



Oregon

John A. Kitzhaber, MD, Governor

Housing and Community Services

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Date: October 14, 2011
To: Prospective Respondents
Subject: Request for Pre-Applications

Oregon Housing and Community Services (OHCS) is issuing a Request for Pre-Applications (RFA) for Housing Preservation Funds.

Background

The 2011 legislature allocated \$5 million in Lottery Backed Bonds to support OHCS efforts to preserve the state's affordable housing stock. The funding is intended to preserve 125 units of housing at risk of converting to market rate rents due to expiring federal contracts with at least 25 percent Project Based Assistance (PBA). The residents of these developments represent the lowest income Oregonians and face a high risk of homelessness if the federal rent subsidy does not continue, placing additional burden on affordable housing already in short supply.

OHCS is making available up to \$4.7 million in Housing Preservation Funds, Oregon Affordable Housing Tax Credits (OAHTC), and \$1 million of additional funds under this RFA.

Purpose of RFA

The purpose of the Request for Pre-Application is to provide an equal opportunity for individuals and organizations interested in preserving affordable housing projects with expiring federal project-based rental assistance to apply for a limited amount of Housing Preservation Funds. These funds will provide gap financing to acquire and rehabilitate these developments. It will ensure the units remain affordable and the facilities will be in good condition for future years.

Pre-Application Requirements

Only applicants who will use the Housing Preservation Funds in conjunction with OHCS issued bond financing may apply under this Request for Pre-Applications.

Submission of a Pre-Application does not guarantee funding. OHCS will evaluate and rank pre-applications based upon the criteria outlined in the "Funding Priority Decision Tree" that is part of this RFA.

Prior to a reservation of funds, applicants selected under the RFA must:

- submit a bond application and other additional information to OHCS' satisfaction;
- demonstrate project financial viability; and

- have the capacity to obtain all necessary financing and meet all financing program obligations

Pre-Applications must contain the following:

- Borrower information;
- Brief project description;
- Need in community for the preservation of the project (units);
- Financing schedule indicating the preservation of the project within two years (by June 30, 2011);
- Interest or commitment letters from potential financing partners; and
- Acknowledgement from applicant that a 20-year HAP contract will be requested at current HAP contract renewal, if a HUD Section 8 project.

Do not fax Pre-Applications for consideration. Mail the Pre-Application in its entirety to the following address:

**Oregon Housing and Community Services
Attn: Heather Pate, Multifamily Programs Section Manager
Multifamily Housing Section
725 Summer Street NE, Suite B
Salem OR 97301-1266
503-986-2118**

OHCS reserves the right to reject any or all Pre-Applications, to waive any informalities, or to respond to the Pre-Applications deemed best for the State of Oregon. OHCS will accept Pre-Applications on an ongoing basis through the deadline date of **November 15, 2011**. OHCS will evaluate and accept or deny proposals at the close of the RFA period.

Minority Business Enterprises/Women's Business Enterprises and disadvantaged business enterprises will be afforded full opportunity to submit Applications in response to this invitation, and will not be discriminated against on the grounds of race, color, religion, sex or national origin in consideration for an agreement entered into pursuant to this advertisement.

By submission of a proposal, the applicant agrees, if their proposal is accepted and funds awarded, to enter into funding agreement(s) with OHCS in the form prescribed by OHCS. The applicant must complete all work as specified or indicated in the application materials based upon the agreed upon development budget and within the time indicated in the proposal package. The applicant further accepts all of the terms and conditions of the RFA and any terms and conditions imposed by the requirements of the Housing Preservation Funds program.

Applicants to this RFA should be advised that, prior to reservation of any funds or entering into any agreement, OHCS reserves the right to conduct an assessment for the purpose of determining the applicant's capacity to perform to the specifications outlined in the RFA proposal.

REQUEST FOR PRE-APPLICATION HOUSING PRESERVATION FUNDS

Due November 15, 2011

**Oregon Housing and Community Services
Attn: Heather Pate, Multifamily Housing Programs Section Manager
Multifamily Housing Section
725 Summer Street NE, Suite B
Salem OR 97301-1266
503-986-2118**

**OREGON HOUSING AND COMMUNITY SERVICES
REQUEST FOR PRE-APPLICATIONS**

Project Title: Housing Preservation Funds

Proposal Closing Date: **November 15, 2011**

Eligible Applicants: Individuals, partnerships, government entities, and for-profit and non-profit housing development organizations.

