


OHCS 2011 CFC TRAINING

**2011
CFC TRAINING**
January 26, 2011



1

2011 ALLOCATIONS	
■ HOME	\$ 4,500,000
■ HDGP (Trust Fund)	\$ 1,500,000
■ GHAP (Housing Opportunity Bill)	\$ 2,500,000
■ (LIWX) Weatherization	\$ 700,000
■ HELP (It's Back!)	\$ 500,000
■ OAHTC	\$ 10,000,000
■ LIHTC Program	\$ 7,000,000
■ PRESERVATION	\$ 1,700,000

2

ALLOCATING BY REGION

■ HOME – HDGP - GHAP - LIHTC and PRESERVATION Funds Allocated Regionally (See Table – Pg. 14 – Section 1)

■ OAHTC - HELP and WEATHERIZATION Funds are not Allocated Regionally

3

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REGIONAL ADVISOR TO THE DEPARTMENT (RAD) CONTACT/ASSISTANCE
<ul style="list-style-type: none"> ■ Make EARLY Contact with RAD ■ February 4, 2011 - Deadline for Initial Contact ■ Northwest/Metro Region.....Vince Chiotti ■ Mid-Willamette Valley.....Karen Chase ■ Central Region.....Deborah Price ■ East Region.....Bruce Buchanan ■ Southwest Region.....Karen Clearwater

2011 CFC SCHEDULE FOR PRE-APPLICATION SUBMISSIONS
FEB 4 Last Day for Initial RAD Contact & Last Day to Schedule On-site Review
FEB 11 Last Day to Submit Request for Population Reassignment
FEB 18 Last Day to Submit 3 RD Party Reports for Team Site Reviews
MAR 11 Last Day to Submit AIES Data Sheet Comparables Report
MAR 17 Last Day to Submit Asset Management Info. Req. Form
5

MORE 2011 CFC SCHEDULE
APR 8 First Day Apps Accepted
APR 15 Last Day Apps Accepted
JUL 22 Target Date for Announcing Reservations
Aug 19 Housing Council (HC) HC Approves projects with grants or loans greater than \$200,000 from a single funding source or \$400,000 from combined programs
6

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PART 1 - SUBMITTAL DOCS.
"DOWNLOAD THE 2011 APP"


- **Authorization & Acceptance Form**
 - ▶ Person(s) who has/have Authority over Terms in Form and Owner/Board Chair Must Sign
- **Board of Directors Resolution**
 - ▶ If Organization Requires the Board to Adopt a Resolution – Include – If not, Explain why Not
 - ▶ Sample Format Provided – If Other Format is used, Be Sure all Information is the Same as Provided Format

7

MORE SUBMITTAL DOCS.

- **Application Submittal Checklist**
 - ▶ Complete & Include with Application
 - ▶ Helps Determine what Documents you must Submit & Placement in Application
 - ▶ Pages Should Appear in Same Order as Shown on Checklist
 - ▶ All Pages of App. Need to be Numbered & Correspond to Checklist
- **Attach Payment of Total App. Charges to Transmittal Form(s)**

8

 **WHAT IS REQUIRED**


- Submit Original and 4 Full Copies
- Must Submit an Electronic Version on CD
- Save Application Materials in Microsoft Word or Excel for CD
- Submit 3rd Party Reports in a Portable Document Format (PDF)
- Add'l Instructions on Page 2 of Section 2

9

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Part 2 – THRESHOLD

- ▶ Zoning
- ▶ Site Control
- ▶ OHCS/Portland Housing Bureau Survey
 - > Applies Only if you Have Current OHCS-Funded Projects (Projects Awarded OAHTC/TF only as Sources Exempted)
 - > Must Complete & Submit Before Applying to CFC
 - > Notice was Sent to Partners on October 19, 2010
 - > Contact RAD for Requirements or an Exception Request
 - > Group Homes may be Exempt – Ck with your RAD
 - > Additional Information on Page 7 of Section 2
- ▶ OHCS Environmental Checklist
- ▶ Architectural



10

■ **Part 3 – APPLICANT/PROJECT DATA**
Page 5
No Changes

■ **Part 4 – NARRATIVE QUESTION**

- ▶ Limit to 3 Pages
- ▶ 11-12 Pt Font Only
- ▶ No Less than One Inch Margins on All

