

## Wendy Hall

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**From:** Josh Collen <josh.collen@hricommunities.com>  
**Sent:** Tuesday, July 9, 2024 10:18 AM  
**To:** QAP Comments; Marjorianna Willman  
**Cc:** Chris Clement; Carey Slocum  
**Subject:** 2025 - QAP Policy Recommendations Letter  
**Attachments:** 2025 QAP - HRIC Comments in Response to Governor Recommendations - 7.9.2024.pdf

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Good Morning,

HRI Communities is submitting the attached letter with the intention of providing suggestions to address the QAP items raised in the Governor's letter dated 7/1/24.

Hopefully these thoughts are helpful to LHC staff and its Board.

Thank you,

**Josh Collen**  
President



504-566-3058 *direct*  
504-566-0204 *main*  
504-525-3932 *fax*

*Elevating the Urban Experience*  
**hricommunities.com**

July 9, 2024

Ms. Marjorianna Willman  
Louisiana Housing Corporation  
2415 Quail Drive  
Baton Rouge, LA 70808

Re: Comments to 2025 Qualified Allocation Plan in Response to Governor Recommendations

Dear Ms. Willman,

HRI Communities, LLC (“HRI”) values the leadership of the Louisiana Housing Corporation (“LHC”) in administering and leveraging the Low Income Housing Tax Credit (“LIHTC”) program to create new workforce housing and preserve existing units throughout our state. We appreciate the opportunity to provide input on incorporating Governor Landry’s recommendations for the 2025 Qualified Allocation Plan (QAP) provided on July 1, 2024. Please accept this letter and the comments herewith for consideration as LHC revises the 2025 QAP.

**Regarding Governor Landry’s first recommendation “I would like the Board to place an emphasis in the proposed QAP on a robust cost containment policy for all tax credit and bond funded projects,” we offer the following:**

We recognize and appreciate the need to implement cost containment measures when housing resources are scarce, particularly when inflation and rising insurance rates have resulted in extreme development cost escalations in recent years. We suggest that LHC establish fair and reasonably achievable Total Development Cost (TDC) per unit limits in the 2025 QAP that would cover the development costs of typical multifamily developments in today’s market and would allow for LHC to approve exceptions that while atypical, are justifiable and applicable to certain developments, including but not limited to costs related to:

- Common areas/amenities such as community rooms, business centers, social services space, etc. that are specific to LIHTC developments;
- Sustainability requirements (e.g. Enterprise Green Communities, Energy Star, etc.);
- Meeting certification under the FORTIFIED Program, which requires comprehensive structural enhancements and overall property protections to ensure the safety and habitability of residential buildings during and after disaster events; and
- Demolition, environmental remediation, historic preservation, infrastructure, building stabilization work that must be completed before a private investor will become a passive owner of a building, etc. While adding complexity to private financing, these are development-specific elements that negatively impact costs but also leverage funding to achieve other important public policy goals for state and local governments alike.

In instances where a developer has secured additional development sources, such as Federal and State Historic Tax Credits, Brownfield funding and local municipal funding, to cover the costs associated with these exceptions, LHC should grant the exception without hesitation since the solution to the additional costs was found without utilizing the scarce housing resources of LHC.

**Regarding Governor Landry's second and third recommendations "I would like to see an increased focus within the QAP on increased housing opportunities for seniors and single parent households" and "an enhanced focus on assistance for victims of domestic violence," we offer the following:**

We appreciate the Governor's focus on Louisiana's vulnerable populations, particularly seniors, single parent households, and victims of domestic violence. We suggest that LHC adjust the scoring criteria in the QAP to provide a preference for housing developments that address the Governor's focus of providing housing for these vulnerable populations. To ensure the long-term viability of these projects, we further recommend that the adjusted or new scoring criteria are particularly weighted towards projects that have secured meaningful operating subsidy from a local government agency or housing authority to support these vulnerable populations' limited ability to pay rent.

While projects located in Urban Parishes are more likely to secure operating subsidy commitments, this would not put Urban projects at an advantage over Rural projects in the 9% LIHTC competitive funding round provided the 2025 QAP has distinct Urban and Rural application pools.

**In addition, we would like to offer the following regarding LHC's long-standing support for Choice Neighborhoods Initiative (CNI) projects:**

The State of Louisiana is extremely fortunate to have four large-scale Choice Neighborhoods Initiative ("CNI") Implementation Grants awarded by the U.S. Department of Housing and Urban Development ("HUD") to uplift Louisianians by comprehensively revitalizing their communities. At various stages of completing their redevelopment objectives, these CNI transformations are top priorities for local, state and federal partners. Consequently, we recommend that LHC continue to advocate for CNI projects by either maintaining or enhancing the CNI funding parameters and credit cap in the 2025 QAP.

**Lastly, we would like to offer the following regarding the 2025 QAP timeline:**

Given the impending revisions to the 2025 QAP, we respectfully request that LHC extend the 2025 9% LIHTC application timeline. We suggest moving the Pre-Submission deadline to 30 days following the issuance of the final QAP and shifting all following 2025 QAP Program Dates back accordingly.

HRI Communities appreciates the opportunity to provide feedback and respectfully requests that LHC consider these comments in preparing a revised 2025 QAP. Should you have any questions or if you would like to discuss further, please do not hesitate to contact me at (504) 566-3058.

Sincerely,



Josh Collen  
President

## Wendy Hall

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**From:** Lisa Sharp <sharplisa459@gmail.com>  
**Sent:** Friday, July 12, 2024 7:40 PM  
**To:** LHC QAP Comments  
**Subject:** Comment from resident

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

I just Louisiana resident on social security income so much for everyone good job Governor of Louisiana

## Wendy Hall

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**From:** Jeff Glover <jeff@mgmdevelopmentgroup.com>  
**Sent:** Friday, July 12, 2024 9:17 PM  
**To:** LHC QAP Comments  
**Cc:** Marjorianna Willman; Louis Russell; Todd Little; Kelly Longwell  
**Subject:** Please Lower the QAP Reserve Requirement for Senior Developments

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Please lower the reserve requirement for senior developments from \$500 down to \$300 per unit.

Prior to PRIME, the reserve requirement for senior developments in the QAP were in the \$250 range.

Given the fact that the majority of our senior tenants are single widows or divorcees rents are typically lower for senior developments.

The current interest rate environment is making it difficult to build senior developments vs. multi-family.

The higher reserve requirement only exacerbates the problem and widens the gap on debt service coverage.

Keep in mind that we are likely to build a fortified roof for a senior development which will reduce our insurance costs / risks.

Thank you,

Jeff

Jeff Glover  
Partner  
MGM Development Group, LLC  
307 Register Street  
Suite 100  
West Monroe, LA 71291  
(318) 306-6398 Office  
(318) 366-8866 Mobile  
jeff@mgmdevelopmentgroup.com

Meeting Needs and Strengthening Communities Through Housing Development.....

## Wendy Hall

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**From:** Louis Russell  
**Sent:** Wednesday, July 24, 2024 8:39 AM  
**To:** Wendy Hall  
**Cc:** Tanettra Bell  
**Subject:** FW: QAP Thought - Helping Seniors in Rural Areas

[One more...](#)

**Louis Russell** | *Chief of Multifamily Production*

### **LOUISIANA HOUSING CORPORATION**

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twitter: [@lahousingcorp](#) | facebook: [LouisianaHousingCorp](#)

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**From:** Jeff Glover <[jeff@mgmdevelopmentgroup.com](mailto:jeff@mgmdevelopmentgroup.com)>  
**Sent:** Tuesday, July 23, 2024 10:30 PM  
**To:** Louis Russell <[lrussell@lhc.la.gov](mailto:lrussell@lhc.la.gov)>; Marjorianna Willman <[mwillman@lhc.la.gov](mailto:mwillman@lhc.la.gov)>; Jarvis Lewis (LHC) <[jlewis@lhc.la.gov](mailto:jlewis@lhc.la.gov)>  
**Subject:** QAP Thought - Helping Seniors in Rural Areas

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Friends I hope you are doing well. I know you are incredibly busy and thank you for your continued leadership.

You may want to consider awarding extra points in the rural new construction and rural rehab pool for senior developments in rural communities that saw senior developments or assisted living facilities close in recent years due primarily to Covid-19.

Most of our rural communities are not competitive on the AMI point scale in Section I of the QAP so you may need to award enough points to overcome this point deficit and effectively award deals in rural areas that lost capacity and now are having that capacity come back online.

To keep people honest, they should obtain a letter from the governing body specifying the development / facility that closed in the community and number of units lost.

It would be a good story for you to provide the Governor in terms of restoring senior housing lost during the pandemic.

Food for thought.

Thanks,

Jeff

Jeff Glover  
Partner  
MGM Development Group, LLC  
307 Register Street

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West Monroe, LA 71291  
(318) 306-6398 Office  
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[jeff@mgmdevelopmentgroup.com](mailto:jeff@mgmdevelopmentgroup.com)

Meeting Needs and Strengthening Communities Through Housing Development.....



## Wendy Hall

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**From:** Jeff Glover <jeff@mgmdevelopmentgroup.com>  
**Sent:** Wednesday, July 24, 2024 4:12 PM  
**To:** LHC QAP Comments  
**Cc:** Louis Russell; Marjorianna Willman  
**Subject:** Rural Development

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Points for high AMI census tracts disadvantage the majority of rural Louisiana census tracts given the chronic poverty in our state.

Perhaps additional points should be awarded for developments in high poverty rural areas to balance out this disparity.

Jeff Glover  
Partner  
MGM Development Group, LLC  
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Suite 100  
West Monroe, LA 71291  
(318) 306-6398 Office  
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jeff@mgmdevelopmentgroup.com

Meeting Needs and Strengthening Communities Through Housing Development.....

## Wendy Hall

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**From:** James Freeman <JamesF@standardenterprises.com>  
**Sent:** Monday, July 15, 2024 9:11 AM  
**To:** LHC QAP Comments  
**Subject:** 2025 revised QAP comments

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Good morning. Please accept my comments relative to a revision of the 2025 QAP.

Geographic Diversity- We completely understand the intent in giving point preference to high income areas to help deconcentrate poverty and other important factors. The QAP, over the last several years, has given preference points to high income areas. When this initiative started points were given to census tracts that had AMI's of 90-105%. Since that time the threshold for points has increased. This year the point levels are 115-125% AMI tracts. This will result in a project being placed in a very high income area, where it is much more likely to experience NIMBY issues and potentially delay the project. Most importantly this higher income targeting puts rural parishes at a disadvantage. Many of the rural parishes have very few census tracts with incomes at 125% or higher. These census tracts are often in the most rural areas of the parish without sufficient amenities to properly serve the development. We would suggest the income levels return to something more in line with years past.

Community Redevelopment – PHA sponsored project - The PHA sponsored project is within the community redevelopment section of the selection criteria. In the rural funding pool this will play a significant factor in maximizing scores. We feel it puts an unfair advantage to the PHA's as they could receive all the funding cap. The original draft QAP had the PHA sponsored project criterion under the Governmental Priorities. We suggest the PHA sponsorship be moved back to the Governmental section and a 4 point cap remain on that section. This would allow all types of projects to compete fairly. Ideally, we would rather the PHA's receive a set-aside and no preference points be given.

**James Freeman**  
*Senior Vice President*  
Standard Enterprises, Inc.  
3104 Breard St.  
Monroe, LA 71201  
Office: 318-387-2662



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## Wendy Hall

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**From:** Terri North <tnorth@providencech.org>  
**Sent:** Monday, July 15, 2024 11:07 AM  
**To:** Stephen I. Dwyer (sdwyer@dwycambre.com)  
**Cc:** Sr. Alicia Costa; LHC QAP Comments  
**Subject:** Letter for LHC - 2025 QAP  
**Attachments:** Letter to LHC signed.pdf

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Mr. Dwyer:

Please see the attached letter from Sr. Alicia Costa and me. Feel free to let us know if you have any additional questions.

Thank you,

Terri North

**Terri B. North**

*President & CEO*



2117 Ursulines Avenue | New Orleans, LA 70116

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[www.providencecommunityhousing.org](http://www.providencecommunityhousing.org)



July 8, 2024

Mr. Stephen L. Dwyer, Chair, Louisiana Housing Corporation Board of Directors  
c/o Dwyer, Cambre & Suffern  
3000 W. Esplanade Avenue, Suite 200  
Metairie, LA 70002

Delivered by email to: [sdwyer@dwycercambre.com](mailto:sdwyer@dwycercambre.com)

Dear Mr. Dwyer:

The Sisters of the Holy Family have partnered with Providence Community Housing, a non-profit community housing development organization, since 2008 to operate and maintain two affordable senior housing communities, St. John Berchmans and Delille Inn, in New Orleans.

We write to you today regarding the governor's letter dated 7/1/2024 to the Louisiana Housing Corporation (LHC) Board of Directors. In that letter, the governor lists as his second priority "an increased focus within the QAP on increased housing opportunities for seniors and single parent households." The Sisters of the Holy Family and Providence support the governor's emphasis on affordable senior housing. .

Providence operates six affordable senior living communities (including Delille & St. John's) and oversees management of fifteen additional communities. In total, we oversee over 2,400 units of affordable senior rental units located throughout St. Tammany, St. John, Jefferson, Orleans, and St. Bernard parishes. These properties all maintain near 100% occupancies and have waiting lists of prospective tenants. Because the properties have Section 8 Rental assistance through HUD, we can serve those with the deepest of needs. Many of these properties suffer from deferred maintenance and aging physical plants. Access to low-income housing tax credits and other LHC resources to support the preservation of these assets is vital in our community.

