Affordable Housing Funding Notice

Oregon Housing and Community Services

Multiple Award Opportunity

Notice of Funding Availability (NOFA) #2020-6

Gap Funds for Preservation

NOFA Issued Date: **February 13, 2020**

Pre-Application Due By: **March 6, 2020**

Application Due Date: **April 24, 2020**

Application Due Time: **4:00 PM PST**

Version 1.0

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1. INTRODUCTION

1.1 Purpose

The Oregon Housing and Community Services Department ("OHCS"), is seeking applications ("Applications") through this Notice of Funding Availability (NOFA) for the preservation of affordable rental projects ("Projects") that are either Publicly Supported Housing or Federal Rent Assisted Housing, each as defined below.

1.2 Definitions

"Agreement Documents" means the funding documents, the final form of which are satisfactory to OHCS, in consultation with the Oregon Department of Justice and executed in connection with the Project.

"Allocation" includes any funding allocated under this NOFA.

"Applicants" means persons or entities submitting an Application responsive to this NOFA.

"Federal Rent Assisted Housing" in this NOFA means any Project with at least twenty-five percent (25%) of the units having an existing federal project-based rental assistance contract; and is also at risk because:

a. the **HUD Project-Based Rental Assistance Contract** is expiring within seven (7) years of the date of this NOFA;
b. the **USDA Rural Development direct mortgage** is maturing within seven (7) years of the date of this NOFA;
c. the **USDA Rural Development project** has a pending prepayment request; or
    i. *Note, USDA Rural Development projects with a maturing mortgage within 3 years of the date of this NOFA, or where the owner's prepayment request has been approved will be prioritized; or*
d. **Public Housing Projects** undergoing a preservation transaction involving a comprehensive recapitalization including those converting to Section 8 under the HUD Rental Assistance Demonstration or Section 18 Demolition and Disposition programs.

Scattered Site Note: For Federal Rent Assisted Housing transactions involving scattered site Projects with multiple locations, the 25 percent minimum is calculated based on the total of all units in the transaction, and at least one of the properties in the portfolio transaction must have a HUD Project-Based Rental Assistance Contract that is expiring within seven (7) years of the date of this NOFA, or a Rural Development direct mortgage that is maturing within seven (7) years of the date of this NOFA.

"Publicly Supported Housing" in this NOFA means

a. any multifamily rental housing development with five or more units that receives one or more of the following forms of government assistance: (i)a contract for project-based rental assistance from the Department of Housing and Urban Development (HUD) or USDA Rural Development (RD); (ii) OHCS contract(s) that include an affordability restriction; or (iii) Local government subsidy programs as approved by OHCS; <u>and</u>
b. are at risk of loss due to major system degradation and/or health and safety issues as identified by a Capital Needs Assessment and/or identified by the property's OHCS Risk

Rating, that require rehabilitation in order to preserve the asset and existing affordability in an OHCS portfolio property.

"Scoring Committee" includes persons with other relevant policy and development expertise that will be assembled to review all Applications that have met the minimum requirements.

1.3 Sources and set-asides

Funds for this NOFA will be derived from state and federal sources, which include:

a) Gap Funds (Gap) - $10 million divided into two soft set-asides

Set-Aside Pools	Gap Funds
Portfolio Preservation	$5 Million
Expiry Federal Contract Preservation	$5 Million

b) Oregon Affordable Housing Tax Credits (OAHTC) - $10 million
c) 4% Low Income Housing Tax Credit (LIHTC)/Conduit Bonds

Applicants are encouraged to leverage non competitive 4% Low Income Housing Tax Credits (LIHTC).

Note: These are soft set-aside pools; resources are reserved to Projects based on the requirements set forth in this NOFA

Funds through this NOFA are stand-alone and cannot be used with or in combination with any other OHCS NOFA. Applicants may only request funding being offered in this NOFA. Applicants may not request more resources than made available within their soft-set-aside pool.

1.4 Reservation Process

Application Ranking Process: Funds are reserved by OHCS on a competitive basis to Projects of qualifying Applicants that:

1. Pass the Preliminary Review;
2. Meet the Threshold Requirements; and
3. Have the highest ranking score from the Scoring Committee in accordance with available funding, subject to prioritization of qualifying Projects.

If a set-aside pool, or the combined resources, are not fully subscribed or are oversubscribed, OHCS may:

1. combine the balance with the other set-aside pool, or
2. fund the next highest scoring Project, or
3. fund a lesser scoring Project, or
4. add resources to fully fund a Project, or
5. not fund any additional Projects.

In the event of a tie between multiple projects and there are not enough available funds to fund all projects; reservations will be prioritized based on the following criteria:

Set-Aside Pool	Tiebreaker Rules
At Risk Publicly Supported Housing	A. The project with a greater number of units will be selected and break the tie. B. If a tie remains after the second tiebreaker; the project with a lower subsidy per unit will be selected and break the tie.
Set-Aside Pool	Tiebreaker Rules
At Risk Federal Rent Assisted Housing	A. The project with a greater number of units will be selected and break the tie. B. If a tie remains after the first tiebreaker; the project with the rental assistance closest to expiration will be selected and break the tie. C. If a tie remains after the second tiebreaker; the project with a lower subsidy per unit will be selected and break the tie.

1.5 Revocation of a Reservation

The following events may result in a **revocation** of a previously issued Reservation:

i. Failure to meet all conditions listed in the acceptance letter or reservation letter **within 90 days** of the date of the acceptance letter or reservation letter; including but not limited to submission of a complete application.
ii. Failure to close financing to reach construction within 270 days of the Reservation Letter issuance date.