11

Part 5 – SELF-SCORED SECTION

- **Must Utilize Excel Form**
- **Renter Preference**
- **Need for Project**
- **Priority Reassessment Form**
- **Green Building**
- **Const. Cost Determination**
- **Comm'ty & Gov. Support**
- **Non-OHCS Resources**

12

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PART 6 – RESIDENT SERVICES

■ **"Describe the Specific Resident Services to be Provided or Coordinated for the Project Tenants."**

■ **Note the Sub-Questions:**

- 1) Why Services are Appropriate for Tenants
- 2) List Actual or Proposed Contractual Agreements with Local Service Providers.
- 3) Describe how Resident Services will be Coordinated with Ongoing Project Property Management

13

TIPS FOR COMPLETING RESIDENT SERVICES



■ **What Typical Household Will Look Like? What will be Their Strengths/Needs?**

■ **Explain Why You've Concluded Those are Services you Should be Offering**

■ **Be Specific to This Project Rather than Discussing Services at Other Projects**

14

FEW MORE TIPS ON SERVICES

■ **Describe how Services will be Delivered. Who will be Responsible and What Will be Expected of them? Who Supervises Their Work?**

■ **Define How the Project Owner and Management Agent will Work Together to Ensure Good Service Delivery**

■ **PART 7 – MARKET (LATER)**

15

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PART 8 - SPONSOR CAPACITY

■ Prior Development & Ownership Experience

- ▶ Team's Experience Developing Housing
- ▶ Readiness of Sponsor's Entity to Develop and Maintain the Project
- ▶ APM's Review of Past Performance of Ongoing OHCS Funded Projects
 - > Expected to Evolve over Next Few Years
 - > May Impact Total Scores in Future CFC Rounds

16



EVALUATION BY ASSET & PROPERTY MANAGEMENT (APM)

■ Evaluation of Sponsor Capacity

- ▶ Meeting Compliance with Program Rules and Regulations
- ▶ Asset Management Obligations on Projects in Operation
- ▶ Income and Expense Reporting
- ▶ Current Status of Charges, Fees and Payments
- ▶ Compliance on Section 8 Properties

■ Please Refer to Sponsor Capacity, Part 8 of the Application for More Detail and Submittal Form.

17

PART 9 - FINANCIAL FEASIBILITY/ READINESS TO PROCEED

- ▶ Proposed Project Schedule
- ▶ Financial Assumptions
- ▶ Non-OHCS Sources Table
- ▶ Developer Fee
- ▶ Contractor Overhead and Profit
- ▶ How Project will Remain Affordable
- ▶ Subsidies if Acquisition Project
- ▶ Project-Based Rental Assistance
- ▶ Preservation/Expiring Use Project
- ▶ Existing Tenant Survey & Tenant Relocation

18

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Part 10 - PRO FORMA SPREADSHEETS

■ Cells are Locked

- ▶ Unlock by Accessing "Tools" & choose Unlock

■ Care When Using

- ▶ Some Cells Embedded with Comments to Assist
- ▶ Insert Only Information in SHADED AREAS – Formulas in Non-Shaded Cells
 - *Altering can Create Errors
- ▶ Incorrect Data May Affect Application Ranking

■ SEPARATE BUDGET COLUMNS

■ Column for The Commercial Costs

■ Instructions in the Instruction Section

19

Part 11 – CONSTRUCTION COST DOCS.

■ Section is not scored.

- ▶ Documents Used in Reviewing:

- 1) Self-Scored Section,
- 2) Architectural Standards in Threshold Section, and
- 3) Costs Indicated on Development Budget in Relation to Scope of Work & Project Costs
- 4) Only Certain Documents will be Accepted

■ Documents to reflect costs represented in application

- ▶ Documents to be complete, accurate and an indicator of the proposed project costs

20

PARTS 12,13,14 & 15 "THE FORMS"

■ Part 12 – Supplemental HOME

■ Part 13 – Supplemental LIHTC

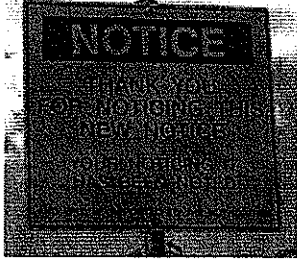
■ Part 14 – Supplemental Weatherization

■ Part 15 – Supplemental OAHTC



21

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2011 NOTICES

22

EVALUATION TEAM REVIEWS
■ Qualified Industry Experts to Review Projects Requesting Funding
<ul style="list-style-type: none">▶ Recommendations & Observations May be Given to Regional Advisors to the Department (RADS) to Provide to Applicants▶ Applicants Must Respond to Team's Findings▶ Review Results will be Included as Part of Internal Reviews & Considered when Making Funding Recommendations to the Director.
23