We encourage the LHC Board to prioritize preservation of affordable rental senior housing in its 2025 QAP and all future funding opportunities.

Sincerely,

A handwritten signature in blue ink that reads "Terri North".

Terri North  
President & CEO  
Providence Community Housing

A handwritten signature in blue ink that reads "Sr. Alicia Costa, S.S.F., Ph.D.".

Sr. Alicia Costa, S.S.F., PhD.  
Congregational Leader  
Sisters of the Holy Family

## Wendy Hall

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**From:** Art Schuldt <art@callhsa.com>  
**Sent:** Wednesday, July 17, 2024 11:47 AM  
**To:** LHC QAP Comments  
**Cc:** Micah Strange; Colton Kyle  
**Subject:** 2025 QAP Comments  
**Attachments:** LHC QAP Comments.pdf

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Marjorianna:

Please find attached our comments for suggested changes to the 2025 QAP.

Thanks!



Art Schuldt, Jr., AIA, Member

330 Marshall Street | Suite 900 | Shreveport, LA 71101 | [art@callhsa.com](mailto:art@callhsa.com) | [www.callhsa.com](http://www.callhsa.com)  
DIRECT: 318-402-0197

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July 17, 2024

Ms. Marjorianna Willman  
Louisiana Housing Corporation  
2415 Quail Drive  
Baton Rouge, LA 70808

Re: Comments to 2025 Qualified Allocation Plan in Response to Governor Recommendations

Dear Ms. Willman,

Integrand appreciates this opportunity to comment on the 2025 QAP including the recommendations offered by Governor Landry. We have several comments for consideration and are listed as follows:

**Regarding Governor Landry's first recommendation on a robust cost containment policy for all tax credit and bond funded projects:**

While we agree with the need to better prepare for damage and flooding caused by hurricane force winds across the southern portion of our state, projects proposed in other areas of the state that have historically been unaffected by these events should not be held to the same standards. We do agree with the FORTIFIED program regarding the structural elements of the buildings, but flexibility should be granted to proposed developments well above base flood elevations. As an example, a development in Shreveport above base flood elevation should not be required to flood-proof the first 3' of structures, particularly when there is no documented evidence of previous flooding.

Integrand would suggest LHC establish more realistic TDC per unit limits that are reflective of the cost burdens to meet FORTIFIED program requirements, common area amenities and Sustainability measures.

**Increased support for Choice Neighborhoods Initiative (CNI)**

Integrand whole-heartedly supports the continued allocation of credits for CNI projects. This program is perhaps the strongest tool to uplift not only lower income residents of public housing but integrates a community-wide redevelopment effort with many partners and leveraging commitments.

**Other Considerations**

The historic preservation points currently require Part 1 evidence from the Louisiana Office of Cultural Development. This assumes a project will incorporate state historic credits. However, a property can achieve Part 1 approval from the federal Department of the Interior as a historic property and can utilize federal historic credits independent from state credits. This is a valuable leverage. We therefore request that the definition be modified to allow for a Part 1 approval from the Department of the Interior.

The QAP restricts Urban new construction projects to 8 Parishes. This eliminates many other urban areas in need. As an example, Caddo Parish would exclude Bossier City even though it is in the Shreveport MSA. Integrand recommends allocating new construction urban projects to Louisiana's nine MSAs as a much fairer alternative.

Sincerely:

  
Arthur J. Schult, Jr.

**Fort Myers, FL Office**

12629 New Brittany Boulevard  
Building 16  
Fort Myers, FL 33907



**Shreveport, LA Office**

330 Marshall Street  
Suite 900  
Shreveport, LA 71101



**Connect**

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239.275.8029

## Wendy Hall

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**From:** \_huffdev <huffdev@huffmgt.com>  
**Sent:** Friday, July 19, 2024 1:29 PM  
**To:** LHC QAP Comments  
**Cc:** \_huffdev  
**Subject:** Comments to 2025 QAP  
**Attachments:** 2025 Louisiana QAP Comments.pdf

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Good afternoon,

Please see the attached comments to the 2025 QAP, in accordance with the changes requested by Governor Landry.

Thank you,

John Huff

Section	QAP Language	Comment
IV.A	<p>If any portion of a Site is located within the SFHA floodplain or floodway, the Project Application must include one or both of the following as applicable: Rehabilitation Projects proposing the rehabilitation of existing buildings on Sites within the one percent (1%) floodplain or floodway must submit a site plan that clearly indicates all of the following:</p> <ul style="list-style-type: none"> <li>• The historic frequency of flooding and flood-related repairs;</li> <li>• The FEMA-determined elevation of the floodplain or floodway;</li> <li>• The elevation of the lowest floor level in the existing buildings;</li> <li>• The location of the existing buildings; and</li> <li>• Evidence that the Site is enrolled or is eligible to enroll in the National Flood Insurance Program.</li> </ul> <p>Note: Projects involving the rehabilitation of existing buildings on Sites located in the one percent (1%) floodplain or floodway will ONLY be permitted if the lowest existing floor elevation of each building in the floodplain is at least three (3) feet above the FEMA designated floodplain elevation.</p>	<p>The elevation of existing buildings is cost prohibitive for most existing projects in the SFHA. Requiring buildings to elevate at all, or further raising them three feet above Base Flood Elevation, would immediately disallow a significant portion of the existing pool of affordable housing projects from being eligible for Tax Credits, particularly under Governor Landry's requested cost containment policy.</p> <p>In particular, much of the rural portion of the State is located in the SFHA. Requiring buildings in the SFHA to elevate would prevent hundreds of units throughout the state from being eligible for Tax Credits that would be required for much-needed renovations. With no change to this requirement in the QAP, the existing pool of affordable housing projects in many areas of the state would not be able to undergo substantial renovations, leading to a decrease in the quantity and quality of affordable housing in the rural areas of Louisiana.</p> <p>Due to the infeasibility of elevating buildings to meet QAP standards, we recommend the following items be the requirements for the submission and renovations for rehabilitation projects located within the SFHA:</p> <ul style="list-style-type: none"> <li>• Verification the project carries adequate flood insurance;</li> <li>• First floor elevation documentation for all buildings in relation to Base Flood Elevation; and</li> <li>• Flood zone documentation, including flood map.</li> </ul>



## Wendy Hall

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**From:** Emily May <Emay@providencech.org>  
**Sent:** Monday, July 22, 2024 10:14 AM  
**To:** LHC QAP Comments  
**Cc:** Terri North; Ryan Herringshaw  
**Subject:** 2025 Draft QAP Comments - Providence Community Housing  
**Attachments:** 2025 QAP Comments Round 2\_Providence Community Housing.pdf

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Good morning,

We have enclosed our comments to the current draft of the 2025 QAP.

As always, we appreciate the opportunity to provide a voice in this process. If you would like to follow up on any of the items within, please let us know and we are happy to schedule at your convenience.

Thank you,

**Emily May**

*Director of Real Estate Development*



2117 Ursulines Avenue | New Orleans, LA 70116

P: 504.821.7236 | F: 504.821.7213

[www.providencecommunityhousing.org](http://www.providencecommunityhousing.org)



July 22, 2024  
Louisiana Housing Corporation  
2415 Quail Drive  
Baton Rouge, LA 70808

Delivered via email to: [gapcomments@lhc.la.gov](mailto:gapcomments@lhc.la.gov)

**RE: Draft 2025 QAP**

To Whom It May Concern:

We previously provided comments during the initial comment period via a letter to LHC dated January 19, 2024. Please find below a list of comments from Providence Community Housing regarding the Louisiana Housing Corporation's (LHC) Draft 2025 Qualified Allocation Plan (QAP):

**1. Funding Pools**

*Section II.A. Division of Available LIHTCS p.4*

Providence recommends the addition of a Senior Housing Pool for developments (new or rehab) that are 100% Senior (as defined) set aside and it is recommended to fund with approximately 10% of available LIHTCs (or simply match the QNP/CHDO sizing. It is also recommended to retain II.A.7. allowing unfunded projects the ability to be considered in the respective Urban/Rural pool, there is multiple opportunities for the senior housing projects.

The addition of a Senior Housing Pool provides the confirmation senior developments will be awarded whether they are new construction or rehabilitation within the guidelines of the Governor's office. It is Providence's experience that resyndication of fully affordable senior development projects in the urban setting score much lower in comparison to other types of projects.

**2. Community Notification**

*Section III.A., page 7*

Providence recommends that LHC clarify the 60-day window to publish public notices prior to Tax Exempt Bond Financing to automatically shift if LHC adjusts the dates of competitive 4% NOFA's. Projects that are on track to be published in a timely manner may be outside the 60-day window quickly when submission dates change at no fault of the project.

### **3. Project Threshold Requirements – Resiliency Standards**

*Section IV.A.1, page 13*

Providence supports thoughtful and resilient site selection but recommends that sites within levee protected areas be accepted along with Zone B and Zone X-Shaded (500-YR). There are many examples of sites that include both acceptable and non-acceptable (per QAP definition) flood zones and may artificially reduce buildable footprints of the site at significant cost or outright feasibility. Where sites include a mix of these flood areas and have less than 50% of the building footprint in a non-acceptable SHFA, the stricter elevation requirements of the two should prevail. Many communities both rural and urban exist within these areas and understand flood mitigation and elevation requirements, which can be further enhanced by the requirements of item c. as applicable. As written, this language disallows buildings to even encroach a small corner or a staircase within a non-acceptable SHFA.

### **4. Project Threshold Requirements – Historic Rehabilitation Projects**

*Section IV.A.14, page 18*

Providence notes that there is no such item available as an IBHS inspection making this threshold impossible to meet. We suggest adding this as an architectural certification that crosscuts the requirements of the specified Fortified program with that of SHPO and NPS as applicable.

### **5. Acquisition/Rehab Project Threshold Requirements – Amenities**

*Section IV.B.4, page 19*

Providence recommends reducing the threshold requirement for 100% senior facilities from one washer and one dryer per every ten units to one per no less than 20 units. In the case of on-site laundry facilities these machines are provided via a service contract where the supplier will only provide as many units as they believe profitable for operation. In the event additional machines are required all machines must be purchased and maintained by the property as a mix of rented and owned assets are not allowable. The threshold requirement as structured would require a significant up-front and ongoing operating expense to purchase and maintain this ratio of machines.

### **6. Underwriting Guidelines – Developer Fees**

*Section IV.D.13, page 22*

Providence strongly opposes the defined maximum limits on developer fees. This practice disincentivizes larger projects which carry a larger financial capacity requirement and a larger guarantee requirement while prioritizing smaller projects that are unlikely to be operationally feasible. Further, a flat fee per unit regardless of size also incentivizes the development of one-bedroom units and not family units at two bedroom and higher.

All projects, regardless of scale or location, should be eligible for a full 15% developer fee (as structured and defined in the 2020 QAP and prior) if the development team is able to find such resources to appropriately finance. Arbitrary limitations are in no way effective in providing the income necessary to support development overhead and risk associated with the development and delivery of LIHTC funded projects, especially given the timeframe of project maturity. Providence acknowledges the need for cost controls and reasonableness policies and encourages the LHC to seek alternate measures to enact such policies that reduce the direct cost of affordable housing development and not the livelihood of the development community carrying out this work.

Providence also believes that the prohibition on allowing post-award increases in developer fee should not apply to 4% deals, where increases in fee can generate additional non-competitive credits, which benefits the entire state.

## **7. Underwriting Guidelines – Maximum Unit Development Cost**

*Section IV.D.20, page 23*

Providence recognizes that cost reasonableness is a cornerstone of the LIHTC program, however, we find that the TDC caps established in this QAP are unrealistic, as evidenced by the costs per door of recently funded projects through the PRIME NOFA and other opportunities. The published TDC limits are those of Public Housing Capital, which does not consider the leverage of tax credit equity or debt in its calculation and as a result do not translate well to this use.

Providence recommends that the LHC eliminate the TDC caps as structured, adding an exemption for projects with non-State of Louisiana issued federal funds, similar to the CNI exemption provided in subitem g. Ex. HOME, CDBG, or local funds placed with federal restrictions from a local municipality represent coverage of costs exceeding reasonable maximum TDC's established in the QAP. With this potential change, the focus is on how developers and their projects best leverage critical LHC resources in relation to affordable units. No project should suffer an arbitrary cap if funding is reasonably available and the development team has brought the necessary commitments, especially if LHC's commitment is minimized in light of other resources. To further this effort and transparency, Providence recommends that LHC publish both the total number of units as well as the number of affordable units receiving tax credits and the tax credits requested per unit in all application logs and waiting lists.

## **8. Selection Criteria – De-Concentration Projects / Project Diversity**

*Appendix A.I.A.(i), Page 42*

Providence recognizes the importance of diverse communities but would note the primary concern of the LIHTC program is the creation of new affordable housing units. It is even the policy of LHC to perform tie breaking based on which project is producing the larger amount of affordable units. Many investors will underwrite the risk of market units unfavorably – often at the income restricted rents – making such transactions financially difficult. Further, there are many existing urban communities in which surrounding density of housing provides for mixed income communities. As a point category this

represents must-have points for any development to secure an allocation of funding with no regard to the local market or need of a community.

