



Homeownership Development Notice of Funding Availability

Local Innovation and Fast Track (LIFT),
Homeownership Predevelopment Loan,
Oregon Affordable Housing Tax Credit,
Preservation of Manufactured Dwelling
Parks

Table of contents

Introduction.....	3
NOFA Funding Sources, Limits, and Definitions.....	4
Application Requirements.....	13
LIFT Homeownership Funding.....	18
LIFT for Factory-Produced Housing (FPH)	39
Predevelopment Loan.....	41
Oregon Affordable Housing Tax Credit (OAHTC)	43
Preservation of Manufactured Dwelling Park Program (PMDP)	47
General Terms and Conditions	51
Exhibit A: LIFT Homeownership Scoring Criteria and Evaluation	57

Introduction

1.1 Purpose

The Oregon Housing and Community Services Department (OHCS) is seeking applications (Applications) in this Notice of Funding Availability (NOFA) for the development and Preservation of affordable homeownership Projects that will serve qualified homebuyers on low to moderate incomes statewide. The funding sources offered in this NOFA are (1) Article XI-Q Bond proceeds that fund the Local Innovation and Fast Track (LIFT) program, (2) Homeownership Development Incubator Program (HDIP) Predevelopment Loans, (3) Oregon Affordable Housing Tax Credits (OAHTC), and (4) Preservation of Manufactured Dwelling Parks (PMDP) program. A primary goal of this NOFA is to provide homeownership opportunities to underserved communities. OHCS will prioritize resource Allocations that maximize the impact of this explicit goal.

1.2 Important Dates

The NOFA will be published **Feb. 2, 2026**, and will remain open until the launch of the next homeownership NOFA in 2028 or until all funds from all programs have been committed, whichever is sooner.

[Intake](#) for all programs will be accepted immediately upon publication of the NOFA.

For LIFT Applicants:

Applicants should plan for at least one week between Intake and submission of the Concept Proposal.

LIFT will be awarded according to two funding release schedules:

- **For Projects that can close by Feb. 26, 2027**
 - Concept Proposals accepted: Feb. 17 to May 3, 2026
 - Concept Proposals reviewed on a rolling basis for administrative and Threshold Reviews
 - Due Diligence completion deadline: Nov. 3, 2026
 - Closing deadline (the day by which applicants must execute LIFT loan documents through escrow): Feb. 26, 2027
- **For Projects that can close by Dec. 17, 2027**
 - Concept Proposals accepted: Feb. 17, 2026, to April 15, 2027
 - 2027 funding becomes available for due diligence: Sept. 21, 2026

- Due Diligence completion deadline: Sept. 3, 2027
- Closing deadline: Dec. 17, 2027

For OAHTC and PMDP applicants:

PMDP Applications and OAHTC Applications that are not tied to LIFT funding can be submitted at any time.

Training:

Applicants may attend the following optional Application training session:

[Application Essentials: Scoring Rubric to Submission](#)

Feb. 5, 2026, 2 to 3:30 p.m.

This technical training is designed for development partners seeking a deeper understanding of the LIFT Homeownership (LIFT-HO) Program's Application and evaluation process. The session will provide a detailed breakdown of the scoring criteria used to assess proposals, guidance on how to prepare and present required documentation, and tips for aligning submissions with program priorities.

OHCS staff will be available to answer general and Project-specific questions via email at HO.Development@hcs.oregon.gov.

Recordings of relevant information sessions, FAQs, available funding, and other resources will be updated regularly on the OHCS website:

<https://www.oregon.gov/ohcs/homeownership/Pages/notice-of-funds-availability.aspx>

NOFA Funding Sources, Limits, and Definitions

2.1 Funding Sources

This NOFA includes funds that are meant to spur the development and Preservation of permanently affordable homes for purchase.

Fund Description	Fund Source	Fund Amounts	Eligibility
LIFT Homeownership to provide permanently affordable housing to homebuyers at or below 80% of Area Median Income (AMI).	Article XI-Q Bonds	\$37.5M in January 2026 and \$37.5M in September 2026	Not-for-profit organizations and other eligible covenant holders that use a shared-equity homeownership model
LIFT Factory-Produced Housing set-aside to provide funding to homeownership Projects using factory-produced construction methods.	Article XI-Q Bonds	Up to \$25M	Not-for-profit organizations and other eligible covenant holders that use a shared-equity homeownership model and will use major off-site construction methods
Predevelopment loans to cover predevelopment costs prior to LIFT approval	General Funds	\$537,824.50	Eligible LIFT applicants who have been invited to complete Due Diligence
Oregon Affordable Housing Tax Credits to reduce the cost of permanent financing sources for deeper affordability of homes for homebuyers at or below 80% of AMI.	Tax credit	\$2.5M	Limited-equity cooperatives; Manufactured Dwelling Park Projects owned by an Eligible Covenant Holder
Preservation of Manufactured Dwelling Park funding to ensure lasting affordability and stability of residents in	Lottery-backed Bonds	\$2,593,298	Tenants Committee as provided in ORS 90.844; Manufactured Dwelling Park nonprofit cooperative as provided

manufactured home parks			in ORS 62.803; housing authority established under ORS 456.055 through 456.235; local government as defined in ORS 197.015; and qualified nonprofits
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OHCS may receive additional funding for this NOFA in any source through a variety of methods. OHCS reserves the right to increase the total amount of funding awarded to applicants without amending this NOFA. OHCS will show any updated amounts on the NOFA website.

2.2 Statutes and Rules Relevant to This NOFA

The below statutes and rules pertain to OHCS and the programs and funding sources included in this NOFA:

- **ORS Chapter 456** – Housing statutes, including Housing and Community Services Department definitions, administration, bonding, etc.
- **ORS 458.480 – 458.490** – LIFT statutes
- **OAR Chapter 813** – Administrative rules for Housing and Community Services Programs (to the extent applicable) including, but not limited to:
 - **Division 027** – Manufactured Dwelling Parks Preservation Fund Program
 - **Division 052** – Homeownership Development Incubator Program
 - **Division 110** – Oregon Affordable Housing Tax Credits
 - **Division 135** – LIFT Program
- **ORS 286A.816 – 286A.826 and OAR 122-075-0100 – 122-075-0160** – Statutory framework and administrative rules related to the administration of Article XI-Q bonds

2.3 Definitions

Capitalized terms used in this NOFA have the meanings provided below, in other existing applicable program documents, or in applicable statutes or rules, unless the context clearly indicates otherwise.

- **2026 Project:** A Project that receives a funding award from funds made available in February 2026. These Projects must be ready to close by Feb. 26, 2027.
- **2027 Project:** A Project that receives a funding award from funds made available in September 2026. These Projects must be ready to close by Dec. 17, 2027.
- **Administrative Review:** The ongoing evaluation of an Application to ensure completeness and compliance with basic program requirements. This includes verifying that all required documents and reports have been submitted, checking for pass/fail eligibility criteria, and confirming that the application meets formatting and submission standards.
- **Affirmatively Furthering Fair Housing (AFFH):** The AFFH is a legal requirement that federal agencies and federal grantees further the purposes of the Fair Housing Act. This obligation to Affirmatively Further Fair Housing has existed since 1968 (see Title VIII of the Civil Rights Act of 1968, 42 U.S.C. 3608, and Executive Order 12892). Although the U.S. Department of Housing and Urban Development amended the AFFH regulations in 2025 (90 FR 11020), OHCS continues to hold itself to the higher standard contained in HUD's **June 10, 2021** Interim Final Rule (86 FR 30779), which defined AFFH as "taking meaningful actions that, taken together, address significant disparities in housing needs and access to opportunity; replace segregated living patterns with integrated, balanced ones; transform racially or ethnically concentrated areas of poverty into areas of opportunity; and foster and maintain compliance with civil rights and fair housing laws" (former 24 CFR Section 5.150–5.152). OHCS expects program participants to continue to plan and act proactively to overcome patterns of segregation, promote choice, and foster inclusive, discrimination-free communities.
- **Affordability Period:** The period of time during which the Affordability Requirements apply. Refer to program rules or manuals for specific information on each program.
- **Affordability Requirements:** The income eligibility standards tied to a specific housing program. These requirements are typically based on the area median income (AMI) of the intended beneficiaries. Refer to specific program rules or manuals for information on each program.
- **Allocation:** Includes any funding allocated under this NOFA.

- **Applicant:** A person or entity that applies for funds by completing an Application provided by OHCS.
- **Application:** Any form, document, or other information submitted to OHCS as requested during the Intake, Concept Proposal, or Due Diligence phases of the Application process.
- **Closing:** The stage in the funding process when applicable conditions of the Reservation Letter are satisfied and all relevant legal documents are executed, meaning that the Recipient is legally obligated to the terms of the agreement. The Recipient can begin drawing funds.
- **Communities of Color:** Identity-based communities that hold a primary racial identity that describes the racial characteristics of the community that its members share 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. For the purpose of this NOFA, Agency defines Communities of Color to include Native Americans, Latinos, Asian and Pacific islanders (further disaggregated according to local preferences), African Americans, African Immigrants and Refugees, Middle Eastern, and Slavic communities.
- **Concept Proposal:** The second step of the multistep Application process that secures an Applicant's place in line. This step focuses on experience, capacity, and readiness and can be submitted in the Procorem™ WorkCenter. This step will be completed by all Applicants.
- **Counties Underserved by LIFT:** Counties within the state of Oregon that have received LIFT funding for 20 or fewer homes prior to the launch of this NOFA. Counties underserved by LIFT for this NOFA include Baker, Clatsop, Columbia, Coos, Curry, Douglas, Gilliam, Grant, Harney, Hood River, Jefferson, Josephine, Klamath, Lake, Lincoln, Linn, Malheur, Morrow, Polk, Sherman, Tillamook, Umatilla, Union, Wallowa, Wasco, Wheeler, and Yamhill.
- **Critical Infrastructure Needs:** Items identified in a Capital Needs Assessment (CNA) that are in need of repair or replacement within 5 years or less. OHCS may in its sole discretion accept other 3rd party assessment of repair/replacement needs not identified by CNA.

- **Culturally Responsive Organization:** An entity that (a) comprehensively addresses power relationships throughout the organization by methods that include addressing conflicts and dynamics of inclusion and exclusion; (b) has relationships with and is responsive to communities that the organization serves, including Communities of Color; (c) hires, promotes, trains and supports staff who are culturally and linguistically diverse in ways that reflect the communities that the organization serves, including Communities of Color; (d) provides Culturally Responsive Service; and (e) with respect to paragraphs (a) to (d), has adopted governance structures, policies and cultural norms to hold its leadership and staff accountable and to continue improvements.
- **Culturally Responsive Service:** Service that:
 - Is 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.
 - Has the capacity to respond to the issues of diverse communities.
 - Assures competent language access and incorporates 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.
- **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 must be from a particular cultural community that has faced housing discrimination;
 - Organizational environment is culturally focused, and the cultural community being served recognizes it as a culturally specific entity that provides culturally and linguistically responsive services;
 - Majority of staff must be from the cultural community being served, and the majority of the leadership (defined to collectively include board members and management positions) must be from the cultural community being served;

- The entity has a track record of successful community engagement and involvement with the cultural community being served, rooted on a foundation of respect and trust; and
 - The organization engages in advocacy for housing and/or economic justice for the cultural community with their guidance
- **Due Diligence:** The third step of the Application process that ensures all Program requirements are met. This step is broken into three stages and will be completed in the Procore™ WorkCenter only by Applicants invited to complete the step.
- **Dwelling Unit:** A structure or the part of a structure that is used as a home, residence, or sleeping place by one person who maintains a household or by two or more persons who maintain a common household. In the case of a person who rents a space for a manufactured dwelling or recreational vehicle or a person who rents moorage space for a floating home, but does not rent the home, “Dwelling Unit” means the space rented and not the manufactured dwelling, recreational vehicle, or floating home itself. See ORS 90.100(12).
- **Eligible Covenant Holder:** Defined in ORS 456.270(3). Applicants for certain programs must be Eligible Covenant Holders.
- **Emerging Developer:** A developer that has received funding for no more than five homes for purchase using LIFT or HDIP funding. To be eligible for benefits under this category, an Applicant may submit Applications for developments that contain no more than 15 homes total in the year of Application. Emerging Developers may submit larger Projects but will not be considered for lower scoring thresholds, the Emerging Developer set-aside, or a predevelopment loan.
- **Engagement of Communities of Color:** Engagement of Communities of Color can be achieved in a number of ways and should be relevant to the community in which the Project is located and the focus communities anticipated to be served. OHCS requires developers to demonstrate engagement through multiple channels including, but not limited to, one or more of the following ways:
 - Development, sponsorship, or management by a Culturally Specific Organization or a Culturally Responsive Organization.
 - Ongoing service partnership with a Culturally Specific Organization or a Culturally Responsive Organization.

- Relevant marketing and outreach plan designed to publicize to Communities of Color the availability of the newly constructed homes, and to affirmatively further Fair Housing consistent with the Fair Housing Act.
- Project explicitly designed and located to address displacement of Communities of Color.
- Other services that uplift Communities of Color as approved by OHCS staff.
- **Funding Documents:** The final form of the documents relating to funding awards under this NOFA, which are satisfactory to OHCS, in consultation with the Oregon Department of Justice, and executed in connection with the Project.
- **Intake:** The first step of the multistep Application process that involves completing a form available online. This step serves as a screening tool for basic eligibility and a notification for OHCS to allow the Applicant access to the Procorem™ WorkCenter. This step must be completed by all prospective Applicants.
- **Manufactured Dwelling Park:** Any place where four or more manufactured dwellings are located within 500 feet of one another on a lot, tract, or parcel of land under the same ownership, the primary purpose of which is to rent or lease space or keep space for rent or lease to any person for a charge or fee paid or to be paid for the rental or lease or use of facilities or to offer space free in connection with securing the trade or patronage of such person.
- **Preservation:** Maintaining the affordability of existing Manufactured Dwelling Parks.
- **Procorem™ WorkCenter:** A secure portal technology solution developed by ProLink Solutions™ to help facilitate a more robust collaboration and communication model for all Applicants and future housing partners. The Procorem™ WorkCenter provides a series of functionality to help facilitate this model by including a repository for electronic document submission, a task management and tracking tool, an events calendar and communication features.
- **Project:** A low-income homeownership development for which funding, in whole or in part, is sought from or obtained from OHCS. A Project may include land, one or more Homes, other buildings, and any associated

common areas. A Project may be located on a single site or on scattered sites.