Contents of the RFA:

1. Introduction
2. Project Description
3. Funding
4. Instructions to Applicants
5. Submission of Proposal
6. Proposal Format
7. Schedule of Activities
8. Proposal Submission Format

Additional Information: OHCS will evaluate and rank Pre-applications based upon the criteria outlined in the “Funding Priority Decision Tree,” that is a part of this RFA.

Introduction

The Oregon Housing and Community Services (OHCS) announces a request for pre-applications for entities interested in preserving projects with expiring federally contracted project based rental assistance. Applications will be accepted for projects located throughout Oregon. Successful applicants will identify and provide development budgets for the projects within the parameters of the attached application format. Applicants must demonstrate a commitment to affordable housing that meets, at a minimum, tax exempt bond financing and 4 percent Low-Income Housing Tax Credit program requirements.

For the purposes of this RFA, OHCS will be requesting an application to determine a reservation of Housing Preservation Funds. If a proposal is selected for reservation, the applicant will be required to submit a bond/4 percent LIHTC pre-application within 45 days.

Project Description

Background

During the 2011 legislative session, OHCS received an appropriation of \$5 million in Lottery Backed Bonds for the 2011-13 biennium to preserve the state's affordable housing stock. The funding is intended to preserve affordability and rental assistance of 125 units of housing that are at risk of being converted to market due to expiring federal contracts (both Section 8 and RD). Residents of these developments represent the lowest income Oregonians and face a high risk of homelessness if federal subsidy does not continue, placing additional burden on affordable housing already in short supply.

Funding

OHCS is making available up to \$4.7 million in Housing Preservation Funds, Oregon Affordable Housing Tax Credits and \$1 million of additional funding under this RFA, to be used in conjunction with the Department's bond/4 percent programs, with the expectation to preserve a minimum of 125 units.

OHCS will evaluate Pre-applications using a "Funding Priority Decision Tree" (see Exhibit F attached).

Instructions to Applicants

Applicants must submit applications per the format described below in order to compete under this RFA.

Complete applications must be postmarked by or received at OHCS no later than **November 15, 2011**. Pre-applications may be submitted at any time prior to the above deadline. Pre-applications postmarked after this date will not be considered under this RFA.

Submission of Applications

Four (4) copies of the pre-application are required. One set must have original signatures. The proposal must be postmarked or received by OHCS, at the address listed below, no later than **November 15, 2011**. OHCS will not accept faxed or late pre-applications. All pre-applications

and any accompanying documentation become the property of OHCS and will not be returned. The RFA coordinator will be the point of contact for this solicitation. Please address the proposal to:

Oregon Housing and Community Services
Attn: Heather Pate, Multifamily Housing Programs Section Manager
Multifamily Housing Section
725 Summer St NE, Suite B
Salem, OR 97301-1266
503-986-2118

Proposal Format

The applying entity's authorized signor must sign and date the pre-application.

OHCS will notify applicants selected for a reservation of funds and may require the applicant to submit additional information. Receipt of a reservation of funds does not constitute a commitment of (additional) OHCS resources. Failure to proceed on the project in a manner deemed timely by the department may result in reservation revocation. Pre-applications may be rejected after a reservation is made if OHCS determines the application does not meet OHCS or programmatic requirements. A pre-application checklist is attached. Please submit the items on the checklist if they are available at time of submission.

The final selection, if any, will be those pre-applications, which, in the opinion of the evaluation committee after review, best meets the requirements set forth in the RFA and is in the best interest of the State of Oregon.

In the event it becomes necessary to revise any part of the RFA, OHCS will provide addenda to all potential and known applicants who receive the RFA.

OHCS and the State of Oregon will not be liable for any costs incurred by the applicant associated with the preparation of a proposal submitted in response to this RFA.