Providence recommends that both the percentage hurdles should be adjusted to no more than 20% market units in a project, and to reduce the points for each significantly and accordingly unless strongly supported by a market study. We agree that Income Average projects should be ineligible for these points. This point criteria is also distinctly difficult for rehab projects that have existing regulatory agreements and commitments – fully affordable projects are less favorable for an allocation compared to their mixed income counterparts.

To further increase the transparency of mixed income projects being allocated limited LHC resources, Providence would also recommend that LHC publicize in its application and award logs both the number of affordable units and the total number of units.

## **9. Selection Criteria – Geographic Diversity**

*Appendix A.I.A. (ii), Page 42*

Providence again recognizes the importance of diverse communities in relation to higher income neighborhoods. These locations are difficult to find in some established urban areas, especially where census tracts are geographically smaller than their less dense counterparts. Larger census tracts with less density allow for projects to gain these points without providing the material benefits expected of a higher income tract or the co-location to benefits which are better allocated points in Appendix A.IV.A.(i). Providence recommends raising the threshold for points and/or reducing the point value to balance.

## **10. Selection Criteria – Rehabilitation & Preservation**

*Appendix A.I.C. (ii), Page 42*

Providence recommends adjusting subsection (ii) to remove the language, “no eligible for points for increased affordability.” By removing the language, this subsection becomes a “Special Priorities” allowing for preservation projects increased points opportunity and removes the limitation for points related to increased affordability to prioritize deeper affordability

Providence recommends the addition of a points opportunity to this subsection (ii), “Project is an existing HUD 202 Project, as defined by the Housing Act of 1959, with a current Regulatory Agreement or an expired Regulatory Agreement with a surviving HAP Contract.” The addition of this language further provides preservation projects the opportunity to increase points and prioritize deep affordability for senior housing in the state.

## **11. Selection Criteria – Special Needs Households**

*Appendix A.II.A., page 43*

Providence recommends the addition of Domestic Violence Households and Elderly Households to II.A.(i) which gives the opportunity to gain six points for a 30% senior set aside and allowing projects to select points from both II.A.(i) and (ii) with a justification that applicants may prioritize the most vulnerable households that qualify not only as senior but senior AND other designations with priority.

Providence also recommends increasing the points available to II.A.(ii) for Elderly Households. The 100% set asides require thoughtful planning and up-front capital expenditures only feasible through Low Income Housing Tax Credits, plus a long-term ongoing commitment of specialized services to an expanding population.

Providence recommends adjusting II.A.(ii) to require 100% of the units be supported by a HAP or other PBRA contract.

The recommendations herein are directly related to the Governor's priorities and the desperate need for housing within our most vulnerable populations. Providence has experienced multiple application cycles in which senior housing projects could not score within a reasonable range for awards.

## **12. Selection Criteria – Increased Unit Affordability**

*Appendix A.III.B., page 43*

Providence recommends removing the limitation for Extremely Low Income Targeting for projects where 100% of the units will be supported by a HAP or other PBRA contract.

The restriction on support of HAP or other PBRA contracts does not allow for the availability of deep affordability in workforce housing.

## **13. Selection Criteria – Neighborhood Features**

*Appendix A.IV.A.(i), page 44*

Providence suggests that the cap for points in this category be removed, as the listed neighborhood features each provide distinct advantage to the location of an affordable property and should be recognized as such, or at minimum return the cap for points to 10.

The priority of this section is a direct contrast to the highly weighted Geographic Diversity points for high-income census tracts, which may or may not provide the material benefits of these neighborhood features. By expanding points in criteria such as neighborhood features and other desirable categories, LHC can continue to expand various pathways towards successful applications instead of the one-size only that was evident from the 2024 funding round.

## **14. Selection Criteria – Points for Nonprofit Projects**

Providence recommends introducing points for nonprofit sponsored projects where nonprofits own 51% or more the taxpayer entity and receive at least 51% of the development fee. Nonprofits are mission

driven entities with long term and often permanent commitments to affordable housing and the surrounding communities. Earned income from development fees earned by nonprofit partners is not distributed to owners or shareholders and rather reinvested in the shared mission for affordable housing and should be a priority focus for affordable housing development.

#### **15. Selection Criteria – Permanent Affordability**

Providence applauds the LHC for mandating the waiver of qualified contract through the extended compliance period to ensure these public/private partnerships serve communities long into the future. Providence recommends that LHC consider a criteria option for permanent affordability.

Thank you for your consideration of these written comments. If additional information or clarification is needed, please do not hesitate to contact me at (504) 821-7229 or [rherringshaw@providencech.org](mailto:rherringshaw@providencech.org).

Sincerely,



Ryan Herringshaw  
Chief Operating Officer  
Providence Community Housing

Cc: Terri B. North, President & CEO  
Emily May, Director of Real Estate Development

## Wendy Hall

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**From:** Len Reeves <lreeves@ridgewoodconsulting.net>  
**Sent:** Tuesday, July 23, 2024 3:57 PM  
**To:** LHC QAP Comments  
**Subject:** Re: 2025 QAP Comments

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

One more...

4. Please consider removing the point for security cameras connecting with local town crime surveillance initiative. Local authorities are hesitant to sign anything outside of the ordinary, even if the intentions are in the best interest of the community. Every point in an application is critical, and this point puts too much control in the hands of an outside party. Instead, Applicants could certify that they will share camera information with local authorities.

On Mon, Jul 22, 2024 at 3:35 PM Len Reeves <[lreeves@ridgewoodconsulting.net](mailto:lreeves@ridgewoodconsulting.net)> wrote:

In an effort to reduce construction expenses, produce more units, and stretch the value of the tax credit dollar, please see the following comments to the 2025 QAP:

1. Consider removing the requirement for Universal Design. Building to this certification limits the options of building types, which prevents development, or makes it more costly, in otherwise appropriately zoned areas.
2. Consider removing the VLI scoring incentive in "Section B. Increased Unit Affordability.". This additional restriction on income and rent impacts the ability of a development to absorb increases in operational expenses such as insurance and taxes. Tax credit deals are already sufficiently income and rent-restricted. The threshold requirement of 5% of units at or below 30%, and the additional scoring incentive of 5% of units at or below 30% ensures ELI targeting is met. Removing the VLI incentive will allow deals to service more debt, absorb unforeseen cost increases, and produce more units/tax credit dollars.
3. Consider removing the scoring incentive for Green Buildings, or at least the new incentive for "Net Zero." The additional costs related to this certification will reduce the number of units per award, which creates unnecessary and avoidable financial stress during operations. The Agency has done a great job in creating a portfolio of energy-efficient units through NGBS, LEED, EGC, and EarthCraft designations. These designations provide a good balance between energy efficiency and creating affordable housing units.



## Wendy Hall

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**From:** hcunningham nhcsla.com <hcunningham@nhcsla.com>  
**Sent:** Monday, July 22, 2024 5:19 PM  
**To:** LHC QAP Comments  
**Subject:** 2025 QAP COMMENTS: Regarding Converting Market Properties back to Affordable  
**Attachments:** Affordable Rental Program Working.docx

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Please see attached comments.

Best,  
Helena Cunningham

National Housing Consultant Services  
hcunningham@nhcsla.com  
225-218-7189 (c)  
225-456-5745 (o)  
225-456-5796 (f)  
[www.nhcsla.com](http://www.nhcsla.com)

Affordable Rental Program (ARP) Initiative Set-Aside: At least five 10% of the state's LIHTC ceiling or 10 points will go to projects previously funded by the ARP and have successfully completed the 5-year compliance period. Qualified ARP Projects Pool must include the following parameters.

- Project must be under no other affordability requirements.
- Project must agree to the original terms of the ARP Initiative and any additional terms of compliance required when deploying LIHTC.
- Project must reserve at least 51% of the units for seniors or victims of domestic abuse.
- Project must maintain or expand the total number of eligible units
- *Developer fee is limited to \$ 1.5 million regardless of location*

Why ARP should get a separate pool.

1. ARP projects had a very short compliance period (5 years) and therefore did not maintain long-term affordability benefits.
2. This set-aside will move units from market rate back into the state's affordability inventory.
3. ARP set-aside requirements will achieve all of Governor's goals as detailed in his July 1, 2024, letter to the Board.
4. Projects have successfully gone through a competitive process already.
5. ARP projects are located in designated areas that are utilized during disasters therefore increasing the availability of affordable units in those areas in times of need.

## Wendy Hall

---

**From:** hcunningham nhcsla.com <hcunningham@nhcsla.com>  
**Sent:** Wednesday, July 24, 2024 3:53 PM  
**To:** LHC QAP Comments  
**Subject:** Re: 2025 QAP COMMENTS: Various Selection Criteria Comments  
**Attachments:** 2025 Selection Criteria with HRC Comments.pdf

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Please see attached comments.  
Best,  
Helena Cunningham

---

**From:** hcunningham nhcsla.com <hcunningham@nhcsla.com>  
**Sent:** Monday, July 22, 2024 5:18 PM  
**To:** qapcomments@lhc.la.gov <qapcomments@lhc.la.gov>  
**Subject:** 2025 QAP COMMENTS: Regarding Converting Market Properties back to Affordable

Please see attached comments.  
Best,  
Helena Cunningham

National Housing Consultant Services  
hcunningham@nhcsla.com  
225-218-7189 (c)  
225-456-5745 (o)  
225-456-5796 (f)  
[www.nhcsla.com](http://www.nhcsla.com)

## APPENDIX A-SELECTION CRITERIA AND EVIDENTIARY MATERIALS

I. TARGETED PROJECT TYPE (Maximum of 18 points allowed)		
<p><b>A. De-Concentration Projects (Only 1 selection allowed, maximum of 5 points allowed for I.A.)</b></p> <p><b>Maximum one selection from A(i), Project Diversity</b></p> <p>(i) <u>Project Diversity:</u>                      *Project Diversity points requires market rate units without income restrictions.</p> <p>*Percentage of Low Income Units at or below 60% AMI in Project does not exceed:</p> <p style="margin-left: 40px;">(a) 80% of the Total Project units</p> <p style="margin-left: 40px;">(b) 70% of the Total Project units</p> <p style="margin-left: 40px;">(c) 60% of the Total Project units</p>	<p>5 ____</p> <p>4 ____</p> <p>3 ____</p>	
<p><b>Maximum one selection from A(ii), Geographic Diversity</b></p> <p>(ii) <u>Geographic Diversity:</u> Project is located in a census tract in which the median household income exceeds one of the following:</p> <p style="margin-left: 40px;">(a) <del>115%</del> of the Area Median Income for the MSA</p> <p style="margin-left: 40px;">(b) <del>120%</del> and above of the Area Median Income for the MSA</p> <p style="margin-left: 40px;">(c) <del>125%</del> and above of the Area Median Income for the MSA</p> <p style="margin-left: 40px; color: red;">(a)100%</p> <p style="margin-left: 40px; color: red;">(b)110%</p> <p style="margin-left: 40px; color: red;">(c)120%</p> <p>*A minimum of 70% of the units in a scattered site project must be located in the census tract.</p>	<p>3 ____</p> <p>4 ____</p> <p>5 ____</p>	
<p><b>B. Community Redevelopment (select one, maximum 8 points allowed)</b></p> <p>(i)                      *Redevelopment Project</p> <p style="margin-left: 40px;">a.                      Distressed Property:                      ____</p> <p style="margin-left: 40px;">b.                      Redevelopment Property:                      ____</p> <p style="margin-left: 40px;">c.                      Owner Occupied Property with Development Plan of Action:                      ____</p> <p>(ii)                      *New Construction/<b>Adaptive Re-use</b> Project included in a Concerted Community Revitalization Plan</p> <p>(iii)                      PHA sponsored project</p> <p>* Documentation must be submitted with the application evidencing that the project meets the requirements of a Redevelopment Project as defined by the QAP. Any project receiving points in this category must be located in a qualified census tract and must be located in an area that is a part of a Concerted Community Revitalization Plan.</p> <p style="color: red;">(iv) Redevelopment of Property within 2 miles radius of a "Downtown" District. Must be an existing building (residential or non-residential) that's vacant, or not currently restricted that will become at least 80% affordable. 5pts.</p>	<p>3 ____</p> <p>3 ____</p> <p>3 ____</p>	
<p><b>C. Rehabilitation &amp; Preservation (Maximum 10 points) *Points selected must be relative to the pool selection of the applicant Applicants cannot receive points for both New Construction and Rehab/Preservation</b></p> <p>(i) <u>Project Type - (select one of (a) - (f) and select (ii) if applicable )</u></p> <p style="margin-left: 40px;">(a) Existing LIHTC</p> <p style="margin-left: 40px;">(b) Existing USDA, or other Federally Funded Project</p> <p style="margin-left: 40px;">(c) Existing non-historic Residential Building</p> <p style="margin-left: 40px;">(d) Blighted housing remediation and/or replacement</p> <p style="margin-left: 40px;">(e) Rehab Infill/ Scattered Site (not eligible for points for community facility)</p> <p style="margin-left: 40px;">(f) Preservation of Residential Historic Property</p>	<p>8 ____</p> <p>8 ____</p> <p>7 ____</p> <p>7 ____</p> <p>7 ____</p> <p>3 ____</p>	
<p>(ii) <u>Tenant Assistance</u></p> <p>Project is an existing Federally Funded Project with HAP Contracts, or USDA/RD with PBRA (<i>not eligible for points for increased affordability</i>)</p>	<p>2 ____</p>	
<p><b>D. New Construction (Maximum 8 points) *Points selected must be relative to the pool selection of the applicant Applicants cannot receive points for both New Construction and Rehab/Preservation</b></p> <p>(i) <u>Project Type (select (i)(a) and select (b) if applicable )</u></p> <p style="margin-left: 40px;">(a) New Construction - Single Family, Multifamily or Duplexes</p> <p style="margin-left: 40px;">(b) Homeownership Project * (<i>not eligible for points for community facility</i>)</p> <p>(ii) <u>Infill Project (select (ii) - and select (i)(b) if applicable )</u></p> <p style="margin-left: 40px;">New Construction Infill/ Scattered Site Single Family or Duplexes (<i>not eligible for points for community facility</i>)</p> <p>* Owner must agree to sell units at minimum purchase price by not later than the 16th year of Compliance period. The award is subject to a transactional structure acceptable to the Corporation according to industry best practices that protects the expectations of tenants anticipating title transfer of their units in fee simple absolute or condo or cooperative ownership. Homeownership Projects are not eligible for points for community facility.</p>	<p>7 ____</p> <p>1 ____</p> <p>7 ____</p>	