TO REVIEW OR NOT REVIEW
■ Goal to Provide You Early Threshold Decisions Prior to Applying
■ Some Sites may Not Receive a Review
<ul style="list-style-type: none">▶ Possible Lack of Staff and Financial Resources Could Prohibit▶ New Construction Site may have Been Reviewed in a Prior Round
■ If Review Team Cannot Visit the Site
<ul style="list-style-type: none">▶ No Negative Factor for Scoring▶ You Will Still Need to Meet All Normal Threshold/Regulatory Requirements
24

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TEAMS TO BE AT SITE FOR THE REVIEWS?

■ Team to Review Sites for New Construction:

- ▶ Architect on Site for Review for Layout Ques. May be Helpful – But Not Necessary
- ▶ Architect to Answer Ques. Later is Acceptable

■ Team to Review Rehab/Pres. Projects

- ▶ Having a Person from Your Organization with Knowledge on the CNA and Scope of Work May be Advisable to Expedite the Process

25



ANALYSIS OF INCOME & EXPENSE (AIES) REPORT

■ Help to Develop Expense Budgets

- ▶ Provides Financial Information on Affordable Statewide Housing Comparables
- ▶ Can Create Operating Expense Pro forma Using Department Data

■ Pro forma Development Sources:

- ▶ AIES Report
- ▶ Specific line-item Data Sources
- ▶ Data from Similar Properties
- ▶ Additional Third Party Sources
- ▶ 3-Year Existing Property Operating Histories²⁶

MORE ON AIES REPORTS

■ Non-Preservation Tax Credit Projects Must Include with App.

■ March 11, 2011-Last day to submit AIES Comparables Report

HOW TO REQUEST & USE REPORT-

1. Contact RAD to Verify if it will be Required
2. Complete Report and Submit through RAD
3. We will Provide you Comparables Report
4. You Develop your Pro forma
5. Include Pro forma & Report in CFC App.

27

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Q AND A



28

RD/HUD FUNDING

■ Must Provide Copy of Commitment Letter that Includes:

- ▶ Guarantee Funds will be Available by Time Department Allocates CFC Resources

■ Submitting a Preservation Project, Need to Provide Acknowledgement from RD or HUD (via email or letter) They are Aware You are Applying for CFC Resources.

■ Merely Applying for Federal Funding Does Not Guarantee Acceptance Through CFC

29

MORE ON RD/HUD FUNDING

■ Projects Receiving a 2011 CFC Reservation & Plan to Apply Through the 2011 NOFA – Must Submit Apps. Within 60 Days of the Date of NOFA

■ Once RD Announces Awards – You Must Notify OHCS Immediately

■ Project Fails to Receive RD Funding – OHCS can Rescind 2011 CFC Resources and You will need to Apply to a Future CFC Round

30

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BEST PRACTICES STANDARDS

■ Will Outline Standards for Rehab. & New Construction

- ▶ Assist in Helping Meet OHCS' 30-Year Sustainability Standard
- ▶ Funded Projects from 2011 Must Follow
- ▶ OHCS will work with you on Aspects of the Standard and Add'l Information can be Found in Section 5 Architectural Standards

■ OHCS will Publish for Construction Standards

- ▶ Draft to be Out by March 2011
- ▶ Final Slated to to be Out by June 2011

31

THIRD PARTY CONSTRUCTION INSPECTIONS

■ Required 3rd Party Inspections on All Funded Projects

- ▶ OHCS May Exempt GROUP HOMES, PROJECTS WITH <4 UNITS, or PROJECTS with <\$300K in CFC Requested SOURCES

■ If Required, Inspections Must be Done During Construction

- ▶ Anticipate \$15K for Rehab. Project and \$22K for New Construction Project in the Budget

■ Reports will be Submitted to OHCS During Construction

32

WHO TAKES RESPONSIBILITY FOR CONSTRUCTION ISSUES

■ You have the Contract with your Contractor

- ▶ You will be made aware if there are issues
- ▶ Our Hope would be You Desire to Ensure Construction Meets the Best Standards
- ▶ Poor Construction very well Could Require Add'l Work Sooner than it Would Normally if Stricter Standards had been Followed

