

Fall 2015 NOFA Questions and Answers

Schedule

1. I would like to suggest making the proposal **due date** later than January 4, 2015 as there won't be people working during the winter holidays.

The due dates have been changed as shown below:

- Proposals that were due January 4, 2016 will now be due **January 11, 2016**
- Proposals that were due January 19, 2016 will now be due **February 8, 2016**

2. Is the **Mandatory Contractor Networking Session** meeting on December 3, 2015 optional for developers?

Yes

3. If an applicant is submitting an application for one project that needs two funding sources with different **due dates**, which applies?

The earlier of the two submission dates applies.

Sites

4. Who is responsible for partitioning the **10520 NE Halsey St, site** currently owned by PDC?

In concert with PDC, the selected developer will be responsible for executing the partition.

5. Will PDC consider contributing **additional funds** for development of the site on **NE Halsey St**?

Yes, but only for the commercial portion of the development and only provided those commercial spaces/uses meet the NOFA's requirements and/or preferences.

6. Will there be any **commercial relocation** expense related to the County's tenant at the **North Williams Center site** that will have to be paid by the developer?

Relocation costs will not apply. The current commercial tenant's lease is expiring shortly and the tenant will have vacated the site by the time redevelopment occurs. The County, as landlord, asks that development teams wanting to view the site be respectful of the current tenant and not enter the property without prior permission from the County.

7. In regards to the North Williams Center site, will the **adjacent house be removed**?

No. That property is not owned by Multnomah County. The selected development team will need to work around the house and/or with the property owners.

- 8. Regarding the site in the Lents Urban Renewal Area owned by PDC (7104-7120 and 7126-7130 SE Foster Rd.), the NOFA says the ‘design and uses must be compatible with the Mercado.’ Who will decide what constitutes compatibility, PHB or PDC?**

PDC will take the lead on any commercial uses proposed with input from PHB.

- 9. Regarding the site in the Lents Urban Renewal Area owned by PDC (7104-7120 and 7126-7130 SE Foster Rd.), please describe the business finance tools/programs that would be available.**

PDC’s primary role regarding potential commercial tenants/businesses at this site is a gap financier and the Commission has a range of loan options it can offer to eligible businesses within the Business Finance Programs. Those programs include Tenant Improvements, working capital loans and equipment financing. PDC’s other tools include commercial property redevelopment loans and business technical assistance.

Borrowers using PDC programs are subject to PDC underwriting requirements. PDC asks borrowers to complete our Financial Assistance Pre-Application that determines project alignment with the PDC Strategic Plan. Once project alignment is determined, borrowers are asked to complete a loan application. In addition, projects must be consistent with PDC priorities outlines in the NOFA. PDC participation in any project or with any tenant will depend on the extent to which the tenants meet or exceed PDC priorities and goals for the commercial elements of the project.

It is unlikely PDC would pursue a master lease for the site.

- 10. Program preferences for the PHB-owned site at 1010-1034 NE Grand Ave. seem flexible. Can PHB provide any additional guidance about programming or scale?**

PHB acknowledges that the site could be built out with density (and height) greater than the 5:1 floor area ratio (FAR) mentioned in the NOFA. The Bureau leaves it to development teams’ discretion regarding the scale of project to propose.

Multnomah County Affordable Housing Development Fund (MCAHDF)

- 11. Can the MCAHDF be used to renovate existing affordable units?**

MCAHDF dollars can be used for acquisition and rehabilitation or renovation of units/buildings if those units/buildings don’t currently have some form of government administered affordability agreement in place.

- 12. Is there property linked with the MCAHDF?**

No, but MCAHDF funds can be used on/for any one of the five properties contained in the NOFA. Development teams should keep in mind that combining MCAHDF funds would result in the stricter requirements/preferences for the combined funding sources/sites.

13. If funds from the MCAHDF and funds from PHB are combined, is there a maximum per unit subsidy?

MCAHDF funds have a goal of \$40,000/unit in subsidy. PHB funds have a maximum per unit subsidy limit of \$125,000. This would suggest a maximum combined subsidy of \$165,000, however, development teams are not prevented from suggesting a per unit subsidy for MCAHDF funds of more than \$40,000.

