

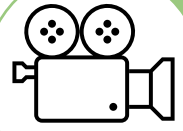
OREGON HOUSING AND COMMUNITY SERVICES

HOD NOFA #2025-HOD General Information Session

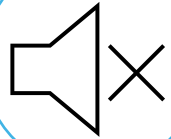


January 13, 2025

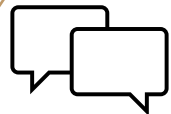
Housekeeping



The meeting will be recorded. Recording and slides will be posted to our website afterwards.



Please stay on mute.



Enter questions and thoughts in the chat at anytime.



During the discussion section, please raise your hand to speak.

Agenda

OHCS Introductions

NOFA Timeline and Funding

LIFT Eligibility and Funding

OAHTC Eligibility and Funding

NOFA Process

Closing & Discussion

OHCS Introductions



Talia Kahn-Kravis
Assistant Director of
Homeownership
Programs



Jessica MacKinnon
LIFT Program Analyst



Tacha Worth
OAHTC Program Analyst



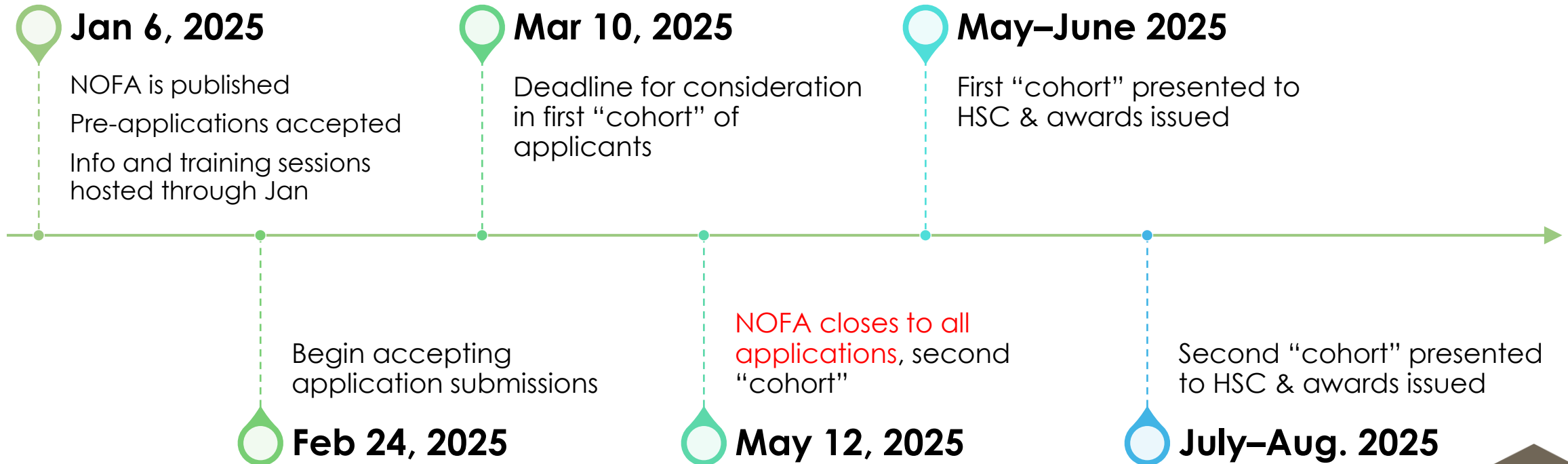
Elizabeth Thomas
Development Officer



Susie Sandstrom
Development Officer



NOFA Timeline



NOFA Structure

Awards issued on a first-come, first-served basis to applicants who meet all mandatory requirements and reach a minimum score.



Funding Opportunities

Local Innovation and Fast Track (LIFT)

- \$40,376,647
- Article XI-Q Bonds
- Loan Satisfied by Affordability
- Eligible Covenant Holders Using Shared Equity Model

Oregon Affordable Housing Tax Credit (OAHTC)

- \$2.5 million
- Tax Credit
- Reduced Permanent Loan Interest Rate
- Eligible Limited Equity Cooperatives and Manufactured Home Parks

LIFT Funding



Local Innovation and Fast Track (LIFT)

- Uses Article XI-Q capital bond funds
- Supports both rental and homeownership developments
- More consistent and available funding for HOD
- Comes with specific requirements that can be challenging to navigate



Eligible Covenant Holders

- (a) A public body;
- (b) An agency of the United States government;
- (c) A public benefit corporation or religious corporation, one purpose of which is to provide affordable housing for low- or moderate-income households;
- (d) A consumer housing cooperative;
- (e) A manufactured dwelling park nonprofit cooperative corporation; or
- (f) A federally recognized Indian tribe.

ORS 456.270(3)



Eligible Developments

LIFT Covers:

- New construction of affordable homeownership housing units
- Conversion of existing non-housing structures into new affordable homeownership housing units
- New manufactured home parks

LIFT Requires:

- A shared equity model
 - Applicants may partner with an eligible CLT to take on management after construction is complete
- Funds can only be used on homes <80% AMI
- Funds can be spent on capitalized construction costs
- Must not have begun vertical construction
- Cannot be used on sovereign lands

Special Eligibility (RESCS)

Rural

- Applicants should use the [OHCS Rural or Urban Status Map](#) to identify if their project is in an eligible Rural census tract.

Emerging

- 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.

Small

- An organization with fewer than 5 total paid staff dedicated to development, management, and compliance and 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.

