

Affordable Housing Funding Notice



Oregon Housing and Community Services

Multiple Award Opportunity Notice of Funding Availability (NOFA) #2025-HOD LIFT HO and OAHTC

Local Innovation and Fast Track (LIFT) Homeownership
and Oregon Affordable Housing Tax Credit (OAHTC)

HOMEOWNERSHIP

NOFA Issued: January 6, 2025

Applications due by May 12, 2025, 5:00 pm PST



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1.0 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 new construction of affordable homeownership Projects that will serve qualified low- to moderate-income homebuyers statewide (“Homeownership Development” or “Projects”). The funding sources offered in this NOFA are (1) Article XI-Q Bonds that fund the Local Innovation and Fast Track (LIFT) program and (2) Oregon Affordable Housing Tax Credits (OAHTC). A primary goal of this NOFA is to provide homeownership opportunities to underserved communities. OHCS will prioritize resource allocations that maximize the impact of these explicit goals.

1.2 Important Dates

- NOFA published: **January 6, 2025**
- Pre-Applications will be accepted immediately upon publication of the NOFA. Pre-Applications should be completed at least one week prior to submitting a full application. The last date to submit a pre-application is **May 5, 2025**.
- Applications may be submitted any time between **February 24, 2025** and the close of the NOFA. The NOFA will close on **May 12, 2025** or when all funds have been awarded, whichever occurs sooner.

Awards will be evaluated and awarded in two Cohorts.

- Applications submitted by March 10, 2025 will be considered part of the first Cohort. Awards will be announced in May 2025.
- Applications submitted between March 11, 2025 and May 12, 2025 will be considered part of the second Cohort. Awards will be announced in July 2025.

OHCS reserves the right to announce awards at times other than the above-listed schedule.

Optional information and training sessions will be held on the following dates:

- General information session
 - January 13, 2025, 2 pm – 4 pm
- Application and scoring workshop
 - January 16, 2025, 2 pm – 3:30 pm
- Pro forma training
 - January 23, 2025, 2pm-3:30 pm

OHCS staff will be available to answer general and project-specific questions via email and through office hours. Virtual office hours will be held more frequently in January. Frequently asked questions will be posted to the website weekly.

Registration links for the information sessions, email contacts, office hours schedules, and FAQs will be updated regularly on the OHCS website: <https://www.oregon.gov/ohcs/homeownership/Pages/notice-of-funds-availability.aspx>

2.0 NOFA FUNDING SOURCES, LIMITS, AND DEFINITIONS

2.1 Funding Sources

This NOFA includes LIFT Homeownership funds and Oregon Affordable Housing Tax Credit (OAHTC) which are meant to spur the development of affordable homes for purchase. If LIFT Homeownership is undersubscribed, OHCS reserves the right to move the funds to the ORCA.

<i>Fund Description</i>	<i>Fund Source</i>	<i>Set aside amounts</i>	<i>Eligibility</i>
LIFT Homeownership to provide permanently affordable housing to homebuyers at or below 80% AML.	Article XI-Q Bonds	\$40,376,647	Not-for-profit organizations and other Eligible Covenant Holders that utilize a shared equity homeownership model
Oregon Affordable Housing Tax Credits to reduce the cost of permanent financing sources for deeper affordability of homes for homebuyers at or below 80% AML.	Tax credit	\$2.5M	Limited equity cooperatives; manufactured dwelling park Projects owned by an eligible covenant holder

2.2 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.

- **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 been in the Fair Housing Act since 1968 (for further information, see Title VIII of the Civil Rights Act of 1968, 42 U.S.C. 3608 and Executive Order 12892). HUD's AFFH rule provides an effective planning approach to aid program participants in taking meaningful actions to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination. As provided in the rule, AFFH means "taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.¹
- **Allocation:** Includes any funding allocated under this NOFA.

¹ U.S. Department of Housing and Urban Development.

