



**TEMPORARY ADMINISTRATIVE ORDER**  
INCLUDING STATEMENT OF NEED & JUSTIFICATION

**OHCS 42-2025**

CHAPTER 813

**OREGON HOUSING AND COMMUNITY SERVICES DEPARTMENT**

**FILED**

10/01/2025 8:34 AM  
ARCHIVES DIVISION  
SECRETARY OF STATE  
& LEGISLATIVE COUNSEL

FILING CAPTION: To update GHAP rules to incorporate program manual version and clarify modes of offering.

EFFECTIVE DATE: 10/01/2025 THROUGH 03/29/2026

AGENCY APPROVED DATE: 09/29/2025

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**NEED FOR THE RULE(S):**

The program manual has been updated to streamline language regarding the capacity building program. Rule changes are meant to point to this version of the manual which will be the most current. A spelling error was addressed as well in the Application Review section, and language included in Forms of Assistance; Documentation section was updated to allow awards to be given as a contract if the Department sees fit.

**JUSTIFICATION OF TEMPORARY FILING:**

The Capacity Building program has undergone changes requiring revised manual language before the program can be offered to Stakeholders, so we need to have the rules point to the newest version of the manual as soon as possible. The ability CB funds via contract maybe utilized for the new CB framework. The spelling error was corrected since other important changes were already being made.

**DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:**

GHAP Program Manual

**HOUSING IMPACT STATEMENT:**

These rules do not affect the cost of development of a 6,000 square foot parcel and the construction of a 1,200 square foot detached single-family dwelling on that parcel.

**RULES:**

813-055-0001, 813-055-0050, 813-055-0065

AMEND: 813-055-0001

RULE TITLE: Purpose

RULE SUMMARY: Updating GHAP rules to reflect updated program manual.

**RULE TEXT:**

OAR chapter 813, division 55, is promulgated to carry out the allocation of monies deposited in the General Housing

Account and to carry out the account's purpose of meeting critical housing needs, building the organizational capacity of affordable housing partners throughout the state, and requiring equitable distribution of resources over time based on objective measures of need. Additional policies and instructions are outlined in the General Housing Account Program (GHAP) Manual dated October 2025 (the "GHAP Manual" or "Manual"), incorporated herein by reference. The Manual may be accessed online at the department's website.

STATUTORY/OTHER AUTHORITY: ORS 456.555, ORS 458.665

STATUTES/OTHER IMPLEMENTED: ORS 458.665, ORS 456.515, ORS 456.725

# **General Housing Account Program (GHAP)**



## **Program Manual**

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# The General Housing Account Program (GHAP) - Overview

The General Housing Account Program (GHAP) was created by the 2009 Legislature to expand the State's supply of housing for low and very low-income families and individuals. It has three separate elements: rental development, rental development for veteran's occupancy housing, and capacity building. Funds for the program are generated from state document recording fees (DRF). GHAP can be used statewide, including on tribal lands and is one of the most flexible housing development funding sources that OHCS coordinates.

## Eligible Applicants

Eligible Applicants include for-profit businesses, local government entities, housing authorities, nonprofit agencies, nonprofit corporations, and private individuals or corporations, including:

- A nonprofit corporation established under ORS chapter 65;
- A housing authority established under ORS 456.055 to 456.235;
- A local government as defined in ORS 197.015;
- A manufactured dwelling park cooperative as established under ORS 62.800 to 62.815;
- A for-profit entity;
- A Native-American tribe; or
- An individual.

## Conditions, Limitations Relating to Funding

Eligible Applicants are required to follow conditions as described in OAR 813-055-065, including but not limited to:

- Availability of funds and authority to disburse
- Execution and recording of all funding documents
- Performance of all conditions precedent to funding
- Continued maintenance

## Alignment with Other OHCS Manuals

**Equity in Contracting:** In addition to the ORCA manual, all projects that receive GHAP Development funds are required to adhere to OHCS' Equity in Contracting manual, adopted February 2025, available here: [Equity in Contracting Compliance Manual](#)

**General Policy and Guideline Manual (GPGM):** GHAP Development projects must also adhere to the GPGM, found here: [General Policy and Guide Manual \(GPGM\)](#)

**Core-Development Manual (CDM):** The standards in the CDM apply to ORCA funded GHAP Development projects. The CDM and more information can be found here, under the Resources section: [OHCS Core-Development Webpage](#)

### Other Funding Sources:

GHAP Development funds can be paired with 4% and 9% Low Income Housing Tax Credits (LIHTC)/Private Activity Bonds (PAB). If paired, the project will need to incorporate the requirements of the LIHTC Qualified Action Plan (QAP) which can be found here: [Qualified Action Plan](#). GHAP Development funds may also be paired with other OHCS gap funding resources, which can include their own regulations and restrictions. The most restrictive covenants will be enforced on the project.