EXHIBIT A

DATA SUMMARY

APPLICANT INFORMATION

Project Name: _____

Project Address: _____
Street City Zip Code County

Legislative Districts: _____ U.S. House _____ State Senate _____ State House

* To find the project's district numbers visit <http://www.leg.state.or.us/findlegsltr/findset.htm>

APPLICANT

Name: _____
Contact: _____
Street: _____
City/St/Zip: _____
Phone: _____
Fax: _____
E-Mail: _____
Tax I.D. #: _____

Applicant Type ("X"box)

For Profit	<input type="checkbox"/>	Housing Authority	<input type="checkbox"/>
Nonprofit	<input type="checkbox"/>	CHDO	<input type="checkbox"/>
		Local Government	<input type="checkbox"/>

CO-APPLICANT

Name: _____
Contact: _____
Street: _____
City/St/Zip: _____
Phone: _____
Fax: _____
E-Mail: _____
Tax I.D. #: _____

Co-Applicant Type ("X"box)

For Profit	<input type="checkbox"/>	Housing Authority	<input type="checkbox"/>
Nonprofit	<input type="checkbox"/>	CHDO	<input type="checkbox"/>
		Local Government	<input type="checkbox"/>

OWNERSHIP ENTITY (LP, LLC, etc.)

Name: _____
Contact: _____
Street: _____
City/St/Zip: _____
Phone: _____
Fax: _____
E-Mail: _____
Ownership Tax ID #: _____

CONSULTANT (if applicable)

Name: _____
Contact: _____
Street: _____
City/St/Zip: _____
Phone: _____
Fax: _____
E-Mail: _____

All Correspondence Should Be Directed to:

Contact: _____ Title: _____
 Name: _____ Phone: _____
 Address: _____ Fax: _____
 City/St/Zip: _____ E-Mail: _____

NONPROFIT INFORMATION

(If Applicable)

Source of your exemption (“X” box)

<input type="checkbox"/>	IRC Section 501(a)	<input type="checkbox"/>	IRC Section 501(c)(3)
<input type="checkbox"/>	IRC Section 501(c)(4)	<input type="checkbox"/>	ORS 456

Date incorporated:	_____	Date IRS 501(c)(3) received:	_____
Date Articles of Incorporation & By-laws filed:	_____	Date Articles or By-laws amended:	_____
Date Purpose/Mission statement:	_____	Date Purpose/Mission statement amended:	_____

	Yes (X)	No (X)
Do the By-laws set forth the development of affordable housing as a purpose?	<input type="checkbox"/>	<input type="checkbox"/>
Is the project a for-profit / nonprofit joint venture?	<input type="checkbox"/>	<input type="checkbox"/>

DEVELOPMENT TEAM INFORMATION

(Provide the following information, as it applies to the project.)

Contractor:	_____	Ph:	_____	Email:	_____
Architect:	_____	Ph:	_____	Email:	_____
Tax Atty:	_____	Ph:	_____	Email:	_____
Tax Acct:	_____	Ph:	_____	Email:	_____
Syndicator:	_____	Ph:	_____	Email:	_____
Property Mgr:	_____	Ph:	_____	Email:	_____
Other:	_____	Ph:	_____	Email:	_____

PROJECT SITE INFORMATION
(If known, please complete)

Unit density of site per local zoning code:

Maximum # units _____ Minimum # units _____ Proposed # units _____

Size of site: (one acre = 43,560 square feet)

Acres: _____ or Square Feet: _____

Are all utilities presently at site?

Yes (X)	No (X)
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If no, what needs to be brought to the site? _____

Site Location:

Is property located inside the city limits?

Yes (X)	No (X)
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Building(s) Information:

Number of residential buildings _____ Number of non-residential buildings. _____
Number of residential floors. _____ Number of non-residential floors. _____
Total no. of code required parking spaces. . . _____

If the project has day care facilities, indicate the number of children the facilities will serve: _____

	Yes (X)	No (X)
1) Will green/sustainable building methods be utilized to construct the building?		
2) Are the residential units available to the general public within the population you're serving?		
3) Will the day care facility be available on a preference basis to project residents?.....		
4) Will the project have a community room, common area or commercial space?		
5) Will there be a use or rental fee for these spaces?		

If the project consists of more than one building or type of use, are they:

	Yes (X)	No (X)
Located on the same tract of land?		
Common ownership for federal tax purposes?		
Financed pursuant to a common plan of financing?		
Common property management?		