- **Recipient:** An entity that has successfully applied for funding under a program listed in the Notice of Funding Availability (NOFA), has completed all required Application and programmatic reviews, and has received formal approval for funding from the relevant governing body, such as the Housing Stability Council.
- **Rural Communities:** OHCS defines Rural Communities through a process evaluating housing density, data from the National Center for Health Statistics, and distance to the nearest metropolitan area. Applicants should use the [OHCS Rural or Urban Status Map for Homeownership](#) to identify if they are in an eligible Rural Census tract.
- **Small Organization:** An organization with fewer than five total paid staff dedicated to development, management, and compliance. This does not include resident services staff, maintenance staff, retail staff, or outside contractors. For the purposes of this NOFA, a Small Organization's submitted development history must demonstrate the construction of no more than six homes per year on average. To be eligible for benefits under this category, an Applicant may submit Applications for developments that contain no more than 15 homes total in the year of Application. Small Developers may submit larger Projects but will not be considered for lower scoring thresholds or the Emerging Developer set-aside.
- **Submission Date:** The date the Concept Proposal is submitted to OHCS including all documents, attachments, and charges. Applicants **must** complete the SUBMIT task in the tasks section of their Procore™ WorkCenter by clicking the check mark next to the SUBMIT step. This date will be used to evaluate Applicants on a first-come, first-served basis.
- **Threshold Review:** A detailed assessment of an Application focused on scoring criteria in both the Concept Proposal and Due Diligence stages of the process. Applications are evaluated against specific program standards in six required categories. Each Applicant must achieve a minimum score in these categories to advance. This review is conducted by a scoring committee to ensure consistency and fairness in the evaluation process.

Application Requirements

The Homeownership Development NOFA Application is a multi-step process. It includes:

1. **Intake** – All Applicants must submit an online form to start the process in order to receive a Procorem™ WorkCenter.
2. **Concept Proposal** – Applicants for all programs must provide detailed Project information specific to the program required for Administrative and Threshold Reviews to secure a position in the first come, first served award process. The Concept Proposal varies depending on the source that the Applicant is applying to.
3. **Due Diligence** – LIFT Applicants must complete extended documentation and requirements for selected Projects in order to secure a formal commitment of funding.

All Application documents must be submitted through a Procorem™ WorkCenter. Hard copies or submissions outside Procorem will not be accepted.

Unless otherwise specified, requirements and processes listed in this NOFA apply to all funding sources being awarded through this NOFA.

3.1 Intake

Purpose: Intake is required for all programs to access the full Application.

Description: The Intake form will collect information about the Project, including a screening tool to confirm basic eligibility for the program(s). Applicants who successfully complete Intake will receive an invitation to Procorem™ WorkCenter(s) where they may submit their Concept Proposal.

Requirements: Applicants must complete the [online Intake form](#).

Dates:

- Intake closes for LIFT and predevelopment loans on April 8, 2027.
- OAHTC-only and PMDP Applicants may submit an Intake form at any time until funds are exhausted or the next NOFA launches, whichever is sooner.

Key Notes:

- A separate Intake form must be completed for each Project.

- Applicants should allow OHCS up to five business days to create a Procore™ WorkCenter for the Project after submission of the Intake form.
- Intake submitted less than five business days before a Concept Proposal deadline will not be processed in time for that deadline.

3.2 Concept Proposal

Purpose: Applicants for all programs must submit a Concept Proposal. The contents of the Concept Proposal will vary depending on the source from which the Applicant is seeking funding. OHCS will review this submission to determine if an Application meets standards.

Description:

- OHCS will complete an Administrative Review to ensure that the Application is complete and meets all requirements.
- For LIFT Projects, OHCS will complete a Threshold Review for three of the six categories, as detailed in the Application documents.
- For Projects without LIFT, the Concept Proposal is the full Application.

Requirements:

- Applicants must submit all information and documents required for their selected program(s) through their Procore™ WorkCenter(s).
- Applicants must pay the Application charge prior to submission. OHCS will provide an invoice with payment instructions. Proposals will be considered incomplete until payment is received.
- Requirements for each program will be included in the Application documents provided in the Procore WorkCenter.

Dates:

- Concept Proposals will be accepted for all Projects beginning Feb. 17, 2026.
- 2026 LIFT Projects must submit a Concept Proposal by May 3, 2026.
- 2027 LIFT Projects must submit a Concept Proposal by April 15, 2027.
- OAHTC-only and PMDP Applicants may submit Concept Proposals at any time until funds are exhausted or the next NOFA launches, whichever is sooner.

Key Notes:

- Submission of the Concept Proposal in the Procorem WorkCenter establishes a Submission Date, which will determine an Application's position in the first-come, first-served process.
- In general, complete Concept Proposals will receive a 10-day cure period for identified issues without changing the Application's Submission Date.
- After submission of the Concept Proposal, LIFT Applicants should not submit any due diligence tasks unless they receive an invitation to proceed.
- After submission of a complete Concept Proposal, PMDP and OAHTC-only Applicants will be notified of a funding determination.
- There is a maximum total LIFT request during this NOFA period – Applicants should refer to section 4.4 in this NOFA for more information.

3.3 Due Diligence

Purpose: LIFT Projects meeting threshold will be invited to complete Due Diligence on a first-come, first-served basis if funding is available.

Description:

- Selected Applicants will receive an invitation to complete Due Diligence via email and within the Procorem™ WorkCenter. This invitation notifies the Applicant that funding has been temporarily and conditionally held for the Project contingent upon successful completion of all Due Diligence tasks within the deadline.
- Applicants will be connected with an OHCS staff member for assistance completing Administrative Review for the Due Diligence period.

Requirements:

Applicants must complete all tasks and submit all required documents through their Procorem™ WorkCenter(s) across three stages of Due Diligence.

- Stage 1: Kick-off meeting and Threshold Review for the remaining three categories
- Stage 2: Stakeholder meeting and completion of reports and documents with greater risk of impacting the Project
- Stage 3: High-barrier items and preparation for Closing the LIFT Loan

Dates:

- Stage 1: Applicants must complete all of the requirements within 60 days of receiving the invitation to complete Due Diligence or request a waiver from their development officer for up to three (3) documents.
- Stage 2: Applicants must complete all of the requirements within 120 days of receiving the invitation to complete Due Diligence or request a waiver from their development officer for up to three (3) documents.
- Stage 3: Applicants must complete **all documents from all stages** prior to the established deadline. No waiver will be available for this stage.
 - 2026 Projects: Nov. 3, 2026
 - 2027 Projects: Sept. 3, 2027

Key Notes:

- Applicants will receive a 10-day cure period if all requirements have not been met by the Stage 3 deadline.
- If Applicants do not meet all requirements by the end of the 10-day cure period or otherwise do not complete the requirements of each stage by that stage's deadline, Applicants will lose their Submission Date and the temporary conditional hold on their funding will be released.

3.4 Additional Application Details

- Applicants may not submit Concept Proposals through related entities to avoid restrictions or requirements placed on the Applicant such as maximum LIFT request per entity, capacity-related scores, or risk assessment. For example, an organization cannot form a second nonprofit organization or apply through another member of the development team to have a Project reviewed that would request over their \$10 million combined maximum. OHCS reserves the right to impose restrictions on these Projects as though they were submitted by the first Applicant entity or deny the Application outright.
- OHCS reserves the right to reject incomplete Applications, high-risk Applications, or Applications with significant deficiencies that cannot be remedied to OHCS' satisfaction.

3.5 Program Charges

Each Application and awarded Project is subject to the following charges:

Charge	Amount/When Due
Application Charge	<p>\$2,500 non-refundable charge for LIFT, PMDP, and LIFT or PMDP combined with OAHTC Applications</p> <p>\$1,250 non-refundable charge for abbreviated Applications and OAHTC-only Applications</p> <p>Due prior to submitting the Concept Proposal</p>
Predevelopment Loan Closing Costs	<p>\$1,000 for all predevelopment loans due prior to Closing the loan documents</p>
Recipient Charge	<p>\$1,000 for LIFT loans or PMDP grants or loans of \$300,000 or less; \$2,000 for LIFT loans or PMDP grants or loans over \$300,000</p> <p>Due after completion of Stage 1 of Due Diligence</p>
Reservation Charge	<p>2% of the LIFT loan amount due at LIFT loan Closing</p> <p>1% of the PMDP grant reservation due at grant execution</p>
Document Preparation Charge	<p>\$750 per recorded document. The number of recorded documents may vary depending on the Project.</p>
Oregon Department of Justice charges	<p>Recipient is responsible for any Oregon Department of Justice charges incurred for the Project. These charges are typically billed upon or after Closing of the LIFT loan or PMDP grant/loan. A typical Project with no document negotiations may have a \$1,200 DOJ charge. This amount may increase if there are</p>

	document negotiations or atypical Project requirements.
OAHTC Usage Charge (OAHTC only)	Lender will be required to submit a fee equal to 5% of the annual tax credits claimed for the prior calendar year.

All charges related to these programs cannot be covered by LIFT or HDIP and **must** be paid by another funding source. Applicants will be asked to sign a form acknowledging these charges as part of the Application.

3.6 NOFA Questions

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

Please note "**NOFA Question**" in the subject line. Frequently asked questions (FAQ) with answers will be posted to the OHCS website at regular intervals during the time that the NOFA response period is open:

<https://www.oregon.gov/ohcs/homeownership/Pages/notice-of-funds-availability.aspx>.

Changes or modifications to this NOFA will **only** be recognized if in the form of a written technical advisory issued by OHCS. OHCS will provide copies of any advisories to all known NOFA recipients as well as post the technical advisory at <https://www.oregon.gov/ohcs/homeownership/Pages/notice-of-funds-availability.aspx>.

To sign up for technical advisories, please follow the "Signup for E-News" link on the News and Updates section of the OHCS homepage and be sure to select "Homeownership Program News and Updates":

<https://www.oregon.gov/ohcs/about-us/Pages/news-updates.aspx>.

LIFT Homeownership Funding

4.1 LIFT Homeownership

The LIFT program is funded through Article XI-Q bonds. In the 2025 Oregon State Legislative Session, \$100 million in funding was provided to OHCS in the form of

Article XI-Q bond authority for the LIFT Homeownership program for the 2025-27 biennium. Of the \$100 million of funds, \$37.5 million will be available for 2026 Projects, \$37.5 million will be available for 2027 Projects, and up to \$25 million will be allocated to the Factory-Produced Housing Initiative as directed by HB 3145 and outlined in Section 5 of this NOFA.

The goals of the LIFT program include increasing access to stability and generational wealth building through homeownership by:

- Creating new affordable homes for purchase that serve historically underserved communities.
- Fostering increased homeownership opportunities in rural areas and greater density in urban areas.
- Encouraging innovative, replicable construction cost containment, and high-quality homes that can be built within 36 months.
- Incentivizing developments that reflect the needs of the communities they seek to serve through community-informed design.
- Supporting accessible, energy-efficient, and climate-resilient homes.
- Building homeownership development pipeline growth by keeping the NOFA process accessible to small, rural, and Emerging Developers.

All LIFT Program Requirements governing funding and relevant to a particular Application must be satisfied by the Applicant to qualify for funding under this NOFA.

If additional LIFT Homeownership resources or homeownership development General Fund resources become available, OHCS may add those resources to this NOFA. If funds from this NOFA are undersubscribed, OHCS reserves the right to allocate funds in the following NOFA cycle.

4.2 Biennial Offering

The LIFT funding included in this NOFA will be offered through a biennial release process, with two major funding rounds planned for the 2026–27 cycle. Each round will make \$37.5 million available to eligible Applicants, with specific timelines and selection procedures outlined below.

The first round of funding will launch on Feb. 2, 2026, releasing \$37.5 million in available LIFT funds. These funds will be awarded on a first-come, first-served basis to Applicants who are ready to proceed and close on their Projects before

Feb. 26, 2027. Applications will be accepted and reviewed based on their Submission Date, and Projects will be invited to Due Diligence accordingly.

Applicants may also choose to presubmit Concept Proposals for the 2027 funding round during this time. However, these early submissions will be held and not reviewed until the 2027 funding round officially opens.

The second round of funding will launch in September 2026, releasing \$37.5 million more. All Concept Proposals submitted during the 2026 cycle that have not yet been invited to Due Diligence, including both unfunded 2026 Projects and presubmitted 2027 Concept Proposals, will be assigned a Submission Date that is the first day that Applications will be accepted for the offering. OHCS will continue accepting Concept Proposals until April 15, 2027.

Any additional funding brought into this NOFA, such as funds returned by the Factory-Produced Housing Initiative, will be applied to the year for which Concept Proposals are currently being accepted. Returned funds will first be applied to any Alternates that have not been fully funded. If no Alternates are available, funds will be distributed to the year for which OHCS is currently accepting Concept Proposals. If no Concept Proposals are being accepted, funds may be used to fund a Project in the queue fully, select a new alternate, or held until the next NOFA offering, at OHCS discretion.

4.3 Set-Asides

This NOFA contains two set-asides:

- \$25M for Factory-Produced Housing Projects that will be selected through a specific process, as described in Section 5.
- The remaining \$75M in LIFT funds offered through this NOFA includes a 40% soft set-aside for small and Emerging Developers, Culturally Specific Organizations (CSO), and Projects in counties underserved by LIFT. These funds will be held for qualifying Applications until the Concept Proposal deadline for each funding year. If the set-aside funds are not being held for a Project in the Due Diligence stage, OHCS may reallocate the funds to the broader pool of Applicants for the given year's allocation or distribute them according to the set-asides established in the following year.

Soft Set-Asides	2026 Projects	2027 Projects
Factory-Produced Housing	Up to \$25,000,000	
Small, Emerging, CSOs, and Counties Underserved by LIFT	\$15,000,000	\$15,000,000
All Applicants	\$22,500,000	\$22,500,000

Any additional funding brought into this NOFA, such as funds returned by the Factory-Produced Housing initiative, will be divided into the Small, Emerging, CSOs, and Counties Underserved by LIFT and All Applicant pools based on the percentage allocation set forth in this document.

OHCS reserves the right to reallocate up to 10% of set-aside funds to fully finance a Project that has been partially financed, provided such reallocation aligns with program goals and funding requirements.

4.4 Funding Limits

Applicants can request a per home subsidy up to a maximum amount of funding based on the number of bedrooms in each home. Rural developments will be eligible for a limited additional amount of funds described in the table below.