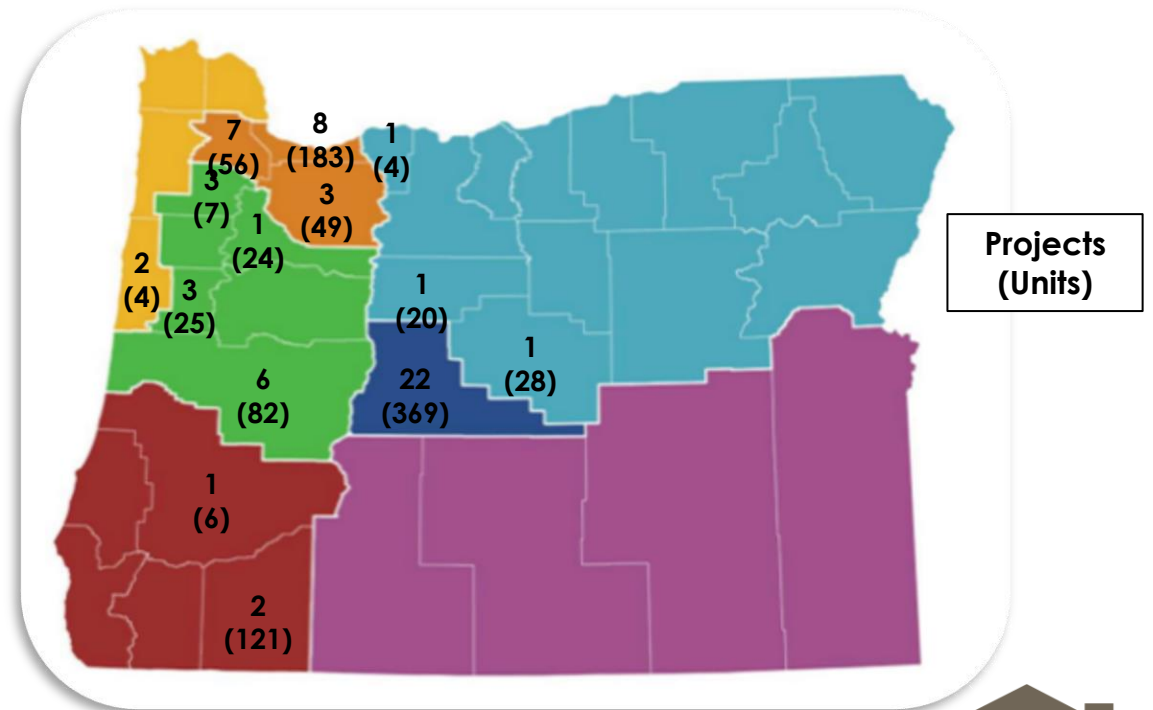
Culturally Specific (CSO)

- An entity that provides services to a cultural community and the entity has specific characteristics listed in the NOFA.

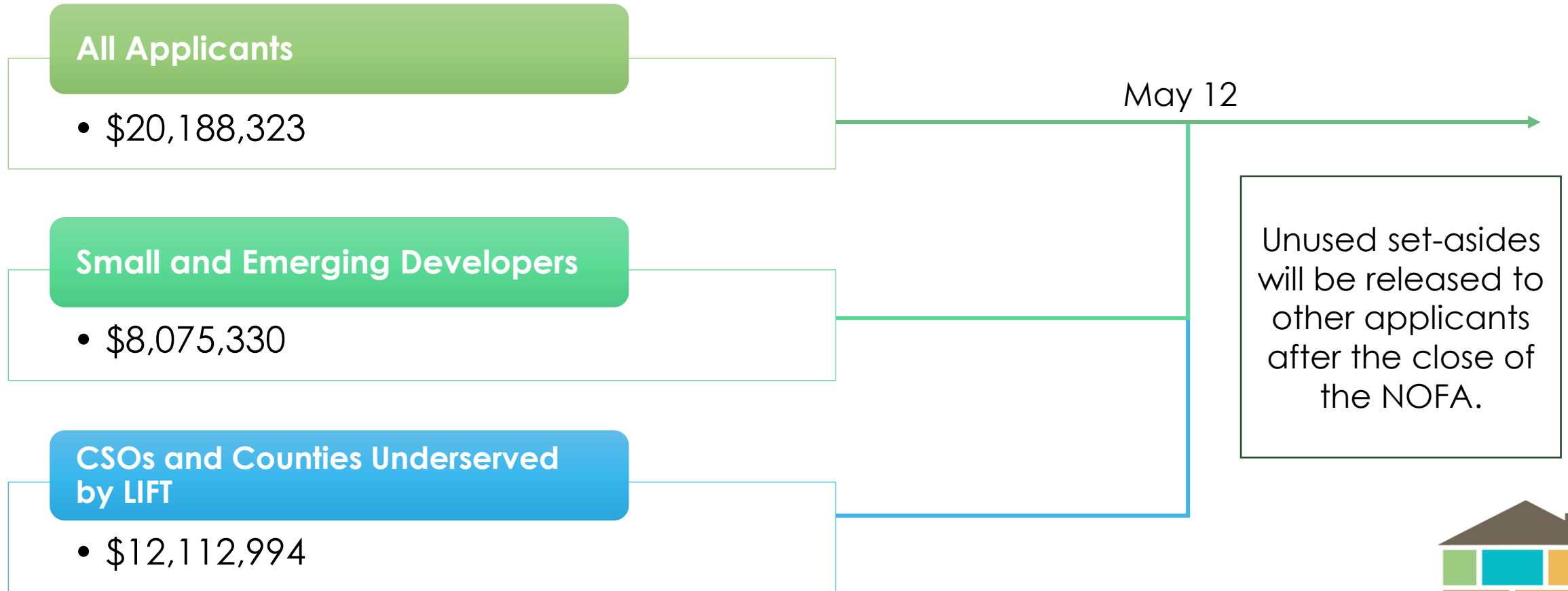
Counties Underserved by LIFT

- Counties within the state of Oregon that have received LIFT funding for 20 or fewer homes.

Baker	Hood River	Polk
Clatsop	Jefferson	Sherman
Columbia	Josephine	Tillamook
Coos	Klamath	Umatilla
Curry	Lake	Union
Douglas	Lincoln	Wallowa
Gilliam	Linn	Wasco
Grant	Malheur	Wheeler
Harney	Morrow	Yamhill



Funding Set-Asides



Award Amounts

- Funding awarded for each unit based on the number of bedrooms.