- **Applicant:** A person or entity that applies for funds by completing an Application provided by OHCS.
- **Cohort:** Groupings of applications based on the Initial Submission Date that will be evaluated and recommended as a group. Applications submitted to different Cohorts may have different submission or evaluation requirements.
- **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.
- **Counties Underserved by LIFT:** Counties within the state of Oregon that have received LIFT funding for 20 or fewer homes. Counties Underserved by LIFT at the time of 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 Counties.
- **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
- **Eligible Covenant Holder:** Defined in ORS 456.270(3). Applicants must be Eligible Covenant Holders.
- **Emerging Developer:** A developer that has built no more than five homes for purchase using LIFT or HDIP funding. To be eligible for benefits under this category, an Applicant may submit an application for developments that contain no more than 15 homes total. Emerging Developers may submit larger Projects but will not be considered for lower scoring thresholds or the emerging developer set-aside.
- **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.
- **Final Submission Date:** The date used to determine awardees based on a first come, first served basis. The Final Submission Date will be calculated as the Initial Submission Date plus the number of business days required to submit any missing documents, respond to scoring-related questions, or otherwise be deemed complete by OHCS.
- **Focus Community:** A community or population that is underrepresented as homeowners in Oregon. The Applicant will identify the needs of this Focus Community and adapt marketing and engagement strategies to meet those needs.
- **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.

- **Initial Submission Date:** The date the application is submitted to OHCS including all documents, attachments, and charges. Applicants **MUST** complete the SUBMIT task in the tasks section of their Procorem WorkCenter by clicking the check mark next to the SUBMIT step.
- **Metropolitan Statistical Areas (MSA):** Geographic regions delineated by the United States Office of Management and Budget. MSA is the formal definition of a region that consists of a city and surrounding community that are linked by social and economic factors.
 - Oregon counties currently located in MSAs are Benton, Clackamas, Columbia, Deschutes, Jackson, Josephine, Linn, Lane, Marion, Multnomah, Polk, Washington, and Yamhill Counties
- **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.
- **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](#) to identify if they are in an eligible Rural census tract.
- **Small Organization:** An organization with fewer than 5 total paid staff dedicated to development, management, and compliance. This does not include resident services staff, maintenance staff, or outside contractors. For the purposes of this NOFA, small organizations' submitted development history must demonstrate the construction of no more than 6 homes a year on average. To be eligible for benefits under this category, an Applicant may submit an application for a development that contains no more than 15 homes total. Small Developers may submit larger Projects but will not be considered for lower scoring thresholds or the emerging developer set-aside.

3.0 APPLICATION REQUIREMENTS

The Homeownership Development NOFA application is a two-step process that requires submission of a pre-application through an online form along with a full application submitted through a Procorem Workcenter. This process applies for both LIFT and OAHTC applicants.

3.1 Pre-Application and Application Access

The submission of a pre-application is required to access the full application. Applicants may submit their pre-application at any time during the NOFA period, but pre-applications must be received at least a week prior to submitting a full application.

- Applicants can submit the pre-application by filling out the following form: <https://app.smartsheet.com/b/form/f2b3f362e0764a948936b7c1de5f863a>
- The pre-application will include a screening tool to ensure the Project qualifies under major mandatory requirements and will collect introductory details about the Project.
- Completion of the pre-application will alert OHCS staff to generate Procorem WorkCenter access credentials for the Project.
- If applying for multiple Projects, Applicants must submit a different pre-application and application for each Project.
- To ensure the application process is fair to all parties, Pre-Applications must be submitted at least one week prior to application submission, without exception.
 - Applications received less than one week after Pre-Application will have their Initial Submission Date adjusted to one week after the Pre-Application submission date.
 - Pre-Applications received less than one week prior to an application deadline will not be approved in time for the deadline.
- OHCS will not accept pre-applications after 5pm, May 5, 2025.

