

Project Feasibility Loan Program (PFLP) and Predevelopment Loan Program (PDLP)



Program Manual

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Definitions

Agreement Documents: means the funding documents, the final form of which are satisfactory to Oregon Housing and Community Services (OHCS), in consultation with the Oregon Department of Justice and executed in connection with the Project.

Allocation: includes any funding allocated under the PFLP and PDLP.

Applicants: means persons or entities that submit an application responsive to the PFLP and PDLP.

Communities of Color: identity-based communities that hold a primary racial identity that describes shared racial characteristics among community members. The term aims to define a characteristic of the community that its members share (such as being African American) that supports self-definition by community members, and that typically denotes a shared history and current/historic experiences of racism. An older term for Communities of Color is that of "minority communities" which is increasingly inaccurate given that people of color are majority identities on a global level. That term has also been rejected for its potential to infer any inferior characteristics. 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. The Coalition of Communities of Color 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.

Culturally Specific Organization (CSO): 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 Community of Color;
- Organizational environment is culturally focused and the community being served recognizes it as a culturally-specific entity that provides culturally and linguistically responsive services;
- Majority of staff must be from the community being served, and the majority of the leadership (defined to collectively include board members and management positions) must be from the community being served;
- The entity has a track record of successful community engagement and involvement with the community being served; and
- The community being served recognizes the entity as advancing the best interests of the community and engaging in policy advocacy on behalf of the community being served.

Diversity, Equity, and Inclusion (DEI) Agreement: this is the agreement all applicants must complete and submit on an annual basis to be eligible for OHCS funding. It is an electronic

survey in which organizations commit to making progress on specific organizational DEI goals, and update progress made on those goals annually.

Electronic Signature: means symbols or other data in digital form attached to an electronically transmitted application as verification of the sender's intent to sign the application. With such signature, Applicant attests that it will meet and comply with all the requirements and conditions of the Oregon Centralized Application (ORCA).

Financial Eligibility: this is the second step in the ORCA process. Applicants must submit a complete proforma detailing their sources and uses, 30-year operating budget, and any other financial details relevant to the project including a formal construction bid. Staff will conduct an underwriting evaluation of the project at this step, as well as ensure that the project has not materially changed since approval of their Impact Assessment application. Upon approval of the project at this step, the applicant will receive an amended Letter of Intent from OHCS, providing a conditional commitment of resources until project is deemed ready to proceed at the third and final Commitment step.

Impact Assessment: this is the first step in the ORCA process, in which applicants will be submitting their initial project information for formal review. Upon approval of this step, applicants will be assigned and receive their first conditional hold of resources through a Letter of Intent.

Intake Form: the Intake Form is the initial point of entry for applicants wishing to go through the ORCA process to apply for funding from OHCS. It is a high-level online form providing basic project concept information.

Letter of Intent: in the context of the ORCA process, the OHCS Letter of Intent (LOI) is the document by which OHCS is conditionally committing resources up to an amount determined by an Applicant's Impact Assessment application. The project must be evaluated and approved by both OHCS staff and Housing Stability Council to receive this LOI. After approval of project financial structure at the Financial Eligibility step, the award amount in this letter will be amended to reflect the more specific amount.

Low Income: individual or households whose income is at or above 50 percent and below 80 percent of the median family income for the area, subject to adjustment for areas with unusually high or low incomes or housing costs, all as determined by the Housing Stability Council based on information from the United States Department of Housing and Urban Development.

Oregon Centralized Application (ORCA): the process by which OHCS allows developers and project sponsors to apply for available funding for multifamily affordable housing development.

Prequalification: the process by which developer and consultants are approved to apply for the ORCA process. It includes review of portfolio performance, development experience, and legal good standing. It is not a guarantee of funding, but prequalified organizations are eligible to apply for funding.

Procorem WorkCenter: a secure portal technology solution by ProLink Solutions™ and used by OHCS to help facilitate collaboration and communication models for all Applicants and future housing partners. The Procorem WorkCenter includes a repository for electronic document submission, a task management and tracking tool, an events calendar, and communication features.

