

# Affordable Housing Funding Notice

Oregon Housing and Community Services



## **MULTIPLE AWARD OPPORTUNITY NOTICE OF FUNDING AVAILABILITY (NOFA) #2022-4**

### **Permanent Supportive Housing (PSH)**

NOFA Issued: February 4, 2022

Pre-Application due: February 18, 2022

Proposal Due Date: April 22, 2022

Proposal Due Time: 4:00 PM PST

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## 1. INTRODUCTION

### 1.1. Purpose

Oregon Housing and Community Services (“OHCS”) is seeking applications (“Applications”) in this NOFA for the new construction, rehabilitation, or acquisition/rehabilitation of new permanent supportive housing (“PSH”) developments (“Projects”). The source of funds for this NOFA is Article XI-Q Bonds. Participation in this NOFA is limited to the Projects of teams who have participated in the OHCS-sponsored Corporation for Supportive Housing (CSH) Supportive Housing Institute or Projects sponsored by developers who have attended the Supportive Housing Institute and may have a different team configuration than when they went through the Institute. Projects must serve qualified low-income households that are Chronically Homeless (as defined herein) or otherwise locally defined by a region’s Continuum of Care or the community-wide homelessness services system, and are assessed by a region’s Coordinated Entry system as the most vulnerable homeless persons. To best serve PSH-eligible households, PSH projects are required to utilize project-based rental assistance and to provide on-site, comprehensive tenancy support services that allow for long term housing stability and wellness.

## 2. NOFA FUNDING SOURCES, ALLOCATIONS, AND FUNDING LIMITS

### 2.1. Capital Funds

#### A. PSH Capital Funds

In the 2021 Oregon State Legislature, \$50 million in funding was provided to OHCS in the form of Article XI-Q Bond authority for the PSH Capital program for the 2021-2023 biennium. This NOFA represents the first PSH Capital offering of the biennium. This funding source requires the State of Oregon to loan the funds and hold an appropriate operational interest in the Project. This is satisfied in part, by an Operating Agreement, Declaration of Restrictive Covenants, and a Project Management Agreement.

Funding available through this NOFA is **\$25 million** based on current unreserved PSH Capital resources and interest earnings and is to be reserved to Projects that meet the requirements of this NOFA. If additional PSH resources become available from interest earnings or other means, OHCS may add those to the resources that are awarded from this NOFA. Furthermore, if there is a Project that cannot be funded with the remaining PSH Capital resources, OHCS retains the right at its sole discretion to leverage other resources to fully fund a Project.

This NOFA does not set specific per unit subsidy limits for PSH capital funds, however, there is a preference for applications that request at or below \$300,000/unit in subsidy.

#### B. National Housing Trust Funds (HTF)

Housing Trust fund dollars are federal resources targeted to serve extremely low-income households (those who have incomes at or below 30% AMI) statewide. **\$15 million** in HTF funds are available through this NOFA. HTF dollars must comply with all

relevant federal program requirements including but not limited to affirmatively furthering fair housing, lead-based paint, Uniform Relocation Assistance, Environmental review, and Section 3 Contracting and reporting. Because of these requirements, Project sponsors are prohibited from taking choice limiting actions until all federal requirements are satisfied. HTF program requirements are contained in more detail in the HTF Program Manual on the OHCS website. [2022-HTF-Project-Manual.pdf \(oregon.gov\)](https://www.ohcs.org/2022-HTF-Project-Manual.pdf). OHCS encourages applicants to indicate in their application that the project would accept HTF funding if there is not enough PSH capital to fund the project. ***Please note, all PSH NOFA applicants are required to complete the Federal HTF Supplemental Form provided with the application, unless the applicant is only seeking PSH Rental Assistance and/or Services Funding.***

Per unit subsidy limits for the HTF funds included in this NOFA are indicated in the chart below:

**National Housing Trust Fund Per Unit Subsidy Maximums**

Oregon Limit	Studio	1 bedroom	2 bedroom	3 bedroom	4 bedroom
Urban	\$231,000	\$281,000	\$330,000	\$374,000	\$394,000
Rural	\$182,000	\$220,000	\$270,000	\$308,000	\$341,000

**C. OAHTC**

In addition to the PSH Capital funds applicants can request OAHTC to cover up to 95% of their permanent loan where it results in serving households at or below 50% AMI. *OAHTCs cannot pass through to units with project-based rental assistance.*

**D. 4% LIHTC**

Applicants may choose to utilize 4% Low Income Housing Tax Credits (LIHTC) and tax-exempt conduit bonds as a funding source. If an Applicant chooses to do so, all components of the 4% LIHTC program, including Project feasibility review and due diligence associated with the 4% LIHTC program application, applies. The Project must be submitted to OHCS within 45 days of the PSH funding reservation. Information on the LIHTC program can be found here: <http://www.oregon.gov/ohcs/Pages/multifamily-housing-four-percent-application.aspx>.

*Because of limited private activity bond availability, 4% LIHTC/Bond projects are limited to \$20 million (80%) of the available PSH Capital Resources, with an approximate private activity bond limit of \$100 million for 2022.*

**E. Gap Funding for Integrated Projects**

In addition to the PSH Capital funds, OHCS will make **\$5 million** in General Housing Account Program (GHAP) and Housing Development Grant Program (HDGP), collectively known as “Gap Funds”, to projects that are combining PSH and non-PSH units (also known as integrated projects). Projects can request no more than \$1,000,000 in Gap

Funding. If there is a Project that cannot be funded with the remaining PSH Capital resources, OHCS retains the right at its sole discretion to leverage OHCS gap funding resources other than PSH Capital to fully fund a Project.

#### **F. Capital Funding Set-asides**

The following soft set-asides will apply to the PSH Capital funds and federal HTF funds only:

- 15% for Tribal-led projects
- 40% for urban projects
- 45% for rural projects

If the next Project within the set-asides requires more funds than remains in the particular set-aside category, those funds will be grouped together with similar funding from the other set-aside category (ies) and the combined funding will go to the highest scoring Project able to be funded. If there are not enough Projects able to be funded (having passed preliminary and threshold minimum requirements) to use all resources for one of the set-aside categories, those funds will be made available to fund Projects in another set-aside category. If the next Project cannot be fully funded with available PSH funds, OHCS may leverage other available OHCS resources to fully fund a Project.

