

9% Low Income Housing Tax Credit 2022-5 Notice of Funding Availability (NOFA) Informational Webinar

Reminders:

- Mute yourself when not speaking
- Chat is welcome for questions
- Recording of presentation and PDF will be available afterwards

Welcome

March 3, 2022
11:00am

Angela Parada
Sr. Tax Credit Programs Manager

Chat Introductions:

Your name,
Your organization,
If you intend to apply to
this years 9s NOFA.

Feel free to also share
any questions you hope
this webinar answers?

Agenda

Yellow highlighted content is due to 2022 QAP update.

- [Contacts & Questions](#)
- [Important Dates](#)
- [Program Requirements](#)
- NOFA Process Review
 - [Pre-Application](#)
 - [ProCorem Workcenter](#)
 - [Full Application](#)
- NOFA Content Review
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- NOFA Content Review
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 - [Required Documentation](#)
- [Final Reminders](#)
- Questions

Contacts & Questions

- Send **ALL** NOFA Related Questions to MFNOFA@hcs.oregon.gov
 - Please include “2022-5 LIHTC NOFA” in the subject line.
 - FAQs will be published at regular intervals, available here: <https://tinyurl.com/2022-9s-NOFA-Page>
- Program specific questions go to:

Program	Name	Email
LIHTC	Angela Parada	angela.parada@hcs.oregon.gov
HOME	Andrea Matthiessen	andrea.matthiessen@hcs.oregon.gov
GAP	Edward Brown	edward.brown@hcs.oregon.gov
OAHTC	Martin Jarvis	martin.jarvis@hcs.oregon.gov
PSH	Dana Schultz	dana.schultz@hcs.oregon.gov
CDM	Kevin Burgee	kevin.burgee@hcs.oregon.gov



Important Dates

Item	DUE DATE
Pre-application, Site Review Checklist, and Real Estate Schedule of Holdings	March 11, 2022
Expected Release of Pre-Application Stats	March 28 – April 4, 2022
Last Day to Submit NOFA related Questions	April 22, 2022
Full Application	April 29, 2022 – 4pm
Scoring	May 2 – July 1, 2022
Housing Stability Council Recommendations	August 5, 2022



9% LIHTC Program Requirements

Topic	Specifics
Affordability Duration	60 years extended use
Income and Rent Limits Applicable	2021 MTSP Limits - Multifamily Tax Subsidy Projects (MTSP) https://www.oregon.gov/ohcs/compliance-monitoring/Pages/rent-income-limits.aspx IRC requires a set-aside election – even if 100% of the units will be tax credit units. 40% @ 60% AMI 20% @ 50% AMI Average Income at 60% - https://www.oregon.gov/ohcs/development/Documents/admin/AFH-Average-Income-Policy.pdf
Development Period	Reservation: Mid/Late 2022 – allocation of 2023 or later credits. Construction Close: 240 days after date of reservation. Carryover Application: November 1, 2023 – reminders sent out before. Carryover Agreement: December 31, 2023 – “10% Test” met or extension on approval. Placed In Service: December 31, 2025 – typically marked by C of O. Final Application: at least 60 days prior to desired issuance of 8609s.
CDM Applicability	Level Two - https://www.oregon.gov/ohcs/development/Documents/Core-Development-Manual/CDM-Version-3-1.pdf

9% LIHTC Program Requirements Continued

Topic	Specifics
Underwriting Requirements (p. 59 of QAP)	All requirements integrated into the excel NOFA application.
9% LIHTC Program Charges/Fees	<p>Application Fee: \$3,500</p> <p>Reservation Charge: 9.5% of the annual allocation amount</p> <p>Recipient Charge: \$2,500</p> <p>Late Carryover Fee: \$1,000 + \$200 per business day, plus \$100 per hour for re-evaluation.</p> <p>Late Final Application: \$1,000 if received more than six (6) months past placed-in-service date, + \$100 per month, + \$100 per hour for re-evaluation.</p> <p>Monitoring Charge (First 15 years): \$40/unit</p> <p>Monitoring Charge (After year 15): \$30/unit</p> <p>https://www.oregon.gov/ohcs/development/Documents/admin/OHCS-Charges-Table.pdf</p>

9% LIHTC Program Requirements Continued

Topic	Specifics
Federal Basis Boost: QCT/DDA	https://www.oregon.gov/ohcs/development/Documents/LIHTC/2022-QCT-DDAs.pdf
State Basis Boost: HERA Eligible Projects	<ul style="list-style-type: none">• Rural Projects defined as communities with populations of 15,000 or less, outside of the Portland Urban Growth Boundary, in counties within Metropolitan Statistical Areas (Benton, Clackamas, Columbia, Deschutes, Jackson, Marion, Multnomah, Polk, Washington, and Yamhill Counties) and in communities with populations of 40,000 or less in the balance of the State.• Preservation Projects.• Projects serving permanent supportive housing goals.• Projects sited on tribal lands.• Projects with at least twenty percent (20%) of the units restricted to LIHTC Extremely Low (30%) rents and income limits.• Projects that are located in Transit Oriented Districts (TOD's) as designated by local governments• Projects that result in the de-concentration of poverty by locating low-income housing in low poverty areas, which are Census Tracts where 10 percent or less of the population lives below the poverty level.