3.2 Application Submission Process

Applications along with all required materials and documentation must be uploaded to the Procorem WorkCenter portal by **May 12, 2025 at 5 pm.**

- Once a pre-application is submitted, OHCS will set-up a Procorem Workcenter specific to the Applicant and the Project within 5 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 Procorem login page: <https://app.procorem.com/login>.
- Applicants will be responsible for submitting documents in two separate Procorem portals. One portal will be specific to the Applicant (the Partner Portal) and contain documents that will need to be maintained across all development Projects, and the other will be specific to the development. Applicants must ensure that the Partner Portal is complete and up-to-date prior to submission.
- Applications in response to this NOFA can only be submitted through Procorem.

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

- Applicants must submit the Application charges via the payment portal as described in the invoice provided as part of the application materials in Procorem. All Application charges must be received by the Initial Submission Date marked in Procorem. If the Application charge is received *after* the Initial Submission Date, the Final Submission Date will be adjusted accordingly. Applications will be considered incomplete until the Application Charge has been received.
- Applications determined by OHCS to be incomplete, to not meet all submission requirements of this NOFA, or otherwise fail to satisfy Preliminary Review requirements may have an opportunity to remedy any issues. Should OHCS identify significant concerns or determine those concerns unable to be remedied, applications will be denied without further review.
- Applications considered complete, meeting all submission requirements, and otherwise satisfying all Preliminary Review requirements by OHCS will be evaluated to determine if they comply with the Threshold Requirements. Applications determined by OHCS as failing to meet any of the Threshold Requirements may have an opportunity to provide further information related to any concerns before scoring is finalized. Should OHCS identify significant concerns or determine that deficiencies in the Threshold Requirements cannot be or have not been adequately addressed, applications will be deemed non-responsive and rejected without further review. Applications that meet the Threshold Requirements are considered responsive and eligible for an award as described in this NOFA.
- There is no limit to the number of applications that an entity can submit. However, if an entity submits more than one application for consideration in the first Cohort, the entity will be asked to prioritize each application. If application volume is high during evaluation of the first Cohort, OHCS may review all first-priority applications before moving on to second-priority applications, and then third priority applications, etc. until all applications have been scored or all funds have been reserved.
- Applicants may not submit applications through related entities to avoid restrictions or requirements placed on the Applicant such as prioritization of first applications, 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 second Project reviewed in the first priority cycle of the first Cohort. 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.
- For questions regarding any part of the application process email HO.Development@hcs.oregon.gov.

3.3 Program Charges

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

Charge	Amount/When Due
Application Charge	\$2,500 non-refundable charge for LIFT and combined LIFT and OAHTC applications \$1000 non-refundable charge for abbreviated applications and OAHTC only applications Due prior to submitting the application.
Recipient Charge	\$1,000 for LIFT loans of \$300,000 or less; \$2,000 for LIFT loans over \$300,000 Due at the signing of the Reservation Letter
Reservation Charge	1.5% of the LIFT loan amount Due at LIFT loan closing
Document Preparation Charge	\$750 per recorded document. The number of recorded documents may vary depending on the Project
Oregon Department of Justice charges	Applicant is responsible for any Oregon Department of Justice charges incurred. These charges are typically billed upon closing of the LIFT loan. A typical Project with no document negotiations may have a \$1,200 DOJ charge. This amount may increase if there are document negotiations.
OAHTC Usage Fee (OAHTC only)	Lender will be required to submit a fee equal to five percent (5%) of the annual tax credits claimed for the prior calendar year.

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

3.4 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>

4.0 LIFT HOMEOWNERSHIP FUNDING

4.1 LIFT Homeownership

The LIFT program is funded through Article XI-Q Bonds. In the 2023 Oregon State Legislative session, \$604.2 million in funding was provided to OHCS in the form of Article XI-Q bond authority for the LIFT program for the 2023-2025 biennium. Of the \$604.2 million of funds, \$40,376,647 is targeted for the development of affordable homes (“LIFT Homeownership”) for 2025.