#### **2.2. PSH Project-Based Rental Assistance**

The 2021 Oregon Legislature provided Project-based Rental Assistance resources to be operated through Oregon Housing and Community Services. The funding source for these resources is State general funds and the funding is considered “current service level”. It is anticipated that the funding will be renewed each biennium. For the purposes of financial modeling, Projects should assume that the Project-based rental assistance will pay up to 60% AMI rents and will subsidize the gap between 27% of a households’ income and 60% AMI rent, even if household incomes are as low as \$0. Additionally, contract language will include the ability to convert to 60% AMI units if the rental assistance becomes no longer available for any reason. Projects awarded Project-based rental assistance through this NOFA will also receive Administrative Fee payments of \$60 per unit per each month occupied. These funds should be included as income in the project’s operating budget within the proforma. Projects must identify in their application if they are seeking rental assistance funding through this NOFA. Projects are not required to request rental assistance funds in their application, as long as the application shows that project-based rental assistance has been awarded to the project through another resource that is acceptable to OHCS , such as project-based vouchers provided by a local Housing Authority. Guidelines for the Project-Based Rental Assistance Program can be found on the OHCS PSH website: [PSH-Rent-Assistance-Framework-2.0.pdf \(oregon.gov\)](#)

### 2.3. PSH Services Funding

The 2021 Oregon Legislature allocated resources for PSH Services funding through OHCS. The funding source for these resources is considered “current service level” funding and is anticipated to be renewed each biennium. PSH services must be designed to effectively support communities’ most vulnerable populations in reaching long-term housing success. Services funding is capped at \$10,000 per unit per year for PSH projects. Projects must identify in their application if they are seeking Services funding through this NOFA. Projects are not required to request PSH Services funds in their application if the application shows appropriate services funding has been awarded to the Project through another resource that is acceptable to OHCS. Guidelines for the PSH Services Program can be found here: [PSH-Services-Framework-2.0.pdf \(oregon.gov\)](#)

### 2.4. Application Parameters

- Applications will be accepted only from projects and/or teams that have completed one of the two OHCS-sponsored Corporation for Supportive Housing (CSH) Supportive Housing Institutes, and Projects from Developers who were part of a team that went through an OHCS-sponsored Corporation for Supportive Housing (CSH) Supportive Housing Institute.
- For *Projects* that did not go through the Institute or where the full team did not attend the Institute, if awarded, the applicants will be required to complete the CSH Endorsement process for their project.
- Teams that were funded in the 2020 PSH mini-NOFA or the 2021 PSH NOFA and have not yet closed on financing are ineligible to apply for financing for a new Project through this NOFA.
- Applicants may apply only for one phase of a multi-phase Project.
- Projects that have already been funded through a competitive OHCS NOFA are not eligible for additional capital funding through this NOFA. However, previously funded projects may apply for project-based rental assistance and services funding through this NOFA if they meet the Institute participation parameters.
- Only one project per sponsor and/or team can be submitted.
- Projects must contain a minimum of 5 PSH units.
- Projects can request one, two, or all of the PSH resources available through this NOFA, which include PSH Development Capital, PSH Project-based Rental Assistance, and PSH Services Funding.
- If a project is only requesting PSH Rental Assistance and/or Services Funding, the applicant must still complete the entire application and the project must have received development capital from OHCS.
- Developments that are under construction (including site work) at the time of application are not eligible for capital funding through this NOFA, but are eligible for Rental Assistance and/or Services Funding.

## 2.5. Definitions

Terms defined in this NOFA (including those provided in this subsection), as well as terms defined in other Program Requirements, shall be construed in this NOFA consistently with those definitions unless the context clearly indicates otherwise. The following terms shall have the following meanings:

**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 that are submitting an Application responsive to this NOFA.

**Chronically Homeless:** “Chronically Homeless” is defined by a project’s local Continuum of Care (CoC). Most CoCs define “Chronically Homeless” as:

(1) an individual who: (i) is homeless and lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; (ii) has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least one year or on at least four separate occasions in the last 3 years; and (iii) can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability (as defined in section 102 of the Developmental Disabilities Assistance Bill of Rights Act of 2000 (42 U.S.C. 15002)), post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability;

(2) an individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria in paragraph (1) of this definition, before entering that facility; or

(3) a family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph (1) of this definition, including a family whose composition has fluctuated while the head of household has been homeless; or other definition of the most vulnerable persons experiencing homelessness in a community

**Communities of Color:** Identity-based communities that hold a primary racial identity that describes the racial characteristics of the community that its members share (such as being African American), that supports self-definition by community members, and that typically denotes a shared history and current/historic experiences of racism. The community may or may not also be a geographic community. Given that race is a socially-defined construct, the

definitions of these communities are dynamic and evolve across time. \*

**Continuum of Care (CoC):** A regional or local planning body that coordinates housing and services funding for families and individuals experiencing homelessness

**Coordinated Entry:** A process developed to ensure that all people experiencing a housing crisis have fair and equal access and are quickly identified, assessed for, referred, and connected to housing and assistance based on their strengths and needs, operated by a region's Continuum of Care.

**Culturally Responsive Organization:** means an entity that comprehensively addresses power relationships throughout the organization, from the types of services it provides and how it maximizes language accessibility to its human resources practices—who it hires, how they are skilled, prepared and held accountable, to its cultural norms, its governance structures and policies, and its track record in addressing conflicts and dynamics of inclusion and exclusion, to its relationships with racial groups in the region, including its responsiveness to expectations. A Culturally Responsive Organization is one that is dynamic, on a committed path to improvement and one that is hardwired to be responsive to the interests of Communities of Color, service users of color, and staff of color. Culturally responsive organizations hire and train culturally and linguistically diverse staff to meet the needs of the diverse communities they serve \*

**Culturally Responsive Services:** means services that have been adapted to maximize the respect of and relevance to the beliefs, practices, culture and linguistic needs of the diverse client populations and communities being served, including clients and communities of color. Cultural responsiveness describes the capacity to respond to the issues of diverse communities. Culturally responsive services assure competent language access and incorporate diverse cultural approaches, strengths, perspectives, experiences, frames of reference, values, norms and performance styles of clients and communities to make services and programs more welcoming, accessible, appropriate, and effective for all eligible and intended recipients.\*

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\* Adapted from: Curry-Stevens, Ann, Marie-Elena Reyes & Coalition of Communities of Color (2014). *Protocol for Culturally Responsive Organizations*

**Culturally Specific Organization:** an entity that provides services to a cultural community and the entity has the following characteristics:

- Majority of members and/or clients are from a particular community of color;
- Organizational environment is culturally focused and the community being served recognizes it as a culturally-specific entity that provides culturally and linguistically responsive services;
- Majority of staff are from the community being served, and the majority of the leadership (defined to collectively include board members and management positions) are from the community being served;
- The entity has a track record of successful community engagement and involvement with the community being served; and
- The community being served recognizes the entity as advancing the best interests of the community and engaging in policy advocacy on behalf of the community being served\*

**Homeless Management Information System (HMIS):** a local information technology system used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness.