2. APPLICATION REQUIREMENTS

2.1 Pre-Application and Application Access

New to the NOFA application process, is a two-step NOFA process that requires submission of a very brief pre-application along with a Site Review Checklist in order to access the full application:

Process:

1. Download the pre-application and Site Review Checklist from the OHCS website, here: https://www.oregon.gov/ohcs/Pages/multifamily-housing-funding-opportunities.aspx
2. Submit the completed pre-application and Site Visit Checklist to MFNOFA@oregon.gov. This action will alert OHCS staff to generate Procorem access credentials for your project. This step must be completed no later than close of business on **March 6, 2020.**
3. Once credentials are received, within three business days of pre-application submission, go to the Procorem login page: https://app.procorem.com/login to access the NOFA application.

Please note: applications can only be submitted electronically through Procorem. Hard

copies, faxes, and electronic copies not submitted through Procorem will be automatically rejected and will not be reviewed or considered for funding.

2.2 Application Submission

Applications and associated charges must be received by OHCS no later than:
April 24, 2020 at 4:00 PM PST

1. **Applications**: Applications along with all required materials and documentation must be uploaded to the Procorem portal by the Application due date and time: April 24, 2020 at 4:00 PM PST.
    - Applications in response to this NOFA can only be submitted through Procorem.
2. **Charges:**
    - All Applicants must submit application charges via mail. OHCS cannot accept any electronic payments for Application charges.
    - Applicants must submit the Application charges to the address below along with the transmittal form provided as part of the application materials in Procorem. All Application charges must be received by OHCS no later than **April 24, 2020 at 4:00 PM P**ST. If the Application charge is not received by the Application Deadline, the Application is considered incomplete. It will be automatically rejected and is ineligible for funding.

    Send Application Charges to:
    Oregon Housing and Community Services
    Attn: Affordable Rental Housing
    725 Summer St. NE, Suite B
    Salem, OR 97301

Applications determined by OHCS to be incomplete, to not meet all submission requirements of this NOFA, or otherwise fail to satisfy Preliminary Review requirements will be deemed "non-responsive" and rejected without further review. Applications considered complete, meeting all submission requirements, and otherwise satisfying all Preliminary Review requirements by OHCS will be evaluated to determine if they comply with the Threshold Requirements. Applications determined by OHCS as failing to meet any of the Threshold Requirements will be deemed non-responsive and rejected without further review. Applications that meet the Threshold Requirements are considered responsive and qualify to be evaluated for ranking and award purposes by the Scoring Committee as described in this NOFA.

2.3 NOFA Questions

Inquiries relating to the NOFA process, its administration, or the substantive technical portions of the NOFA should be directed to: MFNOFA@oregon.gov

Please note "**Preservation NOFA**" in the subject line. Frequently Asked Questions (FAQs) and answers will be posted on the OHCS website and NOFA Workcenters at regular intervals during

the time that the NOFA response period is open. When appropriate, revisions, substitutions, or clarifications shall be issued as a Technical Advisory and considered a revision to this NOFA.

Changes or modifications to the NOFA requirements will ONLY be recognized if in the form of a written Technical Advisory (TA), issued by OHCS. OHCS shall post the TAs on the department fund offering page: https://www.oregon.gov/ohcs/Pages/multifamily-housing-funding-opportunities.aspx

3. EVALUATION PROCESS

If Applications pass the Preliminary Review, the Application will move on to a review of Threshold Requirements. Review of the Threshold Requirements will be conducted to evaluate to determine whether Applications satisfy the Threshold Requirements. If, at any point, an Application fails to meet the criteria listed in Section 3.2 below, the Application will be deemed nonresponsive and will not be reviewed further.

3.1 Administrative Review

Each Application will be reviewed for timeliness and completeness of the following on a pass/fail basis:

1. Application complete with all required attachments
2. NOFA Cover Sheet and charges received by OHCS by Application due date and time
3. Applicant's Board of Directors Resolution (included in the NOFA application, if applicable),
4. Organizational Documents
5. Certification of Pre-Application submission

3.2 Threshold Requirements

After passing the Administrative Review, in order to qualify for funding, the following Threshold Requirements must be met on a pass/fail basis:

Applicants must demonstrate that the Project is either Publicly Supported Housing or Federal Rent Assisted Housing

1. **Evidence of Publicly Supported Housing**

   Applicant must provide evidence that the Project meets the definition of Publicly Supported Housing for the NOFA; for LIHTC this would be a copy of the Low-Income Housing Tax Credit Restrictive Covenant associated with the Project.

2. **Federal Project Resources Status**

   The Applicant must be able to provide satisfactory documentation of its progress on its applications for federal resources.

If the Applicant has identified additional federal resources (such as rental or capital assistance from HUD, RD, or VA) as part of the funding structure, the Applicant must provide evidence satisfactory to OHCS that an application for these resources has been submitted and remains active. For RD, this would mean a pre-Application Consultation Letter that includes a summary of the contact and understanding established to-date as well as expectations about the next steps in the process.

This information should be provided in the notes on the Budget Sources Application worksheet; any evidence should be included in Threshold submission folder and named "Federal Resources Evidence"

3. **Development Schedule/Readiness to Proceed**

The Applicant's development schedule must clearly demonstrate that the Project can close financing to reach construction within 270 days (from the date of the Reservation Letter issuance) and funds will be invested and the project will be constructed/rehabilitated, leased and stabilized within two years of a Reservation of funds.