	Studio	1- bedroom	2- bedroom	3- bedroom	4- bedroom	Additional Bedrooms
Max Subsidy Per Home	\$165,000	\$175,000	\$185,000	\$205,000	\$225,000	+\$20,000
Rural	+\$5,000 per unit up to \$100,000					

LIFT is a gap funding program intended to subsidize the difference between the cost of construction and an affordable sales price. Applicants must submit a detailed pro forma (available in the Procore™ WorkCenter) showing all

Project costs, sales revenue, outside funding sources, and profits. Given that LIFT funds can't be used for all costs associated with Project development, the Applicant must have at least one committed or highly likely funding source in addition to the requested LIFT funds and sales revenue at the time of Application. This source must provide enough funding to cover all OHCS fees, at minimum.

Applicants may request a per-unit LIFT subsidy up to the **lesser** of:

- The amount of funding required to create a balanced pro forma with up to a 14% net profit, including the developer fee and certain consultant and contractor costs for tasks typically completed by the developer;

or

- The maximum subsidy per unit as listed in the table above.

An appraisal estimating the final completed value of the Project must be submitted during Due Diligence. In addition to the above stated limits, the value of the LIFT loan plus any third-party loans must not exceed the estimated appraised value of the completed Project. Appraisals must account for any affordability restrictions on the property, not including LIFT, and name OHCS as an intended user of the appraisal.

There is no maximum LIFT amount per Project. However, Applicants may only apply for a limited amount of LIFT funding across all Applications submitted for this biennial NOFA. Applicants may determine their maximum allocation using the following table.

Requirement	Experienced LIFT Partner	Experienced Developer	All Other Applicants
Has successfully completed a LIFT Project	X		
No major leadership changes in the last two years	X		

Has successfully completed a Project of similar size to proposed Projects	X	X	
Earned at least 12 points in the Developer Experience threshold category	X	X	
May qualify for this maximum if an experienced development consultant is hired in lieu of own experience		X	
Total Application Maximum	\$16 million	\$14 million	\$10 million

For Small Organizations, a major leadership change includes a change in any one executive leadership role (CEO/ED, CFO, COO, VP, or similar) **or** turnover in more than 50% of the board of directors **or** turnover of the board president if no CEO/ED is hired. For all other organizations, a major leadership change includes turnover of **more than one** executive leadership role **or** turnover of the CEO/ED. Regardless of size, if any leadership change was abrupt and unplanned due to resignation, termination, misconduct, or financial mismanagement, it is automatically considered a major leadership change.

If an Applicant potentially eligible for the Experienced LIFT Partner limit has been reduced to the Experienced Developer limit due to a major leadership change, the Applicant may submit a request, in writing, for an exception, including an explanation for why the turnover will not impact the development of the Project. OHCS will determine, in its sole discretion, whether to grant an exception.

4.5 Application Ranking Process

Applicants will be invited to complete Due Diligence on a first-come, first-served basis for qualifying Projects that:

1. Meet Administrative Requirements of the Concept Proposal; and
2. Meet the Concept Proposal's Threshold Requirements.

LIFT funds will be conditionally reserved by OHCS to Projects that:

1. Meet the Due Diligence Threshold Requirements;
2. Meet all other Due Diligence requirements prior to the Due Diligence deadline; and
3. Are approved by Housing Stability Council.

4.6 Alternate Selection

OHCS may select a limited number of alternate Projects on a first-come, first-served basis that will be invited to complete Due Diligence even though sufficient funding is not available in that year. Funding will be allocated to the selected alternates if other Projects are unable to successfully complete Due Diligence.

If an alternate completes all Due Diligence requirements but is not fully funded by the end of the NOFA, their Project will receive priority in the next NOFA offering. OHCS reserves the right to forward-allocate up to 10% of funding from future funding years to support unfunded alternates fully.

If partial funding becomes available for an alternate Project, the first alternate in line may be provided an option to defer full funding to the next NOFA cycle or phase the Project and accept a partial award. Both options will include a written commitment from OHCS to prioritize the Project in the following NOFA, conditioned upon the Project continuing to meet all LIFT requirements. Partial awards will only be offered if the Applicant can demonstrate that the Project can proceed as a stand-alone Project with the available funds and meet all applicable due diligence requirements.

If the first alternate in line defers or is unable to proceed with a partial award, OHCS may allocate the remaining funds to the next eligible Project(s) in line that can be fully funded, until funds run out or no other Projects can receive full funding.

4.7 Tie-Breaking Rule

If funding is insufficient to fund two or more Applications with the same Submission Date, the following factors, in order of priority, will be applied to break the tie:

1. The Project(s) with the highest tie-breaker score as determined by criteria set forth in the Scoring Criteria document.

2. If only one of the Projects can be fully funded by the LIFT funding available, the Project that can be fully funded.
3. If either Project can be fully funded:
 - a) The Project that provides the greatest number of units.
 - b) The Project that provides the greatest geographic diversity.
 - c) The Project with the highest average number of bedrooms
4. If neither Project can be fully funded but enough LIFT is available to fund at least one full home:
 - a) The Project that can successfully phase the Project for the given amount of funds.
 - b) The Project for which the available funding will support the most units.
 - c) The Project for which the available funding will fund the larger percentage of the request, if the difference between Projects is at least 10%.
 - d) The Project that provides the greatest geographic diversity.
 - e) The Project with the highest average number of bedrooms.

Tie breaking will be applied at the Concept Proposal stage when determining Projects invited to Due Diligence. Any characteristic included in the tie breaker, whether or not it is used to break a tie, must be included in the Project if funded. OHCS may seek updates regarding these items in quarterly reports or completion conditions. Failure to implement items included in the tie breaker may impact future Applications.

4.8 LIFT Homeownership Program Requirements

In addition to any other requirements in this NOFA, the following Project Requirements apply to all Projects seeking LIFT funding through this NOFA ("Project Requirements"):

A. Eligible Activity

LIFT funds in this NOFA are for new construction of affordable homeownership housing units or the conversion of existing non-housing structures into new affordable homeownership housing units.

Please note:

- Projects that are under construction (other than site work) at the time of Application are not eligible for funding through this NOFA.

- Projects may begin vertical construction after LIFT Fund Reservation and before LIFT loan Closing at their own risk.
- Eligible expenses incurred up to a year prior to the date the funding received by the Project was launched (i.e., Feb. 2, 2025 for 2026 Projects or Sept. 21, 2025 for 2027 Projects) are eligible for reimbursement with LIFT funds. However, Projects can only request reimbursement after the LIFT loan has closed and the Closing documents have been recorded.
- Projects for rehabilitation or conversion of existing residential structures or housing units are not eligible for funding through this NOFA.
- Projects with an existing LIFT award are not eligible for funding increases through this NOFA.
- In general, OHCS does not encourage the submission of scattered site Projects if sites are not within the same general neighborhood. For the purposes of this NOFA, Applicants looking to submit a Project developed on multiple sites that are not within the same general neighborhood must request approval in advance of submitting an Application. OHCS reserves the right to deny these requests if it, in its sole discretion, determines each site to be substantially separate Projects. Scattered sites may be accepted as a single Application if they are part of a single, cohesive Project that meets the majority of the following criteria:
 - Shared financing structure
 - Common development team
 - Unified timeline for construction and occupancy
 - Shared ownership or long-term management entity
 - Serve the same target population
 - Consistent affordability levels
 - Similar design standards and amenities
 - Aligned service delivery models (if applicable)
 - Sites are within the same county, or close enough that they can function as a single operational unit (e.g., within 10–15 miles)

B. Affordability Period

OHCS has discretion to determine the duration of the Affordability Period as deemed necessary to meet the needs of the LIFT program, but generally, the Affordability Period will begin when the first home is sold and end 20 years after the last home is sold. After the initial Affordability Period, the Recipient can repay the LIFT loan or extend the Affordability Period for an equivalent term. If

the Recipient elects extended affordability, the LIFT loan will be deemed satisfied at the close of the extended Affordability Period.

C. Affordability Restrictions

All units funded through LIFT must be made available only to households earning at or below 80% of AMI at the time of initial sale and for any subsequent re-sales for the duration of the Affordability Period. Affordability Requirements pertain to both the purchase of the home and the lease/rental of the land for the duration of the Affordability Period. At resale, all homes must be marketed and sold to income-eligible buyers. In cases where the funded Project is a mixed-income development, homes deemed to be affordable will need to be designated as such before the homes are marketed for sale.

D. Development Timeline

LIFT Homeownership Projects must be ready to close by the relevant Closing deadline and must begin vertical construction within 18 months of receiving a funding reservation. LIFT Homeownership homes must have a certificate of occupancy within 36 months of a LIFT funding reservation, and all homes must be sold to eligible buyers and all OHCS construction completion tasks completed within 42 months.

For instance, Projects that receive a Reservation Letter in June 2026 must have a certificate of occupancy on all homes ready for sale by June 2029 and all homes sold to eligible buyers and contracts completed by December 2029.

E. Readiness to Proceed

Timeliness Requirement: Applicant must accurately complete all requested documents and submit them by the required due date. OHCS will deny a Project in Due Diligence if all requirements are not completed by the end of the cure period following the Due Diligence deadline or if the Applicant is not sufficiently completing tasks within the established Due Diligence schedule. Applicants are expected to close by the Closing Deadline or, in the case that a construction permit is required by another funder, must have completed all other Closing tasks by the Closing Deadline. OHCS may withhold Closing on any Project until all required documents are received and approved by OHCS. Any Project awarded a funding reservation that has not abided by established milestone deadlines may have its funding reservation rescinded.

Site Control: Applicant must have control of the land necessary for the Project by the submission of the Concept Proposal as evidenced by one of the following:

- a recorded deed or conveyance showing the Applicant is the owner of the site,
- a valid executed purchase and sale agreement,
- a valid option to purchase, or
- other evidence satisfactory to OHCS.

Requirements for site control documentation

- The name of the entity on the evidence of site control must be the same as the Applicant name on the LIFT Homeownership Application.
- The site control document should identify the same address/location and area as the Project site listed in the Application and exactly the same cost for the land or existing buildings for the Project referenced in the development budget provided with 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 site and cost for the Project as stated in the Application.

Note: OHCS will only accept one 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 Application is received for the same site or any part of the same site, OHCS may disqualify one or all of the Applications. In this scenario, the **non-refundable** Application charge for each Applicant will be retained by OHCS. This does not apply to multi-year phased Projects. In this case, Applications for later phases must be associated with separate legal parcels unless otherwise arranged with OHCS.

F. LIFT Operating Agreement with OHCS

To meet the requirements of Article XI-Q bonds, OHCS holds an operational interest in the Project, including the right to enforce the Affordability Requirements at the initial and subsequent home sales under either a land trust, leasehold condominium structure, cooperative, or leasehold property. This is satisfied, in part, by the execution of an Operating Agreement and Declaration of Restrictive Covenants ("Operating Agreement").

In addition to OHCS' loan documents and other financing documents, OHCS requires an extended ALTA title insurance policy in its favor with appropriate endorsements and that any ground lease or condominium documents include provisions to ensure OHCS' rights and remedies with respect to the Affordability Requirements.

G. Ownership Integrity

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 10 years.

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 years.

Neither Applicant nor any member or principal within the Project ownership or management will have been debarred or otherwise sanctioned by OHCS.

H. Commitment to Equity, Diversity, and Inclusion (EDI)

OHCS expects each Applicant to commit to furthering Equity, Diversity, and Inclusion through efforts within their organization and through partnerships with external organizations. To that end, Applicants must submit a signed EDI form attesting to this commitment.

I. Demonstration of Commitment to Equity, Diversity, and Inclusion

All Projects funded with LIFT must include Engagement of Communities of Color. This can be achieved in multiple ways including but not limited to focus groups, community-centered design, marketing, outreach, and education. These activities should be relevant to the community in which the Project is located and the population anticipated to be served.

Applicants will be asked to describe specifics about their equity and community engagement plans. In all cases, Applicants that are awarded funds will be asked to report on efforts to further equity, diversity, and inclusion throughout the construction and homebuyer outreach process. Recipients must demonstrate the use of the methods described at Application or risk the Project being deemed noncompliant, with OHCS seeking remedies up to and including recovery of funds.

J. Standards for Long-Term Stewardship

Any land that is part of a Project funded by LIFT must ultimately be owned by a land stewardship organization, either the initial Project owner or a qualified partner, that employs at least one paid, permanent staff member or contracts with a property management company or similar organization with staffing and capacity to manage the portfolio. This requirement ensures the organization has the operational capacity and institutional continuity necessary to support homeowners throughout the Affordability Period. This staff member or contractor serves as a consistent point of contact for homeowners, manages lease compliance, ensures livability standards, and upholds the mission of long-term affordability. Requiring this staffing standard helps safeguard the integrity of the shared-equity model and protects both public investment and homeowner interests.

The only exception to this requirement is for housing cooperatives where the co-op is the LIFT Recipient and holds ownership of the land. In these cases, the cooperative itself fulfills the stewardship role, and the governance structure of the co-op is considered sufficient to meet the long-term support and oversight needs of the Project. However, OHCS may require documentation of technical assistance for the formation of new cooperatives.

K. Construction Standards

Methods: Both traditional and alternative methods of new construction are allowable; construction that is innovative in containing costs or otherwise serving lower-income populations is encouraged.

Quality: Construction that balances the initial cost of building with ongoing costs of operation for the homeowner (e.g., energy standards).

Durability: A minimum of 30-year building standards is required for all Projects. Projects must also adhere to applicable portions of OHCS' Core-Development Manual (CDM) Version 3.1, available on [OHCS' website](#).

Other Requirements: If other public capital or operating subsidies are used in financing the Project, relevant requirements of those subsidy sources will also apply.

LIFT requirements are intended to encourage innovation and allow for all types of new construction. All Projects must meet local and state code requirements. In any case where another funding source has its own requirements, the most restrictive requirements will govern the relevant development or construction of the Project.

L. Insurance Requirements

Applicant must be prepared to meet OHCS' construction insurance requirements outlined in the Core-Development Manual (CDM), Version 3.1.

More details and specific requirements are available within the CDM but include the following general requirements:

- Project Owner (Applicant)
 - Commercial General Liability: \$1 million per occurrence and \$2 million in aggregate
 - "All Risk" Builder's Risk: Limits not less than the amount of the Construction Contract or 100% of the insurable replacement value of the building(s) or improvements (whichever is greater). Must be provided by either the Project Owner or the General Contractor.
 - Worker's Compensation: As required by the state
 - Automobile Liability: Not less than \$1 million per occurrence
 - Title Insurance
- Architect of Record and All Other Licensed Professionals under Contract with the Project Owner (except Construction Contractor)
 - Commercial General Liability: \$1 million per occurrence and \$2 million in aggregate
 - Professional liability/errors and omissions: Not less than \$1 million per occurrence
 - Worker's Compensation: As required by the state
 - Automobile Liability: Not less than \$1 million per occurrence
- General Contractor
 - "All Risk" Builder's Risk: If not provided by Project Owner
 - Comprehensive General Liability: \$1 million per occurrence and \$2 million in aggregate
 - Worker's Compensation: As required by the state
 - Automobile Liability: Not less than \$1 million per occurrence

M. Equity in Contracting (EIC)

Applicants must comply with the most up-to-date OHCS Homeownership Development EIC Program Manual, which is available as an Appendix to the LIFT Manual.