<b>II. TARGETED POPULATION TYPE (only one selection from either (i) or (ii) - Maximum 6 points)</b>		
<b>A. Special Needs Households*</b>  (i) Population Served (Check one or more of (a), (b), (c) or (d) and <u>one</u> of (i), (ii) or (iii) )  (a) Homeless Households _____ (b) Disabled Households _____ (c) Single Parent Households _____ (d) Veterans _____  (i) Thirty Percent serve such households <b>or</b> (ii) Twenty Percent serve such households <b>or</b> (iii) Ten Percent serve such households		6 ____  5 ____  4 ____
(ii) Elderly Households - 100% of the project units are designated for Elderly Households  *Does not apply to Permanent Supportive Housing. To earn points for this category project must provide supportive services. Application must include the following: (1) Description of Supportive Services tailored to each Special Needs Household (See Supportive Services Definitions). (2) Cost per annum of Supportive Services per Special Needs Household or written commitment from governmental or non-profit agency that Supportive Services will be provided to Project without cost. (3) Experience of Taxpayer/Owner in developing Projects servicing Special Needs Households.		6 ____
<b>III. PRIORITY DEVELOPMENT AREAS AND OTHER PREFERENCES (Select All That Apply - Maximum of 22 points)</b>		
<b>A. Extended Affordability Agreement* (Only one selection allowed)</b>  Taxpayer/Owner will execute an Extended Affordability Agreement to keep the project affordable until after the:  (i) 35th year (ii) 40th year (iii) 45th year  * Lease to own projects ineligible; not eligible if executing Corporation's Option to Purchase and Right of First Refusal Agreement.		3 ____ 4 ____ 5 ____
<b>B. Increased Unit Affordability (Maximum one selection allowed from B(i) and Maximum one selection allowed from B(ii))</b>  (i) <u>Extremely Low Income Targeting *</u> (a) At least 5% but less than 10% of units serve households (other than PSH) with incomes at or below 30% AMI* (b) At least 5% and less than 10% of units serve PSH households with incomes at or below 20% AMI  *Points only allowed for additional units set aside above the required 5% of units at or below 30% AMI. Not applicable to projects with HAP Contracts or USDA/RD with PBRA.		4 ____ 3 ____
(ii) <u>Very Low Income Targeting**</u> (a) 20 percent of the units (other than PSH) between 31-50% AMI (b) 25 percent of the units (other than PSH) between 31%-50% AMI (c) 35 percent of the units (other than PSH) between 31%-50% AMI  ** To qualify for points in this section, units must be reflected on the rental income page of the application. Project must evidence ability to maintain 30% AMI units via rental income, grants or subsidies throughout the projects affordability period. Only one- and two-bedroom units will qualify as PSH units. To qualify for PSH points (ii) applicant <b>must</b> submit letter of PSH Support from the Executive Director of the Louisiana Housing Authority. The letter of support must be requested no later than 14 days prior to the application due date.		3 ____ 4 ____ 5 ____
<b>C. GOVERNMENTAL PRIORITIES - Select all that apply. (Maximum 4 points)</b>  Census Tract Number: _____ Parish Location: _____  (i) Project located in a Difficult Development Area (DDA) , Qualified Census Tract (QCT) or Federally recognized or State recognized Tribal Tract:  (ii) Project located in a parish that has not received an award of LIHTC within the last 20 years. <i>Grant, La Salle, St. Charles, St. Helena, St. John the Baptist, Tensas</i>		2 ____   2 ____

<p><b>D. ADDITIONAL FINANCIAL SUPPORT - (only 1 selection allowed)</b></p> <p>Additional Financial support reduces project development costs by providing Philanthropic donations not affiliated with any members of the development team, CDBG or HOME funds not provided by LHC, other governmental assistance/funding in the form of loan, grants, rental assistance or a combination of of these forms by:</p> <ul style="list-style-type: none"> <li>- Waiving water and sewer tap fees;</li> <li>- Waiving building permit fees;</li> <li>- Foregoing real property taxes during construction;</li> <li>- Contributing land for project development;</li> <li>- Providing below market rate construction and/or permanent financing;</li> <li>- Providing an abatement of real estate taxes; PHA contributions or other governmental contributions;</li> </ul> <p>(i) 7% or more of total project development costs  (ii) Greater than or equal to 4% but less than 7% of total project development cost  (iii) 2% but less than 4% of total project development cost</p> <p>* The above referenced funds must be actual "awarded funds" as evidenced by a signed commitment obligating the funds to the project. Support documentation from the entity and calculations supporting the selection must be included in the application submission.</p>	<p>4 _____  3 _____  2 _____</p>																																	
<p><b>IV. LOCATION CHARACTERISTICS</b></p>																																		
<p><b>A. NEIGHBORHOOD FEATURES</b></p> <p>Points in this section are capped by the applicant's selection and verified through the commissioned market study. Applicants must include in their submissions the name, address, and map location each item where points are claimed under this section. Applicants who propose developments in proximity to negative neighborhood characteristics as defined within the QAP, can submit a justification along with their application. Justifications must include proof that the intended development is in an economically diverse neighborhood, not census tract.</p>																																		
<p><b>(i) Points Gained*: (Maximum of 5 points allowed)</b></p> <p>Points will be awarded for the following services located within the specified distance of the site. Applicant should ensure that the service is suitable for the targeted population. Points will only be awarded for the services listed below. For Urban Projects - One (1) point will be awarded for the services listed that are within a 1 mile radius of the project and One Half (0.5) point will be awarded for any service listed that is located over 1 mile but is within a 2 mile radius of the development. <b>For Rural Projects - 1 point will be awarded for the services listed that are within a 5 mile radius of the project only, NO points will be awarded for the services listed that are over 5 miles.</b> The addresses for each selection must be included in the application submission. <b>Only 1 point per service type allowed.</b></p> <p>Evidence may be submitted but points will be assigned by the Market Analyst.</p> <table border="0"> <tr> <td>Grocery Store</td> <td>_____</td> <td>1 _____</td> </tr> <tr> <td>Fresh produce market and or fruit stand (must be located in a fixed structure)</td> <td>_____</td> <td>1 _____</td> </tr> <tr> <td>Hospital/Doctor Office or Clinic</td> <td>_____</td> <td>1 _____</td> </tr> <tr> <td>Bank/Credit Union (must have live tellers)</td> <td>_____</td> <td>1 _____</td> </tr> <tr> <td>Elementary, Secondary or Post Secondary School</td> <td>_____</td> <td>1 _____</td> </tr> <tr> <td>4-Year College, University, Vocational, Technical &amp; Community College</td> <td>_____</td> <td>1 _____</td> </tr> <tr> <td>Pharmacy/Drug Store (not including pharmacies within hospitals)</td> <td>_____</td> <td>1 _____</td> </tr> <tr> <td>Public Transportation (shuttle services excluded)</td> <td>_____</td> <td>1 _____</td> </tr> <tr> <td>Louisiana Licensed (current) Adult/Child Day Care/After School Care</td> <td>_____</td> <td>1 _____</td> </tr> <tr> <td>Public Park</td> <td>_____</td> <td>1 _____</td> </tr> <tr> <td>Police or Fire Station</td> <td>_____</td> <td>1 _____</td> </tr> </table>	Grocery Store	_____	1 _____	Fresh produce market and or fruit stand (must be located in a fixed structure)	_____	1 _____	Hospital/Doctor Office or Clinic	_____	1 _____	Bank/Credit Union (must have live tellers)	_____	1 _____	Elementary, Secondary or Post Secondary School	_____	1 _____	4-Year College, University, Vocational, Technical & Community College	_____	1 _____	Pharmacy/Drug Store (not including pharmacies within hospitals)	_____	1 _____	Public Transportation (shuttle services excluded)	_____	1 _____	Louisiana Licensed (current) Adult/Child Day Care/After School Care	_____	1 _____	Public Park	_____	1 _____	Police or Fire Station	_____	1 _____	
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<p><b>V. PROJECT CHARACTERISTICS - Select and provide support documentation on all that apply</b></p>																																		
<p><b>A. COMMUNITY FACILITIES</b>  (Community facilities must be consistent with the definition contained in QAP.)  <b>Homeownership and Scattered Site projects on a Non-Contiguous site are not eligible to receive points for community facilities.</b></p>	<p>2 _____</p>																																	
<p><b>B. OPTIONAL AMENITIES:</b> <i>*Architect Certification for the selected amenities is required.</i></p> <p>(i) Washers and dryers are installed and maintained in each unit (no points will be offered for offering hookups only. Equipment must be new.)</p> <p>(ii) Dishwashers maintained in each unit</p> <p>(iii) <del>Development Wi-Fi</del></p> <p>(iv) <del>Green Building</del> <b>(*Applicant must provide documentation in the application submission) Only one selection is allowed for a maximum of six points:</b></p> <p>(a) <del>Green Building Basic</del> <b>LEED, Enterprise Green Communities 2020, NGBS-ICC-700, or EarthCraft</b></p> <p>(b) <del>Green Building Advanced</del> <b>LEED Zero Energy, EGC Plus 2020, or NGBS + New Zero Energy</b></p> <p>(v) <del>Universal Design</del> <b>(Applicant must provide documentation in the application submission)</b></p> <p><i>*Architect Certification for the selected amenities is required.</i></p>	<p>2 _____  1 _____  2 _____  4 _____  6 _____  2 _____</p>																																	
<p><b>C. PROJECT AMENITIES (Maximum 5 points allowed)</b>  <b>*All amenities must be located on the project site and must be new or an improvement.</b></p> <table border="0"> <tr> <td>Playground</td> <td>Federally Qualified Health Centers (FQHC )</td> <td>1pt</td> </tr> <tr> <td>Computer Center (minimum 5 computers)</td> <td>On-site once a year</td> <td>2pts</td> </tr> <tr> <td>Exercise Room (must have equipment)</td> <td>On-site twice a year</td> <td>3pts</td> </tr> <tr> <td>Picnic Area with Permanent Grill</td> <td>On-site Quarterly</td> <td></td> </tr> <tr> <td>Courtyard with Seating</td> <td></td> <td></td> </tr> </table>	Playground	Federally Qualified Health Centers (FQHC )	1pt	Computer Center (minimum 5 computers)	On-site once a year	2pts	Exercise Room (must have equipment)	On-site twice a year	3pts	Picnic Area with Permanent Grill	On-site Quarterly		Courtyard with Seating			<p>1 _____  1 _____  1 _____  1 _____  1 _____</p>																		
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<p><b>D. ADDITIONAL ACCESSIBLE UNITS (Only 1 selection allowed)</b></p> <p>Accessible Units in excess of Section 504 of II C Accessible Project Rehabilitation Act of 1973. Section 504 applies to all Projects, i.e., 5% of units must be accessible for people with mobility impairments and 2% for people with hearing or vision impairments.</p> <p>(i) Number of Units: _____ = more than 15% of the total units but less than or equal to 20% of the total units</p> <p>(ii) Number of Units: _____ = more than 20% of the total units</p> <p>* Submit number, percentage and description of construction and/or equipment provided for each Accessible Unit.</p>	<p>2 _____  3 _____</p>																																	

<p><b>E. ON-SITE SECURITY (Maximum 3 points allowed)</b></p> <p>(i) Make your selection(s) below, a maximum of only 2 points allowed for this section</p> <p>(i) Security Cameras _____</p> <p>Security Gate _____</p> <p>On-Site Security Guard _____</p> <p>(ii) Security cameras connect with local town crime surveillance initiative _____</p> <p>* Twenty-four (24) hour on-site security through the use of cameras, security gate, or on-site personnel in an official capacity as a professional security guard. Costs for on-site security must be evidenced as an expense item on the projects operating pro-forma. Security personnel may be uniformed or non-uniformed. If security cameras are provided (1) cameras must be dispersed throughout the development so as to provide maximum security coverage and a diagram of the proposed location of cameras must be included in the application to receive points, (2) At least one camera per every 20 units is required to receive points in this category; the number of cameras will be rounded up in making this determination, and (4) properties will be required to retain 30 days of continuous footage; enabling security footage of any given day to be available for up to a minimum of 30 days. Security Gates must provide full perimeter fencing with controlled gate access. The fencing and gate must be either wrought iron, aluminum or wood, chain-link fencing is unacceptable.</p>	<p>2 _____</p> <p>1 _____</p>
<p><b>F. <del>HUD-DEFENSIBLE SPACE</del></b> <del>Project-incorporates HUD-Defensible Space</del></p>	<p>2 _____</p>
<p><b>G. RESILIENCY STANDARDS (Only 1 selection allowed)</b></p> <p><b>FORTIFIED Roof - REQUIRED</b></p> <p>FORTIFIED GOLD: _____</p> <p>FORTIFIED SILVER: _____</p>	<p>7 _____</p> <p>5 _____</p>
<p><b>H. <del>EVICTON PREVENTION &amp; LOW BARRIER TENANT SCREENING</del> --(Maximum 3 Points)</b></p> <p><del>Commits to creating an Eviction Prevention Plan for the property.</del></p> <p><del>Commits to implementing low-barrier tenant screening in order to minimize the impact of previous evictions on a household's ability to secure future housing.</del></p>	<p>2 _____</p> <p>1 _____</p>

Most of the suggested changes are to reduce construction and operational costs of these transactions. Construction costs for Universal design and Green requirements are estimated to be ~\$26.5K/unit. For an average 60 unit development, these requirements will add ~\$1,590,000 to the total development cost.