Included in NOFA application document

4. **Core-Development Documents (CDD) previously known as Architectural Documents**

Applications must include the CDDs and the Rehabilitation Requirements set forth in Appendix B.1 of the Core-Development Manual (CDM) previously known as Project Development Manual (PDM). The CDM Version 3.1 must be used with this NOFA - https://www.oregon.gov/ohcs/HD/MFH/Core-Development-Manual/CDM-Version-3-1.pdf

Capital Needs Assessment Supplemental Reports: In response to feedback regarding difficulty obtaining all necessary third party supplemental reports associated with the CNA within the NOFA timeline, OHCS is willing to forgo supplemental reports at the time of Application for Applicants that request an exception by email to MFNOFA@oregon.gov.

Any remaining required supplemental reports will still be required within 30 days of the Reservation Letter issuance date in order to satisfy the minimum project qualifications. Note: failure of the Applicant to satisfy the minimum project qualifications will result in disqualification and removal from funding consideration; any material change to a project that would have changed scores may also result in a revocation or re-evaluation of reservation**.**

Submitted as a supplement to the NOFA application document

5. **Commitment to Diversity, Equity and Inclusion (DEI)**

All Applicants must submit a signed DEI Agreement, which commits the Applicant to making strides within their organization and its work toward diversity, equity and inclusion as outlined in the Application's DEI Agreement
Included in NOFA application document

6. **Financial Feasibility: Proforma and fund commitments**

The Applicant's must submit a proposed project proforma that clearly demonstrates the project's feasibility with balanced sources and uses. Proforma must includes only realistic and available resources on the Sources of Funding. Capital fundraising campaigns are not considered realistic and available resources.

Applicant must provide evidence of funding commitments such as:

- Other soft funding reservation letters (if applicable. (Example: Local, State, Federal and/or Private))
- Investor Letter of Intent (if applicable)
- Multifamily Energy Program (OMEP) reservation letter (if applicable)

Include Financial Feasibility Fund Commitments as a supplement to the NOFA application document

7. **Resident Services Plan**

The Applicant is required to provide a Resident Services Plan with the Application.

Include as a supplement to the NOFA application document

3.3 Project Selection

After passing the Threshold Requirements, Applications will be selected based on competitive scoring by the Scoring Committee using the following criteria:

Publicly Supported Housing Criteria:

1. **Risk of Expiring Rent Restrictions** **5 points**

Required Supporting Documentation: *For LIHTC this would be a copy of the Low Income Housing Tax Credit Restrictive Covenant associated with the property. If local funding or non-LIHTC OHCS funding, this would be a copy of that funding source's relevant restrictive covenant.*

The Restrictive Covenant must expire within twenty (20) years to receive five (5) points. If a scattered site Project, all locations must meet the above criteria.

2. **Risk of Loss due to Property Conditions** **15 points max**

Required Supporting Documentation: *Capital Needs Assessment ("CNA") meeting the requirements of the OHCS' CDM version 3.1, Appendix B.1. CNA can be no older than 12 months at submission of Application. Physical needs must be identified in the CNA as a physical need requiring attention within a 24-month period to be eligible for points.*

Criteria:

- A Project with a CNA identifying need for one (1) major system component replacement within the next two (2) years will receive five (5) points.

- A Project with a CNA identifying need for two (2) major system component replacements within the next two (2) years will receive ten (10) points.
- A Project with a CNA identifying need for three (3) major system component replacements within the next two (2) years will receive fifteen (15) points.

Notes:

A. Systems OHCS will consider "major" for the purposes of this NOFA are defined in Appendix A: OHCS Major Systems Table.
B. If the Project consists of scattered sites, the majority of units must be in sites that meet the above criteria, and all units must be in sites where the CNA has identified envelope and/or major system needs.
C. Any Project with a risk rating 40b alone, not in combination with other risk ratings (40ab, 40bc), indicating severe compliance issues without corresponding financial or physical issues, will not be eligible for points in this category.

3. Vulnerable Populations **6 points max**

Required Supporting Documentation: *A completed Application which identifies the vulnerable population being served and/or unit size mix.*

Points are available to Projects that either:

A. Serve vulnerable populations defined as Veterans, Elderly, Persons with Disabilities, Previously Incarcerated, Foster Youth, Persons Experiencing Homelessness, Survivors of Domestic Violence, or;
B. Have at least 10% units three (3) bedroom or larger with a minimum of 2 units that have three (3) or more bedrooms.

Criteria:

- A Project with 25-49% of units serving vulnerable populations or 10-20% three (3) bedroom units will receive two (2) points.
- A Project with 50-74% of units serving vulnerable populations or 20-33% three (3) bedroom units will receive four (4) points
- A Project with 75% or more of units serving vulnerable populations or 33% or more three (3) bedroom units will receive six (6) points.

4. Serving Extremely Low-Income tenants: **6 points max**

Required Supporting Documentation: *A completed Application which identifies the current tenant population's gross annual income.*

Criteria:

A minimum of 10% of the current tenants' gross annual income must be at or below 30% Area Median Income (AMI) to qualify for points.

- A Project with 10-19% of current tenants with gross annual incomes at or below 30% AMI will receive three (3) points.
- A Project with 20% or more of current tenants with gross annual incomes at or below 30% AMI will receive six (6) points.