Rural (and Urban) Communities: The OHCS Rural - Urban definition first evaluates housing density by census tract. Those tracts with 640 or more housing units per square mile are tentatively considered urban, below 640 housing units is rural. Next, OHCS uses the National Center for Health Statistics County Schema to better understand what the economic and geographic environment the tract is a part of. About 3.5% or 35 of 1,002 tracts were affected by the county code matrix. Rural tracts in an urban core county (e.g. Multnomah) shift to urban, urban tracts in rural or noncore counties flip to rural (e.g. downtown Klamath Falls).

(CT) Housing Density?	County Code?	Result
Rural	1	Changes to Urban
Rural	2 to 6	Remains Rural
Urban	1 to 4	Remains Urban
Urban	5 or 6	Changes to Rural

Small Organization: An organization is defined as “small” for the PFLP if its average annual budget is less than \$5,000,000 over the last 3 years, as confirmed by audited financial statements, form 990s, or any other method of confirmation approved by OHCS staff.

Tribe or Tribal: A federally recognized Native American Tribe or Indian Tribe in Oregon, as defined in ORS 182.162, or related to the same.

Tribal-led Project: A Project that is sponsored by a Tribe, a Tribally Designated Housing Entity, or an organization owned by a Tribe.

Very low income: individual or households whose income is at or below 50 percent of the median family income for the area, subject to adjustment for areas with unusually high or low incomes or housing costs, all as determined by the Council based on information from the United States Department of Housing and Urban Development.

Project Feasibility Loan Program

1. PROGRAM DESCRIPTION

Purpose

The purpose of the Project Feasibility Loan Program (PFLP) is to assist eligible organizations in Oregon with early costs associated with determining if a speculative housing project is feasible. Many non-profit organizations, including culturally specific developers, have indicated that a barrier to development is the costs associated with determining if a prospective building site meets the necessary conditions for multifamily housing within the community. These costs, though generally small, when combined with the costs of a full development, can be debilitating to a smaller organization if the development cannot move forward. With the goal of reducing the risks associated with development for eligible partners, the state of Oregon is implementing the Project Feasibility Loan Program.

Eligible Entities

Loans made under the PFLP (“Project Feasibility Loan” or “PFL”) are designed to assist qualified organizations with costs associated with determining if a potential site is feasible for multi-family housing development. Aligning these funds with other early OHCS funding sources, as well as internal agency risk tolerance and greatest identified need, OHCS has determined the following organizations are eligible to receive these loans provided they meet the definition for a small organization (as defined in OAR 813-038):

1. Culturally Specific Organizations,
2. Nonprofit, Rural developers (location of project),
3. Federally recognized Indian tribes in Oregon

Successful loan recipients must agree to the terms and conditions of the loan including payback provisions, which apply when OHCS, in its sole discretion, determines that the actions taken in conjunction with the Project Feasibility Loan indicate that development of a multi-family housing project is feasible at a cost that is typical for the specified area.

Eligible Loan Uses

Project Feasibility loans may be used for the following purposes:

- Architectural and engineering services
- Costs associated with gaining site control
- Costs of survey
- Environmental testing and appraisals
- Financial modeling

- Financing and zoning applications fees
- Historical certifications and analysis
- Initial Feasibility and appraisal

Revolving Loan Program

The Project Feasibility Loan Program has been seeded with \$600,000 from the OHCS Predevelopment Loan Program and is considered a subsidiary of that program. Loans are capped at \$50,000 per development site. Loans that result in a determination that the property is not suitable for multi-housing development or that would require an additional investment beyond normal development costs (for that area) may be forgiven with OHCS approval provided acceptable documentation is provided. Loans that result in confirmation of land suitability will require repayment upon reaching one of the following milestones if the loan recipient has or had site control on the property:

- Disposition (sale) of the property site;
- At financial closing for project construction;
- 5 years after the feasibility study or similar have been completed.

Funds repaid will be returned to the PFLP fund to be used for future loans. OHCS may utilize any fees and interest earnings for the following purposes:

- Administrative costs;
- To offset any forgiven loans;
- Rolled into the Predevelopment Loan Program;
- Any other purpose determined appropriate by the Department to support the Predevelopment Program or its subsidiary programs.