**Housing First:** An approach to connect individuals and families experiencing homelessness to permanent housing without preconditions and barriers to entry, such as sobriety, treatment completion, or service participation requirements.

**Integrated PSH Units:** A housing development where PSH units make up some, but not all of the units. To qualify as an integrated PSH development, the following requirements apply:

- At least 10% and no more than 25% of the units are reserved for PSH.
- An integrated PSH development must have at least 5 units of PSH.

#### **Rural Areas:**

An eligible category for receiving funds through this NOFA. Rural areas are defined as:

- A. Oregon communities with population of 15,000 or less within counties that are considered Metropolitan Statistical Areas (MSA) and outside of the Portland Urban Growth Boundary. MSA Counties include Benton, Clackamas, Columbia, Deschutes, Jackson, Josephine, Linn, Marion, Multnomah, Polk, Washington, and Yamhill.
- B. Communities with populations of 40,000 or less in the balance of the state (not defined in parts A. or C. in this section).
- C. All Oregon communities within the Portland Urban Growth Boundary are considered urban and not considered rural regardless of size.

Information on communities that are considered rural according to this definition can be found here: <https://www.oregon.gov/ohcs/development/Pages/housing-data-analysis.aspx>

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\* Adapted from: Curry-Stevens, Ann, Marie-Elena Reyes & Coalition of Communities of Color (2014). *Protocol for Culturally Responsive Organizations*

Once on the page: scroll to and click on the “Rural Definition, Rural Set-Aside” section, then click on the “OHCS Rural Definition” link next to the Excel icon to download the list of communities.

*Note: A community may be considered rural if it had been under the population threshold within the past 3 years of published data, and if their current population is within 5 percentage points of eligibility.*

**Studio (aka Efficiency):** A studio apartment has a private bathroom, which includes sanitary facilities (i.e. toilet, sink, and bathing space), as well as a kitchen area.

**Tribal-led Project:** A project that is on tribal-trust land or sponsored by a Federally Recognized Tribe or an organization owned by a Federally Recognized Tribe.

**Urban Areas:** An eligible category for receiving PSH funds through this NOFA which serve all other areas in Oregon that aren’t included in the “Rural Areas” definition.

## 2.6. Reservation Process

**A. Application Ranking Process:** Funds are reserved by OHCS on a competitive basis to Projects of qualifying Applicants that have the highest-ranking score in accordance with available funding, subject to prioritization of qualifying Projects.

During the scoring and reservation process, limits on the remaining available funding may result either in lower-ranked Applications receiving a funding Reservation if higher-ranked Applications would require funding that exceeds the amount that remains available for awards, or, OHCS may choose to leverage other OHCS gap funding resources to fully fund the higher ranked Application(s).

In the event of a tie, and assuming sufficient funding for either of the tied Applications, OHCS will apply the following tie breaking rules in making funding awards.

**B. Tie Breaking Rule:** If the total evaluation scores of two (2) or more Applications result in a tie and funding availability is insufficient to fund all tied Applications, the Project that adds the greatest number of PSH units that can be funded under this NOFA will be funded.

## 2.7. PSH Project Requirements

In addition to any other requirements in this NOFA, the following Project Requirements apply to any and all Projects funded through this NOFA (“Project Requirements”):

### A. Eligible Activity

PSH Capital funds are for the creation of permanent supportive housing rental units via new

construction, rehabilitation, or acquisition/rehabilitation. Rehabilitation units will only be considered PSH and eligible for PSH rental assistance and/or services funding once they are occupied by eligible households (households identified as chronically homeless). Current households of rehab units can return to the units, but the unit will not receive rental assistance or services funding until it has turned over to a previously homeless household.

*Please note:*

*Developments that are under construction (including site work) at the time of application are not eligible for capital funding through this NOFA. Developments that begin construction after PSH Capital Funding Reservation and before PSH Capital loan closing may have their PSH Capital Funding Reservation revoked.*

## **B. Affordability Period**

OHCS has the discretion to meet the needs of the program, but generally, the affordability period will be established with a minimum of 30 years from the end of the year that the Project is placed in service or the length of the bonds outstanding, whichever is greater. The loan may be repaid at the end of the affordability period, or if at the end of the 30-year affordability period the owner chooses to extend the affordability period for another 30 years, the loan is considered satisfied and no repayment is required.

## **C. Rents and Incomes**

**Incomes:** All units funded with PSH Capital funds must be affordable to Chronically Homeless households. PSH Units must be restricted to incomes at or below 60% AMI with an exception for the *one* permissible manager's unit per Project, and PSH households cannot be charged more than 30% (27% if using OHCS PSH Rental Assistance) of their income toward rent. PSH Units utilizing HTF funds must serve households 30% AMI or below. HTF-specific income limits can be found here: [HTF-Income-Rent-Limits-2021.pdf \(oregon.gov\)](https://www.oregon.gov/ohcs/Income-Rent-Limits-2021.pdf).

**Rents:** Maximum rents allowable on any PSH Capital unit will be based on and may not exceed the 60% HUD Area Median Income standard, but may be further restricted to accomplish PSH Capital program goals or other funding purposes. PSH and HTF Units' rents need to be structured so that households pay no more than 30% of their income toward rent. Project-based rental assistance can be used for these units. If utilizing OHCS PSH project-based rental assistance, rents need to be structured so that households pay no more than 27% of their income toward rent. PSH Rental assistance can pay up to 60% AMI rents.

For all Projects, households must be able to stay in the Project regardless of future income. To ensure affordability and comparability of unit compliance, (i.e., the number, size, and character of affordable units are provided to serve the necessary population of lower-income households) a next available unit rule will need to be established in conjunction with OHCS compliance staff.