■ This was Instilled to Protect You as the Project Owner

33

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MORE ON INSPECTIONS

■ Inspector Interaction with Analyst

- ▶ Analyst in Charge of 1st Stage of Evaluation of 3rd Party Inspection Reports
- ▶ Analyst will have Both Construction & Purchasing Experience
- ▶ Will Evaluate if a Particular Issue Raised During 3rd Party Inspections Requires OHCS Architect's Review

34

NEW OHCS CHARGES



- Fees have been the same since 2006
- CFC Application Charges for 2011
 - ▶ CFC Application Charges Remain the Same
 - > Lesser of \$25/unit or .5% of Total request
 - > Minimum Charge of \$100.
- These Fees can be Reimbursed using OHCS Grant Resources

35

CHARGES (Cont.)

■ Construction Analyst

- ▶ \$2,200 Charge will Apply to All Projects Receiving OHCS Resources
- ▶ Charge will Support Construction Analyst
- ▶ Responsible for Reviewing all Third Party Construction Reports
- ▶ To Ensure Projects are Constructed to 30-Year Standard

- Fee can be Reimbursed using OHCS Grant Resources – Include Line Item in Your Budget

36

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IMPORTANT REQUIRED SCHEDULES

- 30 Year Replacement Reserve
- Real Estate Holdings Schedule

Links to Schedules Found on Page 6 of Part 9 Financial Feasibility & Readiness to Proceed



37

GREEN BUILDING REQUIREMENT

■ Now a Requirement of All Projects

- ▶ In Previous Rounds, it was a Recommendation – Now a Requirement
- ▶ Sec. 4 Policies Standards and Requirements, and
- ▶ Sec. 5 Architectural Standards for New Construction

38

■ Awards for Taking Out or Reducing Current Debt are Ineligible

- ▶ Reduces Ability to Generate/Preserve Affordable Units
- ▶ Policy DOES NOT Apply to Pre-Dev. or Bridge Loans of 24 Mos. Or Less


■ No Awards for Construction Underway or Complete PRIOR to Application

■ Addition to Eligible Non-OHCS Sources Under Self-Scored

39

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	<h2>PREVIOUS NOTICES</h2>
	<ul style="list-style-type: none">■ Prior Notices Still in Effect■ Review Pages 6 and 7 of Section 1 Notices and Overview
	40

	<h2>Q AND A</h2>
	
	41

	<h2>ARRIVING AT THE NEED</h2>
	
	42

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PRIORITY NEEDS ASSESSMENT

■ PURPOSE:

- ▶ Identify gaps between Oregonian needs and existing Special Needs & Affordable Housing
- ▶ Prioritize funding to housing types which address highest unmet need

■ Not a Market Study

43

2011 HOUSING NEEDS PRIORITIES for WORKFORCE

■ In 2011 Housing Needs Priorities for Workforce Housing Updated Using American Community Survey's Housing Burden Data

- ▶ Workforce Housing Priority Established by Comparing the Burden Rate of Low Income Workforce Renters (30-60% county median income)

■ Priorities for Special Needs Same as in 2010

44

PRIORITY ONE

■ Priority 1 for All of State:

- ▶ Homeless
- ▶ Chronically Homeless
- ▶ Preservation Projects

■ Exceptions:

- ▶ May be Made to Need Prioritization for Project with Committed Fed. Funds That Have Operating or Rental Assistance
- ▶ If Community is Not #1 for Workforce Housing, Can Receive a #1 by Proposing an Acq./Rehab to Serve Low-Income Tenants

45

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PRIORITY 2 SPECIAL NEEDS:

- ▶ Alcohol & Drug Recovery
- ▶ Chronically Homeless
- ▶ Domestic Violence Victims
- ▶ Elderly
- ▶ Farmworkers
- ▶ Frail Elderly
- ▶ HIV/AIDS
- ▶ Homeless
- ▶ People with presence of a Physical Disability
- ▶ People with presence of a Chronic Mental Illness
- ▶ People with presence of a Developmental Disability
- ▶ Released Offenders
- ▶ Workforce/Family

46

PRIORITY 3 – RENT-BURDENED WORKFORCE

- Household Earning 30-60% AMI
- >30% of Gross Income Spent on Rent
- Any Community/County with Rent-Burdened Households Exceeding Statewide Average Receive Priority One
 - ▶ Remaining Cities and Counties Divided Into Priority Two and Three