### Use of OHCS Legal Documents

Applicant must execute and (if requested) record all documents required by OHCS (in form and substance satisfactory to OHCS) binding the ownership entity and the Project to comply with Program Requirements.

Most required documents have been approved in template form by the Oregon Department of Justice (DOJ). No side letters will be accepted. In addition, no changes to the template language will be accepted, except as specified in the following paragraph.

OHCS will only consider project specific changes when it can be demonstrated that they are necessary for the project to move forward. Any proposed changes must be submitted in writing to OHCS staff. Any changes are subject to OHCS's sole discretion. Applicants must allow adequate time for review and comment by OHCS. All changes must be expressly approved by OHCS, in consultation with DOJ, prior to execution and recording. No Applicant should contact DOJ directly before being authorized by OHCS to do so for projects with funding commitments. Applicant is responsible for legal and administrative costs incurred by OHCS in negotiating Applicant's proposed changes to documents.

## GHAP Development

### Introduction

By rule, GHAP is designed to provide grants and loans to construct new housing, to acquire and/or rehabilitate existing housing, or to operate housing for low or very low-income households.

GHAP may be awarded by contract, grant, loan or otherwise as the Department determines necessary or appropriate.

### Eligible Beneficiaries

GHAP is intended for low and very low-income households, including families and single individuals.

A low-income household is a household that earns more than 50% and not more than 80% of the area median income (AMI), subject to the adjustment for areas with unusually high or low incomes or housing costs, all as determined by the Housing Stability Council according to information from the U.S. Department of Housing and Urban Development (HUD).

A very low-income household is a household that earns 50% AMI or less, subject to adjustment for areas with unusually high or low incomes or housing costs, all as determined by the Housing Stability Council according to information from HUD.

Current income limits, historical data, and FAQs on HUD's income limit data can be found here: [www.HUDuser.gov/portal/datasets/il.html](http://www.HUDuser.gov/portal/datasets/il.html)

## Eligible Activities

Eligible activities for GHAP development funding include the following:

- Construct new rental housing to serve low and very low-income households.
- Acquire and/or rehabilitate existing structures of housing units serving low and very low-income households.
- Engineering, feasibility studies, appraisals, architectural plans, site acquisition, or other necessary professional services.
- GHAP resources may be made available to operate housing for low and very low-income households, see GHAP Operating section of the manual for more detail.

GHAP funds are available through the Oregon Consolidated Application (ORCA). Applicants must disclose the intended purpose for GHAP funds requested for their project within their ORCA application. (Construction, preservation, rehabilitation, and/or operations.)

## Affordability Period

GHAP funded projects will be subject to an affordability period of 60 years from project completion. The affordability period is the term in which the project must offer restricted units to low and very low-income residents only.

## Application Requirements

Applications for GHAP and Veteran's GHAP (VGHAP) will be evaluated based on the requirements and standards detailed in the Oregon Central Application (ORCA).

- Projects that demonstrate a strong probability of serving the target group or income level for the longest period of time, with a minimum affordability period set by the department policy.
- Awards will be made in the form of grants or loans.
- All units within the project are GHAP restricted units, with the exception of market rate units. (GHAP funding cannot be used to construct market rate units in a mixed-use project.)
- For projects involving a mix of market rate units and affordable units, the percentage of GHAP funds cannot exceed the percentage of low and very low-income units within the project. (Example: If 20% of the units within a project will be affordable to persons with income at or below 80% of median, then no more than 20% of the total project development cost may be requested from GHAP).
- Costs incurred pre-financial closing: GHAP funds can be used for eligible project-related costs incurred no more than 6 months prior to the date of the ORCA Letter of Interest. Only project related costs will be considered.

- Costs resulting from items such as holding land, annual property taxes, landscape maintenance, other maintenance, and title holding costs are not eligible. A full list of eligible project expenses is available on the OHCS website or by request.