#### **D. Utilities**

Units that are utilizing PSH Rental Assistance must be supplied with owner paid utilities. An owner-provided utility allowance does not meet the requirement. The requirement is to ensure households with previous utility debt are not barred from accessing PSH units and to prevent PSH households from facing eviction if they are unable to obtain and/or maintain their unit's utilities. If you are utilizing rental assistance from a provider other than OHCS, this requirement does not apply.

#### **E. Construction Standards**

The Department's Core-Development Manual (CDM) Version 3.1 must be used with this NOFA and is available here: <https://www.oregon.gov/ohcs/development/Pages/core-development-manual.aspx>

**Important:** The CDM contains critical NOFA application requirements located in Part 3.

#### **F. Development Period**

Project sponsors are expected to have units ready for lease-up within 36 months of funding reservation. This NOFA anticipates funding reservations in the summer of 2022, therefore lease up for funded projects is expected to begin by summer 2025.

## **G. Ownership Integrity**

1. Single-Asset Ownership: The Project will be owned by a single-asset entity duly organized under the laws of the State of Oregon, or if allowed by OHCS, duly authorized to conduct business in the State of Oregon.
2. Neither Applicant nor any member or principal within the Project ownership or management will have been convicted of fraud, misrepresentation, theft or other moral turpitude within the previous ten (10) years.
3. Neither Applicant nor any member or principal within the Project ownership or management will have been involved in a bankruptcy proceeding within the previous five (5) years.
4. Neither Applicant nor any member or principal within the Project ownership or management will have been debarred or otherwise sanctioned by OHCS.

## **H. Underwriting Guidelines**

Underwriting guidelines will be applied by OHCS in its due diligence and Project review process to ensure ongoing Project viability. Such guidelines will be consistent with the industry standard minimum requirements of mortgage lenders, investors, and other potential public funding sources. This includes, but is not limited to:

1. Minimum debt service coverage ratio of 1.20 on all "must-pay" debt
2. 7% vacancy rate
3. 2% escalation of rents and 3% escalation of expenses
4. Capitalized operating reserve equal to six (6) months operating expenses and debt service
5. Minimum annual replacement reserve deposit of \$450 per unit
6. Prior to closing, a Phase I environmental study is required for all PSH Projects
7. Demonstration of meeting BOLI compliance, if applicable
8. Other Requirements: If other public capital or operating subsidies are used in financing the Project, relevant requirements of those subsidy sources will also apply

## **I. Operating Expenses**

Currently OHCS does not have a minimum required amount for operating expenses for PSH units. However, projects budgeting under \$6,500 per unit per year will need to explain their amount in the operating budget tab of their proforma. PSH projects generally require more operating expenses due to increased costs of turnovers, janitorial needs, and building maintenance. Applicants are strongly encouraged to consider this when developing their operating budget.

## **J. Tenancy Support Services and Project-Based Rental Assistance**

All funded Projects must provide comprehensive tenancy support services and project-based rental assistance to tenants residing in PSH units. Projects can request OHCS' PSH Project-Based Rental Assistance in this application or utilize external project-based rental assistance resources. Services Funding can be requested in this application, or a project can identify external services funding. The funding must provide for an appropriate level of services for effective PSH programming. Acceptance of services must be optional for tenants and cannot be a requirement of tenancy. This is not an exhaustive list, nor are all services listed below required for each Project. The list below is meant to be used for informational purposes only. Some examples of tenancy support services are:

### **Pre-tenancy services:**

- Tenant screening and assessment of housing preferences/barriers.
- Developing an individualized housing support plan.
- Assisting with rent subsidy and housing application processes.
- Assisting with housing search.
- Identifying resources/covering start-up expenses (security deposits, other lease/rental costs).
- Assisting in arranging for and supporting the details of move-in.
- Ensuring housing unit is safe and ready for move-in.
- Developing an individualized housing support crisis plan.
- Supporting tenant readiness programs such as "Rent Well" or "Ready to Rent" tenant education resources.
- Bridging related covered services for limited English proficiency and members with disabilities.
- Payment of back utility bills/rent.
- Assistance in requesting reasonable accommodations.
- Assisting tenants in connecting to entitlement services, as needed.

### **Tenancy-sustaining services:**

- Early identification/intervention for behaviors that may jeopardize housing.
- Education on the role, rights and responsibilities of the tenant and landlord.
- Coaching on developing/maintaining relationships with landlords/property managers.
- Assistance resolving disputes with landlords or neighbors.
- Advocacy/linkage with community resources to prevent eviction.
- Assistance with the housing recertification process.
- Coordination with tenant to review/update/modify housing support and crisis plan.
- Continued training on being a good tenant and lease compliance.
- Supports to locate new housing if at risk.
- Assertive/progressive engagement in services.
- Assisting tenants in connecting to entitlement services, as appropriate.
- Assistance in requesting reasonable accommodations.

## **K. Readiness to Proceed**

Application must demonstrate the Project's readiness to proceed based on the following information:

### **1. Zoning and Site Control**

#### **Zoning (Application must include OHCS Zoning Form)**

The Project must be properly zoned for the type of intended Project. The Applicant must provide the Certification of Zoning executed by the appropriate zoning authority to verify this. Projects that must complete a zoning change to develop the Project will not be funded.

#### **Site Control (Application must include OHCS Site Control Form)**

Applicant must have control of the land necessary for the Project by the Application deadline as evidenced by one (1) of the following:

- i. a recorded deed or conveyance showing the Applicant is the owner of the site,
- ii. a valid purchase and sale agreement,
- iii. a valid option to purchase,
- iv. a valid option for a long-term lease, or
- v. other evidence satisfactory to OHCS

The name of the entity on the evidence of site control must be the same as the Applicant name on the PSH application. The site control document should also identify the same address/location and area as the Project site listed in the Application. If the site description in the Application and the site control document are not exactly the same, the Applicant must provide a narrative description and supporting documentation to clarify the method used to establish the area and cost for the Project.

OHCS will only accept one (1) Application for a specific site or for any part of the same site, regardless of whether Applications are submitted by the same Applicant or by multiple Applicants. If more than one (1) Application is received for the same site, or any part of the same site, OHCS may disqualify all of the Applications. In this scenario, the *non-refundable* Application charge for each Applicant will be retained by OHCS.