9% LIHTC Program Requirements Continued

Topic	Specifics																	
Developer Fee Calculation	$\frac{\text{(Developer Fee + Consultant Fee)}}{\text{(Total Project Costs - (Acquisition + Developer Fee + Consultant Fee + Capitalized Reserves))}}$																	
Developer Fee Limits Auto-calculated in excel NOFA app (p. 57-58 QAP)		<table border="1"> <thead> <tr> <th>Project Size</th> <th>9% LIHTC New Construction</th> <th>9% LIHTC Acquisition/ Rehab</th> </tr> </thead> <tbody> <tr> <td><31 Units</td> <td>18%</td> <td>20% + \$4,000/unit OR + \$5,500/unit for Preservation</td> </tr> <tr> <td>31-75 Units</td> <td>16%</td> <td>18% + \$4,000/unit OR + \$5,500/unit for Preservation</td> </tr> <tr> <td>76-100 Units</td> <td>14%</td> <td>16% + \$4,000/unit OR + \$5,500/unit for Preservation</td> </tr> <tr> <td>100+ Units</td> <td>12%</td> <td>14% + \$4,000/unit OR + \$5,500/unit for Preservation</td> </tr> </tbody> </table>	Project Size	9% LIHTC New Construction	9% LIHTC Acquisition/ Rehab	<31 Units	18%	20% + \$4,000/unit OR + \$5,500/unit for Preservation	31-75 Units	16%	18% + \$4,000/unit OR + \$5,500/unit for Preservation	76-100 Units	14%	16% + \$4,000/unit OR + \$5,500/unit for Preservation	100+ Units	12%	14% + \$4,000/unit OR + \$5,500/unit for Preservation	
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NOFA Process

NOFA Pre-Application Requirements

- Pre-Applications are downloadable from OHCS Website:
<https://www.oregon.gov/ohcs/Pages/multifamily-housing-funding-opportunities.aspx>
- Pre-Application, Site Review Checklist, Real Estate Schedule of Holdings must be submitted together to MFNOFA@hcs.oregon.gov by the deadline.
- The **deadline** to submit a pre-application, site review checklist, and Real Estate Schedule of Holdings is **3/11/2022**.
- In order to be eligible to submit a NOFA application, applicants **MUST SUBMIT** a pre-application, site review checklist, and Real Estate Schedule for the project by the deadline.



NOFA Pre-Application Requirements Continued

- Site Review Checklists will be submitted as “self-certified.”
- Applicants will **NOT** be able to swap out project locations; sites must remain the same from pre-application to full NOFA application submission.
- Applicants **MAY** submit a pre-application and then decide, without penalty, not to complete a full NOFA application.
- If applying for multiple NOFAs, Applicants **MUST** complete a new pre-application and applicable supplements as required.



Procorem Workcenter

- Created within five (5) business days of OHCS receipt of Pre-Application, Site Review Checklist and Real Estate Schedule of Holdings. (***if on or before deadline***)
 - If other persons of the development team *not* on the pre-app need access to the Workcenter, please include them in the email body when submitting project pre-application.
- Full NOFA application and applicable supplementals will be preloaded by OHCS for download into Workcenter.
- Completed tasks and events will be visible through work center.
- Submit full application, supplemental documents, and required evidence by uploading to appropriate folders. (see checklist on “Instructions” tab of full NOFA application for guidance)
- If recommended for funding, project’s WorkCenters will continue to be used through the project development lifecycle.

Full Application

- Application auto populates fields as you go through and provides substantial self-scoring.
 - The application's development was intended for completion from tabs left to right of the "Instructions" tab.
- **Pay particular attention to the initial Instructions tab.**
 - Pay close attention to the color of the tabs and cells.
 - Review the red flags on cells as may detail important notes.
 - DO NOT use hyphens in any Tax ID numbers.
 - Leave fields **blank** that are not applicable to your project proposal.
- Do not attempt to change or modify any cells or formulas; there is a risk of application failure.
- Applicants **may not** copy an application to use with a different NOFA. Each application is specifically linked to a Workcenter and NOFA. Each funding resources requires applicants to submit a separate applications.
- By submitting an application, Applicants are agreeing by electronic signature to all terms and conditions of the NOFA and application.

NOFA Content Overview

General NOFA Details

- Applicants must request 9% LIHTC in this NOFA.
- 60 point minimum to qualify for funding recommendation.
- Other funds are available:

Source	Amount	Notes
HOME	\$6,000,000	Available only to Balance of State Region Available only to New Construction Projects Project Minimum of \$1,000,000
GAP	\$5,000,000	\$500,000 per project max on Metro/PJ regions \$600,000 per project max on Balance of State regions
OAHTC	-	Up to 95% of the Permanent Loan Debt on proposed project
PSH	-	Rental Assistance and Operations Subsidy available for request

Page 8 of the NOFA for more information.



