

OHCS 2021 HOME Preservation NOFA Webinar

WELCOME

March 4, 2021
1:00 pm



Agenda

- Welcome
- Important Dates
- Multifamily Energy Program (MEP) Info/Update
- Application Process
- HOME Funding and Program Requirements
- Evaluation and Scoring
- General Reminders
- Questions

HOME NOFA Timelines: Important Dates

- HOME NOFA release date: **Tuesday, February 16, 2021**
- Pre-applications due: **Thursday, March 11, 2021**
- Pre-application summary: **Thursday, March 18, 2021**
- Application due date: **Friday, April 30, 2021 at 4:00 PM**
- Housing Stability Council: **Friday, July 9, 2021**

NOFA Process: Questions and FAQs

Questions should be submitted to: MFNOFA.HCS@oregon.gov

- Please include “2021 HOME NOFA” in the subject line
- FAQs will be published online at regular intervals
- Questions accepted until: **Thursday, April 22, 2021**



Oregon Housing and Community Services Multifamily Energy Program

Mekha Abraham – Technical Manager

OREGON HOUSING & COMMUNITY SERVICES
Multifamily Energy Program

Program Overview
March 2021



PROGRAM OVERVIEW

- TRC Companies administering on behalf of OHCS
- Cash incentives for energy efficient upgrades
- \$200,000 incentive maximum per project (projects above max. evaluated on a case-by-case basis)



Program Funding Availability – as of January 2021
Fully enrolled - program waitlist* open

***Encourage projects to secure a spot on program waitlist to receive notice in the event incentives become available.**

ELIGIBILITY REQUIREMENTS

- Multifamily:
 - Existing or New Construction (5+ units)
 - High-rise and low-rise
- Located in:
 - Pacific Power or Portland General Electric
- Tenants in at least 50% of units are at or below 80% AMI, 10 years affordability requirement
- Projects must be heated by a hard-wired electrical heating system to qualify for program funding
- Savings:
 - Electric saving measures
 - Minimum efficiency requirements according to pathway chosen
- NOFA and non-NOFA projects

PROGRAM PATHWAYS

- Existing multifamily and new multifamily both have three paths, suited for varying scopes of work
- Incentives escalate to reward more comprehensive design strategies



GETTING ON THE WAITLIST

1. Fill out an interest form at: OregonMultifamilyEnergy.com
2. Program representative will schedule a prequalification call to determine project eligibility
3. If your project is eligible:
 - **Submit an application**
 - **Upon application receipt, a waitlist confirmation email will be sent**

In the event OR-MEP funding becomes available, projects will be notified in the order that prequalification calls and applications are completed.

CONTACT INFORMATION

Multifamily Energy Program

- ◆ Phone: 503-505-6787
- ◆ Website: www.OregonMultifamilyEnergy.com
- ◆ Email: OHCSMultifamilyEnergy@trccompanies.com



NOFA Process

- Notice of Funding Availability (NOFA)
 - Public Announcement via [Technical Advisory](#)
- Pre-Application, including Site Review Checklist
- Project Summary Level Information shared with applicants
- Procorem Workcenter/Electronic Submission
 - Overview and Video Tutorial :
https://help.procorem.com/general_overview/meet-procorem/
- Full Application
 - Will be available in Procorem upon submittal of a pre-application

NOFA Pre-Application & Site Review Checklist

- Pre-Applications downloadable from OHCS Website:
<https://www.oregon.gov/ohcs/development/Pages/nofa21-home-investment-partnership-program.aspx>
- Pre-Application and Site Review Checklist must be submitted together to MFNOFA.HCS@Oregon.Gov by Thursday, March 11, 2021.
- In order to be eligible to submit a NOFA application, you **MUST SUBMIT** a pre-application with the site review checklist for the project by the deadline.



NOFA Pre-Application & Site Review Checklist

- Site Review Checklists will be submitted as “self-certified”
- You will NOT be able to swap out projects; sites must remain the same from pre-application to NOFA submission
- You MAY submit a pre-application and then decide, without penalty, not to complete a full NOFA application
- If applying for multiple NOFA's you must submit a new pre-application and site review checklist for each one.

ProCorem Workcenter

- Created within three (3) business days of OHCS receipt of Pre-Application and Site Review Checklist
- Full NOFA application with most relevant docs will be preloaded for download
- Submit full application, supplemental documents, and required evidence by uploading to appropriate folders (see checklist in full NOFA application for guidance)
- If selected, this project's Workcenter will continue to be used through the project development lifecycle
- Please reach out to us for a quick Procorem walkthrough – Do not contact Procorem market place.