14. How will a loan using MCAHDF funds be structured?

Multnomah County is flexible regarding loan structure. Development teams should propose a structure that works for the project while also meeting the other MCAHDF goals.

15. What is the waterfall of repayment obligations related to the City funds versus the MCAHDF?

The waterfall will be determined during underwriting. For proposal purposes, development teams may represent the MCAHDF portion of the cash flow anywhere they choose in the waterfall.

Contracting

16. Does the NOFA require development teams to include a general contractor in their proposals?

No.

17. Development teams can only submit one application per funding source – what about architects and contractors?

The one proposal rule applies to sponsors only. Other team members like architects or contractors can be on an unlimited number of teams or proposals.

18. How does the city's Minority Women and Emerging Small Business (MWESB) Subcontractor Equity Program apply to units built in a factory?

One of the main goals of the Subcontractor Equity Program is to increase opportunities for MWESB certified firms to participate in city sponsored projects. While it is not practical to apply the program to the work performed in a factory, all

work performed outside the factory, e.g. site assembly, landscaping, additional interior finish work, would be subject to the program. In addition, the city encourages factory building companies to partner with MWESB certified firms if at all possible.

While this question was not asked: the City's Workforce Training and Hiring program applies to on-site work only – similar to the MWESB program.

19. Would the City look into how the City and State permitting processes for **modular housing could be aligned or combined to become more efficient?**

PHB intends to look into this process in the future but does not expect to address this by the time NOFA applications are due. For the purposes of the NOFA application, proposers should assume that the current system will be in place.

Funding rules/requirements

20. The current NOFA requires a minimum of 10 **project-based Section 8 vouchers per project. Federal Davis Bacon wages may be triggered by 9 or more vouchers in a project. Given the NOFA's cost containment goals, PHB may want to consider reducing the minimum to 8 vouchers per project.**

Project-based Section 8 vouchers are administered by Home Forward (HF), the housing authority for Portland and other local communities. HF chose the limit contained in the NOFA based on its findings that fewer vouchers per project lead to inefficiencies in administration.

21. What is the term of the **project based Section 8 rent assistance that is advertised in the NOFA?**

Contracts will run for 15 years, with the option for a 15 year renewal.

22. Can the City's **Home For Everyone (HFE) funds only be used outside of the City's urban renewal areas (URAs)?**

City HFE funds may be used anywhere in the city of Portland with the exception of the six urban renewal areas with funding/sites in this NOFA, i.e. Downtown Waterfront, Gateway, Interstate, Lents, Oregon Convention Center and South Park Blocks.

23. Does the submission of an application for TIF resources, funds or sites, trigger any **commercial relocation requirements?**

Neither the city of Portland nor the Portland Housing Bureau have commercial relocation requirements. With the exception of those for the Multnomah County Affordable Housing Development Fund, all funds in this NOFA are offered by and through PHB. While the Portland Development Commission (PDC) is offering two sites through the NOFA, both are vacant and wouldn't trigger relocation. See question 6 for information on the Multnomah County owned site.

24. Is it required that a **non-profit sponsor be involved on a development team? Are **for-profit** development teams welcome to propose?**

Sponsors can be non-profit, for-profit or any combination of those.

25. Is there a **presumed issuer of 4% tax exempt bonds?**

No. There are no presumed issuers. Historically, Oregon Housing and Community Services and Home Forward have issued required tax exempt debt for 4% Low Income Housing Tax Credit transactions. While the City of Portland has the authority to issue such debt, in recent years it has chosen not to do so.

26. If a project includes a **transitional housing component would PHB consider that as meeting the NOFA's 0-30% median family income (MFI) unit requirements and preferences?**

No.

27. For Community Development Block Grant (CDBG) and HOME funds, the NOFA has a preference for project in **areas that are considered **vulnerable for displacement**. Would that preference apply to preservation projects?**

Yes

28. We are planning to do a **combination 4% and 9% tax credit application to Oregon Housing and Community Services (OHCS). For the PHB NOFA should we submit one combined pro forma or a separate 4% and 9%?**

Combined. But it is recommended that you submit a 4% only application given the uncertainty around 9% LIHTC awards.

Other

29. Is LEED or other **sustainability commissioning a requirement or a preference of the County or the City?**

No.