Other Restrictions

To assure limited funds are distributed equitably, OHCS will limit partners to two PFLP loans open at one time. To access additional PFLP funds, open loans will need to be repaid or a letter of forgiveness must be received from OHCS on the loan.

Project Feasibility Loan Terms & Agreements

PFLP applicants must agree to the terms of the PFLP Agreement Documents to receive funding. PFLP loans have a 1% simple interest rate with a 1% loan fee and a maximum term of five years.

Interest and principal payments are deferred for the life of the loan. The following criteria will be addressed in the Agreement Documents:

- Loan fees;
- Loan rate;
- Loan forgiveness criteria;
- Loan repayment criteria and timing;
- Affordability Requirements - generally that any loan funds may only be used to determine the suitability of developments proposed to comprise 5 or more units affordable to households at or below 80% Area Median Income (AMI) for no less than 30 years.

Unsatisfied Loans

If the loan recipient does not abide by any terms of their agreement or this policy, then the borrower will be required to repay OHCS the principal of the original PFLP loan plus compounded interest calculated at the “current market rate”. “Current market rate” is defined as the 10 year constant treasury maturity year rate, as determined at the time the individual loan is closed upon, plus 2.5%.

Independent Resource

Recipients of PFLP loans do not receive any guarantee, preference, or advantage associated with applications for other OHCS development resources or financial products, including, but not limited to, the Predevelopment Loan Program.

Application Charge

OHCS staff will begin review of submitted PFLP application materials upon receipt of a \$500 application charge and confirmation of any required Affordable Rental Housing intake, pre-qualification, and DEI submittals.

2. APPLICATION PROCESS

Application Process

Eligible applicants may apply for the Project Feasibility Loan Program by completing the [online application form here](#). In addition to meeting the eligibility requirements outlined in Section 1B, applicants must do the following:

- i. Complete the [OHCS DEI Agreement Form](#)
- ii. Complete the [OHCS Pre-Qualification Form](#)
- iii. Submit a completed [OHCS Intake Form](#)
- iv. Submit a completed [OHCS PFLP application](#)

Disclosure

OHCS reserves the right to retain all applications submitted.

Materials and information submitted are subject to public disclosure unless otherwise exempt from disclosure under the Oregon Public Records Act (ORS 192.311 through ORS 192.478). No assurances can be given that any materials provided can be protected from public review and copying.

OHCS reserves the right without prejudice to reject any and all applications and to negotiate acceptable applications with selected applicants.

Program Opening & Closing

OHCS will announce program opening and closing through a technical advisory and an announcement on the OHCS website. The PFLP will remain open until all funds have been exhausted or an announcement closing the program has been made. PFLP is an independent program and other program announcements including the Predevelopment Loan Program funding are not tied to PFLP funding availability unless specifically included in the technical advisory announcement.

- i. Program Closing

The PFLP will close when to inadequate funding levels remain. This will occur when resources fall below the \$50,000 maximum loan level. Program closing will be announced through a Technical Advisory process and announced on the OHCS website. Applications will not be accepted after Program closing. Applications that were accepted prior to the closing announcement but unable to be funded will receive application charge refunds and the applicants will be notified of funds being exhausted. If previously submitted applications cannot be fully funded, but some funding is available, OHCS may provide the next applicant to be

funded with the option of accepting reduced funding or withdrawing their application until additional funding is available.

ii. Program Re-Opening

PFLP is a revolving loan program and OHCS anticipates that loan repayments will replenish the fund. Additionally, OHCS may receive additional funding from the Legislature for use towards predevelopment. When program funding levels exceed \$150,000, the program will resume accepting applications as provided in an announcement via technical advisory and a posting on the OHCS website. Applications will be accepted in accordance with program opening guidance. Applications that were received prior to the program closing will not retain their position in the program pipeline and must reapply. ***Exception – applicants who accepted reduced funds and can demonstrate the continued need for additional funds will be granted full application dollars (the remaining portion of the reduced amount) prior to new applications being funded.***

Application Awards

Applications will be reviewed on a rolling first come, first reviewed basis as applications are determined eligible and as program resources allow. Eligibility consideration includes timely receipt of any application charges. If an application is determined to be incomplete, a date and time of application will not be given until the application is determined complete and meeting program requirements by OHCS staff. Incomplete applications will not be considered for award until determined complete by OHCS staff. Ineligible applications will not be considered for award.