## **GHAP Grants**

A project assisted with GHAP funds must remain affordable to Low and Very-Low Income residents for the full term of affordability.

A GHAP funded project must maintain compliance with funding terms and conditions for all applicable periods, including but not limited to:

- Continued use of the project for the targeted tenant group;
- Continued compliance with applicable affordability, reporting and monitoring requirements;
- Continued maintenance of the project in a safe and sanitary condition; and
- Continued provision of supportive services

## **GHAP Construction and Permanent Development Loans**

The funding recipient may request GHAP funds as a loan and the Department will not unreasonably deny that request. The following loan terms apply:

- The term of a GHAP loan can be 30-60 years. The term for each project will be determined on a case-by-case basis by OHCS, at its discretion.
- Loan rates and terms, if applicable, may be requested by the borrower and shall be determined by OHCS. Loan rates and terms may be based on factors such as project need, funding resources outside of OHCS, and market conditions. Loan interest rates as determined by OHCS cannot be greater than the US Treasury Long Term Obligation Rate at the time of closing.
- Resources awarded as a loan will require the execution of a Loan Agreement and Promissory Note and the execution and recording of a Trust Deed and Regulatory Agreement and Declaration of Restrictive Covenants. If the project has resources through the federal Low Income Housing Tax Credit program an Operating Agreement may be used in place of the Regulatory Agreement and Declaration of Restrictive Covenants.
- All GHAP loans are subject to OHCS's published charges table at the time of closing.

## **GHAP Operating Grants**

Operating Agreements may be available if they would be an eligible use in the fund offering, currently the ORCA. Operating Grants must meet the following parameters:

- A maximum award of \$100,000.
- To be capitalized up front with Department oversight/monitoring as deemed necessary and based on proven measures that demonstrate long term operating results.
- Allowable for operating reserves, rent subsidy and eligible services in conjunction with current project application for capital funding.
- Operating subsidies limited to development where 100% of the units serve residents at or below 50% AMI.

- Projects with operating contracts or 100% Project-based Rent Assistance are not eligible.

## **Veteran's GHAP (VGHAP)**

Veteran's GHAP is for development of affordable rental housing to serve Veterans. 25% of GHAP proceeds from document recording fee (DRF) receipts are reserved for projects seeking to serve Veterans and their specific needs. Veterans GHAP funds may be used to finance units that are dedicated to serving veterans. Other fund leverage is allowable. Where projects are integrated and only a portion are dedicated to serving Veterans, unit restriction based on unit-type will be established through legal documentation.

VGHAP projects must follow all GHAP rules and regulations and must include a Resident Services plan reflecting the planned provided services that are relevant and tailored to the Veteran population the project will serve. Veteran's GHAP unit eligibility requires occupancy by a veteran and members of their household at the time of move-in, unless otherwise agreed upon by OHCS.

## **GHAP Capacity Building**

### **Purpose**

Oregon Housing and Community Services (OHCS) established the Affordable Rental Housing (ARH) Capacity Building (CB) program to support the important role our local and regional housing partners play in fostering community, health, and housing stability. Nonprofit housing developers, local housing authorities, and Tribal Nation housing entities are uniquely positioned within their communities to support placemaking and provide culturally specific and responsive housing and resident services. Local governments also play a key role in facilitating the development and long-term viability of affordable rental housing projects.

GHAP CB is intended to benefit organizations and regions toward meeting their development, operating, and preservation goals related to sustaining or expanding the supply of affordable rental housing for low-income (80% Area Median Income and below) households.

OHCS identifies available dedicated GHAP capacity funds and offers resources to support capacity for targeted uses in accordance with this program manual. Status of resource availability can be found on the OHCS website.

### **Eligible Entity Types**

The following entity types are eligible for using GHAP Capacity Building Resources.