## L. Compliance Monitoring

Compliance monitoring will be sufficient to cover due diligence of OHCS. A compliance monitoring fee of \$25 per PSH unit will be required annually. This fee may be adjusted over time by OHCS. Additional monitoring fees may apply depending upon OHCS funding supplemental to PSH Capital. Monitoring will address elements of Project operation including but not limited to:

1. Initial household income verification.
2. Annual income verification, including through self-certification.
3. Risk-based physical inspections every 1-3 years based on Project condition.
4. PSH Program Monitoring for Services and Rental Assistance (if utilizing these resources from this NOFA)
5. Other Requirements: If other public capital or operating subsidy will be used from any source, relevant compliance requirements of those sources will be assumed to apply. For example, if 4% LIHTCs are used, all 4% LIHTC compliance requirements will apply and if HTF resources are used, HTF compliance will apply.

## M. Charges associated with PSH loans

For charges associated with PSH loans, please see the table here:

<https://www.oregon.gov/ohcs/development/Documents/admin/OHCS-Charges-Table.pdf>

## 3. APPLICATION

### 3.1. Pre-Application and Application Access:

The PSH NOFA application process is a two-step NOFA process that requires submission of a very brief pre-application along with the site checklist in order to access the full application:

#### Process:

1. Download the pre-application and site checklist from the OHCS website, here: <https://www.oregon.gov/ohcs/development/Pages/notice-of-funds-availability.aspx>
2. **Submit the completed pre-application and completed site checklist (attachments are not required at time of pre-application) together to [HCS.PSH@hcs.oregon.gov](mailto:HCS.PSH@hcs.oregon.gov).** This action will alert OHCS staff to generate Procorem access credentials for your project. This step must be completed no later than **4pm PST on February 18, 2021**.
3. Once credentials are received, go to the Procorem login page: <https://app.procorem.com/login> to access the PSH 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.*

### 3.2. Application Submission

**Applications must be received by OHCS no later than:  
April 22, 2022 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 22, 2022 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. Additionally, due to COVID precautions, OHCS offices are currently closed to the public and OHCS reception cannot accept hand-delivered payments.
- **Applicants must submit the Application charges, found on the Application Charges tab of the application, to the address below along with the transmittal form provided as part of the application materials in Procorem.** All Application charges must be postmarked no later than April 22, 2022. If the Application charge is not postmarked by April 22, 2022, the Application is considered incomplete. It will be automatically rejected and is ineligible for funding.

Oregon Housing & Community Services  
Attn: Accounting (503)986-6760  
725 Summer St., NE, Suite "B"  
Salem, OR 97301-1266

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.

### 3.3. NOFA Questions

Inquiries relating to this NOFA process, its administration, or the substantive technical portions of the NOFA should be directed to: [HCS.PSH@hcs.oregon.gov](mailto:HCS.PSH@hcs.oregon.gov).

**Please note "NOFA"** in the subject line. Frequently Asked Questions (FAQs) and answers will be shared with all applicant work centers 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. The last date to submit FAQs is **Friday April 8, 2022**.

Changes or modifications to the NOFA requirements will **ONLY** be recognized if in the form of a written guidance distributed to all eligible teams through the Procorem work center.

## 4. EVALUATION PROCESS

If Applications pass the Preliminary Review, which includes timeliness and completeness criteria, the Application will move on to a review of Threshold Requirements. Review of the Threshold Requirements will be conducted to evaluate whether Applications satisfy the Threshold requirements. If, at any point, an Application fails to meet the threshold criteria listed in Section 4.2 below, the Application will be deemed non-responsive and will not be reviewed further.

**OHCS may employ, but is not limited to, the following selection criteria upon which to base its decisions:**

### 4.1. Preliminary Review

Each Application will be reviewed for timeliness (application submitted on-time) and completeness of the NOFA requirements. If an item is missing from the application, the sponsor will be notified and given 5 business day to provide it:

- A. Complete NOFA Application and all required materials submitted through Procorem by Application due date and time, including site review checklist with all exhibits.
- B. NOFA Application Charge sheet and all applicable charges postmarked by Application due date and time
- C. Applicant's Owner/Board of Director's Authorization and Acceptance Form
- D. Organizational Documents for Applicant/Co-Applicant
- E. Ownership Integrity Form fully executed
- F. Fully executed OHCS Zoning Form signed by the appropriate zoning jurisdiction
- G. Signed DEI form for Applicant/Co-Applicant
- H. Core Development Documents (CDDs)
- I. Site Control documentation
- J. Any documentation needed to review the application

## 4.2. Threshold Requirements Review

After passing Preliminary Review, all Threshold Requirements must be met. The following are Pass/Fail criteria:

### A. Readiness to Proceed

#### 1. Adequacy of Development Timeline:

OHCS requires that Projects are planned at the time of Application and are ready to proceed upon meeting all Reservation Letter requirements. The required Project development schedule will demonstrate that units will be ready for initial lease-up within 36 months of a PSH Rental Funding Reservation; Applicant must demonstrate reasonable and appropriate timeline as well understanding of timeline requirements.

#### 2. Zoning Requirement

The Project must be properly zoned for the type of intended Project. Projects that must complete a zoning change to develop the Project will not be funded.

#### 3. Site Control

Applicant must have control of the land necessary for the Project by the Application deadline. Options and sales agreements must be valid through the end of 2022.

### B. Financial Viability

#### 1. Development proforma review

- i. Proforma includes realistic and available resources on the Sources of Funding.
- ii. Sources and Uses balance, there are no gaps in funding and all other funding is committed. Letters of Commitment are provided for ALL committed resources, including any Services funding and Rental Assistance.
- iii. Sources listed as “Fundraising” and “Capital Campaigns” will result in automatic failure; resources already obtained through these efforts are allowable and should be presented as “Cash”

#### 2. Operating pro forma review

- i. Primary debt coverage ratio (DCR) in year 1 is within OHCS guidelines (1.15-1.30) unless permanent debt underwriting requires a variance (provide supporting evidence). If OAHTC’s are included, minimum debt coverage of 1.20 is required after the OAHTC pass through is

- applied.
- ii. The Project maintains a positive cash flow through the 30-year pro forma period, unless paired with 4% LIHTC. Then positive cash flow through a minimum of 20 years is required.
- iii. If there will be no permanent debt on the Project, a positive cash flow is required to be maintained through the 30-year pro forma period.