Application Charge and Other Costs

Once an application is received, a Procorem workcenter will be created for the application. After receiving access to the Procorem Workcenter, please mail the Application Charge Form found in the workcenter with the PFLP application charge of \$500 in the form of a check or money order to :

Oregon Housing & Community Services

Attn: Finance – PFLP Application # <Provided by OHCS Staff>

725 Summer Street NE Suite B

Salem, Oregon 97301

If the \$500 application charge is not received within 2 weeks of application submission the application will be considered incomplete. Applications will not be reviewed until the application charge is received by OHCS.

Note: OHCS may charge, and the applicant shall pay, legal and administrative costs reasonably anticipated or incurred by OHCS in negotiating and preparing Agreement Documents and other related documents. OHCS also may charge, and applicant shall pay, any other fees allowed by OHCS administrative rules with respect to the application, ensuing Letter of Intent, Allocation, and Project operation.

If OHCS is unable to consider the application because there is not sufficient funding remaining in PFLP to fund the application, the application charge will be returned to the applicant.

Reservation Of Rights

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.

Predevelopment Loan Program

1. PROGRAM DESCRIPTION

Purpose

Demand for housing in the State of Oregon continues to outpace supply, particularly for those in need of affordable options. As Legislative investments reach historic levels, OHCS has changed its funding award process to prioritize project readiness, with the hope of expanding access, increasing surety, and shortening development timelines with the intent of utilizing resources as quickly as possible.

The purpose of the Predevelopment Loan Program (PDLP) is to maintain development resource access to nonprofit and/or culturally specific developers who have historically faced barriers to accessing resources and are disadvantaged by not having internal organizational resources to support early project work. The shift from early resource reservations to a focus on readiness could place these and other smaller, less resourced organizations at a disadvantage when competing for development resources due to the necessary investment risk to achieve construction financing. The PDLP program is being implemented to assure that these organizations can continue to access OHCS financing and develop affordable housing by addressing the need for this early capital in the development process.

Eligible Entities

PDLP Loans are designed to assist nonprofit organizations, housing authorities, and tribes with costs tied to meeting the benchmarks OHCS has established to determine if a multifamily affordable housing development project has achieved readiness. These funds are aligned with early project work necessary to meet the requirements of OHCS' Impact Assessment application (first step in the application process) and, in some instances, the Financial Eligibility application (second step in the application process). The following organizations are eligible to apply for and receive these loans:

1. Nonprofit organizations
2. Housing Authorities
3. Federally recognized Indian tribes in Oregon

Successful loan recipients must agree to the terms and conditions of the Agreement Documents including repayment provisions.

Eligible Loan Uses

Predevelopment loans may be used for the following purposes:

- Professional services: architectural, legal, engineering, legal

- Studies: market, environmental, traffic, land, zoning, Geotech, arborists, capital needs assessment
- Fees: entitlement, permits, OHCS application charges
- Community engagement efforts
- Other costs that can be directly connected to an assisting specific development project meeting OHCS' readiness standard, as approved by OHCS

Costs of land acquisition are not an eligible use of the PDLP.

Revolving Loan Program

The PDLP has an initial funding of \$9.1 million. Loans under the PDLP are capped at \$750,000 per development project. Partners may not use PDLP loans for the purchase of land. Eligible applicants may consider the Land Acquisition Program for land acquisition needs, and may contact Community Development Finance Institutions (CDFIs) for land acquisition or other resource needs beyond those offered under this program. Loans will be provided to eligible organizations at a reduced interest rate with loan repayment due at financial loan closing. Program loans received for potential projects that do not result in a development may be eligible for loan forgiveness on a case-by-case basis and at the discretion of OHCS.