LIHTC Set-Asides

Set-Asides	Total Annual Amount Estimated: \$10,000,000
Regional Pool (65%)	- Metro Region: \$3,055,556
	- Non-Metro Participating Jurisdiction Region: \$1,038,889
	Total: \$6,500,000
	- Balance of State Urban Region: \$1,000,000
	- Balance of State Rural Region: \$1,405,556
Preservation (25%)	\$2,500,000
Tribal Lands (10%)	\$1,000,000

Soft Set-Asides	Percentage of Total Allocation
Non-Profits	10%
Qualified Culturally Specific Organizations	10%

See P. 7 of the NOFA for more details



Culturally Specific Set-Aside

- Qualified Culturally Specific Organizations / Developers means an organization designed to serve historically underserved communities representing “least likely to apply” for housing occupancy and that:
 - Is representative of a community or significant segments of a community and provides affordable housing to low- and very low-income households; and
 - Can demonstrate primary target populations served to be “least likely to apply,” meaning there is an identifiable presence of a specific demographic group in the housing market area, but members of that group are “not likely to apply” for the housing without targeted outreach, including marketing materials in other languages for limited English proficient individuals, and alternative formats for persons with disabilities. Reasons for not applying may include but are not limited to insufficient information about housing opportunities, language barriers, or transportation impediments.

Funding Request Limit

9% LIHTC projects

- Applicants may request up to 20% - No sponsor may receive more than 20% of the annual allocation of 9% LIHTCs in any one year.
 - In 2022:
 - ten percent (10%) of the State's total 9% LIHTC annual allocation is determined to be: \$1,000,000;
 - twenty percent (20%) is determined to be: \$2,000,000
- 2022 NOFA Change: the 4% Application for LIHTC Requests over 10% is **NOT** required.

Program Documents

General Policy Guidance Manual (GPGM)	https://www.oregon.gov/ohcs/development/Documents/admin/manual-general-policy-guidelines.pdf
Low Income Housing Tax Credit Qualified Allocation Plan	https://www.oregon.gov/ohcs/development/Documents/LIHTC/QAP/2022-QAP-Final.pdf
HOME Program Manual	https://www.oregon.gov/ohcs/compliance-monitoring/Pages/HOME-Investment-Partnership-Program.aspx
OAHTC Program Manual	https://www.oregon.gov/ohcs/development/Documents/OAHTC/manual-oahtc-2016.pdf
GHAP Program Manual	https://www.oregon.gov/ohcs/development/Documents/GHAP/manual-ghap-2016.pdf
PSH Program Frameworks	https://www.oregon.gov/ohcs/development/Pages/permanent-supportive-housing.aspx
Core Development Manual	https://www.oregon.gov/ohcs/development/Documents/Core-Development-Manual/CDM-Version-3-1.pdf

Evaluation Overview

There are a series of **three** reviews in the process of evaluating the 9% LIHTC NOFA full applications. This process assumes you've already submitted a satisfactory pre-application.

First - Administrative Review

Second - Threshold Review

Third - Competitive Scoring

First – Administrative Review

- Review of the following materials:

- Excel App
 - Application and Charge Transmittal Form with Payment for Application Charges (Form and payment postmarked by 4/29/22)
 - Owner/Board of Directors' Authorization and Acceptance Form
 - Applicant's Organizational Documents
- PROCOREM WorkCenter
 - Complete NOFA Application with Required Exhibits/Supplemental/Evidence
 - Certification of Pre-Application submission (confirmed with creation of WorkCenter)
- Evaluated on **Pass/Fail** criteria

(Page 11 of the 2022-5 LIHTC NOFA)



Second - Threshold Requirements

Application must satisfy Threshold Requirements as of deadline to be considered for competitive scoring and funding recommendation. Items are evaluated **Pass/Fail**.

	Document	Location
A.	Diversity, Equity and Inclusion Agreement	Excel NOFA Application
B.	Relocation Plan	WorkCenter (if applicable)
C.	Ownership Integrity	Excel NOFA Application
D.	Right of First Refusal	Integrated into Ownership Integrity and a part of the Financial Documents.
E.	Resident Services Plan	WorkCenter
F.	MWESB/SDVBE Engagement	Excel NOFA Application

Second - Threshold Requirements Continued

G. Readiness to Proceed

Document	Location
Zoning Form	WorkCenter
Site Control Form	WorkCenter
Federal Project Resources Status	Details in Budget Sources / Upload to WorkCenter – “Federal Resources Evidence”
Development Schedule	Excel NOFA Application “Development Schedule”
Project Site Checklist	Website and submit with Pre-Application