N. Evidence of Readiness to Proceed and Project Feasibility

A full list of Administrative and Threshold requirements are included in the Application documents. In general, Applicants are required to submit the following documentation to show evidence of the Project's ability to comply with LIFT timelines and ensure Project feasibility:

At Concept Proposal:

- Administrative Requirements
 - Project construction schedule demonstrating that the Project will be ready to close on the loan by the Closing deadline and all homes in the Project will be ready for sale within 36 months of the Reservation Letter;
 - Evidence of due diligence on the suitability of the Project site such as suitable zoning, environmental studies, and geographic location in relation to amenities or risks;
 - Evidence of site control as evidenced by one of the following: a) a recorded deed or conveyance showing the Applicant is the owner of the site, b) a valid executed purchase and sale agreement, a valid option to purchase, or c) other evidence satisfactory to OHCS;
 - Site plans demonstrating the intent and full scope of the Project.
- Threshold Requirements
 - Evidence that the organization and its staff have the organizational and financial capacity to manage and complete the Project;
 - Development history and employee experience showing that the organization and its staff are experienced in similar developments;
 - Established details of the shared-equity model planned for this Project including resale formula and ground lease template, as well as evidence of experience and methods in establishing and maintaining similar ground leases.

During Due Diligence:

- Administrative Requirements:
 - Detailed and realistic pro forma, with reasonable costs, demonstrating a need for LIFT in order to complete the Project;
 - Letters of intent or other evidence demonstrating commitment of lenders or other financing sources for the Project;
 - Higher-barrier studies and reports to demonstrate continuing feasibility of the site and Project such as a phase 1 environmental study, title report, and wetlands review;
 - Appraisal review to identify the maximum combined loan amount for LIFT and any third-party lenders;
 - Insurance and other risk mitigation factors;
 - Other items not assessed at Concept Proposal to determine the Project meets OHCS requirements and is ready for Closing.
- Threshold Requirements
 - Explanations and evidence that the organization commits to and actively seeks to include diversity, equity, and inclusion and community engagement as a focus in their organization, partners, and households served;
 - Features, details, and services related to the Project to ensure it is a high-quality development desirable to buyers;
 - Explanations of financial and risk-mitigation strategies to ensure that the Project is feasible in a fluctuating development and construction environment.

O. Profit

The combined Developer fee and Borrower profit may be no more than 14% of the total actual costs incurred for development of the Project. All consultant fees (other than arm's length architectural, engineering, appraisal, market study and syndication costs), and other fees paid in connection with the Project for services that would ordinarily be performed by a developer, as determined by OHCS, shall count toward the maximum Developer fee/Borrower profit. Examples of consultant fees that will count toward the maximum Developer fee/Borrower profit include, but are not limited to:

- Any profits to the Project sponsor if different than the Developer
- Developer fees

- Project management fees
- Consultant and grant writing fees
- Development consultant fees

Developer fees for new construction and conversion activities are calculated as:

$$\frac{\text{Developer Fee} + \text{Consultant Fee}}{\text{Acquisition} + \text{Hard Costs} + \text{Soft Costs} + \text{Developer Fee} + \text{Consultant Fees}}$$

Additional limitations on costs and profit may be required if an identity of interest exists between the General Contractor and Developer. Applicants must disclose to OHCS whether financial, familial, business, or similar relationships exist among the parties participating in the development or operation of the Project.

If the final pro forma submitted at the end of the construction period showing actual costs, financing sources, and sales proceeds indicates a higher profit than the allowable maximum, OHCS may require a partial return of funds or other remedy that ensures the funds directly benefit the homebuyers.

P. Compliance Monitoring

After sale of the first home, a compliance monitoring fee of \$25 per LIFT affordable home will be required annually. This fee may be adjusted over time by OHCS. Monitoring by OHCS will address elements of the Project's operation, including:

- Initial household income verification at home or unit purchase.
- Subsequent sales of any home or unit during the Affordability Period will require verification of homebuyer income.
- Regular or as-needed verification of owner/homeowner/condominium association compliance with the Program Requirements.
- Annual report on the Project's reserve fund and association's finances.
- Annual notification of any homeowner or unit owner in arrears (on association assessments, property taxes, insurance, etc.) and a corresponding action plan of either the owner or the association.
- Verification of appropriate maintenance and repair by the party responsible for the Project.

Q. Other Program Requirements

- The LIFT loan must be secured by a first-lien deed of trust acceptable to OHCS recorded against the fee-interest in the land and any existing or

future improvements on the land. OHCS will maintain the lien on the land for the life of the LIFT loan. In general, OHCS will release the lien on the improvements upon sale of each home so that Applicants may convey marketable title to each eligible homebuyer. OHCS may agree to share a first-lien security interest with another lender subject to the execution of OHCS' intercreditor agreement and other documents necessary to establish the relative priority and rights of the parties. This requirement may vary according to the selected ownership model.

- LIFT loans are typically interest-free and payment is due on the maturity date, which is tied to the length of the Affordability Period. LIFT loans may be prepaid without penalty, but prepayment will not shorten the Affordability Period. Loan satisfaction may also be accomplished by an extension of the Affordability Period for a period equal to the initial Affordability Period, or by a combination of repayment and extended affordability as acceptable to OHCS.
- Under specific circumstances, OHCS allows for pro-rata repayment of the LIFT loan and release of the Affordability Requirements. This avoids foreclosure on an entire Project that is otherwise compliant when compliance issues or other challenges occur on a single home. This also allows for the release of Affordability Requirements in case of a mortgage foreclosure, ensuring that LIFT homebuyers can be eligible for Government Sponsored Entity qualifying mortgage products.

4.9 Evaluation Process Overview

An OHCS staff member will review Concept Proposals for completion and specific Administrative Requirements, which are pass/fail requirements. A scoring committee will review the Concept Proposal to ensure that it satisfies the initial Threshold Requirements.

If an Applicant is invited to complete Due Diligence for a Project, they will be assigned a Development Officer. The Development Officer will provide support and complete evaluation of Administrative Requirements during the Due Diligence step to ensure compliance with all program requirements. The scoring committee will evaluate the final Threshold Requirements during Due Diligence.

If, at any point, an Application fails to meet program requirements or the minimum threshold score for a specific category, the Application will be

deemed nonresponsive and will not be reviewed further. OHCS will employ, but is not limited to, the evaluation criteria laid out in Exhibit A, the published NOFA Scoring Criteria, and the published list of Required Documents.

The final recommendation of Applications for award, if any, will be from those Applications that meet the minimum scoring requirements, as further recommended by the OHCS director and approved by the Housing Stability Council. OHCS reserves the right to award funding at an amount different than the Application request.

4.10 Administrative Review

A full list of Administrative Review criteria for the Concept Proposal can be found in Exhibit A. Administrative Review criteria are reviewed as pass/fail. Each Application will be reviewed for Application completeness, timeliness, and compliance with all Administrative Review requirements. If any required item is missing, the Application will be considered incomplete. The Applicant will be notified of any missing items. Generally, complete Concept Proposals will receive a 10-day cure period to submit any missing documents or respond to any concerns without penalty to the Submission Date. If the missing items are not received by the end of the cure period, the Application will be denied. Resubmission of an Application with the missing items after denial will be considered a new submission for the purposes of this NOFA.

4.11 Minimum Threshold Review

After passing all Administrative Review criteria, Applications will move to minimum threshold scoring. Applicants must meet the minimum threshold in each category to be approved for funding. Applications will be scored in the following categories.

- Reviewed during Concept Proposal
 - Development Capacity
 - Development Experience
 - Stewardship Experience
- Reviewed during Due Diligence
 - Equity and Community Engagement
 - Financial Viability
 - Project Details

Both quantitative and qualitative factors are considered in the scoring. The criteria and minimum requirements for each category are listed in the scoring document posted with this NOFA.

4.12 Portfolio Risk Assessment

Applicants who are applying for more than four units will undergo an internal risk assessment that will consider OHCS' outstanding investment in the Applicant's Projects and the Applicant's compliance and performance in other Projects.

Results of the risk assessment may alter the minimum threshold requirements for scoring and may include additional risk mitigation requirements. **In general:**

- Low-risk Applicants and Applicants who do not have other OHCS-funded Projects will not be required to meet higher thresholds or provide any additional risk mitigation measures.
- Medium-risk Applicants will be required to meet a higher scoring threshold including receiving a certain number of points in questions relating to development risk.
- High-risk Applicants will be required to meet a slightly higher scoring threshold including receiving a certain number of points in questions relating to development risk mitigation as well as providing at least one approved risk mitigation measure.

Applicants reaching risk levels exceeding a certain threshold may be denied outright.

Risk assessments will be completed after the Concept Proposal is submitted and prior to an invitation to complete Due Diligence. Applicants will be asked to complete any additional risk mitigation requirements as part of their Due Diligence process.

4.13 Request for Funds

Once the Recipient has closed on the LIFT loan, funds can be requested on a monthly basis by submitting the draw request form via the Procore™ WorkCenter. The Recipient must submit all invoices with the draw and highlight or mark the relevant charges on each invoice.

Funds can only be used to reimburse expenditures on qualifying income-restricted homes, site acquisition, and site development. LIFT funds cannot be

used for market-rate homes or homes serving households earning greater than 80% of AMI in the Project. LIFT may only be used to fund capital expenses necessary to bring the Project to completion.

In the case of mixed-income or mixed-use development, OHCS may finance only the portion of housing Projects consisting of units rented to households with an income below 80% of AMI. OHCS will use a calculation referred to as the applicable fraction when allocating the LIFT-funded portion of a mixed-income housing Project's shared costs, including infrastructure, parking, and other amenities included in the Applicant's pro forma development plan.

The applicable fraction used in determining shared costs in a mixed-income Project shall be determined based on the lesser of the proportion of affordable units or the proportion of affordable floor space. OHCS will calculate both fractions for each mixed-income Project and apply the smaller fraction to determine the shared-cost allocation.

Outdoor spaces such as community gardens or playgrounds, recreational facilities, and parking areas may be included provided there is no separate fee for the use of the facilities and they are made available on a comparable basis to all residents in the Project.

The applicable fraction is determined using the lesser of the following formulas:

$$\text{Unit Fraction} = \frac{\# \text{ of } 80\% \text{ AMI homes}}{\text{Total number of homes}} \qquad \text{Floor Space Fraction} = \frac{\text{Floor space of } 80\% \text{ AMI homes}}{\text{Total floor space of all homes}}$$

4.14 Reporting Requirements

Quarterly progress reports are required starting from the applicable deadline following the receipt of a Reservation Letter up until the sale of all Project homes. Unless otherwise determined by OHCS, progress reports will be due on Jan. 10, April 10, July 10, and Oct. 10.

Once the Project is completed, the Recipient must submit the following to OHCS within 30 days of the final home sale:

- Certificates of occupancy for all homes (as they become available)
- Homebuyer demographics and income verification for all homes (as they become available)
- Dates of Closing for all home sales
- Final subdivision plat map
- Photos of exterior of each home
- Final balanced sources and uses
- Updated Applicant and Project Sheet from original Application
- Final Equity in Contracting report
- Any additional information or documents that OHCS may request

LIFT for Factory-Produced Housing (FPH)

5.1 FPH Summary

Established through House Bill 3145 (2025), the Factory-Produced Housing (FPH) Initiative aims to increase awareness and accelerate the adoption of factory-produced housing across Oregon. Reflecting Oregon's commitment to innovative housing solutions such as modular, manufactured, or panelized homes, this initiative sets aside LIFT funding specifically to support up to five rental and/or homeownership development Projects using factory-produced construction methods. Applicants awarded through the FPH Initiative will also have access to technical assistance.

5.2 Set-Aside LIFT Funds

HB 3145 requires that OHCS set aside \$25 million in LIFT funding to support up to five factory-produced Projects. To facilitate this, OHCS has set aside \$25 million in LIFT Rental and \$25 million in LIFT Homeownership. While up to five Projects may be selected through this initiative, the total combined funding awarded through this set-aside will not exceed \$25 million. The final distribution between rental and homeownership funding will depend on the composition of the selected Projects.

Any portion of the LIFT Homeownership set-aside that is not awarded through this process will be returned to the broader LIFT Homeownership pool and reallocated through the standard NOFA process. These funds will be distributed according to the biennial funding cycle described in Section 4.2 of this NOFA and aligned with the applicable set-aside priorities outlines in Section 4.3.

5.3 Eligibility Criteria

Projects funded by the FPH Initiative must use a factory-produced construction method for their development, defined in HB 3145 as “housing that is produced through off-site construction of the housing or housing components, and that includes manufactured dwellings, as defined in ORS 446.003, prefabricated structures, as defined in ORS 197A.015, or other types of housing developed through volumetric modular, panelized modular or other modular components.”

Applicants interested in accessing the FPH set-aside must meet all eligibility requirements for LIFT Homeownership as described in section 4 of this NOFA.

5.4 Application and Selection Process

Applicants must complete an FPH Selection Form, independent of this NOFA, to be selected for the FPH set-aside funds. The FPH Selection Form will open in Quarter 1 2026. Applicants selected for the FPH funds must also complete all standard LIFT Application components outlined in this NOFA, including Intake, Concept Proposal, and Due Diligence.

Applicants are encouraged to begin the LIFT Intake and Concept Proposal processes as early as possible, even before the FPH Selection Form is released. While the LIFT and FPH Application components can be completed concurrently and in any order, early submission of the standard LIFT materials will help ensure readiness if selected for FPH funding or provide an alternative award option if not selected for FPH funding.

The FPH selection process will be competitive and separate from the standard NOFA first-come, first-served process. Only Projects selected through the FPH-specific review will be eligible to access the FPH set-aside funds. However, submitting an FPH Application does not preclude Applicants from being considered for standard LIFT funding, which will continue to be awarded on a first-come, first-served basis under the terms of this NOFA.

If an Applicant is already invited to complete Due Diligence under the standard LIFT process and is later selected for FPH funding, the original LIFT funds held for that Project will be reallocated to either a Project selected as an alternate or to a new Applicant within the same set-aside category. This ensures that LIFT resources are used efficiently and that additional Projects can benefit from available funding.