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

- This number is the *maximum* subsidy for each unit. Amounts will be determined based on need.
- Maximum award is \$8,000,000 per project.

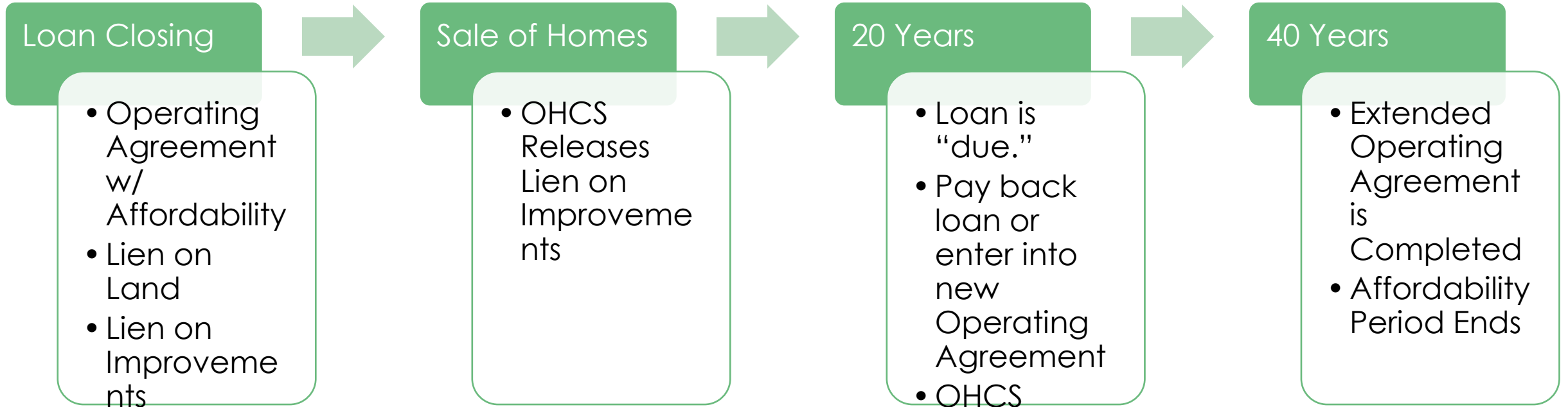


Award Amount Determination

- Must submit full, comprehensive proforma
- Must include at least **one** additional source of funds
- Cash flow must consider other funds will be required in Year 1
- LIFT award will “fill the gap” to make project feasible up to max subsidy
- Net profit must not exceed 10%
 - Will be asked to return funds at the end of the project if final profits are higher
- Must notify OHCS if site plan and unit mix changes
 - Your award will be adjusted accordingly
- LIFT + Construction Loan must not exceed the estimated value of the completed project



LIFT Loan Terms



- Loan is secured by a first-position lien. First position may be shared with another lender subject to an intercreditor agreement.

- Affordability period and responsibilities are maintained in the Operating Agreement. Loans may be satisfied through continued affordability.

OAHTC for Homeownership



Oregon Affordable Housing Tax Credits (OAHTC)

Offers tax credits to lenders who provide reduced interest rates on permanent loans for affordable housing.

Expanded by HB 2071-A in 2023 to include Limited Equity Co-Ops.

\$2.5 million is available for homeownership in 2025 – which means up to \$65 million in permanent loans based on a 30-year amortization at a 4% interest rate.

Final interest rate is dependent upon lender. Lenders may reduce interest rate up to 4%.

Eligible Projects

Limited Equity Cooperatives (LEC)

- Must be a nonprofit organization.
- May apply with LIFT or for OAHTC only.
- LECs with no other funding sources must serve 80% AMI or lower for 20 years via restrictive covenant.
- LECs with LIFT or other sources with AMI requirements must show that a pass-through is reducing below 80% AMI for 20 years.

Manufactured Home Parks (MHP)

- Must be a nonprofit organization.
- Must also apply for LIFT Homeownership (if not, apply for OAHTC through the ORCA).
- Affordability requirements based on LIFT (80% AMI) or other most restrictive source.

Application Requirements

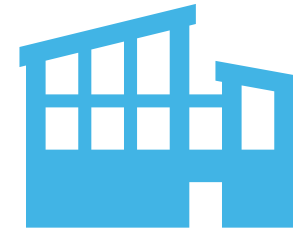


LIFT and OAHTC

Follow the appropriate LIFT Application guidelines.

Complete supplemental OAHTC application (cash flow, pass through, amortization schedule, etc).

Submit all required LIFT & OAHTC documents including Letter of Intent from Permanent Lender.



OAHTC Only

Apply using separate OAHTC-Only application.

Submit documents listed in OAHTC-Only application.

NOFA Process



Application Process



- Applicant completes early project development tasks



- Applicant submits Pre-Application



- OHCS creates Partner Portal & Application Workcenter



- Applicant submits Application and Documents



- OHCS completes Preliminary Review



- OHCS completes Threshold Scoring



- OHCS recommends applications for funding



- Applicants receive reservation of funds and begin underwriting

Project Development

- Establish site control for at least 12 months following application
- Begin (or complete) rezoning if required
- Complete site feasibility, impact studies, and preliminary site plan
- Receive construction estimates
- Receive other financing commitments
- Establish your Shared Equity Model
 - Make sure your bylaws include a statement that your land will be transferred to another eligible organization
 - Ensure you have a draft of your ground lease
- You may begin site development at your own risk.

Projects that have begun vertical construction are not eligible.