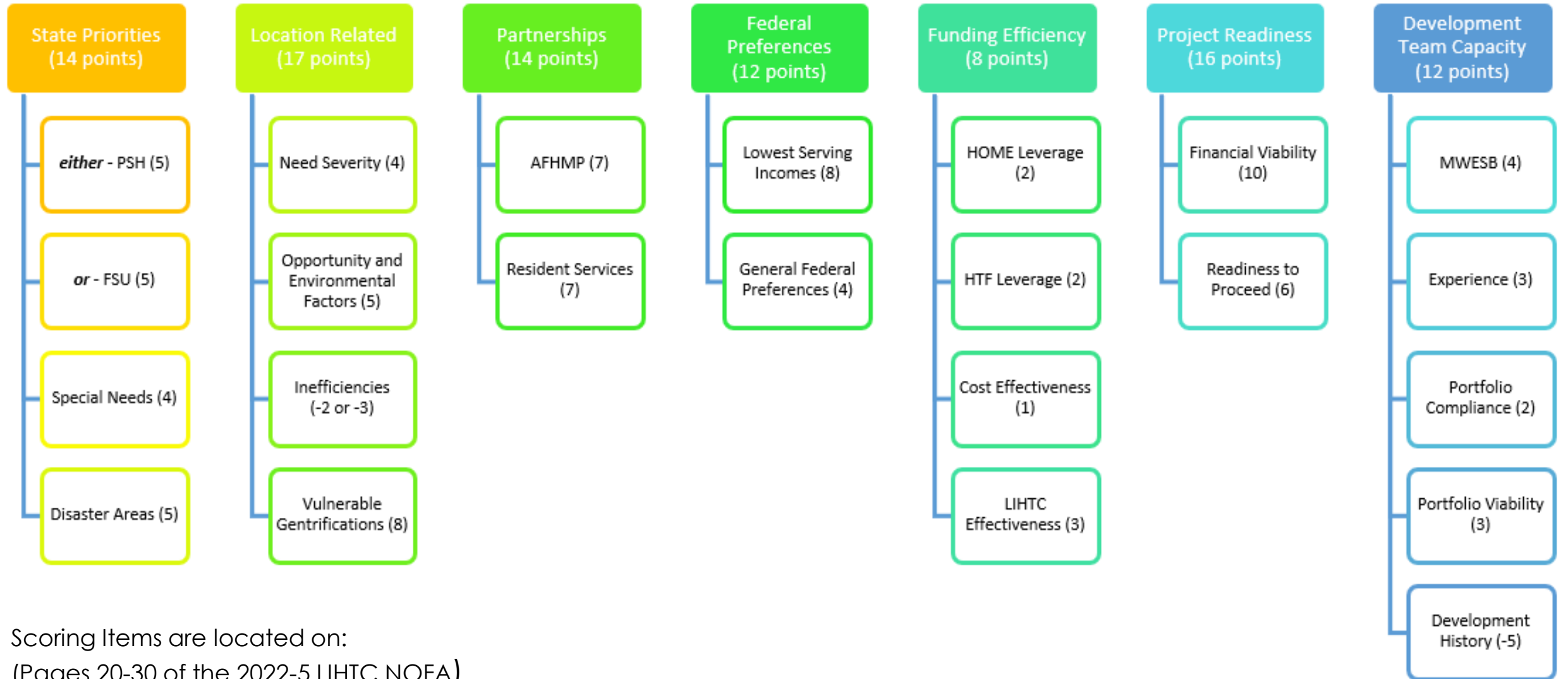
Second - Threshold Requirements Continued

	Document	Location
H	Core Development Requirements	Items are contained within the Core Development Manual: https://www.oregon.gov/ohcs/development/Documents/Core-Development-Manual/CDM-Version-3-1.pdf
I.	Development Team Capacity	Excel NOFA Application (“Narratives” – row 85) and Workcenter Form
J.	Program Compliance Review	WorkCenter

Threshold Items are located on:
(Pages 12-19 of the 2022-5 LIHTC NOFA)

Third – Competitive Scoring New Construction & Acquisition Rehabilitation

New Construction & Acquisition/Rehabilitation Projects

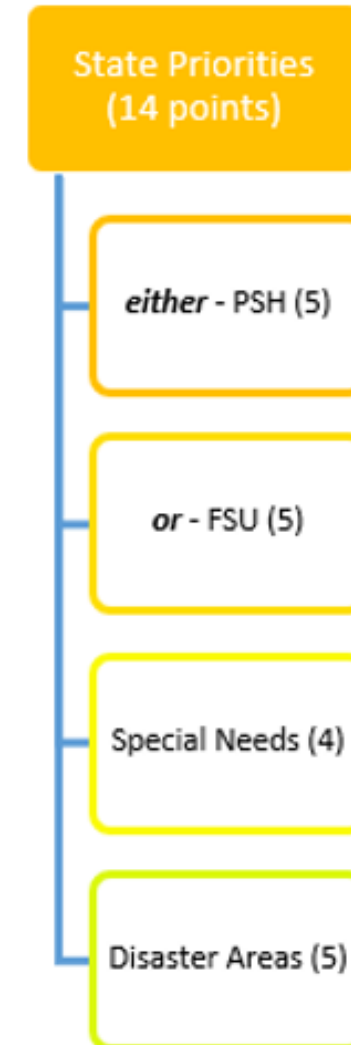


Scoring Items are located on:
(Pages 20-30 of the 2022-5 LIHTC NOFA)