Predevelopment Loan

6.1 Pilot Revolving Predevelopment Loan Program

The Pilot Revolving Predevelopment Loan Program is designed to expand access to affordable homeownership by addressing a critical gap in early-stage Project financing. This initiative provides flexible, low-barrier predevelopment loans to support the planning and preparation phases of affordable homeownership developments, which are often underfunded and difficult to navigate, especially for smaller and Emerging Developers.

The Pilot Revolving Predevelopment Loan Program is funded by the Homeownership Development Incubator Program (HDIP). HDIP was established in 2022 with General Funds and creates affordable homeownership opportunities for families on low to moderate incomes by providing funding to developers in Oregon. HDIP is designed with flexibility, to respond to the needs of the economy, market, and development partners as funds are available through various subprograms.

A central goal of HDIP is to build capacity among developers who have historically faced systemic barriers to participation in housing development. This includes small, emerging, Rural, and Culturally Specific Organizations that often operate with limited financial resources, staffing, and access to traditional capital. By offering tailored technical assistance alongside financial support, the program aims to empower these developers to bring forward community-rooted, equity-driven housing solutions.

Through this pilot, we seek to:

- Improve access to the LIFT program by supporting costs that may pose a high barrier of entry to the program.
- Increase the pipeline of affordable homeownership Projects by reducing early-stage financial risk.
- Support organizational growth for under-resourced developers through access to capital.
- Foster equity in housing development by intentionally investing in communities and organizations that reflect the populations they serve.
- Encourage innovation in predevelopment strategies.

This revolving loan model ensures that funds can be reused and reinvested over time, creating a sustainable mechanism for long-term impact in Oregon's affordable homeownership landscape.

6.2 Eligibility Criteria

Predevelopment loans will be available through this NOFA to Rural, emerging, small, and Culturally Specific Developers who are also applying for LIFT. Applicants must meet all Administrative and Threshold Requirements of the Concept Proposal and be selected to complete Due Diligence for the LIFT award.

6.3 Loan Terms

The pilot revolving predevelopment loan offers up to \$50,000 in funding with a maximum term of 24 months. The loan carries 0% interest for the full term. Recipients are required to repay the loan in full at the financial Closing of the Project, or by the end of the 24-month term, whichever comes first. Funds must be requested through a draw process, and repayment may be made using LIFT funds, if applicable. These loans will be unsecured and will not require collateral as a condition of approval. A \$1,000 loan fee will be due prior to the final execution of the loan documents.

6.4 Loan Process

To apply for the Pilot Revolving Predevelopment Loan Program, interested Applicants must submit an additional form alongside their LIFT Concept Proposal. This supplemental form will include the amount of funding requested, documentation demonstrating eligibility for the program, and an estimated budget outlining the intended use of the loan funds.

Loan recipients will be selected on a first-come, first-served basis, contingent upon submission of a complete Concept Proposal and an invitation to proceed with Due Diligence. Only Applicants who meet the initial eligibility criteria and submit all required documentation will be considered for this next phase.

Once invited to complete due diligence, Applicants are expected to close on the predevelopment loan within three months. This timeline is designed to ensure that funds are deployed efficiently and that Projects can move forward without unnecessary delay. Applicants who are unable to meet this timeline may forfeit

their place in the queue, allowing the program to serve other eligible developers ready to proceed.

6.5 Eligible Costs

Predevelopment loans may be used to pay for costs required to prepare the Project for construction and meet all Due Diligence requirements. Eligible costs include:

- Professional services including architectural, legal, engineering, and appraisal.
- Studies including market, environmental, traffic, land, zoning, Geotech, arborists, and capital needs.
- Fees including entitlement, permits, and Application costs other than those required by OHCS or other state entities.
- Community engagement efforts directly related to the proposed Project.
- Other costs that can be directly connected to getting the Project to OHCS readiness standards, as approved by OHCS.

Oregon Affordable Housing Tax Credit (OAHTC)

7.1 OAHTC Summary

OAHTC creates and protects affordable housing by providing tax credits to financial institutions that reduce the interest rates on permanent loans for affordable housing Projects. In 2023, the Oregon State Legislature expanded the OAHTC program to include limited-equity cooperatives (LECs). This prompted the development of the OAHTC for Homeownership program. Eligible entities for OAHTC under this NOFA include manufactured home parks that are also applying for LIFT Homeownership and LECs. A soft cap of \$2.5 million in OAHTCs will be available through this NOFA.

The Homeownership OAHTC program will offer state tax credits to lenders who agree to reduce the interest rate on permanent loans to LECs or manufactured home parks by up to 4% lasting up to 20 years (30 years for USDA or Preservation loans). These credits will lower permanent financing interest rates for new homes that are affordable to households earning 80% of AMI or less. For LECs, all interest savings must be passed to its members to reduce their monthly housing payment costs. OHCS will monitor evidence of the payment reduction

throughout the course of the credit. There is no pass-through requirement for manufactured home park Projects.

7.2 Eligibility Criteria

OAHTC is available through this NOFA to nonprofit entities that are developing or acquiring property using a shared-equity model that will require a permanent loan. Eligible homeownership Projects will most likely fall into one of the following categories:

- Manufactured home parks in which residents own their homes
- Limited equity cooperatives

7.3 Award Caps

The credits will be available on a first-come, first-served basis until the \$2.5 million cap is fully reserved. OAHTC allows for a reduction in the interest rate of permanent loans up to 4%. The lender will decide the actual reduction in the interest rate, and the Recipient may select the lender that provides the best rates for the proposed Project.

7.4 Application Process

Applicants must follow the Application process listed in section 3.0. Applicants must indicate their interest in applying for OAHTC during Intake. Applicants seeking both LIFT and OAHTC funding for a Project of five or more units will be required to submit the full Application and all documentation. Applicants seeking both LIFT and OAHTC funding for a Project of four or fewer units, or only OAHTC funding for a Project of any size, will be required to submit an abbreviated Application at Concept Proposal and complete all relevant Due Diligence requirements. All Projects using a LEC model and manufactured home parks should apply to OAHTC through this Application.

All Applications must meet all preliminary and threshold requirements as required for LIFT. Documentation requirements may vary depending on whether or not an OAHTC Applicant is applying for LIFT. All OAHTC Applicants must provide a letter of intent from a lender indicating that the lender will participate in the OAHTC program, and the pro forma must reflect the Projected interest rate reduction.

7.5 Tie-Breaker Rule

If two or more Applications are submitted on the same date, and funding availability is insufficient to fund all eligible Applications, the following criteria, in order of priority, will be used to break the tie:

- The Project determined by OHCS to achieve greater geographic distribution of affordable housing.
- The Project that will build the greatest number of affordable units that can be funded under this NOFA.

7.6 Affordability Period

The general Affordability Period for this OAHTC offering varies based on development type.

- For manufactured home parks or LECs also using LIFT Homeownership funds, the Affordability Period will be based on LIFT requirements or the funding source with the most restrictive Affordability Requirements. Homes must be restricted to households earning 80% of AMI or lower for 20 years, with the option of renewing the Affordability Period for another 20 years to satisfy the LIFT loan.
- For manufactured home parks or LECs with no other funding sources restricting AMI, homes must be restricted to households earning 80% of AMI or lower for 20 years.
- For LECs with other funding sources restricting AMI, Applicants must demonstrate that a pass-through is being used to reduce member housing payments below 80% of AMI. This requirement does not apply to manufactured home parks.

7.7 Debt Coverage Ratio and Cashflow

Applicants using OAHTC must meet OHCS' minimum debt coverage ratio (DCR) of 1.15:1 on all primary, hard debt after pass-through is applied. Applicants must also demonstrate a sufficient cashflow with pass-through applied over the term of the OAHTC restrictions. Projects exempt from pass-through requirements still need to meet OAHTC underwriting standards otherwise applicable to the Project.

7.8 Additional Program Requirements

- Letter of Intent from Lender: A letter of intent from the lender must accompany the Application and must clearly state the lender will participate in the OAHTC program. This letter should contain, at a minimum, (1) specific conditions pertaining to the Project, (2) an estimated comparable market interest rate for the proposed loan, (3) the estimated reduced interest rate, (4) terms of the proposed loan, and (5) the estimated amount of interest savings that will be produced in return for the use of the tax credits.
- Firm Commitment of Financing and Loan Terms: A firm commitment of financing from a qualified lender is required before a final commitment of tax credits in the form of a Certification will be made. Applicants should be prepared to provide the finalized pro forma pages to OHCS demonstrating pass-through compliance at time of certification. OHCS will supply the lender with a Certification document to complete prior to the Closing of the loan to certify the lender's agreed participation in the OAHTC program and the terms of the loan being provided.
- Declaration of Restrictive Covenants: The Recipient must execute restrictive covenants to be recorded at the time of the loan Closing.
- Certificates: OHCS will issue a certificate to the lender identified in the letter of intent after legal documents have been signed and the Sponsor and the Lender have closed on the loan.

7.9 Ongoing Reporting and Carryover of Credits

The lender will be required to submit an annual report to OHCS by May 31 of each year. The report must be submitted on a form provided by OHCS and signed by an officer of the lending institution. Any tax credit otherwise allowable under ORS 317.097 that is not used by the taxpayer in a particular year may be carried forward and offset against the taxpayer's tax liability for the next four succeeding tax years.

7.10 Charges

The lender will be required to submit a fee equal to 5% of the annual tax credits claimed for the prior calendar year that will be due and payable by May 31 of each year along with the annual report referenced in Section 7.9. A late fee of \$100 will be charged for each full month the annual report is delayed.

Preservation of Manufactured Dwelling Park Program (PMDP)

8.1 PMDP Summary

The PMDP provides financial assistance to eligible manufactured dwelling park owners, resident groups, and qualified nonprofit organizations to help preserve affordable housing and prevent displacement of residents. The program supports efforts to:

- Stabilize communities and costs by enabling residents or qualified entities to gain ownership or control of parks.
- Prevent park closures by facilitating the acquisition of parks at risk of being sold or redeveloped.
- Rehabilitate parks, when necessary, to ensure safe and sustainable living conditions.

Funding through PMDP can be used for the acquisition of manufactured dwelling parks and, where justified, for critical infrastructure improvements or rehabilitation to maintain long-term affordability and livability.

Through SB 5531 (2025), OHCS received \$2.5 million in Lottery bonds designated for PMDP. These funds are available on a first-come, first-served basis through this NOFA.

8.2 Eligibility Entities

To be qualified for PMDP funding, an entity must be one of the following entity types:

- Tenants Committee as provided in ORS 90.844
- Manufactured dwelling park nonprofit cooperative as provided in ORS 62.803
- Housing authority established under ORS 456.055 through 456.235
- Local government as defined in ORS 197.015
- Qualified nonprofit

8.3 Eligible Subsidy Request

There is no Project cap on the total amount of funds that may be requested.

- Applications for PMDP may request up to 60% of the combined park acquisition price and the cost of critical infrastructure needs.
- Acquisition prices must be supported by an appraisal and infrastructure needs must be validated through a private lender if applicable and a third-party Capital Needs Assessment.

8.4 Affordability Period and Affordability Restrictions

All Applicants must agree to a minimum Affordability Period of 60 years.

During the Affordability Period, at least 60% of park spaces must be occupied by residents whose income does not exceed 80% of AMI, as determined by HUD. Income and rent restrictions must comply with HUD-defined Multifamily Tax Subsidy Projects (MTSP) limits.

If the park is sold, or if there is a change in park use or a violation of the affordability requirement during the Affordability Period, OHCS will require repayment of funds.

8.5 General Program Requirements and Guidelines

- Applicants may submit only one Application per Project site. OHCS will accept a single Application for a specific site, regardless of whether it pertains to the entire site or a portion of it, and regardless of whether submitted by one or multiple Applicants. If more than one Application is received for the same site or any part of it, OHCS may disqualify all submissions. The non-refundable Application charge will be retained by OHCS in all cases.
- Projects must be owned by a single asset entity (SAE), which must be established prior to construction Closing or the disbursement of any OHCS funds.
- Funding is awarded in the form of a grant and may be used exclusively for Project acquisition and rehabilitation costs. OHCS funds may not be used to cover administrative costs, reserves, developer fees, or operational expenses. Funds will be subject to all requirements associated with Lottery bonds.
- Projects receiving funding under these Application Instructions are not eligible for further OHCS funding for a period of five years following the placed-in-service date.

- Projects must offer long-term leases of one year or more. If permanent relocation is involved, Applicants must submit a completed relocation supplemental form, which will be provided through the Procore™ WorkCenter.

8.6 Application Process

Applicants interested in PMDP funding must fill out an [Intake Form](#), which will screen for eligibility and ask for general Project information. Once the Intake form is submitted, if the Project is eligible for funding, OHCS will set up a Procore™ WorkCenter specific to the Applicant and the Project within five business days. After the WorkCenter is created, the Applicant will be notified via email. It is the Applicant's responsibility to notify OHCS if they have not received login credentials.

Once credentials are received, the Applicant can access the corresponding Homeownership Development Application(s) through the Procore login page: <https://app.Procore.com/login>.

An invoice for the Application charge will be generated by OHCS staff and provided via the WorkCenter that must be paid prior to submitting the Application. The first-come, first to be reviewed timing will begin once the full Application has been submitted in the WorkCenter and the Application charge has been paid. Funding is available until current Allocations are fully exhausted, at which point Applications will be paused until the funding pool is refreshed.

Applications must be complete to pass review. If an Application is missing information or contains inconsistencies, OHCS will respond with instructions for what must be addressed in order for the Application to be complete and to pass review. Applicants have 10 days from the date of the instructions to respond fully to those instructions. If the Applicant responds fully by that deadline, the Application Submission Date will be the date of the initial submission. If the Applicant does not respond fully by that date, the Application Submission Date will be the date on which the Applicant has fully responded and submitted a complete Application.