Other suggestions include a focus on converting, via the adaptive re-use, nonresidential buildings into affordable housing. Specifically, vacant buildings located in/near downtown areas and/or non-restrictive buildings into restrictive affordable housing.

Finally, included are points for hosting Federally Qualified Health Centers onsite.

## Wendy Hall

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**From:** Andrew Mayronne <andrew@mayronnedev.com>  
**Sent:** Wednesday, July 24, 2024 11:06 AM  
**To:** LHC QAP Comments  
**Subject:** 2025 QAP Comments

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

I'd like to submit the following comments related to the 2025 QAP:

Please increase the point allowance in Section I: Targeted Project Type to 30 points.

Under Targeted Project Type Section I(C)(ii): Tenant Assistance, include language that makes the points available for new construction projects with a firm commitment of project-based tenant assistance (indicated by a conditional commitment letter from a housing authority or tenant assistance provider) without an existing HAP contract. Please increase the point allowance from 2 to 3.

Under Section I(D)(ii): Infill Project, please create a unique category with 3 allowable points for Scattered Site Developments. There is a significant positive impact from scattered site developments in mature communities, but the development is more challenging. These points would create an incentive that recognizes the challenge.

Under Section IIA(ii): Elderly Households, please increase the point allowance to 7.

Under Section I(B): Community Redevelopment, please create a category for the utilization of land provided by a unit of local government or quasi-governmental entity and create a point allowance of 3.

Please remove Section I(A)(ii): Geographic Diversity. Many MSAs have multiple census tracts and these points have the potential to create unique advantages for some projects with only modest effects on geographic diversity.



## Wendy Hall

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**From:** Chris Clement <chris.clement@hricommunities.com>  
**Sent:** Wednesday, July 24, 2024 11:06 AM  
**To:** LHC QAP Comments  
**Cc:** Carey Slocum; Josh Collen; Marjorianna Willman; Josh Collen; Dimitria Williams  
**Subject:** 2025 QAP - Submittal of Comments  
**Attachments:** 2025 QAP - HRIC Comments in Response to Governor Recommendations 7.22.24.pdf

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**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

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On behalf of HRI Communities, attached please find comments regarding the 2025 QAP and the specific recommendations included in Governor Landry's July 1<sup>st</sup>, 2024 letter to LHC. Please let us know if we can provide anything further.

Thank you.

**Chris Clement**  
Senior Vice President



504-566-3055 *direct*  
504-566-0204 *main*  
504-390-8686 *mobile*

*Elevating the Urban Experience*  
**hricommunities.com**

July 24, 2024

Ms. Marjorianna Willman  
Louisiana Housing Corporation  
2415 Quail Drive  
Baton Rouge, LA 70808

Re: Comments to 2025 Qualified Allocation Plan in Response to Governor Recommendations

Dear Ms. Willman,

HRI Communities, LLC (“HRIC”) values the leadership of the Louisiana Housing Corporation (“LHC”) in administering and leveraging the Low Income Housing Tax Credit (“LIHTC”) program to create new workforce housing and preserve existing units throughout our state. We appreciate the opportunity to provide input on incorporating Governor Landry’s recommendations for the 2025 Qualified Allocation Plan (QAP) provided on July 1, 2024. Please accept this letter and the comments herewith for consideration as LHC revises the 2025 QAP.

**Regarding Governor Landry’s first recommendation “I would like the Board to place an emphasis in the proposed QAP on a robust cost containment policy for all tax credit and bond funded projects,” we offer the following:**

We recognize and appreciate the need to implement cost containment measures when housing resources are scarce, particularly when inflation and rising insurance rates have resulted in extreme development cost escalations in recent years. We suggest that LHC establish fair and reasonably achievable Total Development Cost (TDC) per unit limits in the 2025 QAP that would cover the development costs of typical multifamily developments in today’s market and would allow for LHC to approve exceptions that while atypical, are justifiable and applicable to certain developments, including but not limited to costs related to:

- Common areas/amenities such as community rooms, business centers, social services space, etc. that are specific to LIHTC developments;
- Sustainability requirements (e.g. Enterprise Green Communities, Energy Star, etc.);
- Meeting certification under the FORTIFIED Program, which requires comprehensive structural enhancements and overall property protections to ensure the safety and habitability of residential buildings during and after disaster events; and
- Demolition, environmental remediation, historic preservation, infrastructure, building stabilization work that must be completed before a private investor will become a passive owner of a building, etc. While adding complexity to private financing, these are development-specific elements that negatively impact costs but also leverage funding to achieve other important public policy goals for state and local governments alike.

In instances where a developer has secured additional development sources, such as Federal and State Historic Tax Credits, Brownfield funding and local municipal funding, to cover the costs associated with these exceptions, LHC should grant the exception without hesitation since the solution to the additional costs was found without utilizing the scarce housing resources of LHC.

**Regarding Governor Landry's second and third recommendations "I would like to see an increased focus within the QAP on increased housing opportunities for seniors and single parent households" and "an enhanced focus on assistance for victims of domestic violence," we offer the following:**

We appreciate the Governor's focus on Louisiana's vulnerable populations, particularly seniors, single parent households, and victims of domestic violence. We suggest that LHC adjust the scoring criteria in the QAP to provide a preference for housing developments that address the Governor's focus of providing housing for these vulnerable populations. To ensure the long-term viability of these projects, we further recommend that the adjusted or new scoring criteria are particularly weighted towards projects that have secured meaningful operating subsidy from a local government agency or housing authority to support these vulnerable populations' limited ability to pay rent.

While projects located in Urban Parishes are more likely to secure operating subsidy commitments, this would not put Urban projects at an advantage over Rural projects in the 9% LIHTC competitive funding round provided the 2025 QAP has distinct Urban and Rural application pools.

**In addition, we would like to offer the following general QAP comments for LHC's consideration:**

**Regarding LHC's long-standing support for Choice Neighborhoods Initiative (CNI) projects:**

The State of Louisiana is extremely fortunate to have four large-scale Choice Neighborhoods Initiative ("CNI") Implementation Grants awarded by the U.S. Department of Housing and Urban Development ("HUD") to uplift Louisianians by comprehensively revitalizing their communities. At various stages of completing their redevelopment objectives, these CNI transformations are top priorities for local, state and federal partners. Consequently, we recommend that LHC continue to advocate for CNI projects by either maintaining or enhancing the CNI funding parameters and credit cap in the 2025 QAP.

**Regarding Selection Criteria V.(B.), please consider changing (iv) Green Building to a maximum of 6 points and removing (iv)(b) Green Buildings Advanced certification (i.e., Zero Energy certifications):**

While the introduction of advanced Zero Energy (or Zero Energy Ready) Green Building certifications as a Selection Criteria signals a commendable goal toward energy neutrality, we

## Wendy Hall

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**From:** Sullivan, John <jsullivan@enterprisecommunity.org>  
**Sent:** Wednesday, July 24, 2024 12:55 PM  
**To:** LHC QAP Comments  
**Subject:** Enterprise QAP Comments  
**Attachments:** Enterprise 2025 QAP Comment Letter.pdf

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Please see attached comments from Enterprise.

**John Sullivan**  
State and Local Policy Director  
Gulf Coast

504.335.2305  
[enterprisecommunity.org](https://enterprisecommunity.org)



Together we achieved  
something momentous:  
**1 million homes created.**



July 24, 2024

Ms. Marjorianna Willman  
Executive Director  
Louisiana Housing Corporation  
2415 Quail Drive  
Baton Rouge, LA 70808

RE: Comments to 2025 State of Louisiana Low Income Housing Tax Credit Qualified Allocation Plan

Dear Ms. Willman,

Thank you again for the opportunity to comment on the 2025 QAP. We would like to add to our previous comment and offer support for the Diversity, Equity, and Inclusion points that were removed from the 2025 QAP final version.

We know there are groups of developers that have a hard time gaining the experience to qualify in submitting a LIHTC application. Of course it is a difficult proposition to gain experience because to get a LIHTC award a developer needs LIHTC experience, but without any experience, they will not qualify for a LIHTC award. We understand that was what the focus on certain types of subcontractors and joint ventures was meant to do – to help those get qualifying experience that they would be otherwise unable to get.

We hope that LHC will reconsider and continue to incentivize applications that lift up those developers.

Sincerely,

A handwritten signature in black ink, appearing to read "John Sullivan".

John Sullivan  
Senior Director for State and Local Policy, Gulf Coast



July 23, 2024

Ms. Marjorianna Willman  
Executive Director  
Louisiana Housing Corporation  
2415 Quail Drive  
Baton Rouge, LA 70808

RE: Comments to 2025 State of Louisiana Low Income Housing Tax Credit Qualified Allocation Plan

Dear Ms. Willman,

Enterprise Community Partners appreciates the opportunity to provide further comments on the QAP, and specifically the opportunity to offer feedback and context regarding the cost concerns raised in the Governor's letter to LHC. We have concerns that drastic changes to the cost containment measures already in place could severely impact project quality and the ability of LHC to meet a host of state priorities.

Enterprise has a 40-year history with the Low-Income Housing Tax Credit program, and currently is one of the largest LIHTC syndicators in the country. During those 40 years we have invested \$20 billion in tax credit equity around the country, including \$310 million supporting the development of more than 2,000 homes in Louisiana. Our syndicator experience gives us access to abundant data on LIHTC projects across the country.

Our experience in Louisiana is that project costs typically fall below what we see nationally. Our examination of 10 years of project data bears that out: median total development costs (TDC) for Louisiana projects are less than our nationwide sample during every timeframe we analyzed.

**Median Total Development Costs for Enterprise-Syndicated Projects**

Years	Nationwide			Louisiana		
	# of projects	Median TDC	Median TDC per unit	# of projects	Median TDC	Median TDC per unit
2014-2024	603	\$20,700,000	\$278,000	12	\$14,100,000	\$210,000
2019-2024	371	\$22,900,000	\$303,000	7	\$14,600,000	\$229,000
2014-2018	232	\$17,600,000	\$235,000	5	\$13,600,000	\$192,000



Looking closer at the last four years of our data, which includes the post-pandemic period from 2021-2024 where we have seen high inflation and construction cost increases, we believe TDCs in the state are less when compared nationally and fairly equal when compared regionally to southern states. Nationally we have seen an average and median TDC per unit of \$389,000 and \$351,000, respectively, across 159 new construction projects, and an average and median TDC per unit of \$330,000 and \$298,000 respectively across 59 rehabilitation projects.

Looking at the southern region – combining Louisiana with other southern states in our data set (Alabama, Florida, Georgia, Kentucky, North Carolina, South Carolina, and Texas) – we see an average and median TDC per unit of \$246,000 and \$227,000, respectively, across 26 new construction projects, and an average and median TDC per unit of \$167,000 and \$164,000, respectively, across 23 rehabilitation projects.

Our data set does not contain enough Louisiana projects during this timeframe to offer a full comparison, but we believe these costs should match or be less than those seen in LHC’s internal analysis.

#### **Average and Median Total Development Costs per Unit for Projects Completed 2021-2024**

<b>Construction Type</b>	<b><i>Nationwide</i></b>			<b><i>South</i></b>		
	<b># of projects</b>	<b>Average TDC per unit</b>	<b>Median TDC per unit</b>	<b># of projects</b>	<b>Average TDC per unit</b>	<b>Median TDC per unit</b>
New Construction	159	\$389,000	\$351,000	26	\$246,000	\$227,000
Rehabilitation	59	\$330,000	\$298,000	23	\$167,000	\$164,000

Of course, this snapshot of averages and medians does not fully convey the depth of project costs; the TDCs in our national data set range from \$100,000 per unit all the way up to nearly \$1 million per unit. LHC is aware of all the different factors that result in varying project costs across the board, and why costs on the high and low end of this spectrum can still be reasonable and serve the agency’s goals. From what we see, costs in Louisiana are lower than the rest of the country on an average and median basis. We ask that this context be considered as you consider what changes to make to the cost factors in the QAP.

Regarding the special populations identified by the Governor, we ask that appropriate service resources be provided for those populations and that vacancy periods be limited to 30 days while properties search for qualifying tenants to fill units.



Thank you again for the opportunity to comment, especially under the tight timeframe LHC is operating in. We hope the data provided is helpful as the agency and other government leaders are evaluating the reasonableness of project costs in Louisiana, and if there is anything else we can do to help please let us know.

Sincerely,

A handwritten signature in black ink, appearing to read "John Sullivan".