47

DETERMINING THE NEED

- http://www.ohcs.oregon.gov/OHCS/RA_Needs_Analysis.shtml
- Web Site Above Has Attachments:
 - ▶ CFC Needs Analysis
 - ▶ Priority Ranking
 - ▶ By County
 - ▶ Statewide Housing Inventory
 - ▶ Special Needs by County
 - ▶ Workforce
 - ▶ Methods

48

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PRIORITY NEEDS ASSESSMENT

■ IF YOU DON'T AGREE WITH YOUR TARGET GROUP PRIORITY:

- ▶ "Request for Target Priority Reassignment" Form – Part 5 Self-Scored Section
- ▶ Provide description of reason as well as data to support a priority change
- ▶ To be reviewed by Department

■ Any Questions? Contact your RAD, or OHCS Research Analyst

- ▶ Natasha Detweiler, (503) 986-6741

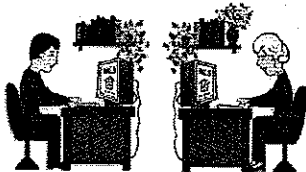
49

BREAK



50

MARKET SECTION



51

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PART 7 - CFC MARKET SECTION -- CHOICES

- Group Home
- Summary Special Needs Market Assessment
- General Market Assessment
- LIHTC Third Party Market Assessment

52

GROUP HOMES

■ Demonstrate the Demand



- ▶ Need to Provide Sufficient Information to Confirm Need
- ▶ Adequate Population in future to Support Through Affordability Period

53

SUMMARY SPECIAL NEEDS M.A.

■ Analysis

- ▶ Different Analysis than General M.A.
- ▶ Applies to Projects < 20 Units & Non-LIHTC
- ▶ Dependent on Agencies & Providers
- ▶ Requires ONE (1) Excel Worksheet
- ▶ Supplementary Data may be Requested

54

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GENERAL MARKET ASSESSMENT

- Supply / Demand Questions
- Rental Survey
- Emphasis on Actual Market Data
- Analysis must be Supported by Data
- Conclusions - Credible
- OHCS May Request Supplemental Data

55

LIHTC M. A. REQUIREMENTS

- LIHTC Market Analysis Must be No More than Six Months old at the time of application or re-application
 - ▶ Means Effective Date of Report Cannot Exceed Six Months Prior to Application Date
- Required: 1) Third-Party Prepared
2) Sponsor Pays
- Detailed Requirements as to What is Required
- Discuss Scope of Work or Problems with OHCS RAD or Analyst if Needed

56

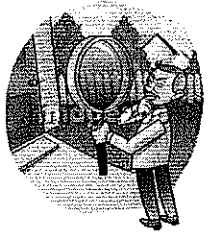
LIHTC REQUIREMENT CHANGES

- Verify LIHTC Analyst Follows New 2011 Requirements
- Individual Requirements Updated
- Reduced Scope of Work in Rehab Projects

57

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<h2>QUALS FOR RENT ANALYSIS</h2>
<ul style="list-style-type: none">■ Rental Analysis Sections<ul style="list-style-type: none">▶ Considered an Appraisal Under USPAP & ORS 674▶ Applies to Both Market and Affordable Sections▶ Must be Completed by State Cert. Appraiser▶ Contact the Oregon Appraiser Cert. and Licensing Board for Certification Info.
58

<h2>Basic Market Analysis Handbook</h2>
<ul style="list-style-type: none">▶ CFC Questions▶ Resources▶ Suggestions▶ Examples 
59

<h2>M.A. HANDBOOK ADDENDUM</h2>
<ul style="list-style-type: none">A. Project Market Assessment Excel WorkbookB. Special Needs Assessment Excel WorkbookC. Example: U.S. Census - Demographic ProfileD. Example: U.S. Census - SF 3 TablesE. Glossary of M.A. Terms
60

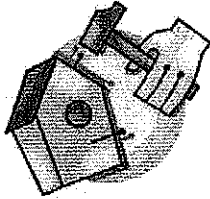
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Q AND A



61

HOME



62

HOME PROGRAM

■ CONTRACTORS AND DEBARMENT LIST

<http://www.epls.gov/epls/search.do>

■ Requirement whether HOME is in or Not

■ Eligibility Must be Verified PRIOR to Entering Into a Contract

■ Discussed in Detail in HOME Program Description and Requirements

▶ Section 6 – Page 13

63

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COMBINING SPECIAL NEEDS and HOME