8.7 Application Evaluation and Underwriting Guidelines

OHCS uses general underwriting guidelines in its due diligence and Project review process to ensure ongoing Project viability and risk mitigation throughout

the Application process and development. Such guidelines are consistent with the industry standard minimum requirements of mortgage lenders, investors, and other potential public funding sources. Projects will be evaluated on a pass/fall basis on criteria that include, but are not limited to:

- Minimum debt service coverage ratio of 1.20 on all "must-pay" debt.
- 7% vacancy rate.
- 2% escalation of rents and 3% escalation of operating expenses.
- No operating reserves may be funded with OHCS funds awarded through these Application instructions.
- No more than 10% of OHCS funds can be used to capitalize replacement reserves.
- The initial capitalized operating reserve needs to be equal to six months of the operating expenses and debt service as shown in the Application on the Operating Budget sheet. (Note: the Application must show annual expenses. The annual expense amount must be divided by two in order to calculate expenses for six months.)
- Minimum annual replacement reserve deposit of \$450 per unit.
- Prior to Closing, a Phase I environmental site assessment (ESA) is required. The study must be no older than one year from the date of the Application. If the Phase I ESA reports any Recognized Environmental Conditions (REC), OHCS reserves the right to require additional mitigation measures, require additional studies, or withdraw any reservation.
- Demonstration of meeting Bureau of Labor and Industry (BOLI) compliance prior to construction Closing.
- Other requirements: If other public capital or operating subsidies are used in financing the Project, applicable requirements of those capital or subsidy sources will also apply.

8.8 Project Approvals

All Project requests equal to or greater than \$1 million or that constitute more than 50% of the total development budget for a Project with a development budget of more than \$1 million must be presented to the Oregon Housing Stability Council (HSC) for approval.

Once the Application has received all appropriate levels of approval, a Reservation and Conditions Letter (RCL) will be prepared for the Applicant to review and sign.

8.9 Compliance Monitoring

Recipients of funds through an Application as prescribed by Section 8 of this NOFA are subject to a \$25-per-unit or space-per-year monitoring charge. This fee may be adjusted over time by OHCS. Monitoring by OHCS will address elements of the Project's operation, including:

- Compliance with affordability terms.
- Annual report on the Project's reserve fund and association's finances.
- Verification of appropriate maintenance and repair by the party responsible for the Project.
- Other information as requested by OHCS.

General Terms and Conditions

The following terms and conditions apply to all funding sources included in this NOFA, unless otherwise specified.

- 9.1** Any LIFT 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 LIFT Homeownership purposes as contemplated under the NOFA.
- 9.2** 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 Funding Documents.
- 9.3** 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. Similarly, invitation to Due Diligence does not mean that an Application is guaranteed a reservation of funds.
- 9.4** To the extent that other funding sources have additional or other requirements, the most restrictive requirements will apply to the Project.

- 9.5** 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 OHCS or the State of Oregon.
- 9.6** 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 Funding Documents.
- 9.7** 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 authorized persons on behalf of each party.
- 9.8** OHCS assesses an Application charge. Receipt of the Application charge is required at Concept Proposal submission and must be received or postmarked on or by the Application Submission Date.
- 9.9** 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 corporation incorporated under a law other than the law of the State of Oregon. If a foreign corporation is selected for an award pursuant to this NOFA, it must register to do business in Oregon.
- 9.10** 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 provide to other public agencies, upon request, references, regarding the Applicant's performance;
 - F. at any time prior to execution of Funding Documents (including after announcement of the 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 to components of the Applicant's Application and this NOFA as scoring criteria in future OHCS funding solicitations;
- I. to withdraw any funding source from this NOFA; and
- J. to waive any term or condition of this NOFA for good cause as determined by OHCS.

9.11 This NOFA and one 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 may be available for disclosure pursuant to the Oregon Public Records Law.

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

9.13 An Applicant or potential Applicant seeking to protest or challenge any aspect of this NOFA must comply with the following requirements:

(1)

- a) An Applicant or potential qualifying Applicant may protest or otherwise challenge this NOFA by first requesting Administrative Review as herein specified.
- b) An Applicant may protest or otherwise challenge any department determination or order (collectively hereinafter, "determination") related to this NOFA by first requesting Administrative Review as herein specified.
- c) A timely, qualifying request for Administrative Review is 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 this NOFA or any related department determination, including judicial review thereof.

(2)

- a) An Applicant is a person or entity that makes an Application (including delivery to the department under the terms of the NOFA) for a department funding award pursuant to this NOFA.

- 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 this NOFA with respect to the process of which it requests Administrative Review.
- (3)
- a) An Applicant or potential qualifying Applicant seeking to protest or otherwise challenge any aspect of this NOFA (other than a department determination related thereto) must request review by the department within 30 days of the posting of this NOFA.
 - b) An Applicant seeking to protest or otherwise challenge a determination by the department related to this NOFA must request review by the department of such determination within 14 days of the Applicant receiving notice from the department of that determination.
- (4) Any request for review 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 this NOFA 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 request for review **must**:
- a) Have a subject line titled "PROTEST";
 - b) Identify the NOFA number;
 - c) Identify the department's contact person for the solicitation; and
 - d) Be received by the department by email to HO.Development@hcs.oregon.gov, not later than 4 p.m. on the 30th day after the posting of this NOFA, or the 14th day after 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 days after the department's determination is mailed to the Applicant;
 - b) Two days after such determination is posted to the department's website; or
 - c) One day after such determination is emailed to the Applicant or posted in the Applicant's Procore™ WorkCenter.
- (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 an email response to a timely, qualifying request for review within 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 NOFA 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 this NOFA or any related award of funding assistance in response to a request for review or subsequent judicial review.

9.14 OHCS' contact person for this NOFA is Jessica MacKinnon. Her contact information is:

Oregon Housing and Community Services
 Attn: Jessica MacKinnon
 725 Summer St. NE, Suite B
 Salem, OR 97301
 Email: HO.Development@hcs.oregon.gov

9.15 Reservations, Allocations or Awards by OHCS (collectively, "Determinations") may be subject to Housing Stability Council ("Council") review or approval under ORS 456.561. The Council may approve, reject, modify, or further condition funding awards submitted for its review, thereby directly or indirectly impacting OHCS' determinations.

- 9.16** All Reservations made pursuant to this NOFA are subject to the successful negotiation, execution, and recording (if required) of any and all Funding Documents. Projects that have only a leasehold interest in relevant real property must include, among relevant Funding 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.
- 9.17** OHCS may charge, and the Applicant shall pay, legal and administrative costs reasonably anticipated or incurred by OHCS in negotiating and preparing Funding 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, any ensuing Reservation, Award or Allocation, and Project operation.
- 9.18** Provisions stated in the form of a question in this NOFA shall be construed as required action by Applicants.
- 9.19** 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.

If you would like this information/form/publication in a different language, please email Language.Access@hcs.oregon.gov.

Exhibit A: LIFT Homeownership Scoring Criteria and Evaluation

Administrative Criteria

Administrative Criteria will be reviewed as pass/fail. If any component list in the following table is missing or incomplete, the Application will be deemed non-responsive and will not move on to scoring evaluation.

Concept Proposal

Application Completeness

- Application is filled out completely.
- Required documents submitted following the required naming conventions and signed (if applicable).
- Site checklist is complete with no major concerns.
- Application charge received.
- A professionally prepared preliminary site plan is included and reflects the correct number of homes the Applicant is proposing.
- A professionally prepared preliminary site plan is included and reflects the correct number of homes the Applicant is proposing.
- Submission in Procore™ generally follows naming convention requirements

Timeliness

- Applicant demonstrates that they will be ready to close on their LIFT loan by the Closing deadline for the year for which they are applying.
- Project Development Schedule demonstrates that vertical construction will begin within 18 months of a funding reservation.
- Project Development Schedule demonstrates that homes will be ready for sale at or before 36 months of the funding reservation.
- Applicant attests that the property meets zoning requirements for the type of Project, which must be demonstrated during Due Diligence.
- Applicant has site control through 12 months following the submission of the Application.

Due Diligence

Financial Viability

- All funding sources are identified early in Due Diligence and fully committed by the Due Diligence deadline.
- Contractor overhead, profit, and general conditions are within the required range (14% or less of total construction cost or 10% or less of total construction cost for a contractor with an identity of interest).
- Sources and uses balance with no gaps.
- Total net profit or developer fee is no more than 14%.
- Contingencies are between 2.5% and 5% of associated costs.
- Escalation costs are between 3% and 10% of associated costs.
- Applicant's bylaws specify that property and leases will be transferred to an experienced organization with a similar mission in the case of a dissolution.

Threshold Criteria

Applicants must meet the minimum thresholds in each category to be awarded funds. Scoring details and minimums are provided on the following pages.

Detailed Scoring Criteria and Rubric

Applicants with developments of five or more Homes will be scored on the scoring rubric contained in this document. Applicants must meet a minimum number of points in each scoring category, listed in the table below. To promote equity and access across Oregon, qualified Rural, Emerging, Small, and Culturally Specific (RESCS) Developers requesting funding for 15 or fewer Homes will have a lower minimum threshold.

Criteria (Section Headers in the Tables Below)	Points	Total Possible	Minimum Required	RESCS Required
Developer Capacity				
Project pipeline	9	14	9	7
Two years of financial statements	5			
Development Experience				
Development history for organization and developer (if separate)	4	15	9	7
Project and organization staffing	8			
Specific partnerships	3			
Stewardship				
Shared-equity model details	8	20	12	9
Describe the shared-equity model, your experience with it, and how you will inform your buyers.	6			
Systems and processes for the long-term management of ground leases	6			
Equity and Engagement				
Organizational Equity	4	29	15	11

Underserved Communities	6			
Procedural Equity	4			
Distributional Equity	10			
Culturally Specific Organization (CSO) or CSO partnership	2			
Populations served	3			
Project Details				
Project Narratives	12	22	12	9
Additional Project Details	10			
Financial Viability and Risk Mitigation				
			Med/High Required	Low Risk Required
Pro forma, operating budget, and evidence of costs	12	23	15	12
Financial Strategy Narratives	5			
Risk Strategy Narratives	6			

Concept Proposal

This rubric is meant for ease of use and should expand upon the self-scoring boxes for each question in the Application Workbook. Headings should relate directly to the scoring criteria summarized above, and questions and the individual scoring items will reflect the scoring items available in the Application Workbook. The first scoring categories provided will be scored during the Concept Proposal stage of the Application.

Developer Capacity

Applicants must demonstrate sufficient evidence of capacity to complete the proposed Project through the following criteria:

List all housing Projects under development, including Projects not funded by OHCS. (9 points)

Criteria	Points
Is the Project pipeline healthy and realistic? OHCS will evaluate the pipeline to identify any risks of bottlenecks, delays, or other concerns.	
The Applicant demonstrates a highly healthy and realistic development pipeline. Projects are well distributed across various phases with clear timelines and minimal risk of delays,	3
The Applicant demonstrates a generally healthy pipeline that is dispersed among development phases with no significant delays. Minor concerns may exist but do not indicate major risk.	2
The Applicant provides a pipeline that is not optimally dispersed or has minor delays but does not raise significant concerns. Alternatively, the Applicant has limited homeownership development experience and no other Projects in the pipeline.	1
OHCS identifies issues with the current pipeline including, but not limited to, major delays, unrealistic timelines, or an overconcentration of units in certain phases, indicating a high risk of bottlenecks or failure to deliver.	0
Does the Applicant or Developer have an established development history that supports the current pipeline? OHCS will evaluate the pipeline and the development history to determine this score.	
The Applicant demonstrates successful management of a similar workload or has demonstrated sufficient growth to justify the current workload.	3
The Applicant demonstrates successful management of workloads but not enough to justify this Project or Applicant qualifies as a RESCS developer and has fewer than 30 total homes in the pipeline.	2
The Applicant demonstrates successful management of workloads, but OHCS has minor concerns with the difference between the current and past workloads or timelines with workloads of similar size.	1

The Applicant does not demonstrate successful management of workloads or OHCS has major concerns with current workload.	0
Does the Applicant demonstrate sufficient staff capacity, including the proposed Project? OHCS will evaluate the information in the pipeline and appropriate staff bios for all listed program managers.	
Each Project manager has no more than three ongoing Projects in active development within their portfolio.	+1
Project managers are qualified for and have the experience to manage the size and difficulty of the Projects assigned to them.	+1
Project managers are not filling additional roles in the Staff Experience section (or if they are, they have a sufficiently reduced workload).	+1

Submit two years of financial statements with the Application. (5 points)

Criteria	Points
Do the Applicant's financial statements display successful fiscal practices and the capacity to support the proposed Project?	
Statements are audited with no major findings or successful resolution of findings (½ point per year).	+1
Current ratio is above 1 (½ point per year).	+1
Total liabilities to total assets is under 0.8 (½ point per year).	+1
Organization is not operating in a deficit and revenues are equal to or greater than expenses (½ point per year).	+1
Total assets to LIFT loan ratio is greater than 1.5.	+1

Development Experience

Applicants must demonstrate sufficient experience to complete the proposed Project through the following criteria. In order to be eligible for a higher maximum biennial award, Applicants must earn at least 12 points in this category.

Submit the development history for your organization and your developer (if separate). History must include the last five years of history but may include up to 10 years. (4 points)

Criteria	Points
If the Applicant and developer are the same entity:	

The Applicant demonstrates significant experience with three or more Projects clearly aligned in size, scope, and schedule with the proposed Project.	4
The Applicant has significant development experience (three or more Projects) with partial alignment to the proposed Project (e.g., similar in scope but not scale or schedule)	3
The Applicant has development experience (one or more Projects), but it is limited or not clearly relevant to the proposed Project.	2
The entity has minimal development experience (one or more Projects) that is not similar in size, scope, or scale to the proposed Project.	1
The entity does not have development experience.	0
If the Applicant is contracting with a third-party developer or experienced development consultant:	
Both the Applicant and developer demonstrate experience with Projects clearly aligned in size, scope, and schedule to the proposed Project (five or more Projects combined).	4
The developer has relevant experience (three or more Projects), and the Applicant has limited experience (one Project) or experience that is not clearly relevant to the proposed Project.	3
The developer has relevant experience (two or more Projects), but the Applicant has no development experience.	2
Either the Applicant or developer has limited experience (one Project) or experience that is not clearly relevant to the proposed Project.	1
Neither the Applicant nor developer have experience relevant to the proposed Project.	0

Provide the following information about your Project and organization staffing. (8 points)

Criteria	Points
Does the Applicant employ experienced staff with relevant experience for the Project? OHCS will verify the information with staff bios submitted with the Concept Proposal.	
Applicants will earn 1 point for each role filled with at least five years' experience and ½ point for each role filled with at least three years' experience, up to a maximum of 5 points. Applicants may consider consultants or contractors (not including the General Contractor) only if the contracts are already in place and provided with the Application.	5
At least one staff member listed in the staff section has a professional certification relating to development, finance, compliance, or construction, such as those offered through NAHMA, NeighborWorks America, NAHRO, or Grow America.	+1

Does the Applicant show stability and/or growth that supports institutional knowledge and experience? OHCS will evaluate this criterion for the Applicant entity or developer entity, if different than the Applicant.	
Fewer than 15% of positions have turned over in the last 12 months.	+0.5
There has been no turnover in leadership roles in the last 12 months.	+0.5
The number of positions in the organization has increased in the last 12 months.	+0.5
A staff member has been promoted internally with a competitive increase in salary in the last 12 months.	+0.5
Is the Applicant planning on hiring staff on a timeline that makes sense for this Project? OHCS may consider potential new hires if the Applicant does not receive full credit for staff-related questions.	
The Applicant may earn up to 2 points that were lost in previous staff-related questions when enough information is provided about planned hires. OHCS, in its sole discretion, will determine if the Applicant is eligible for these points.	+2

Identify specific partnerships and how they will benefit this development Project. (3 points)

Criteria	Points
Has the Applicant established partnerships that meaningfully benefit the Project? Applicants will be required to submit relevant MOUs for listed partnerships during Stage 1 of the Due Diligence process.	
The Applicant has a meaningful partnership, supported by MOU, contract, or similar agreement, related to the development of this Project.	+2
The Applicant has a meaningful partnership, supported by MOU, contract, or similar agreement, related to any other aspect of the Project.	+1

Stewardship

Applicants must demonstrate sufficient experience and knowledge in the use of their selected shared-equity model through the criteria below. Applicants who will be transferring the Project to an eligible land trust or other shared-equity model after construction is complete should work with their partner to complete this section of the Application.