New Construction & Acquisition Rehab Projects

Competitive Scoring Updates

- Points in the State Priorities category for Permanent Supportive Housing (PSH) and Family Sized Units (FSU) are mutually exclusive – PSH projects can elect to compete for Family Sized Units points but can't get points for both.
 - Any projects requesting PSH operations subsidy or rental assistance must complete all “PSH only” questions and PSH services budget tab.
- PSH points have been changed – No longer can you count one point for agreeing to participate in an OHCS PSH Training and TA.
 - Applicants must now **HAVE already** participated.



New Construction & Acquisition Rehab Projects Competitive Scoring Updates

- Need Severity score will be auto populated in the excel NOFA application.
 - Don't forget to include a revitalization plan, if pursuing QCT points.
- Opportunity and Environmental Factors are self scored on the applicable tab in the excel NOFA application.
 - Makes sure that site review checklist mirrors responses in the self scored tab.
- Inefficiencies will be calculated using a report generated by using the "Environmental Justice Report Instructions"
 - Downloadable through WorkCenter.
- Vulnerable Gentrification score will be auto populate.

Location Related
(17 points)

Need Severity (4)

Opportunity and
Environmental
Factors (5)

Inefficiencies
(-2 or -3)

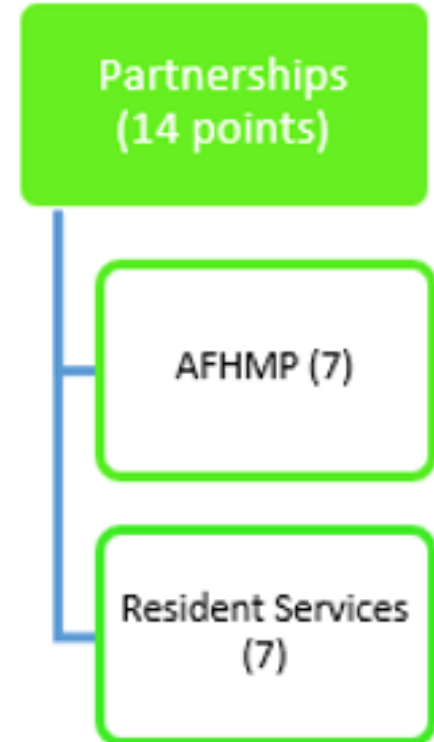
Vulnerable
Gentrifications (8)



New Construction & Acquisition Rehab Projects

Competitive Scoring Updates

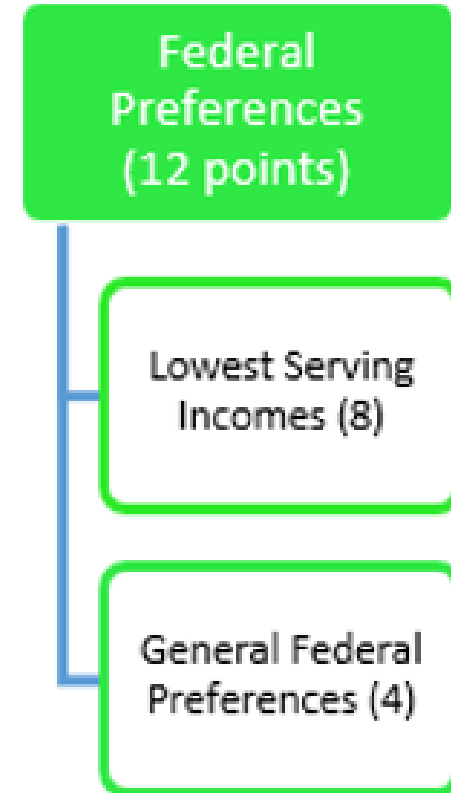
- A draft of the Affirmative Fair Housing Marketing Plan is required – no longer optional.
 - Applicants may submit an MOU or supporting document along with your AFHMP
 - Recall that Affirmative Fair Housing is about addressing least likely to apply
- Resident Services Plan is a threshold item and is used to score this category.
 - Recall that the RSP is about tailored services to residents.



