



Thurston Regional Housing Council Policy for Capital Opportunity Fund Requests

An off-cycle funding request is a request that occurs outside of the Regional Housing Council's (RHC) annual Request for Proposal (RFP) process, which typically occurs in February, and the funding awards are announced in May. The Thurston Affordable Housing Advisory Board approved the creation of the "Opportunity Fund" that will allow for the review and possible funding of off-cycle requests. Requests may include proposals for activities that support the preservation of manufactured/mobile home parks.

Requests should follow the Opportunity Fund policy and procedure.

Funding Availability

- 1) As part of the RHC's annual RFP process, the Thurston Affordable Housing Advisory Board (TAHAB) recommends that the RHC reserve a portion of local funds available for capital projects for potential off-cycle requests. These funds set aside will represent the Opportunity Fund. If funds remain unobligated at the end of a calendar year, the RHC may either roll unused funds back into the following year's annual RFP processor maintain or add to the reserve for future Opportunity Fund awards.

Criteria

1. Project must be eligible under the local Home Fund.
2. Project funding must be time sensitive so that the project could not proceed if applying for funding through the next annual RFP process.
3. Funding must be essential to realize the project. Other funding necessary to fully fund the project must be committed or identified with a strong likelihood of commitment.
4. The project applicant must submit a request for funding that provides at a minimum, the information required as part of the Request for Information/Pipeline process as well as a sources and uses budget. Additional information may be requested if necessary to evaluate the project in accordance with this policy.
5. The project must be scheduled to be under contract within 12 months of funding approval.
6. The project must have been unforeseen by the applicant at the time of the most recent RFP.
7. The project must be located in Thurston County and intend to serve/benefit Thurston County residents.
8. The funds are primarily intended to be used for acquisition. Rehabilitation may be appropriate, when accompanied by acquisition of a property or building. This includes funds needed to preserve manufactured home communities (MHC) or to assist residents to acquire the MHC.
 - a. In general, funding requested for the new construction of units are most appropriate to be funded through the annual RFP process.
 - b. New construction projects that are seeking 4% Low Income Housing Tax Credit (LIHTC) funding, may request funding under this policy during 2024. Beginning with the 2025 funding cycle, these projects must be on the Affordable Housing Capital Pipeline. Projects will be placed on this Pipeline through an annual Request for Information process. Projects on the Pipeline seeking 4% LIHTC funding will be allowed to submit an off-cycle application to receive a commitment of funding in time to include this commitment in an application to the Washington State Housing Finance Commission.

- c. Gap financing for previously approved new construction projects may be considered, if the gap in financing is due to market factors outside of the control of the applicant and additional funding is needed to close the project and no other funding source is available. Projects seeking gap funding should make every effort to apply for such funding through the annual RFP process before submitting an out of cycle funding request.

Other Considerations

Other factors for the TAHAB and RHC to consider when reviewing the application

- Does the proposed project meet an urgent or emergency need in the community? This may include, but is not limited to:
 - o Preventing the displacement or loss of housing for low-income households;
 - o Preventing the loss of affordable housing units;
 - o Addressing imminent threats to health and safety of low-income Thurston County residents due to housing conditions; and
 - o Addressing a priority need in the community that would have a substantial impact on the availability of affordable housing that would not occur without funding the request.
- What are the possible negative impacts of not funding the request?
- Is funding available?
- How would an award impact other projects in the Pipeline or other anticipated applications for funding?

Process

1. A request for Opportunity Funds should be presented to the RHC Tech Team. The applicant may submit its request to via any member/jurisdiction of the RHC. The request should include the completed RFI application. The County will provide the most current RFI request package, upon request. The TAHAB may create an Opportunity Fund application for this purpose.
2. The Tech Team will determine if the request meets the criteria for an off-cycle request.
3. If the request is eligible, the Thurston Affordable Housing Advisory Board will review the request. The TAHAB will review the request to determine if the project is a priority/critical project for the region. If recommended for funding, the TAHAB will identify the recommended funding amount and source of funding. The applicant may be invited to present to and answer questions from the TAHAB, but should not be present during deliberations.
4. The TAHAB will present its recommendation to the RHC in a timely manner.
5. If recommended by the RHC, Thurston County Office of Housing and Homeless Prevention (OHHP) will take the recommendation to the Board of County Commissioners (BoCC) at its next available meeting for approval.

All parties will work to move a request through this process as quickly and efficiently as possible. It is anticipated that the complete process may take two months once the full request is submitted until BoCC approval, but should take no more than four months, unless additional information is requested of the applicant.

Policy approved by: Thurston Regional Housing Council

Policy effective date: January 24, 2024