John Sullivan  
Senior Director for State and Local Policy, Gulf Coast



would like to offer that such certifications often prove prohibitively expensive for affordable housing projects, particularly considering the Governor's recommendation to implement a robust cost containment policy. In collaboration with architecture and construction professionals, we have done extensive research that shows that the stringent Zero Energy requirements demand significant investments in advanced building materials and technologies, all of which disproportionately inflate construction costs in today's market environment which is characterized by already elevated construction costs, high interest rates and rising insurance costs. For affordable housing developers delivering units within tight budget constraints, the increased costs associated with Zero Energy requirements can create large funding gaps and push projects into financial infeasibility. At this time, we believe that it would be prudent for LHC to remove the advanced Green Building selection criteria to contain construction costs and to avoid discouraging otherwise desirable projects from submitting applications due to lower self-scores as a result of not committing to a Zero Energy certification. Such an outcome would be counterproductive as it would depress the number of desperately needed affordable units (that meet the standard Green Building selection criteria) that are funded and built. With this being said, we are grateful for LHC's long-standing collaboration with the development community to create affordable rental homes that are not only responsive to the needs of their residents but are also good for the environment – and we look forward to continuing this worthy cause through smart strategies and productive incentives.

HRI Communities appreciates the opportunity to provide feedback and respectfully requests that LHC consider these comments in preparing a revised 2025 QAP. Should you have any questions or if you would like to discuss further, please do not hesitate to contact me at (504) 566-3055.

Sincerely,



Chris Clement  
Senior Vice President

## Wendy Hall

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**From:** Ekowo, Manuela <mekowo@ibhs.org>  
**Sent:** Wednesday, July 24, 2024 2:01 PM  
**To:** LHC QAP Comments  
**Cc:** Newman, Michael  
**Subject:** IBHS Comment on LHC's 2025 Revised QAP  
**Attachments:** LHC\_Revised QAP\_IBHS Response.pdf

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Hello,

Please find attached our comments on LHC's planned revisions to its 2025 QAP.



**Manuela Ekowo**

*Public Policy Associate*

ph + txt: (305) 310-8880

[IBHS.org](https://ibhs.org) |  [IBHS\\_org](#) |  [IBHS\\_org](#) |  [IBHS\\_org](#)

Insurance Institute for Business & Home Safety

July 24, 2024

Marjorianna Willman  
Executive Director  
Louisiana Housing Corporation (LHC)  
2415 Quail Drive  
Baton Rouge, LA 70808


Executive Director Willman:

The Insurance Institute for Business & Home Safety (IBHS) is grateful for the opportunity to offer the following comments for your consideration in response to planned updates to the Louisiana Housing Corporation (LHC's) 2025 QAP. We strongly encourage LHC to maintain the current requirements and incentives to build to IBHS's FORTIFIED standards. FORTIFIED requirements both strengthen the resilience of affordable housing in the near term and contain disaster recovery costs and future housing needs in the future, helping to ensure that LHC does not have to repeatedly rebuild structures after each storm and allow the state to make the best use of its finite resources.

Studies following Hurricane Sally (in Alabama) and Hurricanes Matthew, Florence, Dorian, and Isaias (in North Carolina) concluded that FORTIFIED designated homes are less likely to have an insurance claim and, for those homes with insurance claims, claims that are smaller on average. The value of FORTIFIED has also been explored in a 2022 [study](#) from the University of Alabama's Culverhouse College of Business, which concluded that building or retrofitting to FORTIFIED has relatively minimal costs and a strong rate of return. The study found that property owners could realize an 8.1 to 72 percent internal rate of return on a marginal cost increase of no more than 1.5 percent of total cost of construction for constructing a property to the FORTIFIED Gold level. For investments in retrofitting an existing multifamily building to FORTIFIED Roof, a property owner could realize an 8.3 to 35 percent internal rate of return on the investment in the necessary retrofits.

LHC has already made significant investments in FORTIFIED. LHC currently requires a FORTIFIED Roof as a minimum construction standard in its [2025 QAP](#) and provides additional scoring consideration for projects that build to FORTIFIED Silver and Gold. LHC also currently requires FORTIFIED Gold as a minimum construction standard for [projects funded by HUD CDBG-DR grants](#) and [leads the nation](#) in using CDBG-DR grants to support resilient, affordable housing.

LHC is not alone in its commitment to invest in and build to FORTIFIED. This spring, the [city of New Orleans, Louisiana](#) used \$500,000 in CDBG funding to provide free FORTIFIED roofs to 35 homeowners. If the program goes well, the city could extend it to retrofit even more homes.



State lawmakers also allocated this legislative session an additional \$15 million to the Louisiana Fortify Homes Program. The Louisiana Department of Insurance, which manages the program, plans to combine that money with funds left over from last year (\$5 million) and open a new application round this fall. The grant program allows every eligible home to receive up to \$10,000 and Louisiana is on track to provide roughly 4,500 homeowners with new, stronger roofs within the first two years of the program's launch. And the [demand is high](#). According to the Louisiana Department of Insurance, 10,000 to 15,000 people have signed up to receive updates about the program.

LHC should continue to take leadership on advancing affordable resilient housing in the state and ensure Louisiana residents and developers can continue to reap the benefits FORTIFIED's resilient construction standards provide like access to affordable insurance premiums; strong rates of return; and confidence that Louisiana's building stock can withstand the severe weather the state faces.

### **About IBHS and FORTIFIED**

IBHS is a 501(c)(3) organization enabled by the property insurance industry's investment to fund building safety research that leads to real-world solutions for home and business owners, helping to create more resilient communities.

Severe weather disrupts lives, displaces families, and drives financial loss. IBHS delivers top-tier science and translates it into action so we can prevent avoidable suffering, strengthen our homes and businesses, inform the insurance industry, and support thriving communities. The perils we study at IBHS are part of the natural world in which we live, but social and economic disasters occur when these perils meet human populations that live or work in harm's way. To break the cycle of destruction, it is essential to address all aspects of the building performance chain: where you build, how you design and construct, and how well you maintain and repair. As a building science institute, IBHS focuses on the ways that weather behaves, what makes homes and businesses vulnerable, and how our buildings can be more resilient. We exist to help ensure that the spaces where people live, learn, work, worship, and gather are safe, stable, and as strong as the best science can equip them to be.

One of the ways we translate our science into action is through [FORTIFIED™](#), a voluntary construction and re-roofing program designed to strengthen homes and commercial buildings against specific types of severe weather such as high winds, hail, hurricanes, and even tornadoes. Based on decades of lab- and field-based research, FORTIFIED is available for single-family, multifamily, and commercial structures. To date, more than 68,000 structures have been designated by the FORTIFIED program across the country.

FORTIFIED provides property owners with the ability to achieve three increasing levels of resilience:

**FORTIFIED Roof** is the foundation of FORTIFIED because an estimated 70 to 90 percent of catastrophic homeowners' insurance claims include roof damage, and damaged roofs

## Wendy Hall

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**From:** Monique Blossom <mblossom@lafairhousing.org>  
**Sent:** Wednesday, July 24, 2024 4:06 PM  
**To:** LHC QAP Comments  
**Subject:** Comments from Louisiana Fair Housing Action Center  
**Attachments:** LaFHAC 2025 QAP Comments\_Round 2\_FINAL\_Ittrhead\_24.7.24.pdf

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Please accept the attached comments on the revised 2025 AQP from Louisiana Fair Housing Action Center.

Sincerely,  
Monique Blossom

--



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[Join our Email List](#)



**Donate**

### **Monique Blossom (she/her)**

Director of Policy and Communications

Office: [\(504\) 208-5040](tel:5042085040) |

Cell: [\(504\) 410-1476](tel:5044101476) |

Email: [mblossom@lafairhousing.org](mailto:mblossom@lafairhousing.org)

**1340 Poydras Street, Suite 710  
New Orleans, LA 70112**



# LOUISIANA FAIR HOUSING ACTION CENTER

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July 24, 2024

Majoriana Willman  
Interim Executive Director  
Louisiana Housing Corporation  
2415 Quail Dr.  
Baton Rouge, LA 70808

*By Electronic Mail*

### **Re: Comments on the 2025 Draft Qualified Allocation Plan**

Please accept the following comments on behalf of the Louisiana Fair Housing Action Center (LaFHAC) on the 2025 Qualified Allocation Plan.

We are grateful for the productive working partnership we've built with the LHC, but we remain concerned about the accessibility of LHC's public comment processes. As we previously commented in January on the Qualified Allocation Plan process, with just over a month-long comment period that included the winter holidays, the low-income families who will ultimately utilize the LIHTC program are largely cut out from the comment and feedback process. LaFHAC continues to urge LHC to build a community focus group into the QAP process for low-income families and advocates, and we hope that your agency will provide adequate notice about public meetings and their accessibility.

In addition to the substantive comments below, we hope to work with you to build a more collaborative process next year that specifically solicits the feedback of low-income families.

#### **1. Enforce LHC's Criminal Background Screening Policy**

LaFHAC was pleased that LHC adopted a requirement for all present and future grantees to submit their criminal background screening policies to LHC's compliance team. We also acknowledge that LHC has included criminal background screening policies in the "Tenant Selection



Plans" on page 25 of the 2025 draft QAP as this is a further step to enforce your landmark "Fair Housing and Tenant Selection Policy with Regard to Criminal Record Screening" policy, passed unanimously in 2021.

This requirement should also appear in the Regulatory Agreement and/or the Compliance Monitoring Agreement (or the Compliance Manual) and should specify that the tenant can enforce the LHC's criminal background screening policy requirement.

LaFHAC has received repeated complaints of LHC grantees refusing to rent to people with criminal backgrounds, which suggests LHC needs to do significantly more to educate grantees about LHC's criminal record screening policy and the protections of those with criminal records granted by HUD's 2016 guidance. As the state's Fair Housing Center, LaFHAC is available for discussions and strategies to educate LHC grantees in anti-discrimination practices to ensure that this important policy is practiced and enforced across the state.

For target populations, LHC awards points to developers who include individuals who are homeless, disabled, single parent households, and veterans. However, LHC continues to leave out one of the most vulnerable and housing insecure populations in our state: formerly incarcerated individuals. LHC should include formerly incarcerated individuals as a target population for which a developer may obtain points. We also encourage you to add Senior Households to special needs households for target populations.

## **2. Diversity, Equity and Inclusion**

LaFHAC is greatly disappointed to see that the entire Diversity, Equity and Inclusion priorities have been removed from the QAP, and we strongly urge LHC to add these programs and initiatives back in. LHC should continue to award points to development teams by minority-owned businesses, woman-owned businesses, veteran-owned businesses, and service disabled veteran-owned businesses. We also urge you to reinstate Minority Joint Ventures. These points provided LHC a simple way to expand it's profile of developers and therefore grow women-owned, minority-owned and veteran-owned businesses across the state.

## **3. Eviction Prevention and Low Barrier Tenant Selection**

While the Diversity, Equity and Inclusion section was removed in it's entirety, LaFHAC is grateful to see the Eviction Prevention and Low Barrier Tenant Selection section added into Section V – Post Award Processes & Requirements.

As in previous years, LaFHAC urges LHC to make the items below into threshold requirements rather than offering a points incentive.

LaFHAC applauds LHC for including a points incentive for properties to create an Eviction Prevention Plan, and for properties to implement a low-barrier tenant screening policy. As LaFHAC, Southeast Louisiana Legal Services (SLLS), and others have noted, many low- and middle-income tenants are barred from obtaining future housing due to records of past evictions. Tens of thousands of renter families are in this position as a result of COVID-related financial hardships and inflated cost of living over the past three-and-a-half years. The Consumer Financial Protection Bureau (CFPB) also released two reports noting that tenant screening companies habitually report inaccurate or incomplete information about court records.<sup>1</sup> The CFPB reports also document that it is particularly hard for tenants to dispute inaccurate reports because challenging a record is a time-consuming process that often requires an attorney, and tenants may not even know which screening company the landlord used.

Additionally, as part of the Eviction Prevention Plan, LHC should require the following lease provisions, which are best practices nationwide:

1. No waiver of notice to vacate;
2. At least a seven-day opportunity to cure lease violations before eviction can be filed (AL law requires 7 days; MS law requires 10 days)<sup>2</sup>;
3. Opportunity for grievance process before an eviction can be filed;
4. 30-day notice of eviction for nonpayment (required under 15 U.S.C. § 9058(c); and
5. Inclusion of a provision on every eviction notice stating (a) that if the tenant is a person with disabilities they may be entitled to reasonable accommodation; (b) that if the tenant is a survivor of violence they have certain protections under the Violence Against Women Act; and (c) that the tenant has a right to an attorney and may qualify for free legal services from (depending on the parish) Acadiana Legal Services Corporation, Southeast Louisiana Legal Services, or other local agency. The contact information for the applicable agency should be listed on the notice.

In addition to submitting general data on evictions, LHC should require participating properties to submit demographic data on evictions including information on the race, national origin, gender, family status, and disability status (if known) of individuals evicted. This would help LHC determine whether properties are disproportionately evicting members of protected classes and assist LHC in meeting its fair housing goals and obligations moving forward.