New Construction & Acquisition Rehab Projects

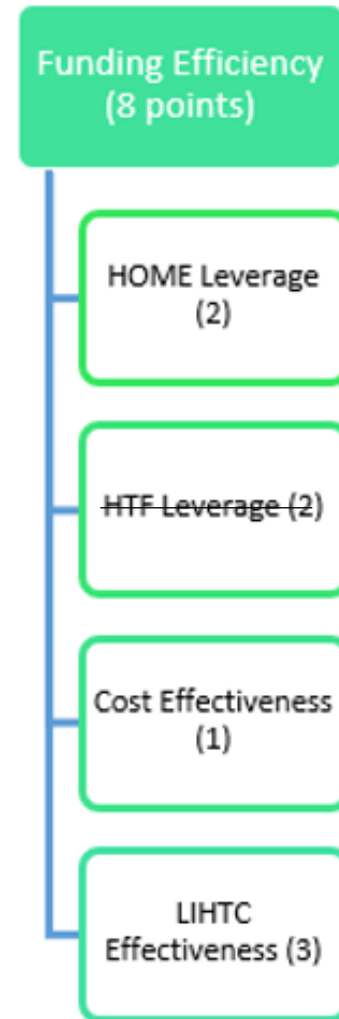
Competitive Scoring Updates

- Serving Lowest Incomes -
 - Lowest Average Project AMI (5)
 - Completed in the Excel NOFA Application
 - Project Based Subsidy (3)
 - Completed in the Excel NOFA Application and additional documentation of voucher commitment.
- General Federal Subsidy – All elements require documentation
 - Tenant Ownership (1)
 - Energy Efficiency Beyond CMD (1)
 - Historic Value (1)
 - PHA Waitlist Marketing (1)



New Construction & Acquisition Rehab Projects Competitive Scoring Updates

- HOME Leverage of OHCS funds qualifies for points and is only available for New Construction projects.
- There is no HTF available in this NOFA, all projects will receive a zero score for this category.
- 2022 QAP update to the Cost Effectiveness category will now award one point to all projects in lowest half of per bedroom costs in the applicable set-asides.



New Construction & Acquisition Rehab Projects Competitive Scoring Updates

- Financial Viability –
 - Development Pro Forma Review (5)
 - Operating Pro Forma Review (5)
- Readiness to proceed –
 - Confirmed Funding (2)
 - Pending Funding Commitment (1)
 - Demonstrated ability to start within 12 months (1)
 - Reservation requirement to close within 240 days.
 - Project Schedule – adequate and reasonable (1)
 - Explanation of project funding required now (1)



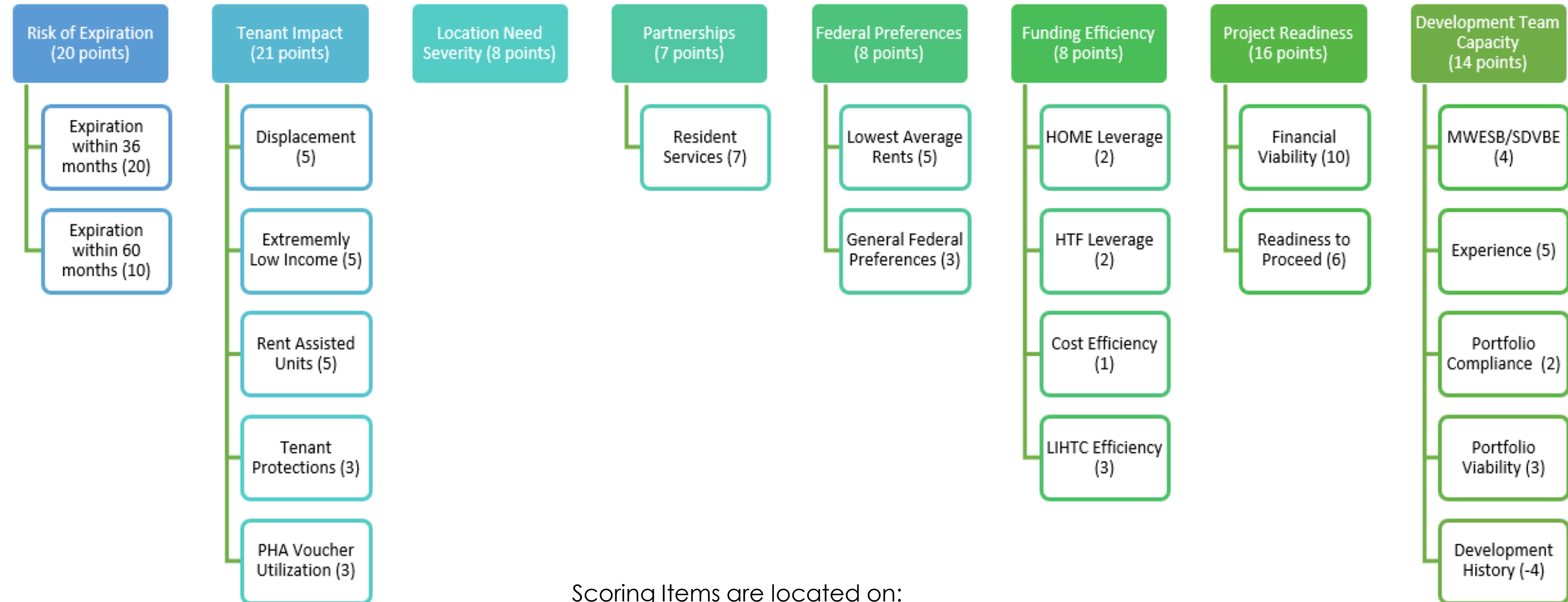
New Construction & Acquisition Rehab Projects Competitive Scoring Updates

- MWESB is to be completed in the excel NOFA Application
- Development Team Experience should be documented in the “Narratives” tab of the excel NOFA application **and** completion of the supplemental in the WorkCenter.
- Performance is split into two categories:
 - Portfolio Compliance
 - 2022 NOFA: score based **solely** on current year CCPC submission
 - Portfolio Viability
- Performance criteria is only applicable to Applicants with projects in the OHCS portfolio.
 - if an Applicant doesn't have project in the OHCS portfolio – please submit a letter attesting to compliance and financial good standing.