Procorem Workcenter

The screenshot displays the Procorem Workcenter interface in a web browser. The browser's address bar shows the URL `app.procorem.com/account/1258/workcenters/29096/?tab=files`. The page header includes the Procorem logo, a search bar, and the user's name, Roberto. The main content area is titled "Files" and shows a list of folders under the breadcrumb "Home / OHCS / 9% LIHTC NOFA Workcenter Template". The folders are:

- Application and Supplemental Documents - Download only** (11 files, 1 folder, created 3 days ago by John Wright)
- Application Submission (Finalized Application and Documents Only)** (0 files, 0 folders, created a month ago by John Wright)
- FAQs, TAs and Announcements** (0 files, 0 folders, created a month ago by John Wright)

At the top of the file list are buttons for "Upload Files", "Create Folder", and "Actions". On the right side, there is an "Add Collaborator" section with a list of users:

- Angela Parada (Pending workcenter access)
- John Wright (WorkCenter Owner)
- Mitch Hannoosh (ARH - OPAS)
- Roberto Franco (DRP - Manager)
- Susan Bailey (Pending workcenter access)

The left sidebar contains navigation options: Files, Posts, Tasks, Calendar, Activity, WorkCenter Settings, Links, and Tenant Event Portal. The OREGON HOUSING and COMMUNITY SERVICES logo is visible in the top left and bottom right corners.

Full Application

- Excel Spreadsheet incorporating previously disconnected application components with tabs separating application into various subject matter categories
- Application auto populates fields as you go through and provides substantial self-scoring
- Pay particular attention to the initial Instructions tab
- Do not attempt to change or modify any cells or formulas – risk of application failure
- You may not copy the application to use with a different NOFA. Each application is specifically attached to a Workcenter and NOFA. You must submit a new application for each NOFA you are applying for
- A sample of the full application is available on OHCS funding pages.
- By submitting an application you are agreeing by electronic signature to all terms and conditions of the NOFA and application

HOME Preservation NOFA Funding

- \$3.6 Million in HUD HOME Program Funding
- Other funds:
 - Oregon Multifamily Energy Program (OMEP)
 - Gap (\$2 Million available, \$400,000 cap per project)
 - OAHTC (\$6 Million available, \$3 Million cap per project)

HOME Program Funding Limits

Minimum HOME Funding:

- \$1,000 per unit
- \$500,000 per project

Maximum 2020 Per-unit Subsidies:

- Total HOME NOFA request cannot exceed the total of the maximum per unit subsidies (below) for the HOME units included in the project.

Zero Bedroom	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom
\$153,314	\$175,752	\$213,717	\$276,482	\$303,489

Preservation Definition

Any Project with one of the following:

- A **HUD Section 8 Project-Based Rental Assistance Contract** that is expiring within seven (7) years of the date of the OHCS NOFA application; or
- A **USDA Rural Development direct mortgage** that is maturing within seven (7) years of the date of the OHCS NOFA application; or
- A **USDA Rural Development project** that has a pending prepayment request; or
- A **USDA Rural Development project** whose restrictive use covenants have expired; or
- A **Project with Public Housing Units** undergoing a preservation transaction involving a comprehensive recapitalization, including those converting to HUD Section 8 projects under the HUD Rental Assistance Demonstration or projects under the HUD Section 18 Demolition and Disposition ; or
- A **OHCS Portfolio Project** whose regulated affordability restrictions will expire within five (5) years of the date of the OHCS NOFA application.



NOFA Program Manuals

General Policy Guidance Manual (GPGM)

- Establishes guidelines that apply to all projects, regardless of the funding source(s)

Program Manuals (HOME, OAHTC, GHAP, etc.)

- Establishes State regulations and OHCS guidelines that apply to projects that use specific programs funds

Core Development Manual (CDM)

- Defines OHCS requirements and expectations related to Project due-diligence, planning, design, rehabilitation and construction aspects of housing development



Project Requirements-Affordability

Affordability Period:

- HOME funding requires a minimum of 20 years from the end of the year that the Project is placed in service
- OHCS requires an additional affordability period, typically for a total of 60 years.

Project Requirements: Rents and Incomes

HUD establishes both income and rent limits for the HOME program annually. Applications to the HOME NOFA must use 2020 published income limits.

- All units funded with HOME funds must be affordable to households with incomes below 65% MFI for the area.
- If the project has 5 or more HOME units, 20% of the units must be affordable to households with incomes at 50% of MFI for the area as established by HUD annually.
- Rent must not exceed 30% of the household adjusted income.