Pre-Application

- Available at: <https://app.smartsheet.com/b/form/f2b3f362e0764a948936b7c1de5f863a>
- Contains
 - Screening Questions
 - Basic project details and funding request
 - Contact info
 - Likelihood of applying
- Allow OHCS 5 business days to set up your Procorem Workcenter.
- Pre-applications are non-binding. Please submit early, even if your full application is not guaranteed!



NOFA Application



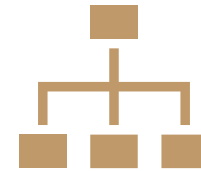
Application Workbook

Excel workbook
Project and Developer Info
Sources and Uses
Scoring Questions
Upload to Procorem when complete



Application Workcenter

<https://app.procorem.com/login>
Blank forms
Announcements
Upload project-specific documents
Task list including **SUBMIT** task



Partner Portal

<https://app.procorem.com/login>
Consolidates documentation required across all projects
Upload entity-related documents
Requirements in tasks and Application Workbook



Procorem WorkCenters



Document Sharing, Storage, & Submission

- Your Documents
- OHCS Documents (forms, guidance)



Task Management

- Track required documents
- Notify OHCS of task completion
- ★ • **Timestamp for Application submission**

Procorem WorkCenters



Within 5 days of your pre-application being approved by Homeownership Development, the team members your listed on your pre-application will receive an email inviting them to join two Procorem WorkCenters.

Access issues: *HO.Development@hcs.oregon.gov*

1. Application

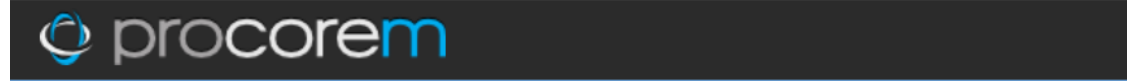
Project Name (OHCS 4-digit number)

Documents specific to the project in the application. For example, a proforma or site review.

2. Partner Portal

Name of the Sponsor / Borrower (Partner Portal)

Storage for Partner documents that are not project-specific and meant to serve for long periods of time and typically don't require frequent updates. For example, Articles of Incorporation, Secretary of State business registry, etc.



Homeownership Development 2025 Applications

Paradise Homes (0001)

Homeownership Development Partner Portal

Paradise City Community Association (Partner Portal)



Procorem WorkCenters

Both have Files for storing documents, downloading OHCS forms and templates, & submitting/uploading documents.

Refer to the Application Workbook “Document Checklist” tab to verify what documents go in which WorkCenter.

The image displays two screenshots of the Procorem WorkCenters interface, both for the Oregon Housing and Community Services (OHCS) system. The top screenshot shows the 'Paradise Homes (0001) / Application' workcenter. The bottom screenshot shows the 'Paradise City Community Association (Partner Portal)' workcenter. Both screenshots include a sidebar with navigation options (Files, Posts, Tasks, Calendar) and a top navigation bar with a red box highlighting the current workcenter name. The 'Files' section in both screenshots lists folders for documents, with details on file counts and creation dates.

Paradise Homes (0001) / Application

- Files
- Posts
- Tasks
- Calendar

Files

- Sort
- Filter
- Upload Files
- Create Folder
- Actions

...Up a level ↑

- Announcements**
0 files, 0 folders
2 days ago on (Jan 08 2025) by Susie Sandstrom
- Application Submission (Submit Final Documents Here)**
0 files, 0 folders
2 days ago on (Jan 08 2025) by Susie Sandstrom
- Blank Forms - Download Only**
7 files, 0 folders
2 days ago on (Jan 08 2025) by Susie Sandstrom

Paradise City Community Association (Partner Portal)

- Files
- Posts
- Tasks
- Calendar

Files

- Sort
- Filter
- Upload Files
- Create Folder
- Actions

- Certificates of Insurance**
0 files, 0 folders
2 days ago on (Jan 08 2025) by Susie Sandstrom
- Financials**
0 files, 0 folders
2 days ago on (Jan 08 2025) by Susie Sandstrom
- Forms and Templates to Download**
7 files, 0 folders
2 days ago on (Jan 08 2025) by Susie Sandstrom

Procorem WorkCenters

Both have Tasks for the required documents.
Mark the Task Complete!



← Paradise Homes (0001) / Home / OHC / Paradise Homes (0001) / Application

Tasks

View: Task Group | Show Completed | Hide Details | Task Overview

Application Submission

<input checked="" type="checkbox"/>	Complete the Application Task section of the Partner Portal 1 @ 1 🐾 Not Assigned - ARH External Sponsor No Approvers Pending Assignees Partner Portal Workcenter Created 2 days ago on (Jan 08 2025) by Susie Sandstrom
<input checked="" type="checkbox"/>	Upload "General Documents" 1 @ Not Assigned - ARH External Sponsor No Approvers New Created 2 days ago on (Jan 08 2025) by Susie Sandstrom
<input checked="" type="checkbox"/>	Upload All "Site and Project Details" Documents 1 @ Not Assigned - ARH External Sponsor No Approvers New Created 2 days ago on (Jan 08 2025) by Susie Sandstrom

← Paradise City Community Association (Partner Portal) / Home / OHC / Paradise City Community Association (Partner Portal)

Tasks

View: Task Group | Show Completed | Hide Details | Task Overview

Application Tasks - Complete these tasks prior to submitting your application

<input checked="" type="checkbox"/>	Applicable Staff Bios or Resumes 1 @ 1 🐾 Not Assigned - ARH External Sponsor No Approvers New Upload to the "Staff Bios / General Contractor" file Created 2 days ago on (Jan 08 2025) by Susie Sandstrom
<input checked="" type="checkbox"/>	Articles of Incorporation and Bylaws 1 @ 1 🐾 Not Assigned - ARH External Sponsor No Approvers New Upload to the "Organizational Documents" file



Application Process



- Applicant completes early project development tasks



- Applicant submits Pre-Application



- OHCS creates Partner Portal & Application Workcenter



- Applicant submits Application and Documents



- OHCS completes Preliminary Review



- OHCS completes Threshold Scoring



- OHCS recommends applications for funding



- Applicants receive reservation of funds and begin underwriting

Preliminary Review

Application Completeness	Application is filled out and documents are signed & submitted
Eligibility	Eligible covenant holder, new homes, shared equity model
Timeliness	Development timeline, site control, zoning
Financial Info	Balanced proforma, committed financing, profits & contingencies meet requirements

Threshold Categories

- Development Capacity
- Development Experience
- Equity and Community Engagement
- Financial Viability and Risk Mitigation
- Project Details
- Stewardship



Threshold Review



Must meet minimum
scoring criteria in all
categories

2025 criteria
available [here](#)



Minimum thresholds
will vary based on
developer types

RESCS
All Other Partners
Risk Review



Criteria are paths to
reach minimum

Applicants should
not feel like they
need to get all the
points in every
scoring criteria!