Provide the following details about your experience with the shared-equity model you will be using for this Project. (8 points)

Criteria	Points
How long has your organization operated the selected shared-equity model?	
The organization has five or more years of experience operating the selected shared-equity model.	2
The organization has one to four years of experience operating the selected shared-equity model.	1
The organization is currently establishing their shared-equity model.	0
How many occupied homes or units are you currently managing under this shared-equity model?	
The organization has 20 or more occupied units in their portfolio.	2
The organization has 10 or more occupied units in their portfolio.	1
The organization has fewer than 10 occupied units in their portfolio.	0
Do you have a person on staff who is experienced in operating your selected shared-equity model?	
The staff member has more than five years of experience.	2
The staff member has at least three years of experience.	1
The staff member has fewer than three years of experience.	0
What shared-equity trainings or consultation (if any) have members of your organization received in the last three years?	
The table shows that staff engaged in in-depth and relevant trainings or consultation that were tailored to build institutional knowledge and skills.	2
The table shows that staff engaged in relevant sessions/consultations that could broadly inform their stewardship activities and operations.	1
The table does not show relevant training or consultation.	0

Describe the shared-equity model, your experience with it, and how you will inform your buyers. (6 points)

Criteria	Points
Describe how your resale formula determines the buyer's equity in the home at the time of resale. Why did your organization choose this formula, and how does it support your goals for long-term affordability and homeowner wealth-building?	
The Applicant clearly explains the resale formula and provides a thoughtful, well-aligned rationale for its use that shows an understanding of the balance between affordability and equity.	2
The formula is described with some clarity and the rationale is sound, but the response lacks clarity in alignment with goals or understanding of affordability and equity.	1
The formula is unclear or the response is not relevant to the question.	0
Describe the origination status of your ground lease. The Applicant must submit a final or draft version of the ground lease during the Due Diligence period.	
The ground lease has been reviewed and approved by a relevant attorney or has already been filed.	2
The organization is using a Grounded Solutions template or other template that has been developed/used by an experienced shared-equity steward but has not been reviewed by appropriate counsel.	1
The ground lease does not meet one of the above criteria or the response does not address the question.	0
Explain how you will inform homebuyers of the characteristics and requirements of the shared-equity model.	
The Applicant provides additional services to support the transition to the shared-equity model, such as legal support or ongoing services.	2
The Applicant informs the Applicant of the shared-equity model, such as with pamphlets, a course, or one-on-one sharing.	1
The Applicant does not have a clear plan to prepare the buyer for the shared-equity model.	0

Provide the following information about the systems and processes for the long-term management of ground leases in their portfolio. (6 points)

Criteria	Points
What platform or system do you use to manage your portfolio?	
The Applicant uses a shared and centralized system such as Homekeeper or an Excel document with backup and/or versioning.	+1
How do you monitor your homes for compliance with lease requirements including habitability and home maintenance?	
The Applicant provides a sufficient explanation for how they ensure the homes are properly maintained through the long-term Affordability Period.	+1
Describe the specific steps that your organization takes when a resident wishes to sell their home.	
The Applicant describes steps that provide the resident support in the sale of their home and ensure the continued affordability of the home.	2
The Applicant describes steps that ensure the continued affordability of the home but are not especially supportive to the buyer.	1
The Applicant's approach is entirely hands-off, or the response does not respond to the question.	0
How is your organization ensuring that it will have resources and capacity for the long-term management of a growing portfolio of ground leases?	
The Applicant provides a clear and credible plan for long-term stewardship of ground leases. This includes one or more of the following: dedicated staff, sustainable funding mechanisms (e.g., stewardship fees, reserves), and/or systems for compliance, monitoring, and homeowner support. The response reflects a strong understanding of the ongoing responsibilities and scale of managing a shared-equity portfolio.	2
The Applicant describes some elements of a stewardship plan, such as general staffing or funding, but the approach is limited, vague, or lacks detail. The response shows awareness of long-term needs but does not fully address them.	1
No stewardship plan is described, or the response is not relevant to the question.	0

Additional Narratives

Applicants must complete a brief narrative for each of the other scoring categories. These narratives will be evaluated as pass/fail. Applicants must pass each narrative to move forward in the process.

Narrative	Pass/Fail
How does your organization promote equity within your community and development Projects?	
The Applicant displays a thoughtful approach to equity through internal policies, community outreach, marketing and homebuyer selection, or other supportive methods.	Pass
The Applicant's response is not responsive to the question or does not indicate that the Applicant has sufficiently considered equity.	Fail
Describe your Project and how it will be impactful to your community and/or homebuyers. Include any highlights about the site, site plan, development type, and home designs, and what benefit the Project is providing the community. This description should serve as an elevator pitch and will be copied for materials and presentations regarding your Project, so please keep the description brief but impactful.	
The Applicant provides an impactful statement about their Project and why it is beneficial to the community.	Pass
The Applicant's narrative is not responsive to the question, does not indicate any benefits or compelling reason to fund the Project, or will not be usable in materials and presentations without substantial edits.	Fail
Describe your approach to and current status in estimating total Project costs, identifying sources of funding, and managing financial risks.	
The Applicant provides a clear and current picture of their financial planning efforts. They demonstrate current budget planning, use of tools, data, or professional input for cost estimation, evidence of secured or pursued funding sources, and/or awareness of current risks and steps already taken to mitigate them.	Pass
The Applicant's response is not responsive to the question or does not indicate enough financial planning or progress at this stage to demonstrate readiness.	Fail

Tie-breaking Criteria

Criteria	Score	Scoring Notes
% of eligible funding requested	10	10 points: <75% of eligible funds 8 points: <90% of eligible funds
Rural and/or wildfire-impacted area	6	6 points: Project is inside a 2020 or later wildfire perimeter or within the same school district or primary health service area as a community within the wildfire perimeter. 4 points: Project is within an hour drive (about 30 miles) of a community within a 2020 or later wildfire perimeter and has adopted processes to serve households impacted by the wildfire. 2 points: Project is Rural but is not in a wildfire-impacted area.

Later phase of Project already funded by LIFT	6	Full points awarded if this Application is clearly a continuation of a previously funded LIFT Project.
Homes reserved for <60% AMI	6	6 points: More than 25% of units set aside for households earning <60% of AMI. 4 points: 10%-25% of units set aside for households earning <60% of AMI.
Energy efficiency	5	3 points: Net zero ready or passive house. 1 point: Built to other energy-efficiency certification standard. Bonus: 2 points if solar panels are included.
Accessibility	5	4 points: ≥50% of units accessible (ADA, UFAS, Type A, or other standard) with at least one bedroom on the main accessible floor 2 points: 15%-50% of units are fully accessible. 1 point: 5%-15% of units are fully accessible. Bonus: 1 point if all or most units and external common areas are visitable.
Priority Application	3	Full points if this is the only Application submitted or the organization's priority Application (only one Application may be designated priority for the biennium. A 2027 Project cannot be designated priority if the organization has already been selected for a 2026 Project).
Leveraging other state or local government resources	3	3 points: Local jurisdiction, other state program, or housing authority provided land or funding to this Project through existing program or competitive RFP (does not include SDC or other fee exemptions).
Larger # of bedrooms	3	3 points: ≥10% of the Project is 4+ bedroom homes. 2 points: At least one home in the development is 4+ bedrooms.
Fire-resistant build materials	3	3 points: At least seven components on the Application built to fire safety recommendations. 2 points: At least five components on the Application built to fire safety recommendations. 1 point: At least three components on the Application built to fire safety recommendations.
Low-emitting materials	2	2 points: At least 75% of materials/products by surface area used on the Project in three (or more) categories are California's CDPH Standard Method v1.2-2017 compliant. 1 point: At least 75% of materials/products by surface area used on the Project in at least one category are California's CDPH Standard Method v1.2-2017 compliant.
Low embodied carbon concrete	2	2 points: At least 75%, by volume, of all ready-mix concrete used on the Project meets Tier 2 (25%) reduction in GWP compared to the applicable Pacific Northwest baseline.

		1 point: At least 75%, by volume, of all ready-mix concrete used on the Project meets Tier 1 (10%) reduction in GWP compared to the applicable Pacific Northwest baseline.
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Due Diligence

The following categories will be scored during the first stage of the Due Diligence period.

Equity and Community Engagement

This category will assess how your Project serves populations underrepresented as homeowners. All Projects must meet minimum equity standards, but OHCS will also categorize each Project into one or more equity categories. This will not influence your Application in any way and is solely for informational and presentation purposes.

- **Meets Standards** – Indicates the Project meets minimum requirements for organizational, procedural, and distributional equity.
- **Exceeds Standards** – Indicates the Project scores above a defined threshold for organizational, procedural, and distributional equity, demonstrating a deeper commitment to equitable practices.
- **Culturally Specific Organization** – Indicates the Applicant has identified as a Culturally Specific Organization, meaning the organization is by and for a specific cultural community and has a track record of serving that community.
- **Foundational Equity** – This category indicates that your Project is rooted in addressing historical and systemic justices by centering equity as a core purpose of the development. These initiatives go beyond inclusive practices – they are designed to repair harm, restore rights, or provide long-denied access to land, housing, or opportunity for marginalized communities.
- **Geographic Equity** – Indicates the Project is located in a region of Oregon that has not received notable LIFT funding, helping to balance investment across the state.
- **Anti-Displacement** – Indicates the Project includes strategies to reverse or prevent displacement of residents, preserve affordability, and protect cultural identity in neighborhoods that have undergone or are currently experiencing gentrification.

Organizational Equity (4 points)

How does your organization embed equity into its internal operations? Responses address some or all of the following approaches:

- How equity principles are reflected in your organizational culture, policies, and practices
- Efforts to ensure equitable hiring, retention, and professional development
- How staff at all levels are engaged in equity work and held accountable
- Any tools or metrics you use to assess internal equity progress

Criteria	Points
The response demonstrates a comprehensive and integrated approach to internal equity. Clear examples are provided across multiple areas (e.g., hiring, retention, staff, engagement, accountability). Equity is embedded in organizational culture and supported by specific policies, practices, and metrics.	4
The response shows a solid commitment to internal equity with some specific examples. Equity is reflected in several internal practices, though some areas may lack detail or consistency. There is evidence of intentional efforts and some measurement or accountability mechanisms.	3
The response indicates emerging or partial efforts to address internal equity. Some practices or intentions are described, but they may be limited in scope, vague, or inconsistently applied. Measurement and accountability are minimal or not clearly defined.	2
The response shows little to no evidence of internal equity practices. It may rely on general statements without examples, or equity is not clearly addressed in internal operations. No clear strategies, policies, or metrics are mentioned.	1
The response does not adequately address the question, or the developer has not taken any initiatives to address internal equity.	0

Underserved Communities (6 points)

Criteria	Points
Other than low-income households, describe a population that your Project will serve that is currently underserved in accessing homeownership opportunities. What factors contribute to this population being underserved?	
The Applicant clearly identifies a local community that is underrepresented in homeownership.	+0.5
The Applicant demonstrates an understanding of how the population is and has been underserved.	+0.5
How have you built relationships with this underserved community?	
The response describes one or more meaningful efforts to build relationships with the focus community.	+1
What are the specific needs of this underserved community and how will your Project meet those needs?	
The Applicant provides specific examples of community needs and the way that this Project will address those needs in a tangible way.	2

The Applicant addresses the question but does not provide a description of tangible impacts to the community's needs OR the response focuses on the community's need for homeownership in general without providing specific examples.	1
The narrative response does not adequately address the question.	0
The Applicant demonstrates that equity is foundational to this Project according to the definition above.	+2

Procedural Equity (4 points)

Criteria	Points
How have you engaged your community in the selection and design of your Project so far, and how has that engagement influenced your Project? If applicable, what are your plans for future community engagement?	
The Applicant demonstrates meaningful, proactive, and inclusive engagement with the community through the Project's selection and design phases. Engagement includes multiple methods (e.g., meetings, surveys, partnerships), and feedback has clearly influenced Project decisions.	3
The Applicant demonstrates some engagement efforts such as holding meetings or gathering input, but the process may have been limited in scope, timing, or inclusiveness. Some evidence of community input shaping the Project.	2
Minimal engagement is described, with little detail or evidence that community input was sought or incorporated.	1
No community engagement efforts are described, or the response is not relevant to the question.	0
Applicant paid community members for their time.	+1

Distributional Equity (10 points)

Criteria	Points
How have you engaged or plan to engage MWESB-eligible firms in your Project? Include any strategies used during procurement, outreach, partnerships, or capacity-building efforts. If applicable, describe past performance in meeting MWESB participation goals.	
The Applicant demonstrates a clear, proactive, and intentional strategy to engage MWESB firms. This includes targeted outreach, inclusive procurement practices, and/or capacity-building efforts. The response includes specific examples or past performance that shows a strong commitment to MWESB inclusion.	3

