

**Request for Qualifications for Supportive Housing
For Metro Housing Bond
Pre-Submission Conference – Q & A
October 28, 2020**

PHB Speakers: Molly Rogers, Jill Chen, Jennifer Chang, Tanya Wolfersperger

Q1: Are projects with Portland Bond Funds eligible to apply?

A1: No. Projects that have already received funding from Portland’s Housing Bond are not eligible.

Q2: Is there an average bedroom size requirement?

A2: There is no requirement for bedroom size. However, the RFQ does prioritize projects for single-adult BIPOC households, which will result in smaller unit sizes.

Q3: Is full site control required prior to application submission?

A3: Site control is not a threshold for the RFQ but is a requirement in order to get a Metro Concept Endorsement (see appendix B). Project teams can indicate the status of site control for the project location under consideration on the application form (Form A). If there is some form of site control, acceptable documentation includes Letter of Intent, MOU, purchase agreement, deed or long-term ground lease.

Q4: Is the Developer/Owner required to be a culturally specific organization?

A4: No. Developers and Owners do not need to be a culturally specific organization. The project team should demonstrate meaningful partnership(s) with culturally specific and culturally responsive organizations to provide effective outreach to and service delivery for households from BIPOC communities. Evaluators will look for the project team’s track record of successful outreach, engagement and service delivery to BIPOC communities.

Q5: How will a “meaningful partnership” be evaluated by the review committee?

A5: PHB will be looking at how teams plan to partner with culturally specific and culturally responsive organizations, including: clear descriptions of the roles and responsibilities of partners within the team, review of any budget associated for partners within the team, and demonstrated effective outcomes from past partnerships. If available, copies of Service Agreements and Partnership Agreements are requested to understand the relationship between the project owner/developer and service provider.

Q6: Will Supportive Housing units be required to use Coordinated Access?

A6: Yes, Coordinated Access will be used for Supportive Housing (SH) units. An exception can be made if the project has secured a funding source that requires a different referral process. If this is the case, an explanation should be included in the narrative.

Q7: Can you clarify how projects may prioritize residents for PSH if they don't come through Coordinated Access? As you know, BIPOC people and women often don't interact with homeless systems at the same rate as white men, and/or don't score as highly on screenings for a variety of reasons.

A7: JOHS is working on improvements to the current assessment tool to increase access and referrals for BIPOC communities. There is a current process in Coordinated Access that allows for a preference to better match projects with culturally specific services with intended populations.

Q8: Can a project team submit more than one application?

A8: Yes, project teams may submit more than one application. However, multiple applications for the same project concept will not be accepted. PHB also encourages project teams to prioritize application submittals for projects that address the RFQ best and are more investment ready and further in the process of design and/or financing.

Q9: Is that a minimum of 25 SH units or a minimum of 25% of SH units per project?

A9: The minimum is 25% SH units (out of the total units) per project.

Q10: Can the PSH units be the 30% MFI units?

A10: Yes, the PSH units can also be the 30% MFI units.

Q11: Preference of single adults over families as a preference?

A11: There is a preference for Supportive Housing for single adults. However, it is not a requirement.

Q12: On Form B, it says that "Narrative may not exceed ten (10) pages typed." Is that including or excluding the questions themselves?

A12: The 10-page maximum does not include the questions in the application narrative form. Answers to the Application Narrative questions may be submitted separately with each question response numbered for a maximum of 10 pages typed.

Q13: Financing needs to be committed by 12/31/2021, not closed, correct?

A13: Correct. All financing needs to be committed in writing by 12/31/21.

Q14: Is the \$75,000 per unit cap for the entire development or just the Supportive Housing units?

A14: The subsidy per unit cap is for all of the newly affordable, unregulated units of the project including the Supportive Housing units. In addition, all units must be regulated at 60% AMI and below and at least 25% of the total units in the project must be designated as Supportive Housing units.

Q15: Can other City/PHB funding (HOME, CDBG, TIF, other) be allowed and considered in the capital stack? Another way to ask: is this Metro funding the only money from the City/PHB allowed in the capital stack?

A15: Other City/PHB subsidies are allowed in the capital stack, if they were already secured. Only projects with Portland Bonds are not eligible to apply. Currently, PHB is not offering any other sources of funding or subsidies through this RFQ or other solicitations.

Q16: Is there a scoring metric - i.e. how many points are given to each section of the proposal?