**C. PSH**

- 1. A MOU, Contract, or Letter of Commitment from the PSH Service Provider must be submitted with the application. The provided document must identify:
  - i. A long-term commitment of the Service Provider to provide on-site PSH services to the project
  - ii. A high-level overview of PSH Services to be conducted by the Service Provider
- 2. Project is a Housing First model, identified in Project Details tab of the application. See Housing First definition.

**4.3. Competitive Scoring**

Applications that meet the Threshold Requirements will be scored competitively using the following criteria. A maximum of one hundred (100) points is possible. Any Application that does not have the minimum overall score of fifty (50) points will be disqualified and will not be considered for funding. Both quantitative and qualitative factors are considered in the scoring.

**A. Combined PSH and HTF Subsidy per unit (up to 20 points):**

There is no set subsidy cap, however, Projects that request less than \$300,000/unit in PSH funds will receive preference:

<b>Request</b>	<b>Points</b>
Up to \$150,000/unit	20
\$151,001/unit - \$200,000/unit	15
\$200,001/unit - \$250,000/unit	10
\$250,001/unit - \$300,000/unit	5
\$300,001+/unit	0

**B. Community Support (up to 2 points)**

Application includes a letter of support from a CoC representative or a representative of the local homelessness system.

**C. Readiness to Proceed (up to 10 points)**

Application must demonstrate the Project's readiness to proceed based on the following information:

**1. Timeliness Requirement (up to 2 points):**

- a. Project Development Schedule demonstrates that construction is able to begin within 12 months (1 point)
- b. Proposed Project Development Schedule appears adequate and reasonable (1 point).

**2. Environmental Site Checklist Completeness (up to 8 points)**

Applicants must identify any adverse environmental or site information by indicating them on the OHCS Project Site Checklist, with supporting documentation. Documentation should be uploaded with the NOFA application into Procorem. (3 points)

OHCS' Project Site checklist contains questions regarding the following items:

- i. the suitability of the site (with appropriate Radon and USGS maps attached) (1 point),
- ii. the distances to various retail and public services, public transportation, and schools (with labeled vicinity map) (1 point),
- iii. the nature of existing structures on the site (documented via recent onsite photos) (1 point),
- iv. soil suitability, environmental hazards, safety concerns, noise problems, air quality issues (documented via soil study/Geotech/Phase 1/etc.) (1 point),
- v. historic preservation (documented via information from SHPO, local historical societies, city or county planners, or interested Tribes),if applicable,

- vi. flood plain and wetlands issues (documented by FEMA map, OHCS will run a wetlands report with Oregon Department of State Lands if selected for award) (1 point),
- vii. solid waste, waste water and storm water concerns, and
- viii. Federally Listed Species and/or Designated Critical Habitat.

Depending on the environmental impact to the Project, the Applicant must provide a satisfactory mitigation plan for any materially adverse information revealed in the Project Site Checklist.

**D. Financial Viability (up to 12 points, 1 point each)**

1. Construction costs are well documented and explained in the Development Proforma **(up to 4 points)**

- i. Development budget is adequately explained, with construction documents & estimates aligning with the pro forma. Construction and development contingencies are within OHCS guidelines.
- ii. Contractor overhead, profit and general conditions are within the required range, as identified in the OHCS General Program and Guidelines Manual (GPGM).
- iii. Developer Fee is within OHCS allowances for project type and size.
- iv. If Commercial Real Estate is included in the project (IE mixed-used Project), Sources and Uses are provided on a separate proforma page.

2. Underwriting Guidelines **(up to 5 points)**

- i. Rents are affordable to target population and any project based rental subsidy is documented.
- ii. Operating expenses are within OHCS guidelines or adequately explained if underwritten to other funding program criteria. *If utilizing PSH Rental Assistance, operating proforma shows utilities are provided to PSH households.*
- iii. Vacancy rate at 7% or adequately explained.
- iv. 2% annual escalation of rents and 3% annual escalation of expenses.
- v. In a mixed-use Project, no commercial income may be used to support the low-income residential Project.

3. PSH Services Preliminary Budget Review **(up to 3 points)**

*\*all applicants must complete the PSH Services budget even if no Services funding is being requested*

- i. Services include staffing and services costs that are realistic and appropriate for population type and size, including a service staff-to-household ratio of no less than 1:15
- ii. Services budget sources and expenses balance, and no gap in funding exists
- iii. Any Non-OHCS PSH resources listed are committed and evidence of commitment is provided.

**E. Development Team and Service Provider Experience and Capacity (up to 6 points)**

1. Construction Experience: Applicants must have a successful history of leading construction development Projects of similar (or larger) size and scope, such as, mid-rise versus high-rise, wood frame versus steel, and new construction versus rehabilitative construction. If experience is limited, the Applicant must demonstrate mitigation for this concern. (1 point)
2. Financing Experience: Applicants must have a successful history of closing the requested combination of financing, such as mortgage financing, and other grant or government loan programs. If experience is limited, the Applicant must demonstrate how it will meet this experience gap or other mitigation for this concern. (1 point)
3. Management Experience: Applicants have a successful history of managing existing Projects with a population and programs of similar size and scope. If experience is limited, the Applicant must demonstrate mitigation for this concern. (1 point)
4. Development Team Experience: Applicants must show a history of managing similarly comprised development teams. The development team must be appropriate for a Project of this type, size, and scope. If an Applicant has multiple Project reservations, the development team must have the capacity to administratively and financially support all Projects simultaneously. (1 point)
5. Service Provider Capacity: Applicant's partner for providing PSH Services has a successful history of working with the population being served, demonstrated in the application narrative. (1 point)
6. Service Provider Data and Financial Reporting Capacity: Service Provider has experience collecting and reporting, or has the capacity to begin collecting and reporting, PSH data via HMIS (*\*current utilization of HMIS is not a requirement*), demonstrated in the application narrative. And if requesting PSH Rental Assistance and Services Funding, the Service Provider's organization has experience and/or the

capacity to track and report all financial activities for PSH operations funding, demonstrated in the application narrative. (1 point)

**F. Minority, Women, and/or Emerging Small Business (M/W/ESB) Engagement: (Up to 4 points)**

OHCS requires participants to seek COBID and non-COBID M/W/ESB professional firms to increase the participation level of minority owned businesses in its construction project to meet OHCS' M/W/ESB goal.