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<sup>1</sup> *Tenant background Checks Market*, Consumer Financial Protection Bureau, November 2022, Available: [https://files.consumerfinance.gov/f/documents/cfpb\\_tenant-background-checks-market\\_report\\_2022-11.pdf](https://files.consumerfinance.gov/f/documents/cfpb_tenant-background-checks-market_report_2022-11.pdf); *Consumer Snapshot: Tenant Background Checks*, Consumer Financial Protection Bureau, November 2022, Available: [https://files.consumerfinance.gov/f/documents/cfpb\\_consumer-snapshot-tenant-background-check\\_2022-11.pdf](https://files.consumerfinance.gov/f/documents/cfpb_consumer-snapshot-tenant-background-check_2022-11.pdf).

<sup>2</sup> Ala. Code § 35-9A-421; Miss. Code Ann. § 89-7-45.



#### **4. Increase the Commitment to Lower-Income Tenants**

LaFAHC continues to encourage LHC to increase the set-aside percentage for tenants at or below 30% AMI. The National Low Income Housing Coalition's *The Gap* report consistently shows that renters at 30% AMI or below have access to the fewest number of available and affordable units.<sup>3</sup> We encourage LHC to raise the percentage of lower-income tenants at or below 30% AMI to 10% at minimum.

#### **5. Lease Addendum for No Cause Evictions**

LaFHAC was pleased that in 2021, as a result of the 2022-23 QAP public comment process, LHC adopted a Tax Credit Program Addendum with certain tenant protections and notified properties that they were required to include the Addendum in their leases. However, the addendum is not being widely used. In order to enforce this requirement more robustly moving forward, LHC should make implementation of the Addendum a threshold requirement in the 2025 QAP, and this requirement should also appear in the Regulatory Agreement and/or the Compliance Monitoring Agreement (or the Compliance Manual). Furthermore, the Regulatory Agreement needs to specify that the tenant can enforce the required use of the Tax Credit Program Addendum as part of their lease.

In addition, the 2025 QAP should specify that companies that own or manage LIHTC properties (including properties funded in previous cycles) and choose not to implement the required Addendum will not be eligible for future credit allocation.

#### **6. Stop Rewarding “Project Diversity”**

As LaFHAC has explained for multiple years, LHC's commitment to incentivizing developers to include more higher-income units in their LIHTC projects is backwards and demonstrates a complete misunderstanding of the research on poverty concentration. While the percentage of low-income units at or below 60% AMI in the project has been raised to 80%, there is a vast body of research that suggests that access to opportunity is directly related to exposure to poverty and the resources available in one's *neighborhood*, including jobs, high-performing schools, transit, grocery stores, and green space.

The income diversity directly within the apartment building one resides in has little to nothing to do with it. Whether a developer holds 60% or 100% of a buildings' units for families at 60% AMI or below has no impact on residents' experience. What matters most is the concentration of poverty and access to amenities in the neighborhood where the building is located. We strongly recommend LHC eliminate these points altogether or reverse the scoring in this section and provide the most points to projects that are 100% affordable at 60% AMI or below.

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<sup>3</sup> *The Gap: A Shortage of Affordable Rental Homes*, National Low Income Housing Coalition, April 2022, Available: <https://nlihc.org/gap/state/la>.

## **7. Relocation Assistance**

Tenants who are displaced by a project funded with federal financial assistance are entitled to comparable replacement housing, relocation assistance, and relocation counseling. The 2025 QAP should require developers to submit a relocation plan that complies with the Uniform Relocation Assistance and Real Property Acquisition Policies Act ("URA") if the project financed will displace low income residents. Sample language from the Pennsylvania QAP is below:

*Displacement of Tenants: Applications that have resulted from or will result in the permanent displacement of low-income residents will be rejected unless the Applicant provides evidence satisfactory to the Agency that an appropriate relocation plan has been developed. Furthermore, to the greatest extent feasible, all existing low-income residents must be offered their choice to either be temporarily relocated until such time, upon completion of the development, as they are able to return to an appropriately sized affordable unit in the development, or receive relocation benefits. Applicants are required to document the efficacy of notice given to residents to the satisfaction of the Agency.*

## **8. Length of Extended Use Periods**

We fully support LHC's requirement that applicants waive the Qualified Contract process as a precondition to the use of credits, which effectively preserves affordable housing options. We also support the current QAP's points incentive to extend affordability beyond 30 years. However, the minimum Extended Use period should be extended beyond 30 years. We suggest a minimum of 40 years of mandatory affordability. This would bring Louisiana in line with several other states that have committed their LIHTC properties to affordability periods of over 30 years.

## **9. Revise Negative Neighborhood Characteristics**

As mentioned in previous years, LaFHAC remains concerned about the inclusion of negative neighborhood characteristics as a project threshold requirement. Some of the "incompatible uses" may still disqualify projects located in many areas we consider areas of opportunity.

As part of New Orleans' Assessment of Fair Housing (AFH) plan, LaFHAC worked closely with the City of New Orleans and the Housing Authority of New Orleans (HANO) to produce a plan that prioritizes affordable housing development on high ground and in high opportunity neighborhoods. Many of these areas are along the Mississippi River in neighborhoods that have seen dramatic displacement of Black communities since Katrina and as a result of rising housing prices. These are some of the highest opportunity areas in the city, but they are also in close proximity to facilities that fit the definition of heavy industrial,

processing plants, or distribution facilities that exist as part of the port or other wharves.

Any perceived impairment in the quality of the housing in these areas has not been reflected in the underlying home values, as these areas have seen rapid price appreciation, along with the accompanying displacement of long-time low-income residents. Given the vague definition of “heavy industrial” and the lack of definitions for processing plants or distribution facilities, it’s difficult to understand what developments might be prohibited by their inclusion in the list of negative neighborhood characteristics. Given the high cost to apply for LIHTC, this lack of specificity will ultimately have a chilling effect.

It’s important to build in areas without environmental hazards and to ensure that affordable housing developments are not intentionally placed close to toxic facilities that will negatively impact the health and well-being of residents. It’s equally important to ensure that people have the option to live close to jobs that pay well. We believe that it’s possible for LHC to encourage both, in part by doing the following:

- Better clarify the definitions of these characteristics.
- Consider revising this list and removing “heavy industrial, processing, and distribution” facilities from this list.

## **10. Enforceability by Tenants**

In general, all tenant protections incorporated into the QAP as a threshold requirement or point incentive are not useful to tenants unless they can be enforced. The LHC compliance department cannot intervene in every noncompliant eviction or admissions denial across the 60,000 units in its inventory. In order for tenants to be able to enforce these provisions LHC must:

1. Require inclusion of certain provisions in property lease agreements or adopt a more expansive LIHTC Addendum, as well as enforce its use;
2. Include provisions in the recorded Regulatory Agreement *and* amend Section 6(g) of the Regulatory Agreement to state that Lower Income Tenants can enforce that provision of the Agreement, or in the alternative, all provisions of the Regulatory Agreement that implicate tenant protections or rights; and/or
3. Include provisions in the Compliance Monitoring Agreement and/or Compliance Manual, and amend Section 6(g) of the Regulatory Agreement to state that Lower Income Tenants can enforce Section 5 of the Regulatory Agreement, which requires compliance with the CMA, or in the alternative, all provisions of the Regulatory Agreement that implicate tenant protections or rights.


Note that the current Section 6(g) reflects the language required by 26 U.S.C. § 42(h)(6)(B)(ii). However § 42 does not prohibit states from allowing tenants to enforce additional provisions of the Regulatory Agreement, and many state Housing Finance Agencies do.

We appreciate the time you've taken to read and consider our comments.

Sincerely,

Monique Blossom  
Director of Policy and Communication  
Louisiana Fair Housing Action Center

Cc:  
Brenda Evans, Chief Programs Officer  
Joshua McNemar, Chief of Staff and Operations  
Jarvis Lewis, Director of Governmental Affairs  
Leslie Strahan, General Counsel  
Todd Folse, Compliance Director



can lead to water intrusion that significantly amplifies damage. FORTIFIED Roof provides a system that strengthens the roof through (i) more and stronger nails, (ii) locked-down edges, and (iii) a sealed roof deck, which work in concert to keep the wind and rain out.

**FORTIFIED Silver** adds increased levels of resilience through requirements on windows, doors, and siding.

**FORTIFIED Gold** adds requirements related to a continuous load path from the roof to the foundation.

\* \* \*

Thank you for the opportunity to contribute to this pressing issue. If you have any questions or would like to further discuss the value and/or affordability of FORTIFIED, please do not hesitate to contact me at [mnewman@ibhs.org](mailto:mnewman@ibhs.org).

Sincerely,



Michael Newman  
General Counsel  
Insurance Institute for Business & Home Safety

## Wendy Hall

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**From:** Graham Green <graham@smarthomeamerica.org>  
**Sent:** Wednesday, July 24, 2024 5:35 PM  
**To:** LHC QAP Comments  
**Cc:** Julie Shiyou-Woodard; Brooke Troxmondo  
**Subject:** Smart Home America 2025 QAP Public Comment  
**Attachments:** Smart Home America LA 2025 QAP public comments 7-24-2024.pdf

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Hello,

Our public comment for the 2025 QAP is attached. Please let me know what questions you have. Thank you.

**Graham Green** | *Communications Director*  
Smart Home America

[Schedule a Meeting](#)

(o) 855.742.7233 x701 (c) 251.206.5632  
(e) [graham@smarthomeamerica.org](mailto:graham@smarthomeamerica.org)

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**INFORMED DECISIONS MAKE A SMART HOME**



This email and any files transmitted are confidential and intended solely for the specified individual or entity. Please delete this email and notify the sender if you have received it in error. Thank you.



July 24, 2024

Marjorianna Willman  
Executive Director  
Louisiana Housing Corporation (LHC)  
2415 Quail Drive  
Baton Rouge, LA 70808

Executive Director Willman,

Smart Home America commends the Louisiana Housing Corporation (LHC) for prioritizing stronger and more resilient affordable housing across the state. We strongly encourage LHC to maintain its existing requirements and incentives for constructing and repairing properties to FORTIFIED standards in the 2025 QAP. Despite the challenge of construction costs, investing in resilient housing remains cost-effective in the long term.

Here are three key points we ask you to consider:

- **Long-Term Savings:** Building resilience more than pays off over time. Constructing homes that better withstand severe weather reduces disaster-related expenses, insurance claims, and emergency response costs. Resilient housing saves the state money.

Studies, post-disaster, in Alabama and North Carolina show that FORTIFIED-designated homes experience fewer insurance claims, and when claims do occur, they are smaller on average. A 2022 study from the University of Alabama revealed that building or retrofitting to FORTIFIED standards has minimal costs and offers a strong rate of return. Multifamily property owners can achieve an 8.1% to 72% internal rate of return by investing at most 1.5% of total construction costs in FORTIFIED Gold-level construction. Retrofitting existing multifamily buildings to FORTIFIED Roof can yield an 8.3% to 35% internal rate of return on the necessary retrofits.

Additionally, the "Natural Hazard Mitigation Saves: 2019 Report" from the National Institute of Building Sciences found that using FORTIFIED's beyond-code construction methods can save up to \$4 in disaster recovery costs for every \$1 spent on mitigation.

- **Cost-Containment:** FORTIFIED construction offers an innovative cost-containment approach that minimizes the need to spend state funds on the same property repeatedly post-disaster. This prevention reduces repair costs, lowers insurance claims, and allows for more efficient emergency responses.



- **Economic Resilience:** Resilient homes contribute to economic stability by protecting investments, maintaining property values, and ensuring continuity during natural disasters. Less damage leads to fewer insurance claims, potentially reducing premiums. Additionally, resilient construction supports business continuity, positively impacting local economies and preserving jobs.

LHC's leadership in building a more resilient Louisiana has helped to inspire others to strengthen the state's housing. The City of New Orleans recently utilized \$500,000 in CDBG funding to provide 35 homeowners with FORTIFIED roofs. State lawmakers also allocated an additional \$15 million to the Louisiana Fortify Homes Program, aiming to strengthen roofs for 4,500 homeowners across the state.

Developed based on decades of lab and field research by the Insurance Institute for Business and Home Safety (IBHS), FORTIFIED is available for single-family, multifamily, and commercial structures. FORTIFIED is a voluntary construction and re-roofing program designed to strengthen homes and commercial buildings against specific severe weather conditions, including high winds, hail, hurricanes, and tornadoes. To date, the FORTIFIED program has designated more than 68,000 structures nationwide.

LHC's continued focus on resilient housing benefits Louisiana's residents, developers, and economy by creating an environment for the return to an affordable insurance market and confidence in Louisiana's building stock's ability to withstand severe weather.

Please feel free to contact me at [julie@smarthomeamerica.org](mailto:julie@smarthomeamerica.org) with any questions.

Sincerely,

Julie Shiyou-Woodard  
President and CEO, Smart Home America



## Wendy Hall

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**From:** Rob Coats <rcoats@tbf-inc.org>  
**Sent:** Wednesday, July 24, 2024 6:08 PM  
**To:** LHC QAP Comments  
**Cc:** Bailey Coats; Jack Dillard; Caleigh Miller; Melinda Coats  
**Subject:** QAP comments  
**Attachments:** 2025 TBF QAP Comments Letter.pdf

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Attached, please find our comments for the 2025 LHC QAP.