A16: This opportunity is a Request for Qualifications (RFQ), which is a process to identify projects that meet a set of qualifications and requirements laid out in the RFQ document. A scoring metric is not being used in the evaluation process. Proposals will be evaluated on the extent to which project applicants meet the evaluation criteria, including the requirements and preferences. A forced ranking system will be used to create a portfolio-based funding recommendation.

Q17: Can you provide any details about the Spring 2021 Metro BOS offering (\$50-\$75m)? Can you clarify whether projects/teams applying for and receiving Metro RFQ-SH will be eligible to apply for MBOS funds as a part of putting together their full funding sources. If yes, whether this will impact how much per unit can be requested.

A17: The Spring 2021 MBOS is not intended to fill resource gaps remaining after this RFQ. Project teams should not assume additional funds from the Spring MBOS in their RFQ proposals or to

other funders. Project teams that receive a Contingent Award letter are expected to secure other local, state and federal resources. If you have made a good faith effort to secure other funding and were not awarded, the project could apply for funds from the Spring 2021 MBOS. Additional funding could not exceed the total subsidy cap of the MBOS. For example, if a project receives a Contingent Award through the RFQ of \$75K per unit, the highest amount per unit awarded through the MBOS for the same project would be the difference between the MBOS subsidy cap and the RFQ subsidy award.

Q18: Will projects located in the Interstate URA be required to follow the N/NE Preference Policy? We are concerned that overlaying the N/NE Preference Policy with Coordinated Access would make our target population pool extremely small and reduce the ability to serve chronically homeless people who need to be housed.

A18: PHB recognizes the challenges of overlaying both priorities. Currently there is an exemption for units subsidized by Project-based Section 8 from applying the N/NE Preference Policy. If in a similar situation, projects believe that the application of the Preference Policy conflicts with another preference for the Supportive Housing units within the proposed development the proposer should explain in detail: 1) why the conflict exists, 2) why the application of the policy would present an issue with tenancing the supportive housing units for BIPOC communities, and 3) the intentional tenancing plan for the supportive housing units to serve BIPOC communities.

Q19: What level of detail does PHB expect for the project sources and uses? How can the financial assumptions best be represented without providing a proforma?

A19: A full proforma is not required under the RFQ, but a summary of the project Sources and Uses is requested in the Application Narrative (Form B). However, it should be noted that an OHCS pro forma is required for a Metro Concept Endorsement. Some projects may be very conceptual so financial assumptions should demonstrate compliance with PHB's Underwriting Criteria and other financial feasibility metrics. If Metro funds are the last piece of funding needed for the project, a proforma should be submitted with the RFQ application.

Additional Questions submitted via email, as of 11/5/2020:

Q1a: Will PHB staff do the HUD Environmental Review as is consistent with other PHB funded projects?

A1a: Project sponsors will be required to provide all the information for the HUD Environmental Review as part of their complete application. An OHCS 4% LIHTC project site checklist is required for the Metro Concept Endorsement which should contain much of the necessary information. PHB staff will continue to review and coordinate with the project sponsors on the information provided and will continue to coordinate with other jurisdictional partners. In addition, PHB will continue to submit the completed Environmental Review to HUD.

Q2a: Will rents be allowed to float up to 60% if rental assistance or supportive services funding is discontinued?

A2a: If supportive services funding is discontinued, PHB will allow PSH units to stay at 30% AMI with rental assistance. If funding for both support services and rental assistance is discontinued, then the units will be allowed to float up to 60% AMI.

In addition, since the loans will be with Metro funds, in the event of foreclosure, PHB will allow the 60% AMI units to float up to 80% AMI.

Q3a: If there are multiple soft loans paid out of available cashflow will PHB be willing to have a “pari passu” structure where each loan is paid equally?

A3a: PHB would need to see the proposed structure and the terms, conditions and source of the “soft loan.” PHB’s loans are repaid from Excess Cash Flow which is the Net Operating Income after repayment of Senior Loans and Priority Payments in the cashflow waterfall. PHB’s portion of the Excess Cash Flow is set at 50%.

Q4a: Can project teams apply to this RFQ for projects that do not already have funding applications submitted or funding committed?

A4a: Yes, project teams may apply to this RFQ for projects that have not yet submitted other funding applications or received funding commitments. Project teams will need to explain how they intend to apply for opportunities in 2021, since the Contingent Award expires on December 31, 2021. Please refer to question #2 under Project Concept in the RFQ Application (Form B).