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;
- Serving families by prioritizing family-sized units (two bedrooms and larger);
- Incentivizing developments that reflect the needs of the communities they seek to serve through community-informed design;
- Supporting energy-efficient and climate-resilient homes; and
- 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 award the remaining funds to Projects submitted through the ORCA if the ORCA is oversubscribed.

4.2 Set-Asides

OHCS has established a 20% soft set-aside for small and emerging developers and a 30% soft set-aside for Culturally Specific Organizations (CSO) and counties underserved by LIFT. These funds will be held for qualifying applications until the close of the NOFA in May 2025. If the funds go unused, OHCS may reallocate the funds to the broader pool of Applicants beginning with any applications remaining from the first Cohort.

Soft Set-Asides

Small & Emerging Developers	CSOs and Counties Underserved by LIFT	All Applicants
\$8,075,330	\$12,112,994	\$20,188,323

4.3 Funding Limits

OHCS has adopted per-home subsidy limits for LIFT beginning with this 2025 NOFA. Applicants can request 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 (included in the application worksheet) 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.

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 10% net profit, including the developer fee;

OR

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

The **MAXIMUM** amount an Applicant may request for each Application is \$8,000,000, regardless of profit or maximum subsidy. Large Projects that require more funding will be encouraged to submit in multiple phases in future NOFA cycles. Additionally, Applicants will be asked if they will be willing to further phase a Project in the case that there are not enough funds available to fund the full request.

An appraisal estimating the final completed value of the Project must be submitted prior to closing on the LIFT loan. 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.

4.4 Application Ranking Process

LIFT Funds are reserved by OHCS on a first come, first served basis to Projects of qualifying Applicants that:

1. Pass the Preliminary Review; and
2. Meet the Threshold Requirements

4.5 Tie Breaking Rule

If funding is insufficient to fund two (2) or more Applications with the same Final Submission Date, the following factors, in order of priority, will be applied to break the tie:

1. The Project(s) determined by OHCS to achieve greater geographic distribution of affordable housing on a statewide basis.
2. The Project(s) that will build the greatest number of affordable units that can be funded under this NOFA.

4.6 LIFT Homeownership Program Requirements

In addition to any other requirements in this NOFA, the following Project Requirements apply to all Projects funded 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 NOFA posting date (i.e., on or after January 6, 2024) 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 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.*

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 be established as the greater of (i) the length of time for which the

applicable Article XI-Q bond is outstanding based on the original maturity date identified at the time of bond sale, or (ii) 20 years from the end of the year that the Project is placed in service. The awardee has the option to extend the affordability period for an equivalent term. If the awardee elects this option, the LIFT loan will be deemed satisfied at the close of the extended affordability period.

C. Incomes

All units funded through LIFT must be made available only to households earning at or below 80% AMI at the time of application 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 will 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 dedicated before the homes are marketed for sale.

D. Development Timeline

LIFT Homeownership Projects must be ready to close within six months of receiving a funding reservation and must begin vertical construction within 12 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 of 2025 must have a certificate of occupancy on all homes ready for sale by June 2028 and all homes sold to eligible buyers and contracts completed by December 2028.

E. Readiness to Proceed

- **Timeliness Requirement:**

Applicant must accurately complete all requested documents and submit them by the required due date. 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 Application submission as evidenced by one (1) of the following:

- i. a recorded deed or conveyance showing the Applicant is the owner of the site,
- ii. a valid executed purchase and sale agreement,
- iii. a valid option to purchase, or
- iv. 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.

F. LIFT Operating Agreement with OHCS

Because the LIFT program is funded using Article XI-Q bonds, OHCS is required to hold an appropriate operational interest in the Project, including the right to enforce the affordability requirements at the initial and each subsequent sale of the units under either a community 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 ten (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 (5) 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 (DEI)

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 DEI form attesting to this commitment.

