

2020 HACC Metro Affordable Housing Bond NOFA

Questions as of 02/13/20

Addenda: On page 9, Section IV. Additional Considerations> Financial Metrics the following language has been added to the latest version of the NOFA and posted on the HACC website; *“After project completion, all projects will be required to pay an administrative fee for units with project-based vouchers (PBV). A \$150 per PBV-subsidized unit per year monitoring fee must be factored in to the annual operating budget.”*

NOFA Correction Note: On page 3, Section II. Threshold Requirements, the item “Site Control” states that the site must close no later than June 30, 2020. This language has been corrected and revised in the latest version of the NOFA posted on the HACC website. Please use the following guidance when considering site control; *“At the time a development proposal is submitted, the developer must demonstrate that it has, and will maintain until the land is acquired, site control of the property for which funding is being requested. Evidence of site control can include fee simple ownership, executed long-term land lease, purchase option, purchase and sale agreement, or similar. Contingencies to closing reduce certainty of site control. Please include evidence of site control with Form B - Funding Application.”*

Clarifications: Section III, 2. Scoring Criteria, 2. Location A-E (pages 4-5)

The following language has been added to the revised NOFA on page 4, Section III.2 and posted on the HACC website: *“The amenity must be in place at the time of application. The application must include a map scaled for distance using a standardized radius from the development site. The map must show the distance of the site amenities from the development site”*

A. Proximity to Public Transit

Q. Description is “good access to transit (e.g. bus, rail, bike paths and pedestrian corridors)” but points are only for mass transit. Do these other items count?

A. No. The transit examples in parenthesis have been removed from the revised NOFA to avoid confusion.

Q. Is this straight line distance (radius)?

A. Yes.

C. Proximity to Medical Services, Library, or Senior Center

Q: Can you expand upon the definition of medical services?

A: Qualifying medical services are a medical clinic with a physician, physician’s assistant, or nurse practitioner onsite for a minimum of 40 hours each week or a hospital (not merely a private doctor’s office)

D. Proximity to School

Q: Can you expand upon the definition of school?

A: Public Elementary, Middle, or High School

Clarification: Section III, 3. Scoring Criteria, B. Unit Size (page 5), the second bullet should read **“Two (2) points will be awarded for each 5% of units with 3 bedrooms or larger above the threshold requirement.”** This language has been corrected and revised in the latest version of the NOFA posted on the HACC website.

Clarification: Section IV. Additional Considerations (page 8), under Project-based Section 8 Vouchers, the last sentence in the first bullet point should read *“HACC will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20% **or more**.”* This language has been corrected and revised in the latest version of the NOFA posted on the HACC website.

Q&A:

Question: What is the timing of being able to draw bond funds? Would these be available in predevelopment or construction, or just perm?

Answer: The bonds are intended to be a construction source. Metro will release project funds to HACC prior to construction close.

Question: Section IV. Under Financial metrics, cost controls: is Clackamas looking for projects to be below threshold for each unit type, or a blended average for all units (for projects in the past that have had a mix of unit sizes, the method of calculation OHCS has used can show smaller units exceeding threshold while larger units in the same project are well below...)

Answer: HACC will consider a blended average of all units.

Question: Do we need to include a Preliminary Title Report or Phase 1 with this application?

Answer: HACC is not asking for these at application but you will need to provide them to Metro in order to receive their concept endorsement if your project is recommended for by HACC. Among other items, Metro will request for the 4% LITHC pre-application and project site checklist.

Question: Section II: Threshold- clarify 'negotiation' of 30% AMI units in case of larger units? Other than the 50% threshold for large units, I'm not sure how many 2 vs 3-bdr units are required?

Answer: For example, if you propose a project where 100% of the units are affordable to households earning 30% AMI and below, the requirement that 50% of those units need to be two bedrooms or more can be negotiated with HACC. Alternatively, if you propose a project in which 100% of the units are two or more bedrooms, the requirement that 40% of the units need to serve households earning 30% AMI and below can be negotiated. When contemplating such a negotiation, HACC will be consider the pool of project proposals to ensure we meet the overall unit size and income targeting goals outlined in the Local Implementation Strategy.

Question: Section II: Threshold – How are competitive funds to count against the project?

Answer: If your project is planning to apply for a competitive funding source this would make your project less "ready" than a project with committed sources or projects applying for non-competitive sources. Projects will be weighed against the pool of projects applying to this NOFA.

Question: Can you clarify if PBV unit rents are to be assumed at FMR/Payment Standard or 60% AMI?

Answer: The underwritten rent level in the proforma is 60% (OHCS requirement) the developer then uses the difference between 60% and the County FMR allowance to augment their cash flow for NOI. This calculation is done in their OHCS proforma on the income page just below the rent structure information cells.