■ Applying for HOME Funding & Licensed By or Funds Provided By DHS:

- ▶ Obtain Letter from DHS Confirming Project Will and Can Comply With HOME Requirements:
 - > Lease
 - > Services
 - > Affirmative Marketing

64

SPECIAL NEEDS & HOME

■ Lease Agreement MUST

- ▶ Offer 1-YR Lease
- ▶ 30-day Termination of Tenancy Clause

■ Services

- ▶ Cannot be Condition of Tenancy
- ▶ Supportive Services Can be Required in Transitional

65

HOME FUNDED GROUP HOMES

■ Sponsors of Group Homes

- ▶ Project Must Be Open to Anyone With a Disability
- ▶ Complying with Affirmative Marketing – Must accept application from the General Public and Not Limit to Referrals from Just One Entity
- ▶ Services Can be Directed to Specific Special Needs Population
 - > Potential Tenants Must Self-Select Housing Based on the Appropriateness of the Services Offered

66

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LOW INCOME HOUSING TAX CREDITS (LIHTC)



67

LIHTC PROGRAM CHANGES

- LIHTC Income Limits for 2011 Have Not Yet Been Published
- OHCS will Award Remaining 2011 and 2012 Credits in this Round
- Unless the 9% Rate is Legislatively Extended, 2011 Credit Projects will be the Last Ones to Use the Fixed 9% Rate
- The 4% Rate Continues to Float

68

MORE ON INCOME LIMITS

- 2009 HUD Published 2 Tables Separating LIHTC Income Limits from Sec. 8 Income Limits.

► For Add'l Information:

http://www.ohcs.oregon.gov/OHCS/HPM_income_limits.shtml

- Project is Considered Rural by USDA or Qualifies for the Non-Metro National Median Income:

<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfp&NavKey=property@12>

69

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MORE ON LIHTC

■ **Preservation & New Construction Applications Welcome this Round (1/2 for Preservation)**

■ **Substantial Rehab Expenditures Increased to Greater of 20% of Adjusted Basis of a Building or \$6,000/unit, Indexed to Inflation**

■ **Federally Subsidized Definition for Eligible Basis Determination Limited to Any Obligation**

- ▶ Interest of which is Exempt from Tax Under Section 103*

70

HERA & STATE'S BASIS BOOST

■ **HERA Provision Affected State's Ability to Decide which Projects & Buildings Qualify for Basis Boost of up to 30% for Purposes of Eligible Basis Determination**

■ **If Project is NOT in HUD Designated DDA or QCT, may be Eligible for State's Basis Boost, for the Rehabilitation/New Construction Portion of a 9% Project**

- ▶ Acquisition Credit Basis is not Eligible for the Boost
- ▶ Counties are Listed on Page 12 of Section 9

71

PROJECTS QUALIFYING FOR BOOST:

- ▶ Preservation Projects
- ▶ Permanent Supportive Housing projects
- ▶ Workforce Housing Projects
- ▶ Projects in Urban Renewal Districts
- ▶ Transit Oriented Districts
- ▶ Projects in Economic Revitalization Areas, as Determined by Local or State Governments

72

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QUAL. ALLOC. PLAN (QAP) & BOOST

■ OHCS' Basis Boost Policy in QAP States We Reserve Right to Return to Types Outlined in Previous Slide:

- ▶ When Economic Conditions Improve, or
- ▶ Within 12 Months of Publishing Amended QAP, Whichever is Later.

■ Complete 130% Basis Boost Request Supplemental LIHTC forms (Page 9 – of Part 13), as Appropriate for Project.

73

STATE BOOST'S

■ OHCS will Consider Requests for the Boost if Needed for Financial Feasibility

■ Approval of Basis Boost DOES NOT Mean Project gets More Credits than Requested in CFC



74

GENERAL LIHTC REMINDERS

- Per Project Credit Cap is \$820,000
- If Successful, Requests for Additional Credits will be Reviewed if Credits are Available
- Primary DCR Should be no Lower than 1.15 & 1.20, Unless Your Lender Requires a Different DSCR

75

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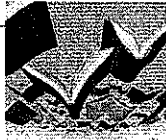
MORE LIHTC REMINDERS

- **Lender Requirements for Loan to Value Different than Typical Standards from Recent Years, Need to be Explained**
- **Operating Reserves Beyond 4 to 6 Months of Expenses Supported by the Requiring Party (Investor/Perm Lender)**