I. Demonstration of Commitment to Equity, Diversity & 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 Focus Community 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. Awardees 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. 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 expected for all Projects and adhere to applicable portions of OHCS's Core-Development Manual (CDM).

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.

K. Insurance Requirements

Applicant must be prepared to meet OHCS' construction insurance requirements outlined in the most recent Core-Development Manual (CDM) available on the OHCS website.²

² <https://www.oregon.gov/ohcs/development/Pages/core-development-manual.aspx>.

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

- Project Owner (Applicant)
 - Commercial General Liability: \$1,000,000 per occurrence and \$2,000,000 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 of Oregon
 - Automobile Liability: Not less than \$1,000,000 per occurrence
 - Title Insurance
- Architect of Record and All Other Licensed Professionals under Contract with the Project Owner (Except Construction Contractor)
 - Commercial General Liability: \$1,000,000 per occurrence and \$2,000,000 in aggregate
 - Professional Liability/Errors & Omissions: Not less than \$1,000,000 per occurrence
 - Worker’s Compensation: As required by the State of Oregon
 - Automobile Liability: Not less than \$1,000,000 per occurrence
- General Contractor
 - “All Risk” Builder’s Risk: If not provided by Project Owner
 - Comprehensive General Liability: \$1,000,000 per occurrence and \$2,000,000 in aggregate
 - Worker’s Compensation: As required by the State of Oregon
 - Automobile Liability: Not less than \$1,000,000 per occurrence

L. Minority, Women, and/or Emerging Small Business (MWESB) Engagement

Applicants must comply with the MWESB Manual, which is available on OHCS’s website at the following web link:

<https://www.oregon.gov/ohcs/homeownership/Pages/mwesb.aspx>.

M. Evidence of Readiness to Proceed and Project Feasibility

Applicants are required to submit the following documentation to show evidence of the Project’s ability to comply with LIFT timelines and ensure feasibility of the Project:

- Project construction schedule that demonstrates that the Project will be ready to close on the loan within 6 months and all homes in the Project will be ready for sale within 36 months of the Reservation Letter;
- Evidence that the organization and its staff have the capacity to manage and complete the Project;
- Financial statements demonstrating financial stability and capacity to complete the Project;
- Development history and employee experience showing that the organization and its staff are experienced in similar developments;
- 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;

- Detailed and realistic pro forma, with reasonable costs, demonstrating a need for LIFT in order to complete the Project;
- A letter of intent or other evidence from lenders or other financing sources for the Project;
- 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;
- Site plans, elevation drawings, and narratives detailing innovative practices, climate resilience, accessibility, and other Project details;
- Established details of the ground lease 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.

If selected for an award, Applicants will undergo a more thorough underwriting process. More details on documents will be provided, but this phase will evaluate items such as:

- Title review of the property to determine that the property is free and clear of liens and taxes are paid;
- Environmental and wetlands review to ensure the site is suitable for residential development;
- Appraisal review to identify the maximum combined loan amount for LIFT and any third-party lenders;
- Insurance to ensure that the Project is properly protected;
- Other items not assessed at application to determine the Project meets OHCS requirements and is ready for closing.

N. Profit

Sponsor/Developer profit from the sale of homes in the Project may not exceed 10% of the total Project costs. For purposes of this limitation, profit will be a combination of profit from the sale of the homes and any applicable developer fee.

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.

LIFT recipients will be held to the net profit percentage listed in the application – if the final pro forma showing actual costs, financing sources, and sales proceeds indicates a higher profit than was submitted in the application, OHCS may require a partial return of funds.

O. 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:

1. Initial household income verification at home or unit purchase.
2. Subsequent sales of any home or unit during the affordability period will require verification of homebuyer income.
3. Regular or as needed verification of owner/homeowner/condominium association compliance with the Program Requirements.
4. Annual report on the Project's reserve fund and association's finances.
5. 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.
6. Verification of appropriate maintenance and repair by the party responsible for the Project.