PDLP loans that are repaid will be returned to the PDLP fund to be used for future loans. OHCS may utilize any fees and interest earnings for the following purposes:

- Administrative costs;
- To offset any unpaid loans;
- Any other purpose determined appropriate by the Department to support the Predevelopment Program or its subsidiary programs.

Other Restrictions

To ensure limited funds are distributed equitably, OHCS will limit partners to two PDLP loans open at one time. To access additional PDLP funds, open loans will need to be repaid or a letter of forgiveness must be received from OHCS on the loan.

Predevelopment Loan Terms & Agreements

PDLP applicants must agree to the terms of the Agreement Documents to receive funding. PDLP loans rates may vary and have a maximum term of 5 years. Interest and principal payments are

deferred for the life of the loan. The following criteria will be addressed in the Agreement Documents:

- Loan fees;
- Loan rate;
- Loan repayment timing;
- Affordability Requirements - generally that loan funds may only be used on costs can be directly connected to a specific development meeting OHCS's readiness standard. Eligible projects are those comprise 5 or more units affordable to households at or below 80% AMI for no less than 30 years.

Independent Loan

Recipients of PDLP loans do not receive any guarantee, preference, or advantage associated with applications for other OHCS development resources and financial products, including, but not limited to, the Oregon Centralized Application (ORCA) process development dollars.

2. APPLICATION PROCESS

Application Process

Eligible applicants may apply for the Predevelopment Loan Program by completing and submitting the PFLP application provided to applicants who have completed an Intake Form and indicated interest in the PDLP program. In addition to meeting the eligibility requirements outlined in Section 1B, applicants must do the following:

- i. Complete the [OHCS DEI Agreement Registry](#)
- ii. Complete the [OHCS Pre-Qualification Registry](#)
- iii. Submit a completed [OHCS Intake Form](#)
- iv. Submit a completed OHCS PDLP application

In the PDLP application, applicants must list the proposed uses for the predevelopment funds, the total projected cost of each, and an explanation of how each cost connects to the project achieving OHCS' Impact Assessment and/or Financial Feasibility readiness standard.

OHCS staff will review applications to ensure that they are complete. OHCS may seek clarification from applicants and may conduct discussions and negotiations with applicants who submit applications found to be reasonably likely to be selected for an award. OHCS may also negotiate with applicants on award amounts, particularly in instances where OHCS is unable to fully finance a loan request.

Applications will be evaluated by program with final approval by the OHCS Finance Committee.

An application charge of \$500 in the form of a check or money order must be received by OHCS within 2 weeks of submission of the PDLP application or the application will be considered incomplete. The application charge will be returned to the applicant in the event that OHCS is unable to consider the application due to a lack of available funding. Applications fees for application not funded after use of tiebreaking rules will not be refunded.

Disclosure

OHCS reserves the right to retain all applications submitted.

Materials and information submitted are subject to public disclosure unless otherwise exempt from disclosure under the Oregon Public Records Act (ORS 192.311 through ORS 192.478). No assurances can be given that any materials provided can be protected from public review and copying.

OHCS reserves the right without prejudice to reject any and all applications and to negotiate acceptable applications with selected applicants.

Program Opening & Closing

OHCS will announce program opening and closing through a technical advisory and an announcement on the OHCS website. The PDLP will remain open until all funds have been exhausted or an announcement closing the program has been made. PDLP is an independent program and other program announcements including the Project Feasibility Loan Program (PFLP) funding are not tied to PDLP funding availability unless specifically included in the Technical Advisory announcement.

i. Program Closing

PDLP will close due to inadequate funding levels. This will occur when resources fall below the \$750,000 maximum loan level. Program closing will be announced through a technical advisory and posted on the OHCS website. Applications will not be accepted after Program closing. Applications that were accepted prior to the closing announcement and are unable to be funded will receive application charge refunds and the applicants will be notified of funds being exhausted. If applications received before Program closing requested less than the maximum loan amount, and can still be fully funded, those applications will be prioritized in the order they were received until there is no available funding remaining. If applications submitted before Program closing cannot be fully funded but some funding is available, OHCS may provide the next applicant to be funded with the option of accepting reduced funding or withdrawing their application until additional funding is available.