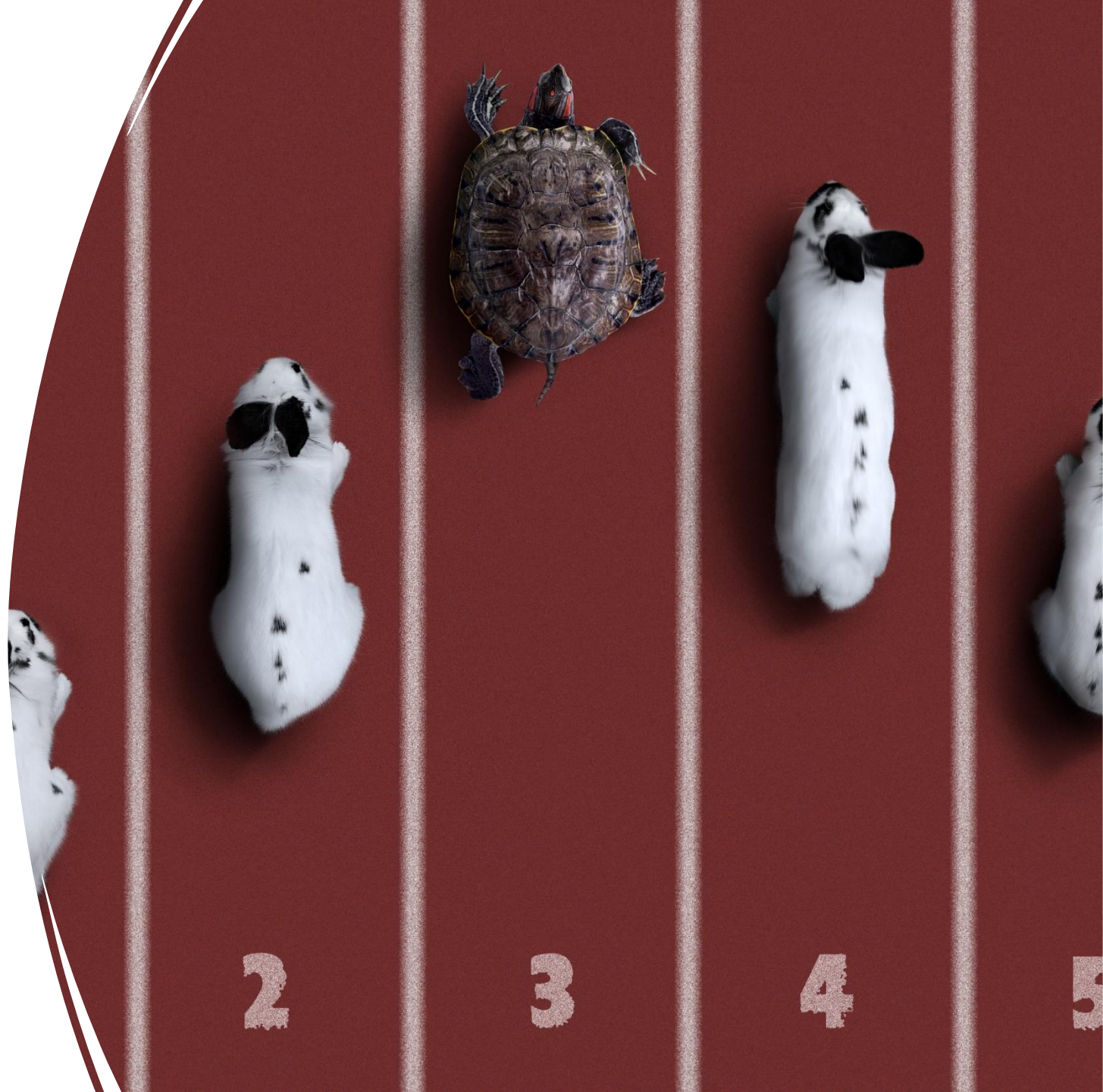
First-Come, First-Serve

- Comparison of “Final Submission Date,” determined by formula:

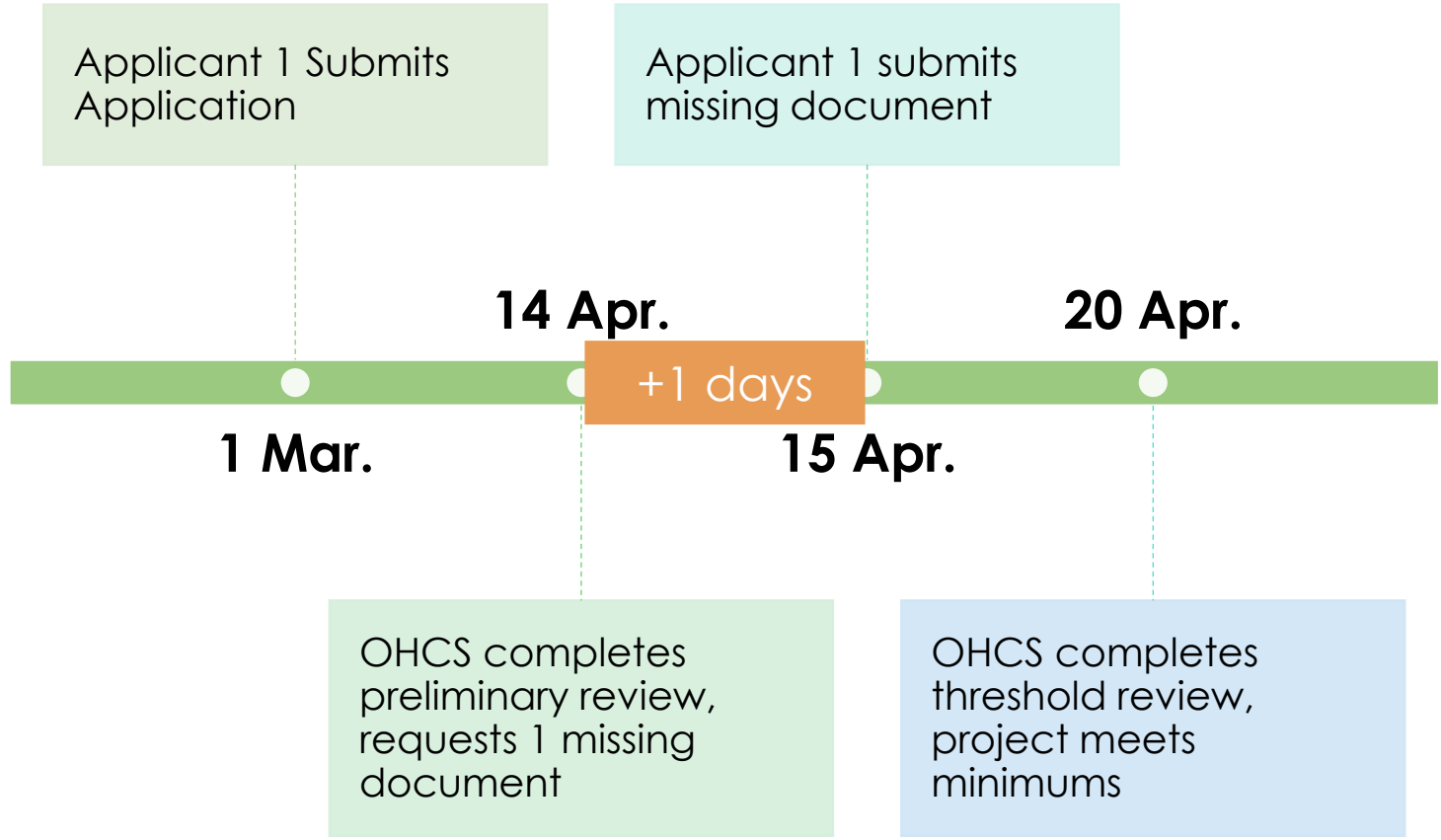
Initial Submission Date

+

*Time for Addl. Documents
(Business Days)*

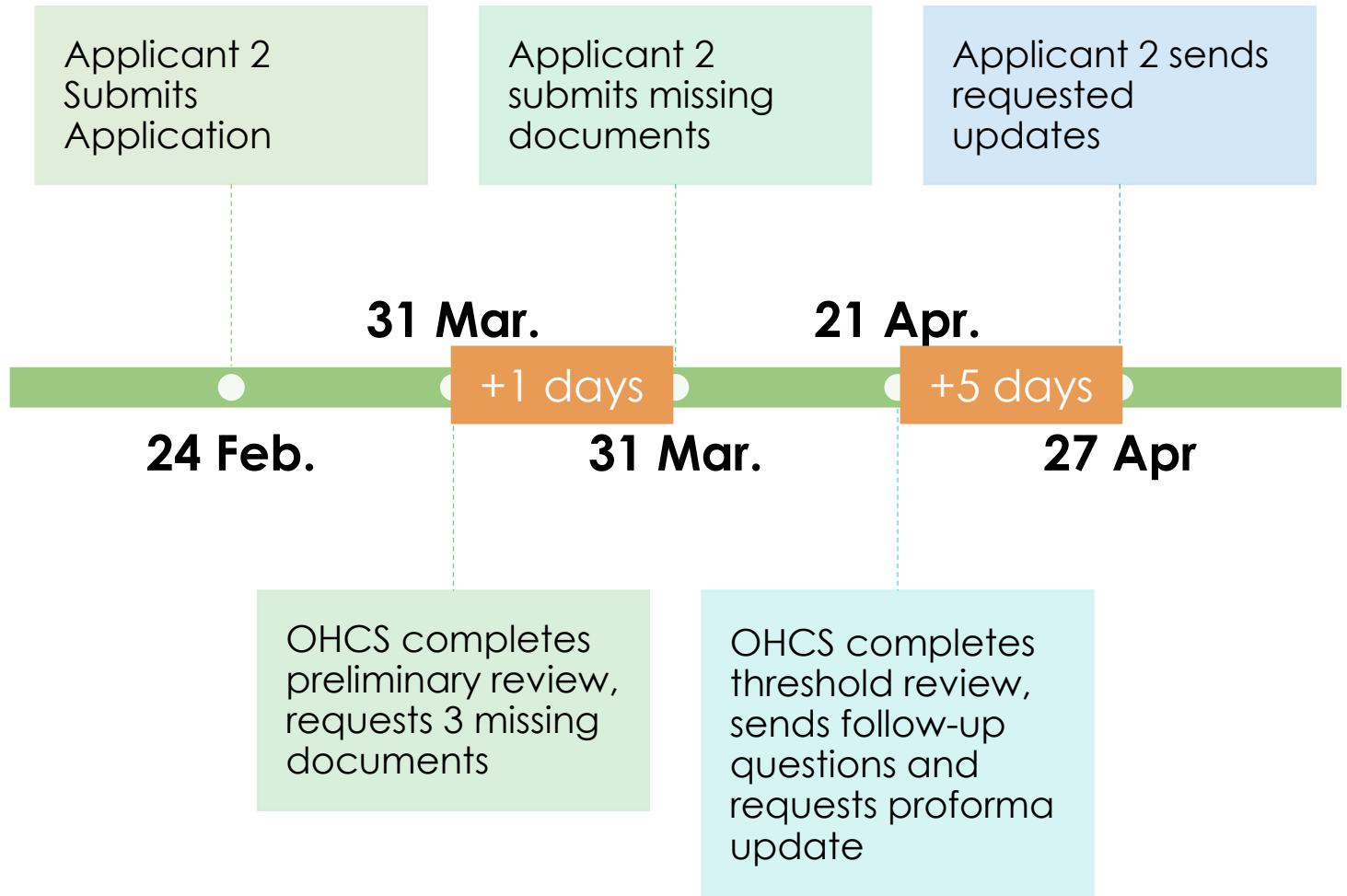


Example Calculations



Mar 1 + 1 day = March 2

Example Calculations



$$\text{Feb 24} + 1 \text{ days} + 5 \text{ days} = \text{March 2}$$

Tie-Breaking Rule

Tie-breaking will only be necessary if we are at the final amount of funding and projects have the same Final Submission Date.



OHCS will prioritize

Greater geographic distribution

More affordable units

Cohort Specifics

Cohort 1

- Goal is to support greater diversity of applicants and geographies served
- Applicants must give all applications a ranked priority
- OHCS will review and award all priority 1 applications by submission date, then priority 2, priority 3, etc

Cohort 2

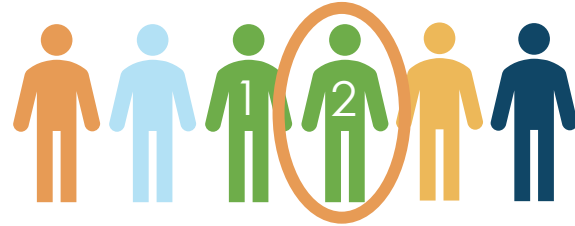
- Applications reviewed first-come, first-served within set-aside
- Unallocated set-asides will be considered for unfunded applications from Cohort 1 first, then by submission date to all other applicants.