5. OHCS Risk Rating – Serious Financial and Physical Issues **8 points max**

a) Required Supporting Documentation: OHCS Risk Rating Response Email

40a	Financial	3 points
40b	Compliance	Not eligible
40c	Physical	5 points
40ab	Financial & Compliance	3 points
40ac	Financial & Physical	8 points
40bc	Compliance & Physical	5 points

Any site with a risk rating 40b alone, not in combination with other risk ratings (40ab, 40bc), indicating severe compliance issues without corresponding financial or physical issues, will not be eligible for points in this category.

Notes:

A. Scattered site Applications must demonstrate that the majority of the units in the Application have risk rating of one of the combinations in the chart above to be eligible for points.

B. OHCS Risk Ratings are property specific. To qualify for points, you must submit the OHCS Risk Rating Response Email that addresses each property outlined in the Application. To obtain each property's risk rating, send requests to MFNOFA@oregon.gov with the subject line: OHCS Property Risk Rating Request.

C. If project is not an OHCS Portfolio project, applicant must provide their most recent audited financial statements and compliance reports from the applicable program restricting rents on the units. Prior to the application submission, submit these relevant documents as well as any requisite, brief explanatory narrative to MFNOFA@oregon.gov for assessment by the OHCS Asset Management Team.

6. Project Budget Cost Allocation: 27 points max

A. Lower costs allocated to acquisition and soft costs 12 points max

Required Supporting Documentation: Completed proforma

Criteria:

- A Project with 31-40% of total costs dedicated to acquisition and soft costs will receive four (4) points
- A Project with 21-30% of total costs dedicated to acquisition and soft costs will receive eight (8) points
- A Project with 20% or less of total costs dedicated to acquisition and soft costs will receive twelve (12) points

B. Majority of project budget allocated to hard construction costs 15 points max

Required Supporting Documentation:
A. Combined Rehabilitation Scope of Work and Construction Cost Estimate meeting the requirements of OHCS' CDM version 3.1, Appendix P.1, Section P.1.02c

B. CNA meeting the requirements of OHCS' CDM version 3.1, Appendix B.1.

Criteria:

- A Project with 60-69% of the total construction cost associated with addressing the Immediate and 2-Year Needs, as defined in the Supporting Documentation referenced in item 3.4, iii, 1) above, will receive five (5) points.
- A Project with 70-79% of the total construction cost associated with addressing the Immediate and 2-Year Needs, as defined in the Supporting Documentation referenced in item 3.4, iii, 1) above, will receive ten (10) points.
- A Project with 80% or more of the total construction cost associated with addressing the Immediate and 2-Year Needs, as defined in the Supporting Documentation referenced in item 3.4, iii, 1) above, will receive fifteen (15) points.

7. Developer Fee: 8 points max

Required Supporting Documentation: Completed proforma

Criteria:

- A Project with 60-69% of developer fee deferred will receive two (2) points
- A Project with 70-79% of developer fee deferred will receive four (4) points
- A Project with 80-89% of developer fee deferred will receive six (6) points
- A Project with 90% or more of developer fee deferred will receive eight (8) points

8. Owner, sponsor, management performance 9 points max

Applicants with projects in the OHCS portfolio will be reviewed on the performance of all projects in the portfolio, the average score of all projects will be used; Applicants without projects in the OHCS portfolio will be asked to submit a letter demonstrating compliance with any existing projects (if unreported noncompliance is discovered later, it may be grounds for rescinding awarded credits or negatively impact future applications for funding).

Portfolio Project criteria will be calculated for each relevant Project sponsor and management agent and will be summed and apportioned based on a percentage average of the following criteria; if receive 67 percent or more of the possible points, 3 points; if 50-66 percent of possible points, two (2) points; if 25-49 percent of possible points, one (1) point, if less than 25 percent of possible points, zero (0) points for each of the following categories.

a. Federal Reporting – 3 points

1. All 8823s status; three (3) points if all resolved; two (2) points if pending or N/A; -negative three (-3) points if not resolved.

b. OHCS Portfolio Compliance – 3 points

1. Most recent Real Estate Assessment Center (REAC) score; three (3) points if 80 and above, two (2) points if 70-79 or N/A, one (1) point if 60-69, negative three (-3) points if below 60.
2. Most recent Physical Review; three (3) points if meets expectations or pending or N/A , zero (0) points if does not meet expectations, negative three (-3) if Notice of Violation or Default has been issued and has not been closed.
3. Most recent File Review; three (3) points if meets expectations or pending or N/A , zero (0) points if does not meet expectations, negative three (-3) if Notice of Violation or Default has been issued and has not been closed.

4. Most recent Management Review; three (3) points meets expectations or pending or N/A , zero (0) points if does not meet expectations, negative three (-3) if Notice of Violation or Default has been issued and has not been closed.
5. Certification of Continuing Program Compliance (CCPC) submission received for current year shows compliance; three points (3) if Yes and negative three (-3) points if No.

c. OHCS portfolio Viability Criteria – 3 points

1. Financial submission as requested; three (3) points if Yes or N/A, two (2) points if Yes w/ extension, negative three (-3) points if No.
2. Asset management Risk Rating; three (3) points if 10-21 or N/A, two (2) points if 30-32, one (1) point if 40 (a, b, c or any combination), zero (0) points if 41-42, negative 3 (-3) points if 43.