ii. Program Re-Opening

PDLP is a revolving loan program and OHCS anticipates that loan repayments will replenish the fund. Additionally, OHCS may receive additional funding from the Legislature for use towards predevelopment. When program funding levels exceed \$1,500,000, the program will resume accepting applications as provided in an announcement utilizing the OHCS Technical Advisory process and a posting on the OHCS website. Applications will be accepted in accordance with program opening guidance. Applications that were received prior to the program closing will not retain their position and must reapply.

Collaborative Loan Application Process

The application process for organizations that have secured or are working to secure a predevelopment loan of a matching or greater amount from a third-party lender, will differ from the process for other applicants, however the terms of the loan and other requirements are the same. Such applicants must follow the same intake process as all other organizations seeking Predevelopment funding, however, a referral will be provided by the third-party lender, who will work with OHCS staff to provide the necessary documentation OHCS requires to evaluate their portion of the collaborative loan.

If OHCS requires additional information from an applicant, the applicant will be informed directly by OHCS staff and given a reasonable period of time to provide the necessary information or documentation. If the applicant is nonresponsive, OHCS will remove the application from the queue, the application charge will be retained by OHCS, and that applicant will need to reapply.

Applicants working with a third-party lender may also initiate the collaborative loan process with OHCS. Such an applicant must provide OHCS with the PDLP application. In addition, the Applicant is required to work with a third-party lender and provide the anticipated loan amount from the CDFI as part of the sources and uses document provided to OHCS. More information about this process can be found here: (add program webpage)

3. EVALUATION CRITERIA

Evaluation Criteria

Evaluation criteria will include, but not be limited to, the following:

- i. Eligibility of proposed uses of funds;
 - o The eligibility analysis will include consideration of the direct connection of costs requested to the Applicant's project achieving OHCS Impact Assessment and/or Financial Feasibility readiness standards.

- ii. Evidence of strong organizational and financial capacity of the Applicant to develop the project including a demonstrated track record of receiving anticipated construction and permanent takeout financing;
 - Capacity analysis reviews previous projects, if any, that have been completed by Applicant and their success at reaching financial closing in a timely manner. Only organizations that have proven that they can accomplish this will be eligible for funding.
 - The only exception to this criterion is that, for organizations eligible for PFLP funding, this analysis will be less stringent. An acceptable plan, timeline, and consideration of barriers and how to overcome them, will be deemed sufficient. If an organization has received PFLP funding, an explanation of how that funding proved project feasibility will also be required.
- iii. Organization's housing plan is well thought out and attainable;
- iv. Leveraging of other sources of predevelopment funding; and
- v. Balancing need and geographic distribution.

Fund Oversubscription/Tiebreakers

The intent of the PDLP is to be responsive to eligible organizational demands around predevelopment costs that are now necessary for organizations to incur prior to being able to access funding from OHCS for affordable housing. To that end, PDLP is a first-come-first-serve program with criteria designed for approval of an application on its own merits as opposed to a competitive scoring process. Due to limited resources, applicants must be referred to the program by a Technical Advisor. However, if multiple applications are received on the same day which would result in PDLP financing funds being oversubscribed, the following tiebreaker system will be used.

In the event of the oversubscription of a fund the following progression (in the listed order) will be applied to determine applicant loan funding:

- i. OHCS will provide loan funds to the Applicant that has accessed or is eligible for PFLP resources.
- ii. If a funding determination cannot be made from application of subsection 1 above, OHCS will provide loan funds to the applicant that is also leveraging other internal (LAP or GHAP Capacity Building), or external sources (CDFI collaborative loan) for predevelopment funding.
- iii. If a funding determination cannot be made from use of subsection 1 or 2 above, OHCS will provide loan funds to the project with the highest number of proposed units.

