

# Mental Health Housing NOFA Frequently Asked Questions

## Questions and Answers as of July 29, 2016

Submit questions, with subject Mental Health Housing NOFA, to [MFNOFA@oregon.gov](mailto:MFNOFA@oregon.gov)

### Contents

Released 7/29/16:.....	1
Released 7/22/16:.....	1
Released 7/18/16:.....	2
Released 7/8/16:.....	2

### INDEX of TERMS

25 percent of the total development costs .....	3	period of affordability .....	2
acquire a property .....	1	provide new services.....	1
Application Parameters .....	2	question/numbering sequence .....	2
architectural.....	2	rent limits .....	2
costs.....	3	replacement reserve analysis.....	2
development costs.....	2	restrictive covenant.....	2
funding.....	3	Serious Mental Illness .....	2
general contractor .....	3	substance abuse treatment.....	1
LIHTC NOFA.....	1	training .....	3
NOFA due.....	3		

### Released 7/29/16:

- Q: Are residential substance abuse treatment facilities eligible for this NOFA?  
A: No, this funding is NOT for residential SUD treatment.

### Released 7/22/16:

- Q: Can funds be used to acquire a property (duplex located within a multiple unit complex) to provide new services to individuals with mental illness?  
A: Funds can be used for this.
- Q: Our question is regarding the identity of the “Applicant” referenced in the NOFA. If the project were to be financed through LIHTC program, is it OHCS’s intent to award these funds to the Limited Liability Partnership which would own and manage the project, or would the funds have to be awarded directly to a mental health provider? Would it be necessary that the mental health provider be part of the LLP, or is a contractual relationship with the “applicant”/developer/General Partner sufficient?  
A: If applying to the MH NOFA, the project can’t also be applying for the LIHTC NOFA at the same time. The funds will not be awarded in time to meet the requirements of the LIHTC NOFA. But to answer

your question the funds would be awarded to the applicant. The applicant is generally the owner/developer. It would not be the LLC unless the LLC was already formed and was the applicant.

Q: What are rent limits for units to be funded solely with Mental Health funds?

A: We didn't set a rent limit, but it needs to be affordable to individuals with Serious Mental Illness, most on Social Security or limited income.

Q: What is the period of affordability of such a project?

A: 30 year affordability period.

Q: Can Mental Health Funds be used to pay for costs incurred prior to disbursement? Are there any restrictions on their use (for example, some funding sources do not cover off-site expenses)?

A: This is for development costs, development of units. Not sure what off site costs would be incurred.

Q: What happens if after a period of time, before the period expires, the project can no longer be maintained as an affordable housing project?

A: There will be a restrictive covenant recorded on the land, so that would be a conversation with compliance and OHA at that time. The expectation is that the property will be affordable to the population for 30 years.

#### **Released 7/18/16:**

Q: What do I need to submit for architectural?

A: Architectural Review submission 4.6 details what you need to include, which includes a site plan.

Q: Do I need to do a replacement reserve analysis 4.8?

A: You need to submit the replacement reserve analysis at application if you are doing an acquisition / rehab. If it is new construction, this will be done following initial reservation so does not need to be submitted at application.

Q: We are reviewing the MH NOFA and have noted some significant discrepancies between the NOFA, the NOFA Instructions, and the MH Application Submission Checklist and the MH Competitive Scoring documents –specifically that the numbering systems which describe the required response sequence do not match up between the documents. Would you kindly please advise as to which question/numbering sequence respondents should follow?

A: The question/numbering sequence was corrected. The following sections were updated:

1.5 Application Submission checklist

3.4 *Development Team Capacity*

3.5 Ownership Integrity

4.1 Competitive Scoring and 4.9 Construction Hard Costs.

3.2 is now 3.4 and 3.3 is now 3.5

#### **Released 7/8/16:**

Q: In the NOFA #4392 Information Manual on Page 3, Section 1.3 under “Application Parameters”, a project could apply with a tenant who has a “Serious Mental Illness”, and under section 1.4 “Serious Mental Illness” references ORS 426.495 Alzheimer/Dementia which meets that criteria. Am I interpreting this correctly? Would a project like this meet the qualifications for this particular NOFA?

A: The intent of the NOFA is to create housing for folks that can live independently and that want to live in an integrated setting. There are several ways to come in to apply:

- SMI supported housing - only 25% of this can be set aside for the population.
- SUD Supported housing
- SMI and SUD supportive housing
- Crisis respite

With all of these only 25% of Total project development cost may be requested from this NOFA, unless it’s an eligible small project then you can request an additional 10%.

Q: Is the Mental Health NOFA due August 29 or August 26?

A: The Mental Health NOFA due date is August 29 at 4:00pm PST. We made this correction in the NOFA.

Q: Are you required to have a general contractor on board to be part of your development team at application?

A: You are not required to have a general contractor be part of your development team at application, however in detailing the experience of your development team you must demonstrate that it has the expertise/experience needed to successfully complete a development. As long as you have the needed expertise in your development team, bidding to general contractors at a later date works fine.

Q: Is the training session optional or mandatory?

A: The training is not mandatory

Q: Is funding provided through loans, grants, or tax credits, or a combination of both?

A: Funding is as a grant.

Q: How much of my project costs can I request in this NOFA to be paid with Mental Health Housing funds?

A: Applicants may request Mental Health Housing Funds for up to 25 percent of the total development costs of the proposed project, regardless of the population served. Clarification of this was included in version 1.1 of the Mental Health Housing NOFA on page 6 posted July 7, 2016.