the project is chosen, then that project can apply when a PSH NOFA opens up.

Question: Are wet signatures required on the application?

Answer: You can electronically submit without wet signatures. If your project is chosen, wet signatures will be required on the Reservation.

Question: Is the total number of points available for small scale projects as described in section 5(b) 50 points or 49 points?

Answer: The total points possible for small scale projects is 49.

Question: Section 4.c) does not identify a 4-Bedroom subsidy cap per unit. Would the cap be the same as the 3-bedroom cap, or would it be increased: \$325,000 for new construction and \$175,000 for preservation?

Answer: The subsidy cap per unit maxes at the 3-bedroom cap. Any bedroom number above 3 would fall under the cap for 3 bedroom.

Question: Are the points under Section 5(b)vii available to other capacity building initiatives such as the Meyer Memorial Trust Equity Training and the HOME funds CHDO Capacity Building?

Answer: Section 5(b)vii points only Apply to OHCS funded capacity building activities.

Question: What are the “capacity building resources” described in Section 2(b)?

Answer: Capacity Building funds come from a GHAP set-aside. These funds are reserved for a broad scope of activities that OHCS releases to fund the increase in partners’ capacity to build affordable housing. This has previously been in the form of trainings, conferences, equipment and software purchases, and more. The paragraph you referred to at the end of Section 2(b) reserves OHCS’s right to award capacity building funds to applicants receiving a reservation of funds from this NOFA. There is no specific information for this capacity building funding at this time. OHCS only seeks to reserve the right to award such funds at its discretion at a later date.

Question: How do I determine if the county where my project is located is rent burdened?

Answer: This information auto-populates based on your selection of a project city. The burden is calculated using publicly available data from the American Community Survey and then compared to the statewide rate.

Question: Can a project legally be set aside for veterans only? And if so, can a project specify that 20% of the available housing will be for homeless veterans?

Answer: A veteran's preference in housing is allowable assuming certain considerations and conditions are in place. See this memorandum from the National Law Center for guidance: https://nlchp.org/wp-content/uploads/2019/02/memo_veterans_Oct2018.pdf

Question: Does a written contract with a MWESB subcontractor to provide services during the construction of the project housing qualify for MWESB points?

Answer: Yes, we asked for "tangible or evidenced engagement and/or contracting" with MWESB entities (see 5(a)iv on page 10 and 5(b)iv on page 12 in the NOFA). A written contract with a MWESB contractor meets the stated requirement.

Question: How do I determine if my project is located in an area with lower poverty rates than comparable census tracts?

Answer: Use the map link and find your project's census tract. Click on it and if the Low Poverty Rate category is 1, you receive the 2 points. If it is 0, you do not.

Question: How do I determine if my project falls within the Extremely Low Income category?

Answer: The ELI category should auto-populate once you fill out the Income tab. It calculates the % of units affordable to 30% or less AMI. This calculation does not include rent assistance though, so if you are utilizing section 8 vouchers or another form of project based rental assistance, you will need to calculate the percent of units accessible to that income bracket and then enter your points manually.

Questions as of September 20, 2019

Question: The excel workbook application lists the Site Review Checklist as a required document. However, the NOFA material itself does not reference the Site Checklist. If this is a requirement, when is it due to OHCS? In the past it has always been required ahead of NOFA submittal.

Answer: The site review checklist is due at time of application submittal; you do not need to send it in in advance. Fill out, sign and return. By signing you are self-attesting that it is true and accurate to the best of your knowledge.

Question: Please confirm that the only hard-copy documents required – assuming an applicant applies for ProCore access - are the application fee and architectural documents (CDD documents)?

Answer: CDD documents can be uploaded with your application to ProCoreM if you are choosing to submit electronically. With electronic submission, the only hard copies we will need is the application transmittal with the check, which must be received by the deadline of the NOFA application.

Question: Under *Priority Populations*, for the small project scoring the NOFA reads: "Points will be awarded to Small Scale Projects with units set aside for either homeless veterans or agriculture workers, OR Projects with an average unit size that contains enough bedrooms to support larger families (studio units will be counted as 0.5 bedrooms). To receive any points, Small Scale Projects must apply Project Development Manual (PDM standards and include at least 10% three-bedroom units."

Does that 10% three-bedroom unit factor apply if you are serving homeless veterans or ag workers?

Answer: No, this requirement does not apply to projects seeking points for set asides for homeless veterans or agriculture workers. This has been fixed on the application and is now calculating appropriately. The requirement for at least 10% three-bedroom units only applies if the project is seeking points for serving larger families.

Question: Will OHCS grant waivers for Project Development Manual (PDM standards?

Answer: OHCS expects all projects to meet PDM standards; if there is a question regarding project specific exception requests, please contact our Architect Kevin Burgee (kevin.burgee@oregon.gov)

Question: What is the definition of preservation for this NOFA (Small Projects)? Would acquisition /rehab without federal rental assistance or OHCS assistance be counted as preservation?

Answer: Preservation for this NOFA is any project that has units with rent/income restrictions whether local, State or Federal at risk of loss due to expiration or units that need rehabilitated.

Question: Would adaptive reuse or conversion of a non-residential structure to housing be considered preservation or new construction under this NOFA?

Answer: New Construction

Question: Given the cost of a Capital Needs Assessment and scarcity of qualified CNA providers in rural communities, can this requirement at application be waived for small projects and made a condition of the reservation letter?

Answer: The CNA requirements cannot be waived at this time.

Question: If the total number of units is under the small project cap, could the project be a scattered site project, say 10 units at one location, and 20 at another, or is each site counted as a project, and the 1 project per sponsor limit?

Answer: Yes, scattered sites are allowed and treated as one project. The total units in the combined scattered site must be within the defined limits.

Question: In the NOFA there is a paragraph that says as part of a pilot effort for rural capacity building OHCS reserves the right to award one or two rural project that might result in commitment of development resources. What does that mean exactly?

Answer: In an effort to align with Statewide Housing Plan rural investment priority and corresponding capacity efforts, we have reserved the right in this NOFA to provide capacity resources, if staff determine they are needed for project success.

Question: Will OHCS consider waivers for projects that exceed the small project unit cap but do not reach the minimum unit requirement for large projects?

Answer: No, we are not allowing exceptions to the unit limits prescribed in the NOFA, which are based on a Housing Stability Council adopted framework. The total number of units must be between 5 and 35 units to qualify as a small project and the total number of units to qualify as a large project must be 60 in rural and 80 in urban. We understand that this NOFA will not be appropriate for all potential project scenarios.

Question: Can Single Room Occupancy Units be funded through this NOFA?

Answer: SRO units are allowed. Use the studio numbers.

Question: When should we contact the Bureau of Labor and Industries to get a determination on BOLI wages for our project?

Answer: As soon as possible.

Question: Are we able to do Rehab/Renovation with this NOFA?

Answer: Rehabs are allowed. Make sure to read the PDM in regards to rehabs.

Question: Can the project include 80% units?

Answer: Yes you can include 80% units in your project; our gap funding resources allow 80% AMI use. Please note however that until we have a new QAP in place, our tax credit program can not include units above 60% AMI in basis; the following federal election are only available to project owners intending to leverage 4% LIHTC:

- (i) 20 – 50 test under Section 42(g)(1)(A) of the Code, or
- (ii) 40 – 60 test under Section 42(g)(1)(B) of the Code