If sponsor has projects in OHCS portfolio, no submission is necessary. If sponsor does not have a project in the OHCS portfolio, must include an "Owner Performance" letter indicating their compliance status with any existing Projects (if unreported noncompliance is discovered later, it may be grounds for rescinding awarded credits or negatively impact future applications for funding)

Federal Rent Assisted Housing Criteria;

1. Risk of Expiration **20 points max**

a) Up to 20 points; Risk of Expiration; twenty (20) points if a Project preserving rental subsidies in rural and urban areas due to expire, or have RD mortgages mature, within 36 months from the due date of Application.

Applicants must submit supporting documentation that clearly demonstrates the rent assistance loss within 36 months.

b) Up to 10 points; Risk of Expiration; ten (10) points if a Project with expirations, or mortgage maturity, within 60 months.

Applicants must submit supporting documentation that clearly demonstrates the rent assistance loss within 60 months.

2. Vulnerable Populations **6 points max**

Required Supporting Documentation: *A completed Application which identifies the vulnerable population being served and/or unit size mix.*

Points are available to projects that either:

A. Serve vulnerable populations defined as Veterans, Elderly, Persons with Disabilities, Previously Incarcerated, Foster Youth, Persons Experiencing Homelessness, Survivors of Domestic Violence, or;
B. Have at least 10% units three (3) bedroom or larger with a minimum of 2 units that have three (3) or more bedrooms.

Criteria:

- A project with 25-49% of units serving vulnerable populations <u>or</u> 10-20% three (3) bedroom units will receive two (2) points.
- A project with 50-74% of units serving vulnerable populations <u>or</u> 20-33% three (3) bedroom units will receive four (4) points
- A project with 75% or more of units serving vulnerable populations <u>or</u> 33% or more three (3) bedroom units will receive six (6) points.

3. Serving Extremely Low Income tenants: 6 points max

Required Supporting Documentation: *A completed Application which identifies the current tenant population's gross annual income.*

Criteria:
A minimum of 50% of the current tenants' gross annual income must be at or below 30% Area Median Income (AMI) to qualify for points.

- A project with 50-66% of current tenants with gross annual incomes at or below 30% AMI will receive three (3) points.
- A project with 67% or more of current tenants with gross annual incomes at or below 30% AMI will receive six (6) points.

4. Project Budget Cost Allocation: 27 points max

a) Lower costs allocated to acquisition and soft costs 12 points max

Required Supporting Documentation: *Completed proforma in Application*

Criteria:

- A Project with 31-40% of total costs dedicated to acquisition and soft costs will receive four (4) points
- A Project with 21-30% of total costs dedicated to acquisition and soft costs will receive eight (8) points
- A Project with 20% or less of total costs dedicated to acquisition and soft costs will receive twelve (12) points

b) Majority of project budget allocated to hard construction costs 15 points max

Required Supporting Documentation:
A. Combined Rehabilitation Scope of Work and Construction Cost Estimate meeting the requirements of OHCS' CDM version 3.1, Appendix P.1, Section P.1.02c
B. CNA meeting the requirements of OHCS' CDM version 3.1, Appendix B.1.

Criteria:

- A Project with 60-69% of the total construction cost associated with addressing the Immediate and 2-Year Needs, as defined in the Supporting Documentation referenced in item 3.4, iii, 1) above, will receive five (5) points.
- A Project with 70-79% of the total construction cost associated with addressing the Immediate and 2-Year Needs, as defined in the Supporting Documentation referenced in item 3.4, iii, 1) above, will receive ten (10) points.
- A Project with 80% or more of the total construction cost associated with addressing the Immediate and 2-Year Needs, as defined in the Supporting Documentation referenced in item 3.4, iii, 1) above, will receive fifteen (15) points.

5. Developer Fee: 8 points max

Required Supporting Documentation: *Completed proforma*

Criteria:
- A project with 60-69% of developer fee deferred will receive two (2) points
- A project with 70-79% of developer fee deferred will receive four (4) points
- A project with 80-89% of developer fee deferred will receive six (6) points
- A project with 90% or more of developer fee deferred will receive eight (8) points

6. Owner, sponsor, management performance **9 points max**

Applicants with Projects in the OHCS portfolio will be reviewed on the performance of all Projects in the portfolio, the average score of all Projects will be used; Applicants without Projects in the OHCS portfolio will be asked to submit a letter indicating their compliance status with any existing Projects (if unreported noncompliance is discovered later, it may be grounds for rescinding awarded credits or negatively impact future Applications for funding).

Portfolio Project criteria will be calculated for each relevant Project sponsor and management agent and will be summed and apportioned based on a percentage average of the following criteria; if receive 67 percent or more of the possible points, 3 points; if 50-66 percent of possible points, two (2) points; if 25-49 percent of possible points, one (1) point, if less than 25 percent of possible points, zero (0) points for each of the following categories.