P. Other Program Requirements

1. To qualify for LIFT funds, Applicant must have control of the land necessary for the Project by the Application submission as evidenced by one (1) 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.
2. The LIFT loan must be secured by a first-lien deed of trust acceptable to OHCS recorded against the fee-interest in the Property and any existing or future improvements on the Property. OHCS will maintain the lien on the land for the life of the LIFT loan. 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.
3. LIFT loans are typically interest-free and payment is due upon completion of the applicable term of the required 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.
4. Under specific circumstances, OHCS allows for pro-rata repayment of the LIFT loan and release of the affordability requirements. This prevents the risk of 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.

4.7 Evaluation Process

If an Application passes the Preliminary Review, the Application will move on to be scored against Threshold Requirements. Review of the Application will be conducted to determine whether the Application satisfies the Threshold Requirements. If, at any point, an Application fails to meet 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 and the published NOFA Scoring Criteria..

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

4.8 Preliminary Review

A full list of preliminary review criteria can be found in Exhibit A. Preliminary criteria are reviewed as pass/fail. Each Application will be reviewed for timeliness and compliance with all NOFA requirements. If any required item is missing, the Application will be considered incomplete. The Applicant will be notified of any missing items. At OHCS' request, Applicants may submit any missing documents or respond to any concerns. The time it takes for the Applicant to fulfil OHCS' request will be added to the calculation of the Final Submission Date. If the missing items are not received within 7 business days, 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.

4.9 Minimum Threshold Review

After passing Preliminary Review, 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 using the following criteria.

- Development Capacity
- Development Experience
- Equity & Community Engagement
- Financial Viability
- Project Details
- Stewardship Experience

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

4.10 Portfolio Risk Assessment

Applicants who are applying for more than 4 units and currently have one or more active OHCS-supported Projects in the underwriting or construction phase will undergo an internal risk assessment that will consider OHCS's 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.

Applicants may request their risk assessment prior to submitting an application. Requests received less than 10 business days before the first day applications are accepted or application deadlines for Cohort 1 or 2 will not be completed in time.

4.11 Request for Funds

Once the awardee has closed on the LIFT loan, funds can be requested on a monthly basis by submitting the draw request form via the Procorem Workcenter. The awardee must submit all invoices with the draw.

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% AMI in the Project. LIFT may only be used to fund capital expenses necessary to bring the Project to completion.

4.12 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 January 10, April 10, July 10, and October 10.

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

- Certificate of Occupancies 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
- Any additional information or documents that OHCS may request

5.0 OREGON AFFORDABLE HOUSING TAX CREDIT (OAHTC)

5.1 OAHTC Summary

The Oregon Affordable Housing Tax Credit (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 Dwelling Parks that are also applying for LIFT Homeownership and all LECs. A soft cap of \$2.5 million in OAHTCs will be available through this NOFA.

The new Homeownership OAHTC program will offer state tax credits to lenders who agree to reduce the interest rate on permanent loans to LECs or Manufactured Dwelling 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% or less of the Area Median Income (AMI). 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 Dwelling Park Projects.

5.2 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 Dwelling Parks that are also applying for LIFT Homeownership
- Limited Equity Cooperatives

5.3 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 borrower may select the lender that provides the best rates for the proposed Project.

5.4 Application Process

Applicants must follow the application process listed in section 3.0. Applicants must indicate their interest in applying for OAHTC in the pre-application. Applicants seeking both LIFT and OAHTC funding for a Project of 5 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 4 or fewer units, or only OAHTC funding for a Project of any size, will be required to submit an abbreviated application. All Projects using a LEC model should apply to

OAHTC through this application. Manufactured Dwelling Parks Projects should apply to OAHTC through this application only if they are also seeking LIFT Homeownership funding. All other Manufactured Dwelling Parks Projects should apply for OAHTC through the ORCA or other means.

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, for LEC Projects, the pro forma must reflect the projected rate reduction.