Applications will be scored on their approach to M/W/ESB engagement and contracting and how well this implements the OHCS M/W/ESB policy. OHCS M/W/ESB Manual and reports can be located at: <https://www.oregon.gov/ohcs/development/Pages/mwesb-sdvbe-rental-housing.aspx>

Applications will be scored on their approach to:

1. Identify Owners M/W/ESB /SDVBE<sup>1</sup> COBID Certified and Non-Certified firm participation goal according to region for the Project and how the goal was determined.
  - a. Include what percentage of the construction cost (including Architect, Engineering, Attorney) participation goal the developer has committed towards M/W/ESB /SDVBE owned subcontractors.
  - b. Provide how this percentage was determined.
2. Outline the steps the construction team will take to achieve the owner's M/W/ESB /SDVBE participation goals for subcontractors and suppliers.
  - a. Include what steps will be taken in ensure the best outcome to meet the developer's commitment to its participation goals.
  - b. Explain how both the general contractor and the developer will ensure solicitation to the COBID and non-COBID construction community. For example, where will bid opportunities be publicized, what minority owned, women owned, veterans/service-disabled veterans owned, and emerging small businesses communities will be contacted?
3. Provide a summary of the general contractor's profile and team member demographics.

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<sup>1</sup> General contractor and the developer can utilize and include non-COBID certified BIPOC firms in their M/W/ESBMWESB reporting provided that the M/W/ESBMWESB/SDVBE firm listed will be encouraged and assisted to become a COBID certified firm prior to construction completion of the Project.

- a. Include if the general contractor is a M/W/ESB /SDVBE contractor or COBID member.
  - b. Provide demographics of the general contractor’s staff and team members.
4. Provide details for the general contractor’s history of addressing M/W/ESB/SDVBE subcontractor diversity, equity and inclusion in affordable rental housing projects (list any, classes, seminars or programs attended). Include an outline of how the General Contractor has engaged with M/W/ESB/SDVBE subcontractor diversity, equity, and inclusion within the last 3 years (project partnerships, collaborations).

**G. PSH Project Narratives ( 46 points)**

**1. Community Need for PSH (up to 4 points)**

- a. Provide a narrative, **not to exceed 1500 characters**, demonstrating the need for permanent supportive housing in the Project’s region, including information on the population the project intends to serve.

**2. PSH Services Plan (8 points)**

- a. Please describe the PSH Services plan for the project, **not to exceed 2,500 characters**, including what services will be provided and what staffing models will be used. Describe how the project’s services plan meets Corporation for Supportive Housing’s Dimensions of Quality:
  - a.Tenant Centered
  - b.Accessible
  - c.Coordinated
  - d.Integrated
  - e. Sustainable

**3. Inclusion of culturally responsive and equity measures (up to 8 points)**

- a. Provide a narrative, **not to exceed 2,500 characters**, providing an overview of the culturally responsive measures taken to further equity and service to historically marginalized populations and Communities of Color.

**4. Tenant-centered design (4 points)**

- a. Provide a narrative, **not to exceed 2,500 characters**, describing how the design of the project is tenant-centered including:

- i. Physical design elements
- ii. Location of the project
- iii. How the population being served was/is a part of the design process (physical and/or services design)
- iv. How tenants will be able to provide feedback and participate in site and programmatic changes

**5. Tenant Referral Process (up to 6 points)**

- a. PSH Projects are required to utilize their region's Coordinated Entry system to refer households to available PSH units. Please describe, **in 1,500 characters or less**, how the project will work with the local Coordinated Entry system to fill PSH units. If the project is not utilizing Coordinated Entry, please explain why not and what coordinated referral process will be used. Projects can only propose to use a process other than Coordinated Entry if they have identified a coordinated process designed to address racial inequity and/or a Coordinated Entry system is not available in their community.

**6. PSH Outcomes and Reporting Capacity (up to 6 points)**

- a. Please describe, **in 1,500 characters or less**, the anticipated outcomes for the Project's PSH Program and how outcomes will be tracked. PSH Service Providers will be expected to track PSH household data and retention outcomes in HMIS. Describe the experience of the provider in data tracking and outcomes reporting, and their capacity to utilize HMIS for this program.

**7. Supportive Housing Institute Project Preference (10 points)**

- a. Projects from the 2019-2020 Oregon Supportive Housing Institute and the 2020-2021 Oregon Supportive Housing Institute that have not yet received OHCS development capital or PSH funding will receive 10 points. Tell us which Institute your project participated in and completed and explain your team make-up as it relates to the team that participated in the Institute. See scoring below for reference. Points will be allocated as follows:
  - 10 points for a project that has gone through the Institute and includes the same team who participated in the Institute
  - 7 points for a project that has gone through the Institute and has new team members since the Institute
  - 5 points for a new project from a full team (no new team members) that has participated in the Institute
  - 3 points for a new project from a developer that has participated in

the Institute, but is partnering with new team members  
 \*We are considering organizations as “team members”, not the specific individual who attended the Institute.

**Below is the scoring criteria illustrating the detail that scorers will be instructed to review for each applicable section.**

PSH Narrative Criterion for PSH NOFA Scoring Committee	Max Points
<p><b>1. Community Need for PSH</b></p> <ul style="list-style-type: none"> <li>○ Does the narrative describe the housing and homelessness situation in their community, including any existing population-based disparities? Is there information on how the project will address disparities identified?</li> <li>○ Does the narrative describe how the project is serving chronically homeless households?</li> <li>○ Does the narrative utilize supporting data from Coordinated Entry, their CoC, and other data sources? If this data is not available, is other data provided or an explanation given?</li> <li>○ Does the narrative provide qualitative information to support the need for the project?</li> </ul>	4
<p><b>2. PSH Services Plan</b></p> <ul style="list-style-type: none"> <li>○ Does the narrative provide a clear and detailed overview of the PSH program that will operate at the project, including what services will be provided and what staffing model/roles will be used at the site?</li> <li>○ Does the narrative describe how the services plan meets each standard of quality PSH?               <ul style="list-style-type: none"> <li>● Tenant-Centered—Every aspect of housing focuses on meeting tenants’ needs</li> <li>● Accessible—Tenants of all backgrounds and abilities enter housing quickly and easily</li> <li>● Coordinated—All supportive housing partners work to achieve shared goals</li> <li>● Integrated—Housing provides tenants with choices and community connections</li> <li>● Sustainable—Housing operates successfully for the long term</li> </ul> </li> </ul>	8
<p><b>3. Inclusion of Culturally Responsive/Equity Measures</b></p> <ul style="list-style-type: none"> <li>○ Does the narrative demonstrate an understanding of the communities being served and the barriers that exist between these communities and stable housing? Are realistic and culturally responsive solutions described to mitigate these barriers?</li> <li>○ Does the narrative describe specific project elements that have been designed to maximize the respect of and relevance to the beliefs, practices, culture and linguistic needs of the client populations and communities being served, including Clients and Communities of Color?</li> </ul>	8