- Nonprofits
- Public housing authorities
- Native nations and tribally designated housing entities
- Local governments

### **Eligible Activities**

Eligible activities under GHAP CB funding opportunities include but are not limited to:

- Initial funding to add or expand Grantee housing staff capacity;
- Staff training, including professional certifications, memberships, and continuing education;
- Delivering a tested and effective curriculum for strengthening capacity to build and operate ARH;
- Acquiring or providing technical assistance, including contracting with consultants;
- Community engagement, networking, and collaboration related to organizational housing development and operating priorities, including for service-enriched housing;
- Acquiring hardware or software to more effectively meet housing goals;
- Strengthening organizational management systems (e.g. financial, project tracking, portfolio management, etc.);
- Piloting an innovative solution to a capacity need related to development and operation of ARH;
- Paying for report costs for Asset Management evaluation activities;
- Paying for the following project-related predevelopment soft costs (up to 10% of the total Grant Funds):
  - Accounting and financial analysis;
  - Market research, required audits, and legal consultant fees
- Paying for other expenses reasonably necessary to meet their identified organizational or regional capacity building priorities related to ARH development or portfolio management and preservation;
- Paying for indirect expenses not to exceed 15% of the total award amount. Tribal applicants may request a rate that aligns with their Negotiated Indirect Cost Rate Agreement (NICRA).

## **Funding Limitations**

GHAP CB is required to follow conditions as described in OAR 813-055, including but not limited to:

- Availability of funds and authority to disburse
- Execution and recording of all funding documents
- Performance of all conditions precedent to funding
- Continued maintenance

## **Application Process**

Grants are offered through the Oregon Centralized Application (ORCA).

## **Application Opening & Closing**

OHCS will offer resources of CB grant investments to eligible entities through the Affordable Rental Housing Division Oregon Centralized Application (ORCA) where applicable, and through competitive offering where services or other capacity supports are intended.

For the resources offered through the ORCA, applications will be processed in accordance with the ORCA processes. OHCS will announce program openings and closings through the ORCA resource website and applicants will submit an initial Intake application to access application materials and consultation with technical application support, as needed. Organizations with active applications underway will be notified

as to the status of resource availability; offerings will open when resources are made available and will remain open until all resources are exhausted or an announcement closing the resource offering has been made.

Upon full resource subscription, OHCS will stop accepting new applications, however, will allow any remaining active applications 60 days to complete their application; any such application on the capacity waitlist will be eligible for resources if they become available before the end of the biennium. Any projects remaining unfunded at the end of the biennium will be closed and will need to reapply under future resource investments. OHCS reserves the right to offer less resources than initially applied for if feasible to support the work.

## **Disbursement of Funds**

Funds will be disbursed in accordance with the requirements of the specific resource offering. Grants and contracts funded with GHAP CB resources may be distributed through reimbursement to grantee for completed activities or advanced on award for planned activities. Reimbursement is on a quarterly basis and requires grantees to provide quarterly disbursement invoices and supporting documentation of expenses, as outlined in their grant agreement. Advances on grant awards may not exceed \$150,000 and require grantees to provide quarterly reconciliation invoices and supporting documentation of expenses, as outlined in their grant agreement.

## **Reporting**

GHAP CB grant awardees will be required to provide progress reports along the reporting process established by the individual offering. Individual offerings will provide a GHAP CB Progress Reporting Form. The report will include aggregate data about services and participants, metrics defined by the applicant in their application and other metrics to be defined collaboratively by the grantee and the OHCS grant or contract administrator.

An itemized account of expenditures and required documentation will be submitted with each invoice for reimbursement or reconciliation (accounting for funds that have been advanced) unless otherwise established by the individual offering. The compensation method, required documentation, and schedule of payment or reconciliation will be determined by OHCS and written into the final grant agreement.

## **Agency Authority and Discretion**

OHCS retains full authority and discretion in the design, implementation, and administration of the GHAP CB program and the GHAP CB resource offerings. This includes, but is not limited to:

- Establishing eligibility criteria and application requirements;
- Determining funding priorities and programmatic focus areas;
- Allocating available resources based on demonstrated need, equity considerations, and strategic goals.

## **General Terms and Conditions**

GHAP CB-funded resource offerings accessed through the ORCA process will adhere to the General Terms and Conditions outlined within the ORCA.

## **Questions and Requests for Clarification**

For questions about the GHAP CB program, grant offerings, or your grant application, email [hcs.ghap.cb@hcs.oregon.gov](mailto:hcs.ghap.cb@hcs.oregon.gov).