Required Documentation: If sponsor has projects in OHCS portfolio, no submission is necessary. If sponsor does not have a project in the OHCS portfolio, must include a "Owner Performance" letter indicating their compliance status with any existing Projects (if unreported noncompliance is discovered later, it may be grounds for rescinding awarded credits or negatively impact future applications for funding)

a. Federal Reporting – 3 points

1. All 8823s status; three (3) points if all resolved; two (2) points if Pending or NA; -negative three (-3) points if not resolved.

b. OHCS Portfolio Compliance – 3 points

1. Most recent Real Estate Assessment Center (REAC) score; three (3) points if 80 and above, two (2) points if 70-79 or N/A, one (1) point if 60-69, negative three (-3) points if below 60.
2. Most recent Physical Review; three (3) points if meets expectations or pending or N/A, zero (0) points if does not meet expectations, negative three (-3) if Notice of Violation or Default has been issued and has not been closed.
3. Most recent File Review; three (3) points if meets expectations or pending or N/A, zero (0) points if does not meet expectations, negative three (-3) if Notice of Violation or Default has been issued and has not been closed.
4. Most recent Management Review; three (3) points meets expectations or pending or N/A, zero (0) points if does not meet expectations, negative three (-3) if Notice of Violation or Default has been issued and has not been closed.
5. Certification of Continuing Program Compliance (CCPC) submission received for current year shows compliance; three points (3) if Yes and negative three (-3) points if No.

c. OHCS portfolio Viability Criteria – 3 points

1. Financial submission as requested; three (3) points if Yes or N/A, two (2) points if Yes w/ extension, negative three (-3) points if No.
2. Asset management Risk Rating; three (3) points if 10-21 or N/A, two (2) points if 30-32, one (1) point if 40 (a, b, c or any combination), zero (0) points if 41-42, negative 3 (-3) points if 43.

4. Application Evaluations

4.1 Evaluation Process.

The final selection of Applications for Award, if any, will be from those Applications that best meet the competitive scoring requirements based on the recommendation from the Scoring Committee, as further recommended by the Director and approved by the Council, in accordance with available Funding Sources.

4.2 Awards.

Applicants, if any, that OHCS determines to provide a reservation of funding ("Reservation") pursuant to this NOFA will be designated as Awardees in the conditional commitments issued to them ("Reservation Letter") by OHCS. All Reservations are conditional in nature, contingent upon the terms upon which they are made, approval by the Housing Stability Council ("Council"), the continuing availability to OHCS of the described funds or tax credits, the continuing authority of OHCS to disburse or allocate such funds, and the successful negotiation, execution, and recording (if required) of the Agreement Documents.

4.3 Notice of Intent to Issue Reservation Letter.

Applicants will be notified in writing of OHCS' notice of intent to issue a Reservation Letter, this information will also be posted on OHCS' website.

5. GENERAL TERMS AND CONDITIONS

5.1 Funding in this NOFA is subject to the continuing availability to OHCS of the described funds or tax credits (collectively or individually without distinction), the continuing authority of OHCS to disburse or allocate such funds, and the successful negotiation, execution, and recording (if required) of relevant documents in a manner satisfactory to OHCS.

5.2 OHCS may require additional information to determine whether or not an Application satisfies relevant criteria. Any necessary clarifications or modifications normally will be made before OHCS makes any Reservation and may become part of the Agreement Documents.

5.3 Submission of an Application by an Applicant or acceptance by OHCS of a submitted Application neither constitutes an agreement of any kind between OHCS and the Applicant nor does it secure or imply that the Applicant will be selected for receipt of a Reservation of funds.

5.4 To the extent that other funding sources have additional or other requirements, the most restrictive requirements will apply to the Project.

5.5 All costs associated with an Applicant's submission of an Application are the sole responsibility of the Applicant and will not be borne to any degree by the State of Oregon.

5.6 Successful Applicants will be required to maintain appropriate levels of insurance and to comply with OHCS policies, including execution of the Agreement Documents.

5.7 OHCS reserves the right and option to amend any Reservation Letter and other related documents that result from a Reservation made pursuant to this NOFA. All such amendments will be in writing and must be signed by relevant authorized parties. Applicants may only apply for funding of one (1) phase of a multi-phase Project under this NOFA.

5.8 OHCS assesses an Application charge. A check for the Application charge is required at Application submission and must be received by the Application due date.

5.9 ORS 60.701 requires foreign corporations be registered by the State of Oregon, Office of the Secretary of State, before conducting business in the state. A foreign corporation (ORS 60.001) means a for-profit corporation incorporated under a law other than the law of the State of Oregon. If a foreign corporation is selected for the Agreement because of this NOFA, it must register to do business in Oregon.

5.10 OHCS reserves the right to:

1. amend this NOFA prior to the closing date;
2. amend the deadline for submitting Applications;
3. determine whether an Application does or does not substantially comply with the requirements of this NOFA;
4. waive any minor irregularity, informality, or nonconformance with the requirements of this NOFA;
5. obtain from and/or provide to other public agencies, upon request, references, regarding the Applicant's performance;
6. at any time prior to execution of Agreement Documents (including after announcement of the apparent Reservation), reject any Application that fails to comply with the requirements of this NOFA;
7. reject all Applications received and cancel this NOFA upon a finding by OHCS that such cancellation would be in the best interest of the State;
8. use adherence with components of the Applicant's Application and this NOFA as scoring criteria in future multifamily funding solicitations;
9. withdraw any funding source from this NOFA; and
10. waive any term or condition of this NOFA for good cause as determined by OHCS.

5.11 This NOFA and one (1) copy of each original Application received, together with copies of all documents pertaining to a Reservation, will be kept by OHCS and made a part of a file or record, and be available for disclosure pursuant to the Oregon Public Records Law, unless otherwise exempt.

5.12 The Oregon Public Records Law exempts purported trade secrets from disclosure only so far as they qualify as bona fide trade secrets, and the exemption in ORS 192.345 from disclosure applies only "unless the public interest requires disclosure in the particular instance". Therefore, non-disclosure of a document or any portion of a document submitted as part of an Application may depend upon official or judicial determination made pursuant to Oregon law.