Third – Competitive Scoring Preservation Projects

Preservation Projects

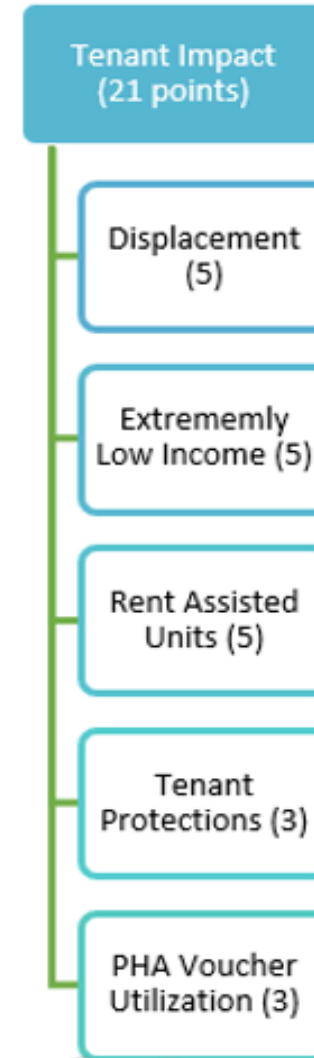


Scoring Items are located on:
(Pages 31-38 of the 2022-5 LIHTC NOFA)

Preservation Projects Competitive Scoring Updates

Tenant Survey required for these categories.

- Vulnerable Tenant Displacement
 - Make sure to enter information into self-score tab of the excel NOFA application.
- Extremely Low Income
 - Based off currently serving - aggregate. Enter information into self-score tab of the excel NOFA application.
- Rent Assisted Units
 - Make sure to enter information correctly into the “Rents and Incomes” tab
- Tenant Protections and Voucher Utilization
 - Enter information into self-score tab of the excel NOFA application.



Preservation Projects

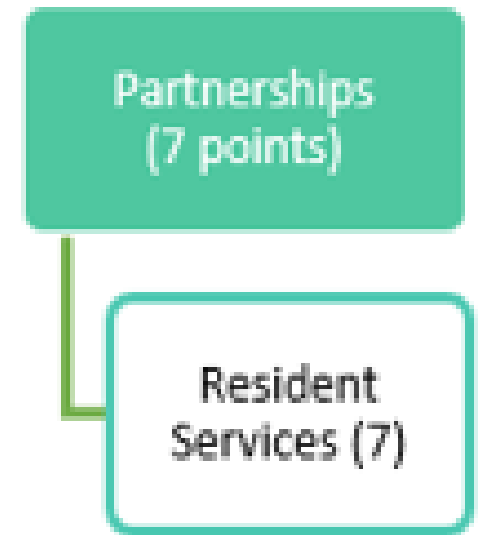
Competitive Scoring Updates

- Location Need Severity broken up into three categories
 - Severe Rent Burden and Mismatched Housing Stock will be auto populated.
- Third category – Disaster Areas are self scored and will be confirmed.
 - Review the policy memo to see assignable scores.
 - <https://www.oregon.gov/ohcs/development/Documents/nofa/2021/FederallyDeclaredDisasterArea-PreferenceforNOFA.pdf>

Location Need
Severity (8 points)

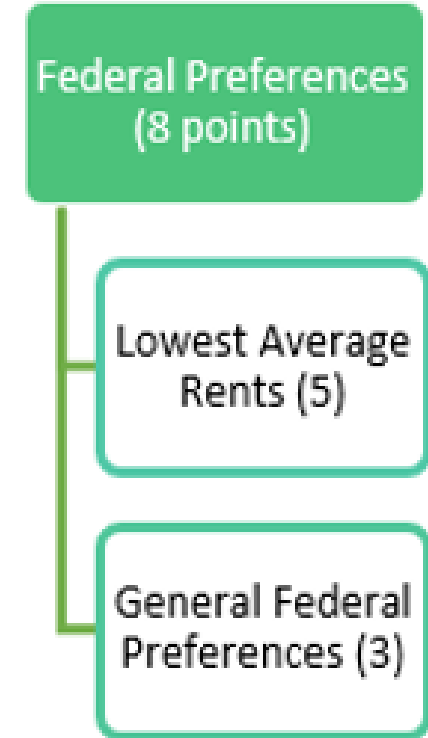
Preservation Projects Competitive Scoring Updates

- Resident Services Plan is a threshold item and is used to score this category.
 - Recall that the RSP is about services tailored to residents.