4. APPLICATION PACKAGE

The Predevelopment Loan Program (PDLP) Application

Please complete and submit the [OHCS Intake Form](#). Once the Intake Form is completed, which includes completion of the DEI Agreement, Prequalification form, and other project concept questions, the Applicant will be provided access to a project-specific Procorem Workcenter. The application is in the Procorem Workcenter. The application must be completed in full and submitted via the Procorem Workcenter for the Applicant's project. Please use the Tasks listed in your Workcenter to verify that your PDLP application includes all the required supplemental documents.

Please include the following information in or as an attachment to your application form.

Application Questions

The purpose of PDLP is to provide a source of financing for the predevelopment costs required to achieve OHCS's readiness standard for affordable housing development. As such, we understand that the proposed development is in the concept stage and will most likely change over time. Based upon this premise, your development plan should be preliminary and reflect a concept rather than a final project. With that being said, we ask applicants to include as much detail as possible, as it will help to assess the likelihood of the project reaching that readiness standard, and eventually receiving construction financing, which is the primary goal for this resource investment.

Application Overview

This section will be reviewed to ensure that the Applicant and the proposal meet project eligibility criteria as described in the Predevelopment Loan Program portion of this manual. If an Applicant or a proposal are deemed ineligible, review will not proceed past this point and the Applicant will be notified that they are not eligible to receive funding based on the information provided in their application.

i. Applicant Information

This section includes key information about the Applicant, including organization name, type of organization, location, and contact details.

ii. Project Information

This section requires Applicant to respond with project information including project name, location, type, total proposed units, any proposed mixed use or mixed income features, and an estimated total development cost.

iii. OHCS Predevelopment Loan Request

This is where an Applicant will list the amount requested for their Predevelopment Loan. The Applicant must also list any funding received under the PFLP. If the Applicant has not, but would like to, receive PFLP funding, they must use the PFLP application. Please refer to the PFLP portion of this manual.

iv. Predevelopment Uses

Applicant must list the proposed uses of the requested predevelopment funds. All uses must be approved as eligible by OHCS staff, and the total cost of uses listed must equal the requested amount. If the Applicant is seeking a collaborative loan or other funding for predevelopment costs for the project, the Applicant must list the costs that this program specifically will be paying for and include an explanation in the space provided of what additional costs are being paid for by another source, what that source is, and what the commitment status of those resources are.

Project Information

i. Project Description

Applicant should describe the proposed project, including populations served, affordability and unit mix, and anticipated community impact, as well as any other critical high-level details for OHCS to be aware of about the project pertinent to its predevelopment needs.

ii. Site Description

Applicant should generally describe the site the project will be constructed on. The description should include location details, such as access to amenities like schools, parks, grocery stores, transit, and/or cultural centers. It should also describe topography and provide any other details of the site that may impact construction cost and/or timelines, or long term livability (e.g. train tracks adjacent, etc.).

iii. Site Control

Applicant should explain the form of its site control and status of ownership, or the plans to acquire the site and proposed acquisition date. Include proof of site control and appraisal that lists OHCS as an intended user, if Applicant has them already. If no appraisal has been completed, describe the status of those reports.

iv. Zoning and Other Public Approvals

Applicant should complete and submit an OHCS Zoning Form affirming the site is properly zoned for the intended type of Project or if not properly zoned, provide a timeline for proper zoning being complete.

v. Environmental

Applicant should include all environmental reports that are available at the time of application. If no environmental report has been completed, Applicant should identify known or suspected environmental conditions at the site and their plan for having the necessary environmental reports completed. Environmental reports older than 12 months can be used for reference, however, a newer report will be required at a later date.

vi. Community Process

Applicant should describe any anticipated, ongoing, or completed community process related to this project, including community meetings and outreach conducted to neighborhood organizations and residents. Applicant must include any anticipated sources of support and opposition.

vii. Municipal Support

Applicant should describe any municipal support for the project, including any disposition of public property for the site, commitment of local funds, waiver of fees, or other contribution that impacts the project. If a municipality is not providing project support, and is additionally not supportive of the project, please describe the opposition and plan for overcoming that barrier.