EXHIBIT B

PROJECT SCHEDULE

Project Name: _____ Schedule date: _____

ACTIVITY	PROPOSED DATE (month/year) *	REVISED DATE (month/year) *	COMPLETED DATE (month/year) *
SITE			
Option/Contract executed			
Site Acquisition			
Zoning Approval			
Site Analysis			
Building Permits & Fees			
PRE-DEVELOPMENT			
Plans Completed			
Final Bids			
Contractor Selected			
FINANCING			
CONSTRUCTION LOAN:			
Proposal			
Firm Commitment			
Closing/Funding of Loan			
PERMANENT LOAN:			
Proposal			
Firm Commitment			
Closing/Funding of Loan			
SYNDICATION/PARTNERSHIP AGREEMENT (LIHTC)			
CONSTRUCTION BEGINS			
CONSTRUCTION COMPLETED			
CERTIFICATE OF OCCUPANCY			
MARKETING BEGINS			
LEASE UP COMPLETED			

EXHIBIT C PROJECT PROFORMAS

Please use the Department proforma format found at the following link:

<http://www.ohcs.oregon.gov/OHCS/HD/HFS/BondApplication/BondProformaSpreadsheet.xls>

The following pages should be submitted with the pre-application:

- Sources
- Uses of Funds
- Operating Budget
- 30 yr Cash Flow
- LIHTC Calculation
- OAHTC Calculation

EXHIBIT D PROJECT SUMMARY

PROJECT SUMMARY AND DEVELOPMENT

Please provide a project summary in narrative format, addressing the questions below. Replies should be succinct, but still provide adequate detail to fully describe the project.

1. Describe the proposed project. Describe the location, physical characteristics, amenities, design, target population, unit type and number of units in the development. If Section 8 project, please provide the HAP Contract expiration date. If RD project, please indicate if the current owner has submitted a prepayment application to Rural Development.

X

2. Please describe why it is important to fund your project at this time. Discuss why the project is needed in the community and what the impact would be to both the project and the community if the project does not receive funding.

X

3. Describe the resources to be used in the development of this project. Identify the sources and amount of OHCS **and other funding** needed to develop this project. Discuss the status of other funding applications in progress. Are there local sources of funds, donations or fee waivers for which application could be made? Describe how and why OHCS funds are needed to meet development costs.

X

4. Briefly describe the anticipated scope of rehabilitation activities. Indicate if any 3rd party reports (ie, CNA, Pest & Dry Rot, Roof Inspection, Phase I, etc.) have been completed. If 3rd party reports have been completed, submit with pre-application. Provide construction cost estimates from 3rd party contractor or architect, if available.

X

SPONSOR AND TEAM

1. Describe the structure and staffing of the organization as it relates to this project. Explain how the organization's experience and ability has prepared the project sponsor to properly develop and manage this project. If there are currently other projects under development, list them and address any impact the proposed project may have on the other projects that are also in the development stages.

X

EXHIBIT E
AUTHORIZATION AND ACCEPTANCE FORM

Owner/Board of Directors of: _____
Project Name: _____
Project Address: _____

By this action the Owner/Board of Directors accepts the responsibilities and requirements of any tax credit, grant and loan programs applied for in this Application. In accordance with the corporation's by-laws, effective this date, authorization has been given by the Owner/Board of Directors to the following named parties:

1. To apply for programs, grants or loans in this application: The undersigned, being duly authorized to submit this application on behalf of the named Applicant, hereby represents and certifies that all required documents have been submitted in this application packet, and that the information provided in this application, to the best of his/her knowledge, is true, complete, and accurately describes the proposed project. The undersigned further authorizes the release of project information to Oregon Housing and Community Services ("Department," "OHCS") from all financial partners listed in the Application and authorizes the Department to verify any Application information, including financial information, as required to complete its due diligence.

Signature	Title
Print Name	Date

2. To execute all legal documents associated with tax credit, grant and loan programs (including the encumbrance of valuable property owned by the corporation).

Signature	Title
Signature	Title

3. To sign all draw requests, monthly progress reports and miscellaneous forms associated with the tax credit, grant and loan programs awarded to the project.

Signature	Title
Signature	Title

Signed:

Owner/ Board Chair Name	Signature
Organization	Date

Is a Board Resolution required to authorize any of the above? (yes/no) _____ If "yes," include a copy of the Resolution with the Application.

EXHIBIT F

Oregon Housing and Community Services 2009-11 Housing Preservation Strategy Funding Priority Decision Tree