5.13 The Applicant will be required to assume responsibility for performance required by the Agreement Documents, whether performed by the Applicant, a representative, assignee or subcontractor.

5.14 An Applicant or potential Applicant seeking to challenge any aspect of this NOFA is subject to and must comply with the provisions of OAR 813-005-0025, which provide:

813-005-0025
Solicitation Protests; Administrative and Judicial Review
(1)(a) With respect to any solicitation conducted by the department, an applicant or potential qualifying applicant may protest or otherwise challenge such solicitation process by first requesting administrative review as herein specified.
(b) With respect to any solicitation conducted by the department, an applicant may protest or otherwise challenge any department determination or order (collectively hereinafter, "determination") related to such solicitation by first requesting administrative review as herein specified.
(c) A timely, qualifying request for administrative review is necessary to satisfy the conditions of this section and a condition precedent to judicial review consistent with ORS 183.480.
(d) Failure to file a timely, qualifying request for administrative review with the department will constitute a failure to exhaust administrative remedies and terminate further rights to protest or otherwise challenge the solicitation process or any related department determination, including judicial review thereof.
(2)(a) An applicant under this section is a person or entity that makes an application (including delivery to the department under the terms of the solicitation) for a department funding award pursuant to a particular department solicitation.
(b) A potential qualifying applicant is a person or entity that qualifies to make an application for a department funding award under the terms of a solicitation with respect to the process of which it requests administrative review consistent with the terms of this section.
(3)(a) An applicant or potential qualifying applicant seeking to protest or otherwise challenge any aspect of a solicitation process (other than a department determination related thereto) must request review by the department within fourteen (14) days of the application due date of the solicitation.
(b) An applicant seeking to protest or otherwise challenge a determination by the department related to a solicitation must request review by the department of such determination within fourteen (14) days of the applicant receiving notice from the department of that determination.
(4) Any request for review under this section must be in writing, specifically identifying:
(a) The nature of the requestor's interest, including the facts showing how the requestor is adversely affected or aggrieved by the solicitation process or a department determination;
(b) The relief sought;
(c) Each of the grounds for review;
(d) An explanation for each of the grounds upon which relief should be granted; and
(e) Any supporting information the requestor desires to have considered by the department.
(5) The envelope containing the request for review MUST:
(a) Be marked PROTEST;
(b) Identify the solicitation number;
(c) Identify the closing time and date for acceptance of solicitation applications;
(d) Identify the department's contact person for the solicitation; and
(e) Be received by the department at its main Salem Office, Oregon Housing and Community Services 725 Summer Street NE, Suite B Salem, OR 97301, not later than 4:00 PM on the fourteenth (14th) day after the solicitation closing date or the applicant's receipt of notice from the department of the department determination from which review is requested, whichever due date is applicable under this section.

(6) The applicant will be deemed to have received notice of a department determination upon the sooner of:
(a) Three (3) days after the department's determination is mailed to the applicant;
(b) Two (2) days after such determination is posted to the department's website;
(c) Two (2) days after the list of successful solicitation applicants is posted to the department's website; or
(d) One (1) day after such determination is emailed to the applicant.
(7) The department may request additional information from the requestor with respect to its request and consider such other information as it deems appropriate.
(8) The department will endeavor to provide a written response to a timely, qualifying request for review within thirty (30) days.
(9) Judicial review of the department response to a timely, qualifying request for review shall be limited to those grounds the requestor raised with the department in its request for review.
(10) The filing of a request for review, or subsequent judicial review (if any), will not preclude the department from moving forward with the solicitation or the award of funding assistance thereunder. However, the department reserves the right to delay, terminate, modify, or take other action it determines to be appropriate with respect to a solicitation or any related award of funding assistance in response to a request for review or subsequent judicial review.

5.15 Reservations, Allocations or Awards by OHCS (collectively, "Determinations") may be subject to Council review under ORS 456.561, and Determinations where additional OHCS funding supporting such Determinations are subject to Council review, are contingent upon Council approval of those Determinations or supporting funding. The Council may approve, reject, modify, or further condition funding awards submitted for its review, thereby directly or indirectly impacting OHCS' Determinations.

5.16 Reservations, Allocations or Awards by OHCS (collectively, "Determinations") may be subject to Council review under ORS 456.561, and Determinations where additional OHCS funding supporting such Determinations are subject to Council review, are contingent upon Council approval of those Determinations or supporting funding. The Council may approve, reject, modify, or further condition funding awards submitted for its review, thereby directly or indirectly impacting OHCS' Determinations.

5.17 All Reservations made pursuant to this NOFA are subject to the successful negotiation, execution, and recording (if required) of any and all Agreement Documents. Projects that have only a leasehold interest in relevant real property must include, among relevant Agreement Documents, binding commitments executed and recorded by the landlord satisfactory to OHCS including, but not limited to, restrictive covenants with respect to the ongoing use and operation of the real property and leasehold interest for affordable housing acceptable to OHCS.

5.18 OHCS may charge, and the Applicant shall pay, legal and administrative costs reasonably anticipated or incurred by OHCS in negotiating and preparing Agreement Documents and other related documents. OHCS also may charge and Applicant shall pay any other fees allowed by OHCS administrative rules with respect to the Application, ensuing Reservation, Award or Allocation, and Project operation.

5.19 Provisions stated in the form of a question in this NOFA shall be construed as required action by Applicants.

5.20 OHCS reserves all other rights not specifically identified herein, including but not limited to rights, remedies, and requirements established in OHCS administrative rules or other law.