viii. Project Design

Applicant should provide a high-level overview of the project’s design, including building type, style, number of floors, number of elevators, unit mix, and any community space. Applicant must note the number of accessible units and include planned visitability features (as defined by ORS 456.510). Applicant must also address the plan for vehicle parking at the project site, including the number of off-street parking spaces and type of parking (e.g. structured or surface) being planned for.

ix. Construction Cost Estimates

Applicant should explain approach for preparing project cost estimates and what information source(s) they used, and include a construction estimate if available. Applicant should also report any innovative design or construction techniques planned for the project.

x. Services Plan (if applicable)

Applicant should include a description of the plan for providing resident services to tenants, including any supportive services proposed for the Project (required if Project will include Permanent Supportive Housing units). Applicant should include the cost of those services and sources of funding. Include any signed Memorandums of Understanding (MOUs) or other agreements Applicant has with service provider, or, if not available yet, identify the entity that the Applicant plans to work with on this project and plan for formalizing their agreement.

xi. Relocation

Applicant must declare whether any tenants of an existing building will be relocated or displaced as a result of this Project, and, if so, describe the relocation plan. If a formal relocation plan exists, Applicant should also submit that document.

xii. Proposed Development Schedule

Applicant should include a completed development schedule with proposed dates for key Project milestones that aligns with expectations for the OHCS ORCA process.

Project Feasibility/Marketability

i. Proposed Project Financing

Applicant must list the project’s proposed financing, including reasonable cost projections categorized at the high level provided in the table within the application, as well as all anticipated sources and their commitment status. This proposed budget must balance or the application will be rejected and Applicant must reapply once they have a plan for filling out their funding stack.

ii. Financing Plan

Applicant should use the Financing Plan section to elaborate on details from their Sources and Uses table, including plans for applying for or accessing funding that is not yet committed.

iii. Proposed Monthly Rents

Lastly, the Applicant must fill out a unit mix table which shows the number of units at each AMI level and bedroom size anticipated in the final design of their project.

Development Team

i. Development Team Members

Applicant should list all members of the Project’s development team that have been brought in thus far. Please do not include anticipated members if the agreements are not formalized yet.

ii. Development Team Selection

Applicant should describe how their development team has been, and will be, selected. Include considerations made around Black, Indigenous, and other people of color (BIPOC) owned businesses and Minority-owned, Woman-owned, and Emerging Small Business (MWESB) utilization, and recent experience with projects for team members, particularly if Applicant has collaborated with them on prior development projects. If contracts are in place for either hard or soft cost services, please provide those details.

Application Awards

Applications will be awarded on a rolling first-come- first-reviewed basis as applications are determined eligible and as program resources allow. OHCS staff will initially review applications for eligibility, including organizational type and eligibility of uses identified. Staff will then

review applications based on the evaluation criteria listed in section 3.A. Projects that meet evaluation standards will then be assigned a Production Analyst to complete loan documents.

Application Charge and Other Costs

Eligibility consideration includes timely receipt of any application charges. Incomplete applications will not reserve a date and time of application until all information is determined complete and accurate by OHCS staff. Ineligible and incomplete applications will not be considered for award.

Applications that are received will be granted access to a Procorem Workcenter. After receiving access to the Procorem Workcenter, please mail the Application Charge Transmittal Form found in the Workcenter with the PFLP application charge of \$500 in the form of a check or money order to:

Oregon Housing & Community Services

Attn: Finance – PDLP Application # *<Provided by OHCS Staff>*

725 Summer Street NE Suite B

Salem, Oregon 97301

Please note, if the \$500 application charge is not received, the application will be considered incomplete. OHCS may charge, and the applicant shall pay, legal and administrative costs reasonably anticipated or incurred by OHCS in negotiating and preparing Agreement Documents and other related documents. OHCS also may charge, and applicant shall pay, any other fees allowed by OHCS administrative rules with respect to the application, ensuing Letter of Intent, Allocation, and Project operation.

If OHCS is unable to consider the application because there is not sufficient funding remaining in PDLP to fund the application, the application charge will be returned to the applicant.

Reservation Of Rights

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.