The Applicant describes general efforts to include MWESB firms, such as open bidding or outreach, but lacks detail or evidence of intentional strategies. May reference past MWESB participation but without clear outcomes.	2
The Applicant provides minimal or vague information about MWESB engagement. Efforts appear limited or reactive, with no clear strategy or outcomes.	1
No MWESB engagement efforts are described, or the response is not relevant to the question	0
Describe your process for marketing and selling the homes, especially considering outreach to underserved populations.	
The Applicant presents a clear, targeted, and inclusive marketing and sales strategy that prioritizes outreach to underserved populations (e.g., Communities of Color, low-income households, non-English speakers). The plan includes specific methods (e.g., partnerships, translated materials, culturally relevant outreach) and demonstrates a strong understanding of barriers to access.	2
The Applicant describes a general marketing and sales process with some attention to underserved populations. May include outreach efforts or partnerships but lacks detail or a clear strategy for addressing access barriers.	1
The Applicant provides minimal or vague information about marketing and outreach. Little to no mention of underserved populations or strategies to reach them, or response is not relevant to the question.	0
Describe your process for homebuyer selection (waitlist, lottery, first-come, first-served, etc.) and how this will be managed in an equitable way that complies with Fair Housing Law.	
The Applicant describes a structured and transparent selection process that complies with Fair Housing Law and incorporates intentional strategies to ensure equitable access for underserved populations.	2
The Applicant describes selection processes that are compliant with Fair Housing Law but lack intentional strategies to ensure equitable access for underserved populations.	1
The Applicant provides a vague or minimal description of the selection process, or the response does not address the question.	0
Describe support offered to potential homebuyers before and after the purchase (e.g., types of education and counseling, provided in house or through a partner, mortgage access, etc).	
The Applicant provides a comprehensive and well-integrated support system for homebuyers, including both pre-purchase and post-purchase services. Support may include homebuyer education, financial counseling, mortgage readiness, and post-purchase assistance.	2
The Applicant offers some support services, primarily focused on the pre-purchase phase (e.g., homebuyer education or mortgage access). Post-purchase support may be limited or	1

not clearly described. May mention general education or counseling but without clear structure, delivery method, or continuity.	
The Applicant provides minimal or vague information about support services or the response is not relevant to the question.	0
The Applicant describes additional measures to make the services accessible to underserved populations such as accessibility features, culturally responsive contents, or improvements to language access.	+1

Is your organization a Culturally Specific Organization (CSO)? If not, does your organization partner with a CSO for outreach or other services to your focus community? If so, please describe the relationship below and provide an MOU as support. (2 points)

Criteria	Points
Applicant is a CSO.	
Applicant submits a completed CSO attestation form .	+2
Applicant is not a CSO but has meaningful partnerships with a CSO (evidence by MOU).	
Applicant has a meaningful partnership with a CSO including active collaboration, shared goals, and mutual benefit in serving the needs of the community the CSO represents.	+1
Applicant compensates the partner CSO for their time.	+1

Who will the Project serve? (3 points)

Criteria	Points
What percent of your client base in the past five years is part of an underserved community?	
At least 50% of the partner's client base currently identifies as part of an underserved community.	2
At least 33% of the partner's client base currently identifies as a part of an underserved community.	1
What percent of this development will be priced affordable to households earning 60% of AMI or less?	
At least 20% of homes will be affordable to households earning 60% of AMI or less. The pro forma must pencil considering these lower sales prices, or other evidence should be provided to show that this expectation is reasonable for the development.	+1

Project Details

Applicants must demonstrate that their Project is of high quality and desirable to eligible homebuyers through the below criteria:

Project narratives (12 points)

Criteria	Points
Make the case for your Project and how it will be impactful to your community and/or homebuyers. Include any highlights about the site, site plan, development type, and home designs, and what benefit the Project is providing the community. Note: This question was submitted with the Concept Proposal.	
The Applicant provides a narrative that summarizes and powerfully highlights key characteristics and benefits of the Project.	2
The Applicant provides a narrative that summarizes some characteristics and highlights of the Project.	1
Will your development provide any services or features that will enhance desirability beyond the affordable sales price?	
The Applicant describes multiple, clearly defined services or features that significantly enhance the desirability of the development. These may include amenities (e.g., green space, community rooms) or supportive services (e.g., transit support, on-site childcare), or location-based benefits (e.g., transit access, walkability). Features are intentional, accessible, and aligned with resident needs.	3
The Applicant includes some desirable features or services, though they may be more limited in scope or impact. The enhancements are relevant and beneficial but may not be fully integrated or accessible to all residents.	2
The Applicant mentions one or two minor features or services, but they are not well described or clearly connected to resident benefit. The enhancements may appear incidental rather than intentional.	1
No additional features or services are described, or the response is not relevant to the question.	0
The Site Review Checklist shows access to desirable amenities. The Applicant will receive 1 point for each category of amenity within ½ mile in the Portland metro area, 1 mile in other urban areas, and 2 miles in Rural areas.	+3
Describe any innovations your Project will take to improve effectiveness, efficiency, replicability, or quality. If available, include any citations or evidence that supports the effectiveness of your innovation. Accessibility and energy efficiency is scored elsewhere and will not be considered for this question.	

The innovation is high-impact, addressing major challenges in affordability, efficiency, equity, or replicability. It has the potential to transform practices or significantly improve outcomes.	3
The innovation is moderate in impact, offering clear improvements to Project quality or delivery, but not transformative.	2
The innovation is incremental, offering minor improvements or efficiencies.	1
The innovation described is not meaningful.	0
The Applicant describes multiple innovations, each contributing to different aspects of the Project (e.g., design, financing, construction, community engagement).	+2
The innovation is supported by citations, data, or past results.	+1

Additional Project Details (10 points)

Criteria	Points
Other details pulled from responses to the tie breaker.	
Project is in a recent wildfire area.	+1
Project is building to net zero ready, passive home (2 points), or other Energy Certification standards (1 point).	+2
Project is solar ready (1 point) or providing solar panels (2 points).	+2
At least 80% of units in the development are visitable.	+1
At least 20% (2 points) or 10% (1 point) of homes are accessible with a bedroom on the main floor.	+2
The development has adopted 5 (2 points) or 3 (1 point) fire-wise building practices.	+2

Financial Viability and Risk Mitigation

The Financial Viability and Risk Mitigation category threshold will be determined by a portfolio risk assessment completed by OHCS. This assessment considers what percentage of OHCS' ongoing Homeownership Development funding portfolio a partner will have if the Application is awarded. For new partners, this assessment will only consider the financial value of the Application. For existing partners with other Projects, the financial value of the Application and all other Projects, as well as an evaluation of timeliness, communication, and other factors will be considered. OHCS will complete the portfolio risk review after the Concept Proposal has been submitted, and any additional requirements will be requested

during the Due Diligence phase of the Application. A blank portfolio risk review form is included at the end of this document.

The Financial Viability and Risk Mitigation category will be scored on the following detailed questions and criteria. Applicants deemed low risk in the Portfolio Risk Assessment will be required to meet the lower threshold. Applicants deemed medium risk will be required to meet the higher threshold and receive at least 5 points in the risk strategy narratives. Applicants deemed high risk must meet all of the same criteria as a medium risk Applicant and will be required to provide an additional risk mitigation measure as described in the Scoring Gap Interview section of this document.

Complete the first draft pro forma and operating budget and submit evidence of costs. (12 points)

Criteria	Points
Funding sources are committed at pro forma rough draft.	
Less than 10% of funding is from an uncommitted source (other than LIFT or home sales).	2
Less than 20% of funding is from an uncommitted source (other than LIFT or home sales).	1
Applicant provides thorough evidence of costs that align with the pro forma.	
The Applicant provides comprehensive, well-documented, and current development cost estimates. All costs are clearly aligned with the pro forma, with detailed assumptions and sources (e.g., bids, market data, or professional estimates).	3
The Applicant provides clear and mostly complete development cost documentation. The costs are generally aligned with the pro forma, with only minor inconsistencies or missing details.	2
The Applicant provides limited or partially documented development costs. The alignment with the pro forma is weak or unclear, and there may be notable gaps or outdated figures.	1
The Applicant does not provide meaningful evidence of development costs, or the costs are not aligned with the pro forma. Major inconsistencies or omissions raise significant concerns.	0
Costs are reasonable and in line with expectations.	
Total costs per unit are in the lower quartile or below of 2023-2025 LIFT Projects (below \$450,000 per unit).	3
Total costs per unit are in the interquartile range of 2023-2025 LIFT Projects (between \$450,000 and \$575,000 per unit).	2

Total costs per unit are in the upper quartile of 2023-2025 LIFT Projects (between \$575,000 and \$750,000 per unit).	1
Total costs per unit are higher than a typical LIFT Project (above \$750,000 per unit).	0
The Application is requesting no more than 90% of its eligible LIFT funding.	+1
LIFT accounts for less than 50% of Project funding.	+1
The operating budget is thorough, realistic, and meets all requirements.	
The operating budget is detailed, includes provisions for long-term stewardship (e.g., resale monitoring, homeowner support, reserve funds), and demonstrates a clear understanding of the ongoing costs associated with managing shared-equity units.	2
The operating budget includes basic operating costs but lacks detail or long-term planning for stewardship and sustainability or an operating budget is not needed for the proposed Project.	1
The operating budget does not demonstrate an understanding of or planning for the ongoing costs of the Project, or OHCS has other concerns.	0

Financial Strategy Narratives (5 points)

Criteria	Points
How did you determine the sales prices for your homes?	
The Applicant provides a reasonable methodology for determining sales price that considers affordability to eligible homebuyers.	+1
How do you know there is a market for your homes at the given sales prices by income-eligible buyers?	
The Applicant provides clear, specific evidence that income-eligible buyers can afford and are interested in the proposed homes at the proposed prices. This may include a market study, waitlist data, buyer interest surveys, or partnerships with housing counselors or lenders.	2
The Applicant provides general statements or limited data suggesting demand from income-eligible buyers but lacks detailed or validated evidence.	1
What measures are you using to reduce costs in the development and how does that impact your budget?	
The Applicant identifies a quality cost reduction measure with a clear explanation for how that impacts their budget.	2
The Applicant identifies a quality cost reduction measure but may not include a clear connection to the development budget.	1

Risk Strategy Narratives (6 points)

Criteria	Points
Other than the escalation budget item, how are you managing or mitigating potential cost increases during the Project timeline?	
The Applicant provides a clear example of how they will account for cost increases.	+1
OHCS is unlikely to be able to provide additional funds to this Project once it is awarded. Describe the first three steps you will take if delays, Project issues, or economic factors increase costs beyond what is expected.	
The Applicant provides clear and effective steps that maximize existing and tangible solutions that are easy to access.	2
The Applicant provides clear steps, but they may be less impactful or difficult to access.	1
Provide details about the top three risks to your Project's success.	
The responses indicate reasonable risks, a clear understanding of their potential impact, and forward-thinking strategies to mitigate them. (+1 point for each identified risk mitigation strategy)	+3

Scoring Gap Interview and OHCS Adjustments

In general, Applicants who do not meet the minimum threshold after scoring will have an opportunity to respond to follow-up questions or meet with OHCS to improve their responses or fill in any gaps that were identified during the Application process. This will generally be presented with a 10-day cure period. OHCS may use this information either to adjust the specific scores contained in this document or provide limited additional points.

Applicants who are concerned about not meeting required minimum thresholds in any category are welcome to request a meeting in advance of their Project being scored. OHCS **will not** review the Application in advance of these meetings, so Applicants should identify any anticipated shortfalls or gaps and prepare to discuss how those gaps are being filled. OHCS staff cannot tell Applicants how to answer specific questions but can help them self-assess if they meet the minimum threshold criteria.

If the Project is no more than 3 points short of meeting minimum standards in experience, capacity, and financial viability and risk mitigation combined, OHCS may elect, at its sole discretion, to move forward with the Project with additional risk mitigation provided. For any Project, OHCS reserves the right to request additional risk mitigation factors including but not limited to:

- A guarantor for the value of the LIFT loan.
- A guarantor for the construction loan.

- A performance bond for the value of the LIFT loan.
- Hiring a development consultant for the duration of the construction period.
- Liquidity in an amount no less than 5% of the LIFT loan through development of the Project.
- Modification of the legal documents to allow recourse on the organization's assets during the construction period.

OHCS reserves the right to deny an Application without offering the above additional points if there are substantial concerns or the Project is too high risk.

Scoring for Applications with Four or Fewer Homes

Applications for Projects with four or fewer homes are entitled to complete a shorter Application. Experience, Capacity, and Stewardship Experience will be scored as other Applicants, but all other categories will be evaluated on a pass/fail basis. Applicants must pass minimum standards for the Experience, Capacity, and Stewardship categories and pass all Additional Narratives to move forward.

OHCS Portfolio Risk Assessment

This form provided for information only – OHCS will fill this out for your Project if you are recommended for Due Diligence.

Project Name _____

Risk Assessment Score _____

Sponsor _____

Risk Level _____

Application Submission Date _____

Reviewer _____

Portfolio Summary

Complete the following table. Active Projects are all HOD-supported development Projects that have not finished all completion conditions. Completed Projects are those that have sold all homes and moved to Annual Monitoring.

Total Projects	Active - ____	Completed - ____
Total units		
Total units sold		
Total Active funding \$		
Active funding \$ + applied \$		

Compare the Total Active Funding plus the amount applied for LIFT this year to the thresholds below to determine the Baseline Score. For Applicants with less than \$350,000 in HOD funding, consider their baseline score 0.

>\$15M	>\$12.5M	>\$10M	>\$7M	>\$5M	>\$3.5M	>\$2.6M	>\$1.8M	>\$1.2M	>\$800K
10	9	8	7	6	5	4	3	2	1

Baseline Score: ____

Evaluation Scoring

Complete the following evaluation criteria for Applicants who have Active or Complete Projects, with 0 representing an Applicant who generally meets goals and performs as expected and 2 marking either significant or serious concerns with the category. Mark 0 for all Applicants who are applying for their first Homeownership Development Project with OHCS.

1. Timeliness.

- a. Sponsor is making reasonable progress toward Project completion. __ 0 __ 1 __ 2
- b. Submission of Documents. __ 0 __ 1 __ 2

2. Financial Health.

Budget. Did any Projects have budget issues and how well were the issues resolved?

__ 0 __1 __2

3. Communication.

How likely is the sponsor to initiate communication and/or respond to communication in a thorough and timely manner?

__ 0 __1 __2

Total Evaluation score ____

Results

Baseline Score ____ +

Evaluation Score ____ = ____ **Risk Assessment Score** (baseline score plus evaluation score)

____ **Risk Level** (use chart)

0	1	2	3	4	5	6	7	8
Low	Low	Low	Low	Low	Medium	Medium	Medium	Medium

9	10	11	12	13	14	15	16	17	18
Medium	Medium	High	High	High	High	Deny	Deny	Deny	Deny