<ul style="list-style-type: none"> <li>○ Does the narrative show the project’s capacity to ensure cultural responsiveness and equitable access and service delivery? For example: <ul style="list-style-type: none"> <li>● Applicant describes their history of working with under-served populations and/or Communities of Color in the project’s region.</li> <li>● Applicant explains how and why their project’s partners are effective in working with under-served populations and/or Communities of Color in the project’s region.</li> <li>● Applicant describes partnerships with culturally specific organizations.</li> </ul> </li> </ul>	
<p><b>4. Tenant Centered Design</b></p> <ul style="list-style-type: none"> <li>○ Does the narrative describe physical design elements that support the population being housed?</li> <li>○ Does the narrative describe the location of the site and how it is appropriate for the population being housed?</li> <li>○ Does the narrative describe how the population being served was involved with the planning of this project?</li> <li>○ Does the narrative describe how households will continue to be involved in site and programmatic changes?</li> </ul>	<b>4</b>
<p><b>5. Tenant Referral Process</b></p> <ul style="list-style-type: none"> <li>○ Does the narrative describe a clear process for chronically homeless households connecting to the project’s PSH units?</li> <li>○ Does the process involve the local CoC and Coordinated Entry system, or another community-based homelessness coordination initiative because CE is not in their community and/or a better system exists to address equity issues?</li> <li>○ If the narrative describes community provider referrals, does the process still appear equitably accessible to all eligible households regardless of which providers they are connected to?</li> </ul>	<b>6</b>
<p><b>6. PSH Outcomes and Reporting Capacity</b></p> <ul style="list-style-type: none"> <li>○ Does the narrative describe outcomes that show positive changes for the population being served?</li> <li>○ Does the narrative describe how all proposed outcomes will be tracked?</li> <li>○ Does the Service Provider already utilize HMIS or is able to begin using HMIS for this project’s tracking needs?</li> </ul>	<b>6</b>
<p><b>7. Supportive Housing Institute Project Preference</b></p> <ul style="list-style-type: none"> <li>○ 10 points for a project that has gone through the Institute and includes the same team* who participated in the Institute</li> <li>○ 7 points for a project that has gone through the Institute and has new team members* since the Institute</li> </ul>	<b>10</b>

<ul style="list-style-type: none"> <li>○ 5 points for a new project from a full team (no new team members*) that has participated in the Institute</li> <li>○ 3 points for a new project from a developer that has participated in the Institute, but is partnering with new team members*</li> </ul>	
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\*team members mean organizations represented

## 5. APPLICATION EVALUATIONS

### 5.1. Evaluation Process

After Preliminary Review (see Section 4.1), eligible Applications will be reviewed for Threshold Requirements (see Section 4.2). After the review of Threshold Requirements, eligible Applications will be scored competitively (see Section 4.3).

The final selection of Applications for Award Reservation, 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 Housing Stability Council (Council), in accordance with available Funding Sources.

Any preliminary Award Reservation will be contingent upon successfully meeting agreed upon performance deadlines to secure the needed remaining resources.

### 5.2. 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 (collectively or individually without distinction, Funds), the continuing authority of OHCS to disburse or allocate such funds, and the successful negotiation, execution, and recording (if required) of the Agreement Documents.

### 5.3. Notice of Intent to Issue Reservation Letter

Applicants will be notified in writing of OHCS's Notice of Intent to Issue a Reservation Letter, this information will also be posted on OHCS's website.

## 6. GENERAL TERMS AND CONDITIONS

**6.1** Any funding allocation under this NOFA is subject to receipt by OHCS of the proceeds of the anticipated Article XI-Q Bonds issuance and approval by bond counsel, the Oregon Department of Justice, and the Issuer (State Treasurer collectively with the Department of Administrative Services (DAS) and OHCS or OHCS only) to use the proceeds for purposes as contemplated

under the NOFA.

- 6.2 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.
- 6.3 Submission of an Application by Applicant or acceptance by OHCS of a submitted Application neither constitutes an agreement of any kind between OHCS and Applicant nor does it secure or imply that Applicant will be selected for receipt of a Reservation of funds.
- 6.4 In the extent that other funding sources have additional or other requirements, the most restrictive requirements will apply to the Project.
- 6.5 All costs associated with Applicant's submission of an Application are the sole responsibility of the Applicant and shall not be borne to any degree by the State of Oregon.
- 6.6 Successful Applicants will be required to maintain appropriate levels of insurance and to comply with the Project Requirements and other OHCS policies, including execution of the Agreement Documents.
- 6.7 OHCS may 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.
- 6.8 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.**
- 6.9 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.
- 6.10 **OHCS reserves the right:**
  - A. to amend this NOFA prior to the closing date;
  - B. to amend the deadline for submitting Applications;
  - C. to determine whether an Application does or does not substantially comply with the requirements of this NOFA;
  - D. to waive any minor irregularity, informality, or nonconformance with the requirements of this NOFA;
  - E. to obtain from and/or provide to other public agencies, upon request, references, regarding the Applicant's performance;

- F. at any time prior to execution of Agreement Documents (including after announcement of the apparent Reservation) to reject any Application that fails to comply with the requirements of this NOFA;
- G. to 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;
- H. to use adherence with components of the Applicant's Application and this NOFA as scoring criteria in future multifamily funding solicitations;
- I. to withdraw any funding source from this NOFA; and or
- J. to waive any term or condition of this NOFA for good cause as determined by OHCS.

**6.11** 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.

**6.12** 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.

**6.13** OHCS' contact person for this NOFA is Dana Schultz. Her contact information is as follows:

Oregon Housing and Community Services  
Attn: Dana Schultz  
725 Summer Street NE, Suite B  
Salem, OR 97301  
Email: [HCS.PSH@hcs.oregon.gov](mailto:HCS.PSH@hcs.oregon.gov)

**6.13** 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.

**6.14** 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.

- 6.15** 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.
- 6.16** Provisions stated in the form of a question in this NOFA shall be construed as required action by Applicants.
- 6.17** 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.