5.21 OHCS may charge, and the Applicant shall pay, legal and administrative costs reasonably anticipated or incurred by OHCS in negotiating and preparing Agreement Documents and other related documents. OHCS also may charge and Applicant shall pay any other fees allowed by OHCS administrative rules with respect to the Application, ensuing Reservation, Award or Allocation, and Project operation.

5.22 Provisions stated in the form of a question in this NOFA require action by Applicants.

5.23 OHCS reserves all other rights not specifically identified herein, including but not limited to rights, remedies, and requirements established in OHCS administrative rules or other law.

Appendix A

OHCS Major Systems Table (See Explanatory Notes at the end of this table)

Level 1 Major Group Elements		Level 2 Group Elements		Level 3 Individual Elements		OHCS Major Systems
A	Substructure	A10	Foundations	A1010 A1020 A1030	Standard Foundations Special Foundations Slab on Grade	x
		A20	Basement Construction	A2010 A2020	Basement Excavation Basement Walls	
B	Shell	B10	Super Structure	B1010 B1020	Floor Construction Roof Construction	x
		B20	Exterior Enclosure	B2010 B2020 B2030	Exterior Walls Exterior Windows Exterior Doors	x
		B30	Roofing	B3010 B3020	Roof Coverings Roof Openings	x
C	Interiors	C10	Interior Construction	C1010 C1020 C1030	Partitions Interior Doors Fittings	--
		C20	Stairs	C2010 C2020	Stair Construction Stair Finishes	
		C30	Interior Finishes	C3010 C3020 C3030	Wall Finishes Floor Finishes Ceiling Finishes	
D	Services	D10	Conveying	D1010 D1020 D1090	Elevators & Lifts Escalators & Moving Walks Other Conveying Systems	x
		D20	Plumbing	D2010 D2020 D2030 D2040 D2090	Plumbing Fixtures Domestic Water Distribution Sanitary Waste Rain Water Drainage Other Plumbing Systems	x
		D30	HVAC	D3010 D3020 D3030 D3040 D3050 D3060 D3070 D3090	Energy Supply Heat Generating Systems Cooling Generating Systems Distribution Systems Terminal & Package Units Controls & Instrumentation Systems Testing & Balancing Other HVAC Systems & Equipment	x
		D40	Fire Protection	D4010 D4020 D4030 D4090	Sprinklers Standpipes Fire Protection Specialties Other Fire Protection Systems	x
		D50	Electrical	D5010 D5020 D5030 D5090	Electrical Service & Distribution Lighting and Branch Wiring Communications & Security Other Electrical Systems	x
E	Equipment & Furnishings	E10	Equipment	E1010 E1020 E1030 E1090	Commercial Equipment Institutional Equipment Vehicular Equipment Other Equipment	--
		E20	Furnishings	E2010 E2020	Fixed Furnishings Movable Furnishings	

F	**Special Construction & Demolition**	**F10**	**Special Construction**	**F1010** **F1020** **F1030** **F1040** **F1050**	**Special Structures** **Integrated Construction** **Special Construction Systems** **Special Facilities** **Special Controls and Instrumentation**	--
		F20	**Selective Building Demolition**	**F2010** **F2020**	**Building Elements Demolition** **Hazardous Components Abatement**	
G	**Building Sitework**	**G10**	**Site Preparation**	**G1010** **G1020** **G1030** **G1040**	**Site Clearing** **Site Demolition and Relocations** **Site Earthwork** **Hazardous Waste Remediation**	--
		G20	**Site Improvements**	**G2010** **G2020** **G2030** **G2040** **G2050**	**Roadways** **Parking Lots** **Pedestrian Paving** **Site Development** **Landscaping**	**X**
		G30	**Site Mechanical Utilities**	**G3010** **G3020** **G3030** **G3040** **G3050** **G3060** **G3090**	**Water Supply** **Sanitary Sewer** **Storm Sewer** **Heating Distribution** **Cooling Distribution** **Fuel Distribution** **Other Site Mechanical Utilities**	**X**
		G40	**Site Electrical Utilities**	**G4010** **G4020** **G4030** **G4090**	**Electrical Distribution** **Site Lighting** **Site Communications & Security** **Other Site Electrical Utilities**	**X**
		G90	**Other Site Construction**	**G9010** **G9090**	**Service and Pedestrian Tunnels** **Other Site Systems & Equipment**	--

Explanatory Notes:

For the purpose of scoring Section 3.4, ii of this NOFA, OHCS has identified a "Major System" as those categories identified with an "X" in the right column of the above table. Each box with an "X" is considered an OHCS Major System. Note that in some cases more than one of the Level 2 and Level 3 Elements in the above table have been combined to form one OHCS Major System.

Some of the Level 3 Elements in the table above are shaded. The shaded elements do not count toward scoring. To receive points in the associated OHCS Major Systems scoring category, the Applicant must have a physical need in at least one of the **non-shaded** Level 3 Elements in that OHCS Major System category.

This table is based on the ASTM Uniformat II Classification for Building Elements. The Applicant's Combined Rehabilitation Scope of Work and Construction Cost Estimate must be prepared using the Uniformat system as required by the CDM. The scope of work and cost estimate must be prepared such that scope and cost are organized to follow the **Level 2 Group Element** categories (based on the above table). The scope of work and cost estimate should provide a brief description of the work needed within each of the Level 2 Group Element categories that apply to the project.