Preservation Projects Competitive Scoring Updates

- Serving Lowest Incomes -
 - Lowest Average Rents(5)
 - Based on tenant survey – Average of Incomes of current tenants (Calculated in excel NOFA application.)
- General Federal Subsidy – All elements require documentation
 - Tenant Ownership (1)
 - Historic Value (1)
 - PHA Waitlist Marketing (1)



Preservation Projects

Competitive Scoring Updates

- There is no HOME available in this NOFA all projects will receive a zero score for this category.
- There is no HTF available in this NOFA, all projects will receive a zero score for this category.
- 2022 QAP update to the Cost Effectiveness category will now award one point to all projects in lowest half of per bedroom costs in the applicable set-asides.



Preservation Projects

Competitive Scoring Updates

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 - Development Pro Forma Review (5)
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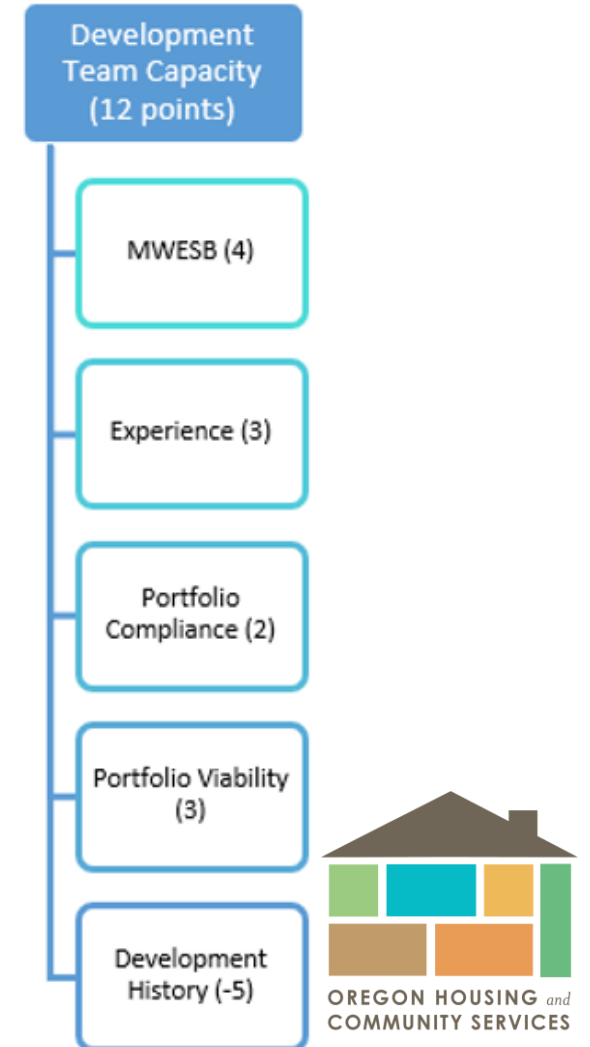


Preservation Projects

Competitive Scoring Updates

- MWESB is to be completed in the excel NOFA Application
- Development Team Experience should be documented in the “Narratives” tab of the excel NOFA application **and** completion of the supplemental in the WorkCenter.
- Performance is split into two categories:
 - Portfolio Compliance
 - 2022 NOFA: score based **solely** on current year CCPC submission
 - Portfolio Viability
- Performance criteria is only applicable to Applicants with projects in the OHCS portfolio. Should additional information be considered in the scoring it can be detailed under the “Narratives” tab of the excel NOFA application.
 - if an Applicant doesn’t have project in the OHCS portfolio – please submit a letter attesting to compliance and financial good standing.

Pages 36-38 of the 2022-5 LIHTC NOFA



Competitive Scoring Tips

- Do not assume that the reader is familiar with your organization in your narrative responses.
- Reviewers may not have access to your complete application, even if you're repeating answers, its likely for a reason.
- Explain acronyms.
- Double check that
 - Referenced "attached" materials are in fact uploaded as supplemental or supporting evidence.
 - Assumptions are standard across various sections of the application



Required Documentation

- Excel NOFA Application
- Supplementals
 - Each program has a supplemental form and/or excel tabs **except** for GAP resources.
 - You must complete and submit forms for all funding programs requested.
- Supporting Documentation
 - Demonstrates application details and includes 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
 - Memorandum Of Understandings (MOUs), Letters of Interest (LOI), Proof of Project Based Assistance – review the NOFA for specifics.

Final Reminders

- Pre-Application due 3/11/2022
- Full Application due 4/29/2022 at 4pm
- All questions should be sent to MFNOFA@hcs.oregon.gov by 4/22/2022
- FAQs are updated weekly/biweekly and posted online
- Reference materials are posted online, and links are available on slide 19
- Follow “Instructions” tab and red flag cells of the excel NOFA applications
- The process is competitive, and submissions are final.



Thank you.

Questions?