HOME Federal Cross-Cutting Regulations

▪ Environmental Review

All projects must not undertake choice limiting actions from the point of application until the HUD Environmental Review process has been completed.

▪ Lead-based Paint

Projects built prior to 1978 must submit the HUD [Lead Rule Compliance Advisor](#) tool as part of the HOME Supplemental Form.

▪ Davis Bacon Labor Standards

Projects with 12 or more units must comply with HUD Davis Bacon prevailing wage requirements, including reporting of weekly certified payroll for all contractors.



Project Requirements-Construction Standards

- All Projects must meet local and state code requirements.
- "Baseline Design Requirements" of the OHCS Core-Development Manual (CDM) applies to HOME Projects
- <https://www.oregon.gov/ohcs/development/Pages/core-development-manual.aspx>

Application Review and Scoring

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

1. Pass the Administrative 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

Threshold Requirements

Applications must satisfy all Threshold Requirements at the time of application to be considered for competitive scoring and funding.

- Diversity, Equity and Inclusion (DEI) Agreement (DEI tab in application)
- Relocation Plan and Tenant Survey (download from workcenter)
- Ownership Integrity (Ownership Integrity tab of application)
- Resident Services Plan Description (download from workcenter)
- Minority, Women and/or Emerging Small Business engagement and participation strategy

Readiness to Proceed

Readiness to Proceed is an expectation that a project recommended for funding be able to reach construction start within 240 days of a funding reservation. The following documents demonstrate a project's readiness:

- Zoning form (download from workcenter)
- Site Control form with proof (download from workcenter)
- Federal Resources Status (if applicant has identified additional federal resources such as rental or capital assistance from HUD, RD or VA)
- Development Schedule (Project tab of application)
- Project Site Checklist (submitted with Pre-Application)
- Core Development Documents (From the Core Development Manual 3.1)
- Development Team Capacity form (download from workcenter)
- A Program Compliance Review will be done internally

HOME NOFA Competitive Scoring Categories

A. Risk of Expiration	20
B. Tenant Impact	20
C. Project Readiness	16
D. Development Team Capacity	15
E. Need and Opportunity	12
F. Resident Services	7
G. Disaster Area (DA) Designation	5
H. Rural Priority	5
TOTAL	100

Competitive Scoring Detail

A. Risk of Expiration (20)

- Rental subsidy projects expiring within 36 months-20 points
- Rental subsidy projects expiring within 60 months-15 points
- OHCS portfolio projects expiring within 36 months-10 points
- OHCS portfolio project expiring within 60 months -5 points

B. Tenant Impact (20)

- Tenant Vulnerability-6 points
- Extremely low-income tenants-6 points
- Percentage of units with rent assistance-6 points
- Change of use -2 points

C. Project Readiness (16)

- Financial Viability- 10 points
 - Development pro forma -5 points
 - Operating pro forma-5 points
- Readiness to proceed-6 points

Competitive Scoring Detail (continued)

D. Development Team Capacity (15)

- MWESB– 3 points
- Development team experience-7 points
- OHCS portfolio Performance-5 points

E. Need and Opportunity (12)

- Location Need– 8 points
- Opportunity Area-4 points

F. Resident Services Plan (7)

- Comprehensive, realistic, culturally specific, data driven, funded, asset building

E. Federally Declared Disaster Area (5)

- Max- 5 points
- Mid- 3 points
- Low-1 point

F. Rural Priority (5)



Required Documentation

- Excel based Application
 - Project specific associated to workcenter via metadata.
 - Any attempts to modify or unlock application will cause it to break and OHCS will not be able to process it.
- Supplementals
 - Each program has a supplemental page except for Gap resources. You must fill out and submit one for each funding source being applied for.
- Supportive and Evidence based
 - Supportive documentation are documents required to support your answers given in the application. These include the following: Organizational Documents, Development Team Capacity questionnaire, Resident Services Plan Description, Zoning form, Site Control form and the Tenant Relocation Plan and Tenant Survey forms (if applicable).
- Evidence based
 - MOU's, Letters of Interest, Proof of Project Based Assistance, etc..

NOFA Process Reminders

- Use the checklist in the application to make sure all required attachments are uploaded to your Procorem work center by the application due date and time
- Procorem training resources can be found here:
https://help.procorem.com/general_overview/meet-procorem/
- Questions should be submitted to **MFNOFA.HCS@oregon.gov**
- Applications and charges are due Friday, April 30, 2021 by 4:00 pm

Questions?