5.5 Tie Breaker Rule

If two (2) 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:

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

5.6 Affordability Period

The general affordability period for this OAHTC offering varies based on development type.

- For Manufactured Dwelling 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% AMI or lower for 20 years, with the option of renewing the affordability period for another 20 years to satisfy the LIFT loan.
- For LECs with no other funding sources restricting AMI, homes must be restricted to households earning 80% AMI or lower for 20 years.
- For LECs with other funding sources restricting AMI, Applicants must demonstrate a member payment reduction or pass through as described in the OAHTC manual. A LIFT Applicant must show that a pass-through is being used to reduce member payments below 80% AMI.

5.7 Debt Coverage Ratio and Cashflow

Applicants using OAHTC must meet OHCS's 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.

5.8 Additional Program Requirements

- I. 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.
- II. 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.
- III. Declaration of Restrictive Covenants: The borrower must execute restrictive covenants to be recorded at the time of the loan closing.

5.9 Ongoing Reporting and Carryover of Credits

The lender will be required to submit an annual report to OHCS by May 31st of each year. The report must be submitted on a form furnished 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 (4) succeeding tax years.

5.10 Charges

The lender will be required to submit a fee equal to five percent (5%) of the annual tax credits claimed for the prior calendar year which will be due and payable by May 31st of each year along with the annual report referenced in Section 5.9. A late fee of \$100 will be charged for each full month the annual report is delayed.

6.0 GENERAL TERMS AND CONDITIONS

The following terms and conditions apply to all funding sources included in this NOFA, unless one source is called out specifically.

- 6.1** 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.
- 6.2** OHCS may require additional information to determine whether or not an Application satisfies relevant criteria. Any necessary clarifications or modifications normally will be made before OHCS makes any Reservation and may become part of the Funding Documents.
- 6.3** Submission of an Application by Applicant or acceptance by OHCS of a submitted Application neither constitutes an agreement of any kind between OHCS and Applicant nor does it secure or imply that Applicant will be selected for receipt of a Reservation of funds.
- 6.4** To the extent that other funding sources have additional or other requirements, the most restrictive requirements will apply to the Project.
- 6.5** All costs associated with Applicant's submission of an Application are the sole responsibility of the Applicant and shall not be borne to any degree by OHCS or the State of Oregon.
- 6.6** Successful Applicants will be required to maintain appropriate levels of insurance and to comply with the Project Requirements and other OHCS policies, including execution of the Funding Documents.
- 6.7** OHCS may amend any Reservation Letter and other related documents that result from a Reservation made pursuant to this NOFA. All such amendments will be in writing and must be signed by authorized persons on behalf of each party.
- 6.8** OHCS assesses an Application charge. Receipt of the Application charge is required at Application submission and must be received or postmarked on or by the Application Submission Date.
- 6.9** ORS 60.701 requires foreign corporations be registered by the State of Oregon, Office of the Secretary of State, before conducting business in the state. A foreign corporation (ORS 60.001) means a 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.
- 6.10** OHCS reserves the right:
 - A. to amend this NOFA prior to the closing date;
 - B. to amend the deadline for submitting Applications;
 - C. to determine whether an Application does or does not substantially comply with the requirements of this NOFA;
 - D. to waive any minor irregularity, informality, or nonconformance with the

requirements of this NOFA;

- E. to obtain from and 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.

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

6.12 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.

6.13 An Applicant or potential Applicant seeking to protest or challenge any aspect of this NOFA must comply with the requirements in OAR 813-005-0025, which provides:

(1)(a) With respect to any solicitation conducted by the department, an Applicant or potential qualifying Applicant may protest or otherwise challenge such solicitation process by first requesting administrative review as herein specified.

(b) With respect to any solicitation conducted by the department, an Applicant may protest or otherwise challenge any department determination or order (collectively hereinafter, "determination") related to such solicitation by first requesting administrative review as herein specified.