## References

The State Statutes that address the General Housing Account Program are located at:

Stat. Auth.: ORS 456.555, 458.665

Stats. Implemented: ORS 456.515 to 456.725, 458.665,

The Administrative Rules that address the General Housing Account Program are located at:

OAR 813-055-0001 to 813-055-0095

AMEND: 813-055-0050

RULE TITLE: Application Review

RULE SUMMARY: Updating rules to reflect updated program manual.

RULE TEXT:

(1) Funding decisions for GHAP Development may be made using the Oregon Housing and Community Services (OHCS) Affordable Rental Housing Division (ARH) Oregon Centralized Application (ORCA) Process, as described in OAR 813-002-0005 through OAR 813-002-00055. The Oregon Centralized Application (ORCA) process may include additional priorities and requirements as determined by ARH.

(2) Affordable Rental Housing (ARH) shall allocate GHAP Development funds in compliance with the Oregon Housing and Community Services (OHCS) Affordable Rental Housing (ARH) Oregon Centralized Application (ORCA) process, as described in OAR 813-002-0005 through OAR 813-002-0055.

(3) An application for assistance from the GHAP Capacity Building program is subject to the department's evaluation and approval, disapproval or modification according to criteria in the solicitation documents or otherwise that may include, but are not limited to the following:

- (a) The amount of available funds in the GHAP program;
- (b) The availability of other sources of assistance;
- (c) The applicant's efforts to leverage other public or private funds;
- (d) Whether the project is financially feasible and the financial strength and history of the prospective recipient;
- (e) The target population to be served;
- (f) The experience of the developer, contractors, architects, consultants and management agent in developing, constructing and operating housing projects;
- (g) The department's experience with and the reputation, experience, capacity and legal history and status of the applicant and its agents, representatives, employees and contractors;
- (h) Whether the project in comparison to others best achieves the purposes of the GHAP program;
- (i) The need of a nonprofit, tribe, local government or housing authority to build its capacity to develop and operate housing serving low income and very low income populations;
- (j) How the nonprofit, tribe, local government or housing authority proposes to use GHAP funds to build its capacity to develop and operate housing serving low income and very low income populations;
- (k) Other factors that the department determines to be relevant including, but not limited to any evaluation criteria in the solicitation documents, GHAP Manual, GPGM, or otherwise.

STATUTORY/OTHER AUTHORITY: ORS 456.555, ORS 458.665

STATUTES/OTHER IMPLEMENTED: ORS 458.665, ORS 456.515, ORS 456.725

AMEND: 813-055-0065

RULE TITLE: Form of Assistance; Documentation

RULE SUMMARY: Updating rules to reflect updated program manual.

RULE TEXT:

- (1) The department may provide GHAP funds in the form of a grant or a loan, a combination of both, or as a contract. Loan rates and terms, if applicable shall be determined by the department based on a project's or applicant's needs and cash flow, other funding resources, market conditions and an applicant's capacity to repay GHAP funds. Additional details about loans can be found in the GHAP Manual and as updated. Preference may be given to those applicants requesting loans that show sufficient project cash flow to repay the loan. The department normally will notify an applicant in a written reservation letter as to the amount and form of GHAP assistance, if any, to be provided, together with notable conditions. Such reservation commitments remain subject to department rules, solicitation requirements, applicable law, and the negotiation, execution and recording (if required) of documents satisfactory to the department.
- (2) Each recipient of project development assistance shall, inter alia, execute funding agreements satisfactory to the department including, but not limited to a project use agreement, containing such terms regarding fees, interest rates, repayment terms, performance criteria, reporting requirements, restrictive covenants, and other terms as the department considers appropriate or necessary for the type and use of assistance provided. Each relevant funding agreement, including the use agreement, must be:
- (a) (If the recipient owns the project property at the time of disbursement) recorded as an encumbrance on the project property before any GHAP Development funds are advanced; or
- (b) (If the recipient does not own the project property at the time of disbursement) at the discretion of the department, placed in an escrow account established by the recipient satisfactory to the department and subject to such further conditions as the department may require, including the recording of restrictive covenants running with the project property for the applicable affordability period, with appropriate lien priority and taking effect upon close of escrow.
- (3) The department may require a recipient to execute and record such funding documents satisfactory to the department as it considers appropriate in its sole discretion.

STATUTORY/OTHER AUTHORITY: ORS 456.555, 458.665

STATUTES/OTHER IMPLEMENTED: ORS 456.559, 456.620, 456.625, 458.650, 458.665