Best regards,

Rob Coats



**R.B. (Rob) Coats, III**  
**The Banyan Foundation, Inc.**  
**4509 Pine Tree Circle**  
**Vestavia, AL. 35243**  
**205-543-7970 – work**  
**205-529-8292 – cell**  
**205-449-9382 – fax**  
[rcoats@tbf-inc.org](mailto:rcoats@tbf-inc.org)  
[www.thebanyanfoundation.com](http://www.thebanyanfoundation.com)

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4509 Pine Tree Circle  
Vestavia Hills, AL 35243  
rcoats@tbfi-inc.org  
(205) 623-6003

July 24<sup>th</sup>, 2024

Louisiana Housing Corporation  
2415 Quail Drive  
Baton Rouge, LA 70808

Dear Louisiana Housing Corporation Team,

I am writing on behalf of The Banyan Foundation, Inc. to provide our comments and feedback on the proposed 2025 Qualified Allocation Plan (QAP). We greatly appreciate the Louisiana Housing Corporation's efforts to address the affordable housing needs of this state and the opportunity to contribute to the commentary to the proposed 2025 QAP.

Our specific comments and suggestions for the 2025 QAP are as follows:

1. **Support for Historic Adaptive Reuse Projects:** Given the historical richness of Louisiana, we believe that adaptive reuse of historic buildings for affordable housing should be strongly encouraged. We propose offering additional incentives for projects that preserve and repurpose historic structures, contributing to both affordable housing and cultural preservation. We propose that a section be added to the Targeted Project Type section that specifies points for adaptive historic reuse projects or that this is added to Section I. C. with a full 8 points being available for selection.
2. **Capping Optional Amenities Points:** In Section V of Project Characteristics, the points for optional amenities should be capped similarly to project amenities. By unrestricting these points, this encourages developers to commit to amenities that can significantly alter development budgets, moving further away from the cost containment focus of the Governor's office. Additionally, by not limiting these points, we are encouraging applicants to try to create a development focused more on infrastructural amenities rather than the actual integrity of a cohesive quality development that residents can truly benefit from. We encourage LHC to increase points for Project Amenities to provide residents with more accessible amenities.

We recommend setting a maximum of 5 or 6 points. Moreover, while LEED Zero is a commendable program, it is incredibly costly to adhere to. Considering Governor Landry's letter than further emphasizes cost containment, this requirement contradicts the administration's goals.

3. **Encouraging Non-Profit Involvement:** We propose LHC also permit points for non-profit involvement to both encourage non-profit organizations participation as well as

continue to further align with LHC's previous commitments to various partnerships in prior QAPs. A qualifiable non-profit should meet the following criteria to be considered:

- **Non-Profit Developments or Participation:** Extra points (1-3) for non-profits with:
    - At least 25% participation in General Partnership/Development (sharing in development fee pari-passu with ownership).
  - **Viable Non-Profit Requirements:**
    - **Net Worth/Liquidity:** \$2.5 million net worth with \$1 million or more in liquidity (The Banyan Foundation has 5-6 times these minimum requirements).
      - Verified by audit.
    - **Tax Credit Experience:** Minimum of 3-5 tax credit transactions in the last 10 years in any state, or a minimum of 1-3 tax credit transactions in Louisiana.
    - **Age:** At least 5 years with an independent board not related to for-profit developers.
4. **Adjusting Geographic Diversity Points:** We propose adjusting the Geographic Diversity metrics in Targeted Project Type A De-Concentration projects to 105%, 115%, and 120%. This adjustment acknowledges that many communities do not reach the specified AMI thresholds, which may inadvertently encourage developers to place developments in areas where affordable housing is less welcomed or embraced. By refining these metrics, we aim to promote a more balanced distribution of affordable housing and support its integration into a wider range of communities.
5. **Governmental Priorities:** We recommend that LHC include criteria within the Governmental Priorities sector that prioritize regions in the northern parts of the state. These areas have not benefited from new housing opportunities to the same extent as the southern region, particularly considering the current disaster relief financing programs. By incentivizing developments in parishes such as Ouachita, Rapides & Caddo, this will further aid an even affordable housing distribution for new developments in the state.

We are confident that these suggestions will enhance the effectiveness of the 2025 QAP in meeting the diverse housing needs of Louisiana.

Thank you for considering our comments. We look forward to the continued collaboration and to the successful implementation of the 2025 QAP.

Sincerely,



R. B. Coats, III  
President & CEO  
The Banyan Foundation, Inc.

## Wendy Hall

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**From:** Jeanette Delery Capocaccia - Volunteers of America SELA  
<JDCapocaccia@voasela.org>  
**Sent:** Wednesday, July 24, 2024 9:19 PM  
**To:** LHC QAP Comments  
**Cc:** Wendy Hall  
**Subject:** Re: LHC Notice: 2025 Qualified Allocation Plan (QAP) Revised Timeline, Comment Period, & Public Hearing

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

May I also add the following comment:

Suggest that the redevelopment points not require being in a QCT.

Thanks again.

Jeanette

---

**From:** jdcapocaccia@voasela.org <jdcapocaccia@voasela.org>  
**Sent:** Wednesday, July 24, 2024 8:57:31 PM  
**To:** qapcomments@lhc.la.gov <qapcomments@lhc.la.gov>  
**Cc:** Wendy Hall <whall@lhc.la.gov>  
**Subject:** Re: LHC Notice: 2025 Qualified Allocation Plan (QAP) Revised Timeline, Comment Period, & Public Hearing

Thank you for the opportunity to participate in the 2025 QAP public hearing today. Following up to submit in writing my comment regarding Priority #1: Cost containment.

Suggest prioritizing areas that have not been as heavily impacted by natural disasters, given the significant resources already directed toward the more affected areas. Encouraging development in higher ground areas further from the coast will help mitigate the challenges of high development and insurance costs.

Best,  
Jeanette

Jeanette D. Capocaccia | Real Estate Development Manager

Renaissance Neighborhood Development Corporation

A Subsidiary of Volunteers of America

4152 Canal St. | New Orleans, LA 70119

T/ F: 504.603.0670

**Wendy Hall**

---

**From:** Paul Irons <pirons@nolarp.com>  
**Sent:** Wednesday, July 24, 2024 11:56 PM  
**To:** LHC QAP Comments  
**Cc:** Daniel M Delatte  
**Subject:** 2025 QAP comment  
**Attachments:** NORP Comments on 2025 QAP.pdf

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Please accept the attached as our official response.

Thank you



501 N Norman Francis Parkway #791001  
New Orleans, LA 70119  
[www.nolarp.com](http://www.nolarp.com)

Dear Director Willman,

Please accept this letter as our comments for the upcoming 2025 QAP.

**Regarding the comments of Governor Landry on a “cost containment policy”**

While we understand the sentiments of Gov. Landry and the importance of having cost contaminants on future projects we feel as though there is already much complexity in this current environment. We’ve already seen projects be delayed and run into troubles closing because of late increases to an already tight budget. Providing housing that meets the quality of today’s market along with the various amenities that go along with making for a strong, successful project already require heavy constraints. We would like to suggest an allowance and/or increase be made for limits on the 2025 QAP for general items that influence project costs such as project amenities, building certifications (Fortified Program, Enterprise Green Communities, etc).

**Regarding CNI projects**

We would also like to voice our support and commend LHC’s commitment to CNI projects. With the extensive work that has been done this is a major component to the redevelopment of communities in Louisiana. We would like to request that LHC continue on this mission and continue improving the funding criteria and cap in future QAPs.

**Regarding Selection Criteria V.(B.)**

Lastly, regarding Selection Criteria V.(B.), we’d like to suggest a change to (iv) Green Building to a maximum of 6 points and removing (iv)(b) Green Buildings Advanced certification (i.e., Zero Energy certifications) as that is a major cost driver to affordable housing developments. Trying to achieve these certifications for a competitive project may cost burden it out of feasibility and as to stay within a future cost containment policy as suggested by Gov. Landry would make that an even tougher task.

We thank you again for the opportunity to compete and comment on QAPs. If there are any questions or if you’d like to discuss anything on this matter, please feel free to contact me at (504) 621-6773 or by email at [pirons@nolarp.com](mailto:pirons@nolarp.com).

Regards,

Paul Irons  
Managing Member

## Wendy Hall

---

**From:** Thom Amdur <tamdur@lincolnavenue.com>  
**Sent:** Friday, July 26, 2024 9:28 AM  
**To:** Louis Russell; Marjorianna Willman; LHC QAP Comments  
**Subject:** Louisiana QAP Comments  
**Attachments:** LA 2025 Draft 2 QAP comments 07242024.pdf

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Thank you for your consideration of the attached comments. I recognize they are a little late - these inadvertently got stuck in my drafts folder. Have a great day and thank you for your consideration!  
Thom



### Thom Amdur

*Senior Vice President, Policy & Impact*

**o:** 646.585.5526 | **m:** 860.287.1635

**e:** tamdur@lincolnavenue.com | **w:** [www.lincolnavenue.com](http://www.lincolnavenue.com)



July 24, 2024

Louis Russell  
Louisiana Housing Corporation  
2415 Quail Drive  
Baton Rouge, LA 70808

Dear Mr. Russell:

Thank you for the opportunity to contribute feedback on the Louisiana Housing Corporation's (LHC) draft 2025 Draft Qualified Allocation Plan (QAP). Lincoln Avenue Communities is a mission-driven affordable housing developer currently active in twenty-seven states. In Louisiana we are currently focused on affordable housing development and preservation utilizing 4% LIHTCs and tax-exempt bonds (TEBs).

#### Filling Gaps Through Eligible Basis Maximization Strategies

(Pg. 22)

We recommend LHC consider an additional enhancement to its developer fee methodology for projects financed with 4% LIHTCs and tax-exempt bonds. Our proposals are intended to help developers generate additional eligible basis (and tax credit equity proceeds) to offset declining debt proceeds brought on by rising interest rates and inflationary operating costs.

Unlike 9% LIHTC transactions which are capped by the annual LIHTC ceiling, LIHTCs in 4% TEB transactions are only capped by eligible basis and private activity bond cap, which is currently not oversubscribed in Louisiana. We appreciate that LHC does not have a hard-dollar cap on developer fee for TEB financed transactions but suggest it can facilitate more transactions by making the following revisions to its developer fee methodology.

We recommend LHC adopt a flat 18-20 percentage developer fee on eligible basis (excluding reserves and developer fees) for projects financed with TEBs. The incremental increase in eligible basis created by this change will drive additional LIHTC equity into bond transactions and fill project gaps. For context, the following states all have bifurcated developer fees that allow for higher developer fees for bond deals: Tennessee (25%), Ohio (25%), Kentucky (25%), North Dakota (20%), Oklahoma (20%), Wisconsin (20%), Arizona (19%), Florida (18%) and Iowa (18%). If LHC desires, it can require developers to defer developer fee in excess of what is currently allowed in the QAPs developer fee policy.

Additionally, we recommend LHC reconsider its policy to not allow "increases to the developer fee as submitted in an application in excess of the Developer Fee submitted in the original application." For projects financed with 4% LIHTCs and TEBs, allowing an increase in developer fee can offset increased construction costs or other inflationary increases that may have occurred after application without reducing available resources for other applicants. Like our



proposal above, the increased fee can provide more tax credit equity to off-set rising costs. Increases to developer fee post application should be required to be deferred.

### Maximum Unit Development Cost

(Pg. 23)

We believe the Maximum Unit Development Cost methodology in the QAP is reasonable under most circumstances; however, we suggest that LHC consider exempting properties from these limitations that utilize Federal and/or State Historic tax credits. When Congress and the state legislature respectively enacted the federal and state historic tax credit, they recognized the economic benefits and community value of historic preservation. It also recognized that historic preservation developments incur additional costs as compared to non-historic developments. Alternatively, LHC could exclude development costs included in the Historic Tax Credit Basis from TDC limits – we think this is a less desirable resolution but would still be helpful in encouraging more twinning of affordable housing with historic preservation.

Additionally, we also recommend that LHC exclude solar and renewable energy tax credit eligible basis costs from the maximum unit development cost limits. In addition to the reasons cited above relating to the historic tax credit, we believe that the economic and health benefits that solar and renewable energy tax credits justify the additional costs at developments that may otherwise be pushing up against cost caps.

### Operating Reserve Requirements

To provide developers with more working capital flexibility, we urge LHC to consider amending its operating reserve policy to allow a surety bond as an alternative to a funded reserve. Such a bond should meet stringent requirements including being backed by a S&P A rated / AM. Best Rated A++ XV Surety Company and be written in a way where it is “as good as cash” so that a syndicator/investor can request to have the reserve funded at any given time for any given reason. In effect, developers would still need to have the ability and balance sheet in place to fund the reserve at any time during the compliance period but would have the flexibility to invest funds in higher yielding accounts such as certificates of deposit, treasuries or other higher yielding investments. We note that housing finance agencies in Minnesota, Iowa, North Dakota and Montana all specifically reference in their QAPs and related documents that a bond is an acceptable alternative to cash in funding operating reserves. Additionally, Mississippi, Iowa and Oklahoma specifically accept Letters of Credit as an acceptable alternative to cash in funding operating reserves.

### Conclusion

Lincoln Avenue Communities appreciates the opportunity to work with LHC as it works on its upcoming QAP. We welcome the opportunity to discuss them with you further at your leisure and/or answer any questions you may have regarding our feedback. I can be reached at 646-585-5526 or [tamdur@lincolnavenue.com](mailto:tamdur@lincolnavenue.com).

Regards,

A handwritten signature in black ink, appearing to read 'Thom Amdur', with a stylized, cursive script.

Thom Amdur

Senior Vice President, Policy & Impact

Cc: Marjorianna Willman

[gapcomments@lhc.la.gov](mailto:gapcomments@lhc.la.gov)