(c) A timely, qualifying request for administrative review is necessary to satisfy the conditions of this section and a condition precedent to judicial review consistent with ORS 183.480.

(d) Failure to file a timely, qualifying request for administrative review with the department will constitute a failure to exhaust administrative remedies and terminate further rights to protest or otherwise challenge the solicitation process or any related department determination, including judicial review thereof.

(2)(a) An Applicant under this section is a person or entity that makes an application (including delivery to the department under the terms of the solicitation) for a department funding award pursuant to a particular department solicitation.

(b) A potential qualifying Applicant is a person or entity that qualifies to make an application for a department funding award under the terms of a solicitation with respect to the process of which it requests administrative review consistent with the terms of this section.

(3)(a) An Applicant or potential qualifying Applicant seeking to protest or otherwise challenge any aspect of a solicitation process (other than a department determination related thereto) must request review by the department within fourteen (14) days of the application due date of the solicitation.

(b) An Applicant seeking to protest or otherwise challenge a determination by the department related to a solicitation must request review by the department of such determination within fourteen (14) days of the Applicant receiving notice from the department of that determination.

(4) Any request for review under this section must be in writing, specifically identifying:

(a) The nature of the requestor's interest, including the facts showing how the requestor is adversely affected or aggrieved by the solicitation process or a department determination;

(b) The relief sought;

(c) Each of the grounds for review;

(d) An explanation for each of the grounds upon which relief should be granted; and

(e) Any supporting information the requestor desires to have considered by the department.

(5) The envelope containing the request for review MUST:

(a) Be marked PROTEST;

(b) Identify the solicitation number;

(c) Identify the closing time and date for acceptance of solicitation applications;

(d) Identify the department's contact person for the solicitation; and

(e) Be received by the department at its main Salem Office, Oregon Housing and Community Services 725 Summer Street NE, Suite B Salem, OR 97301, not later than 4:00 PM on the fourteenth (14th) day after the solicitation closing date or the Applicant's receipt of notice from the department of the department determination from which review is requested, whichever due date is applicable under this section.

(6) The Applicant will be deemed to have received notice of a department determination upon the sooner of:

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

- 6.14** OHCS' contact person for this NOFA is Jessica MacKinnon. Her contact information is as follows:
Oregon Housing and Community Services
Attn: Jessica MacKinnon
725 Summer Street NE, Suite B
Salem, OR 97301
Email: HO.Development@hcs.oregon.gov
- 6.15** 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.
- 6.16** 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.
- 6.15** 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.

- 6.16** Provisions stated in the form of a question in this NOFA shall be construed as required action by Applicants.
- 6.17** OHCS reserves all other rights not specifically identified herein, including but not limited to rights, remedies, and requirements established in OHCS administrative rules or other law.

EXHIBIT A: LIFT HOMEOWNERSHIP SCORING CRITERIA AND EVALUATION

Preliminary Criteria

Preliminary 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.

Application Completeness	Application is filled out completely
	Required documents submitted and signed (if applicable)
	Site checklist is complete
	Application charge received
	A professionally prepared preliminary site plan is included and reflects the correct number of homes the Applicant is proposing
Timeliness	Applicant demonstrates that they will be ready to close on their LIFT loan within 6 months of receiving a reservation of funds
	Project Development Schedule demonstrates that vertical construction will begin within 12 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
	Project is properly zoned for the type of Project, or the zoning form has been submitted (with evidence)
	Applicant has site control through 12 months following the submission of the Application
Financial Viability	All funding sources are committed or highly likely; with letters of intent (LOI) or commitment provided by all funders, including any construction lenders and land acquisition lenders
	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 to the developer is no more than 10%
	Contingencies are at or below 5% of associated costs
	Escalation costs are at or below 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 in a separate document available on the NOFA website (<https://www.oregon.gov/ohcs/homeownership/Pages/notice-of-funds-availability.aspx>)