76

JUST TO REMIND YOU

- **Carryover Application Due BEFORE December 1, 2011 with a Completed 10% Cost Certification or Sponsor's Self Cert**



- ▶ Late Charge if Received After 12/1/11
- ▶ 10% Cost Certification Deadline Extended to 12 Mos. from Carryover Allocation

77

- **Final Apps. to be Submitted No Later Than 6 Months After P.I.S Date**

- ▶ Late Charge if not Received within 6 Months of Completion (\$1,000 first month - \$100/mo thereafter)

- **Projects with Split Year Tax Credit Awards Must Follow QAP in Effect When Credits Initially Reserved**

78

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HOME as FEDERAL FUNDS or STORY of GRANTS v. LOANS

- Federally Subsidized v. Federally Funded Grant
- HOME Grant = Federal Subsidy, Remove from Eligible Basis
- HOME Loan ≠ Federal Subsidy, No Need to Not Remove from Eligible Basis, see Slide #37 on Repayment

79

Professional Opinions For LIHTC

■ Owners with Loans Defined as Cash Flow Only, Deferred Pmt., or Partnership

- ▶ Be Prepared to Provide Professional Certification or Opinion Loan has Reasonable Expectation for Repayment Before Loan Proceeds can be Included in Basis, Usually in the Final Analysis
- ▶ Letter will be Required at Final App. if Project Cash Flow Cannot Pay Off in Identified Term

80

■ General Public Use Rule

- ▶ LIHTC Housing OK for Tenants with Special Needs, or
- ▶ Members of a Specified Group Under a Federal or State Housing Program or Policy, or
- ▶ Are Involved in Artistic or Literary Endeavors
- ▶ Must Continue to be **Marketed and Rented** in Manner Consistent with Housing Policy Governing Non-discrimination

81

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Q AND A



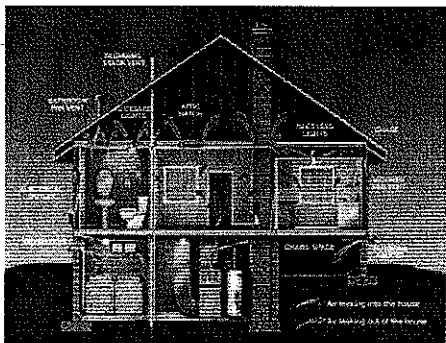
82

HELP PROGRAM AVAILABLE

- **\$200,000 Maximum Grant**
- **Eligible Populations**
 - ▶ Homeless, Including Victims of Domestic Violence (Housing PLUS definition only), and Group Homes for Persons with Developmental Disabilities or Chronic Mental Illness
- **Section 7 – Page 2**
 - ▶ Full Definition for the Populations

83

WEATHERIZATION



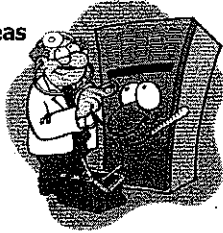
84

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WEATHERIZATION FUNDS

■ Funding Only Allows for Projects in PGE Service Areas

■ Other Restrictions May Apply Depending on Type of Fuel Used for Heating and Type of Activities



85

CFC WX REQUIREMENTS

■ Submit With Application:

- ▶ Copy of Applicable Energy Efficiency Plan Worksheet
- ▶ Copy of WX Calculator
- ▶ Narrative Regarding Proposed Energy Efficient Measures
 - >Question in Application



86

WX REQUIREMENTS

■ Post Construction Inspections to Verify Measures Complete


■ Sign-Off Sheet:

- ▶ Low-Income Weatherization 3rd Party Cert. of Completion

87

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GENERAL HSG ACCT PROGRAM (GHAP)



88


GENERAL HSG ACCT PROGRAM (GHAP) SEC. 8

- **Funding Comes from Recording Fee Collected by County Clerks**
- **Created by 2009 Legislature**
 - ▶ To Expand State's Supply of Housing for Low and Very Low Income Oregonians
 - ▶ Grants and Loans
 - ▶ New Construction – Acq/Rehab – Operational Grants

89

ELIGIBILITY / BENEFICIARIES

- **Applicants:**
 - ▶ For-Profit Businesses – Local Gov. Entities – Housing Authorities – Non-Profit Agencies/Corporations & Private Individuals or Corporations
- **Maximum Total Award Combined of GHAP + HDGP = or <\$500,000**
- **Grant or Loan**