Cohort Example

Cohort 1

Cohort 2

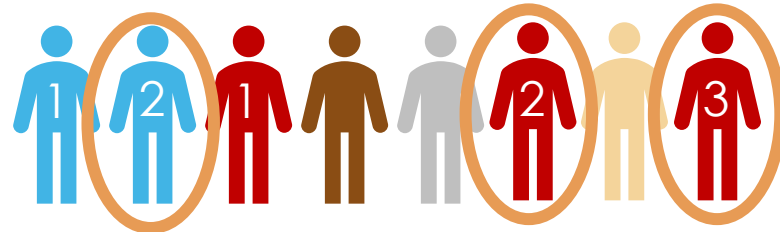
Set-Aside 1



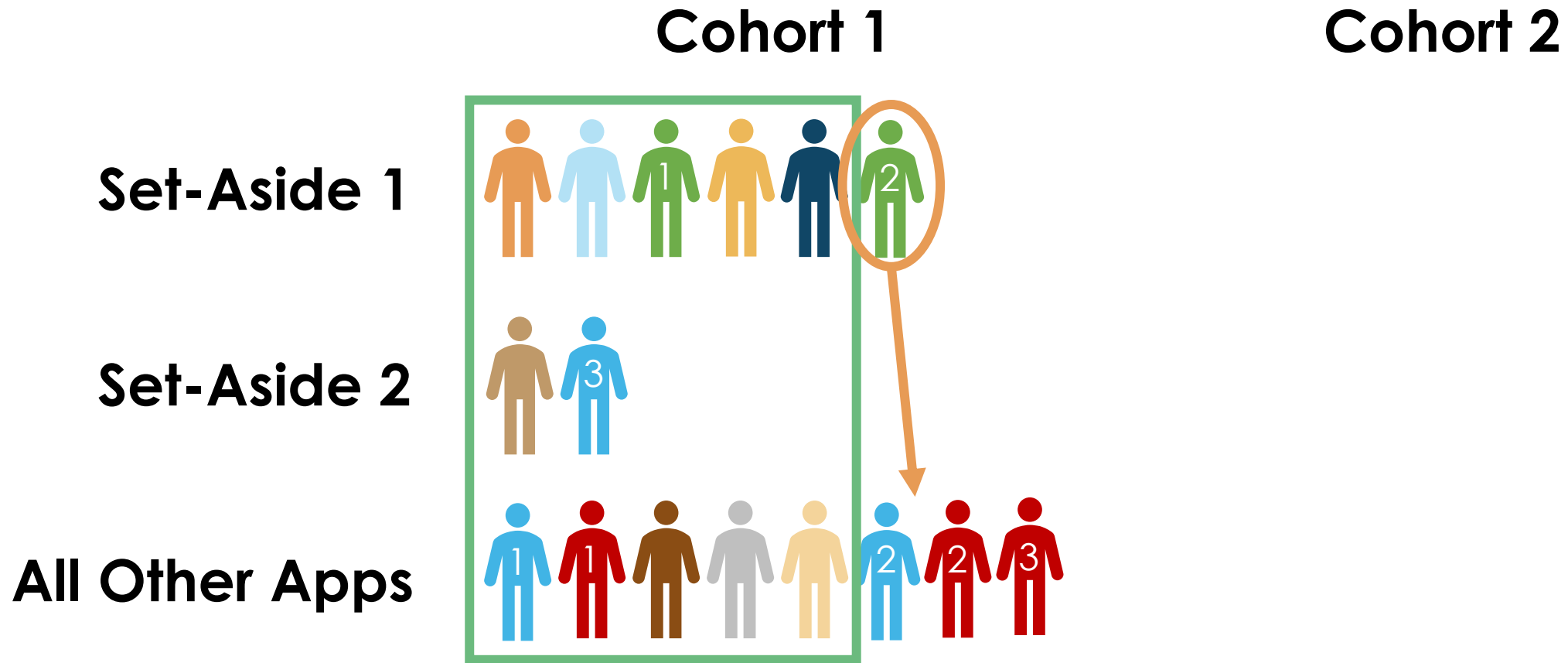
Set-Aside 2



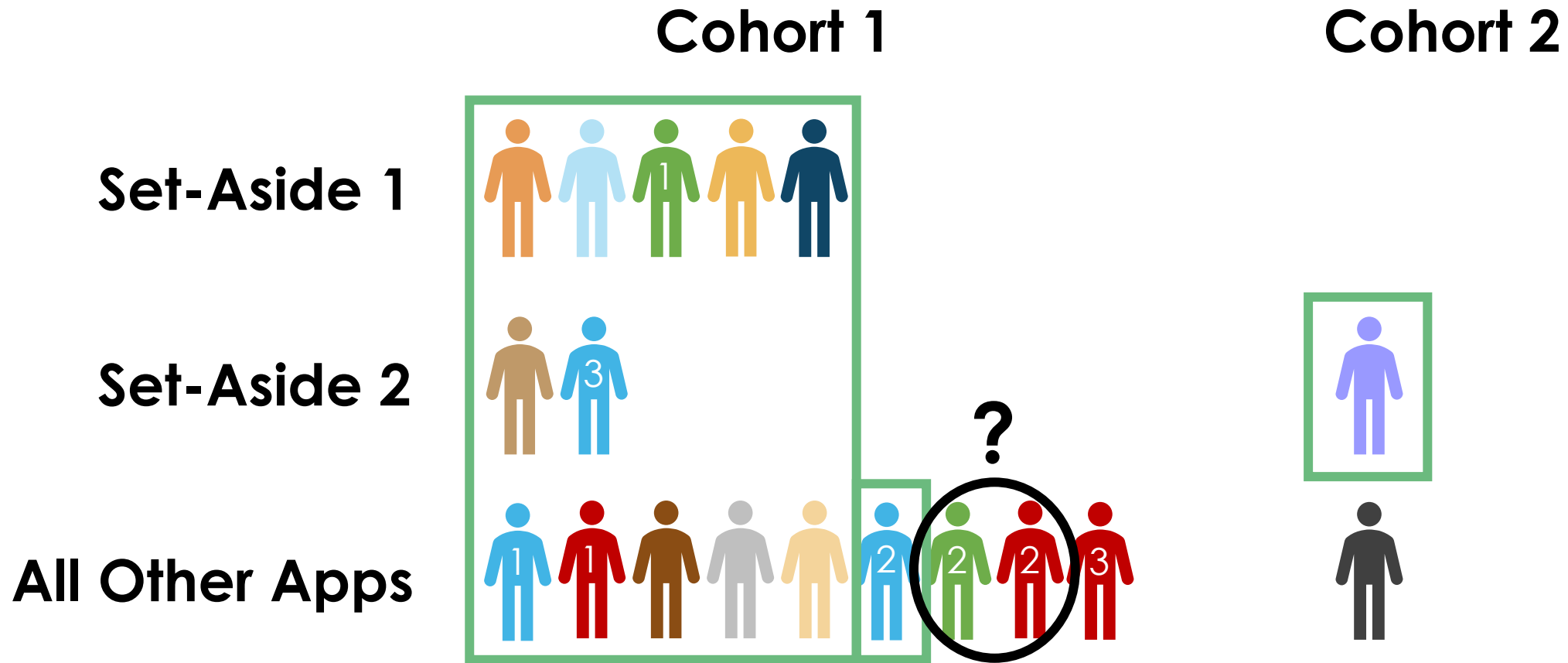
All Other Apps



Cohort Example



Cohort Example



Notice of Award



Award
Determination

OHCS determines final score and position in first-come, first-served



Housing Stability
Council

Makes final decision on award



Notice of Award

Sent from OHCS via email



Reservation Letter

Kicks off your award

Closing and Construction Timelines

Reservation Letter

- Begins the process

Closing
Begin

- Within 6 months of Reservation Letter

Vertical
Constructio
All

- Within 12 months of Reservation Letter

Certificates
of

- Within 36 months of Reservation Letter

All Homes
Sold

- Within 42 months of Reservation Letter

Closing



Technical Assistance

One-on-One Assistance

Official Training

- General LIFT & NOFA Training
- Technical Assistance (Scoring and Application)
- Proforma 101

We CAN answer

- Will LIFT work for my project?
- Does my project meet the minimum eligibility requirements?
- What do you mean by this question in the application?
- How do I handle a deferred development fee in my proforma?

We CAN'T answer

- How do I become a developer/CLT/GC/etc?
- Can you recommend a lender/GC/project mentor/other partner?
- How can I answer this question to get the most points?
- Can you look over my application and let me know if this will pass?

Application Process Touch-Points

- After pre-application
- After preliminary review
- After threshold review
- Before HSC approval

Email: HO.Development@hcs.Oregon.gov

Resources

Refer to the [NOFA Website](#) for postings, announcements, FAQ, and other details

Refer to the [LIFT Manual](#) for additional context and requirements of LIFT

Refer to the [OAHTC Manual](#) for additional context and requirements of OAHTC

[Register](#) for the Application and Scoring Workshop: Jan. 16, 2025 2-3:30 pm

[Register](#) for the Proforma Training: Jan. 23, 2025 2-3:30 pm

Discussion



Experienced LIFT Applicants

Do you have any advice or tips and tricks for new applicants?



New LIFT Applicants

Do you have any questions for experienced LIFT applicants?



Thank you for your time!

Have a great rest of your week!

