

**Fall 2023 Preservation Request for Interest (RFI) – Q & A**  
**October 10, 2023**

**Q1. Does the requirement that the building must have been constructed and first occupied prior to 2008 refer to the applicant's ownership period, or when the property was first built/occupied?**

A1. The requirement refers to the original construction date and occupancy date for the building, regardless of when it was acquired by the applicant.

**Q2. Would PHB consider partial funding awards, in order to support more projects?**

A2. Yes, PHB would consider awarding a portion of the requested funding. Applicants are encouraged to describe in the Project Overview Narrative which components of the proposed scope of work are highest priority, and to break out the costs for different components, where possible. *Please see question 3 for related guidance.*

**Q3. On page 3 in section II, the maximum PHB subsidy is listed as “Up to \$50,000 per eligible unit” but “If preservation would require more than \$50,000 per unit, please explain in Form C: Project Overview Narrative.” Does this mean that more than \$50,000 per unit of PHB funds can requested and be included in the proposed budget? Or does it mean that we should simply explain that there are more items that could be included in the scope of work if more funds were available?**

A3. Applicants are encouraged to break out the proposed PHB-funded scope of work into two components with two line items on the budget sources:

- Scope of work utilizing PHB \$50k per unit
- Additional scope that could be achieved with higher PHB subsidy/unit (if applicable)

Please delineate in the narrative which items in the scope are included in the \$50k/unit request and which items are “additional.” Explain which portions of the scope are the highest priority.

**Q4. If a project is awarded federal funds, who is responsible for completing the HUD Environmental Review?**

A4. PHB is the Responsible Entity when federal funds are awarded through the City of Portland. Often this means that PHB completes the HUD Environmental Review. However, the applicant/developer may choose to hire consultants experienced with

HUD regulations to complete aspects of the HUD Environmental Review. The applicant/developer will be asked to provide site and project information to PHB staff as needed to complete and approve the review.

**Q5. How long would it take PHB to complete the HUD Environmental Review, if required?**

- A5. PHB staff is currently assessing capacity to complete Environmental Reviews, while keeping in mind the expenditure deadlines associated with this Preservation funding. Please note, PHB anticipates that the scale of rehabilitation for proposals through this RFI will be below the threshold for a full HUD Environmental Assessment (typically takes 4+ months), which streamlines the review process and timeline.

Rehabilitation of multifamily residential buildings meets the criteria for “Categorical exclusions subject to § 58.5” (i.e., does not require a full Environmental Assessment, but requires compliance with other applicable Federal environmental laws and authorities) if the following conditions are met:

- A. Unit density is not changed more than 20 percent;
- B. The project does not involve changes in land use from residential to non-residential; and
- C. The estimated cost of rehabilitation is less than 75 percent of the total estimated cost of replacement after rehabilitation.

**Q6. Is signing a construction contract considered a “choice limiting action” in the context of federal funding / HUD Environmental Review?**

- A6. Yes. HUD considers execution of a legally binding agreement—including but not limited to agreements for rehabilitation, conversion, repair or construction—to be choice limiting actions. The restriction on taking choice limiting actions applies once a party applies for federal assistance.

Funding awarded through this Preservation RFI may include but is not limited to CDBG and/or City general funds. If a contract is signed after submitting a proposal for this Preservation RFI but before environmental clearance, that could put any potential CDBG (or other federal funding) award at risk. There is no restriction on contracts executed prior to applying for federal assistance.

**A7. What expenses are eligible for Portland Clean Energy (PCEF) Funds? How should we incorporate PCEF into the project budget?**

- A7. Please see October 10, 2023 addendum to the Preservation RFI posted at <http://www.portland.gov/phb/fall-2023-preservation-rfi> which provides more details on PCEF-eligible uses. Enter the requested PCEF amount as its own line item on the Budget Sources tab of the pro forma (separate from other PHB funds requested).