90

OHCS 2011 CFC TRAINING

MORE ON GHAP

■ LIHTC Projects Limited to \$200,000 for Long Term Project Funding

■ Long Term Project Funding

- ▶ Maximum \$200,000 may be Utilized for Long Term Project Funding on LIHTC projects with Balance of Advanced in Excess of \$200,000 Repaid at Construction Loan Closing,
- ▶ Long Term Funding Shall be Secured by the Project

91

GHAP OPERATING GRANTS

■ Operating Grants

- ▶ Designed to Assist Smaller Special Needs Projects
- ▶ Maximum \$100,000
- ▶ Must Demonstrate Long Term Operating Results
- ▶ If Project Received Operating Grant - All Units in Project Need to be at 50% or Below Area Median Income

92

Q AND A



93

OHCS 2011 CFC TRAINING

DEADLINES ON OPTION AGREES.

■ Option and Sale Agreements Valid Thru December 31, 2011 -

- ▶ If HOME is Funding Source; or
- ▶ If Any CFC Funding Used to Acquire Site

■ Option and Sale Agreements Valid Through July 1, 2011-

- ▶ If Funds Other than OHCS Will Be Used to Acquire Site
- ▶ Contact RAD if a Site Control Exception is Needed
- ▶ Must be Received no Later than 2 Wks. Prior to Application Deadline

94

CONDITIONS PREVENTING REVIEW

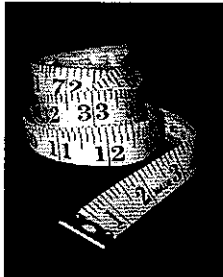
Pg. 17 - App Submittal & Review

- ▶ Site adjacent to hazards or unsuitable area
- ▶ Environmental issues
- ▶ Schedules Not Met on Funded Projects Without Explanation
- ▶ Compliance Issues on Previous Projects
- ▶ Application is incomplete
- ▶ OHCS Architectural Requirements Not Met
- ▶ Other Issues OHCS May Deem Appropriate

95

PERFORMANCE MEASUREMENTS/ PREFERENCES

Section 3



96

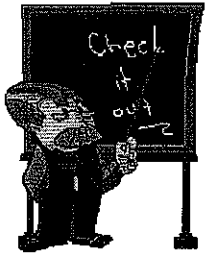
OHCS 2011 CFC TRAINING

PREFERENCES Pages 2-4 – Sec. 3

- **Performance Measurements/Spec. Needs**
- **Set-Asides**
 - ▶ Preservation
- **Preferences for Housing**
- **Tenant Income Qualifying**
- **Affirmative Hiring Practices**
- **Community Support**
- **Mass Transit/Urban Growth**
- **Site Preferences**

97

POLICIES / STANDARDS & REQUIREMENTS
Section 4



98

POLICIES/STANDARDS

- **Revocation of Reservation**
- **Readiness to Proceed**
 - ▶ Limited Resources / Oversubscription
 - ▶ Goal: Projects Ready to Start Const. Within 1 Year of CFC Award
 - ▶ Expectation - Certain Pre-Dev. Activities be Completed Prior to Application

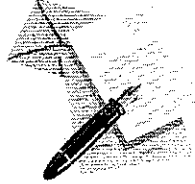
99

OHCS 2011 CFC TRAINING

SECTION 8 PROPERTY PURCHASES

■ Acquisition/Rehab of Project With OHCS Mortgages/ HUD Sec 8 Contracts

- ▶ Notify RAD of Your Intent
- ▶ Notify OHCS 60-90 Days prior to submitting the APP.
- ▶ Letter to Nancy Cain, CFO,
725 Summer St. NE,
Suite B, Salem, 97301



100

- BETC Credit Designation
- Expectation Training
- Grants, Loans & Credits Awarded/ Disbursed to Property Owner
 - ▶ Exception for Granting to Managing Member
- Standardized Documents – Not Open to Modification
- Participatory Requirements
- Material Participation by Non-Profit
- BOLI
- Affirmative Outreach
- Sustainability and Housing

101

POLICIES/STANDARDS

■ Insurance Requirement

- ▶ Acquire Appropriate Hazard, Liability and/or Property Insurance
- ▶ OHCS Documents describe Specific Insurance Requirements



■ Draws

- ▶ Group Invoices and Make Large Draws
- ▶ Access one OHCS Grant Source in Full before Drawing Funds from a Second Grant
- ▶ Never Leave Less than \$1,000 in the Account

102
