



Louisiana Housing Corporation

Louisiana Housing Corporation (“LHC”)

NOTICE OF FUNDING AVAILABILITY

AND

PROGRAM IMPLEMENTATION GUIDELINES FOR

HOMELESS & HOUSING STABILITY: AFFORDABLE MULTIFAMILY

RENTAL HOUSING DEVELOPMENT PROGRAM - (HHSD)

Version 2.0

Version 1.0 Published Date: Monday, March 18, 2024

Version 2.0 Published Dates: Tuesday, April 30, 2024

Deadline to Submit Letter of Intent Date: Friday, May 31, 2024

Deadline to Submit Application Date: Friday, July 2, 2024¹

(Late submissions will not be accepted)

¹ Final application date is subject to HUD approval of the Action Plan Amendment for HHSD program approval. LHC reserves the right to amend or cancel this NOFA if the funds are not approved.

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I. KEY INTRODUCTORY INFORMATION

I.A. Applicant's Obligation to Respond to the NOFA as Amended

LHC reserves the right to amend this NOFA, prior to the Last Date for Submission of Applications to LHC hereunder (see §II.A.9, Timeline). Respondents are solely responsible for monitoring the publication of the NOFA for amendments, and for submitting a proposal which conforms to this NOFA, as amended.

II. OVERVIEW

The Louisiana Housing Corporation (LHC) hereby releases this **Notice of Funding Availability (NOFA)** for the preliminary commitment of up to **Thirty-Five Million Dollars (\$35,000,000)** of combined *HUD HOME-American Rescue Plan (HOME-ARP)* funds and *HUD CDBG-DR 2020-2021* funds. This NOFA is designed to provide funding for the development of multifamily affordable rental housing in the state of Louisiana to assist people experiencing homelessness, those at risk of becoming homeless and other vulnerable populations. LHC expects multiple awards.

- **HOME-ARP funds** were awarded under the US Department of Treasury allocation through HUD as defined in HUD Notice *CPD-21-10: Requirements for the Use of Funds in the HOME-ARP Program, and HUD's Waivers and Alternative Requirements for Implementation of the HOME-ARP Program* and are eligible statewide.
- The **CDBG-DR funds** are programmed through the *Homeless & Housing Stability: Affordable Multifamily Rental Housing Development Program - (HHSD)*² utilizing funds allocated as a result of Hurricane Ida and the May 2021 Floods and will only be used in eligible parishes³. (See Exhibit A).

The NOFA will be posted to LHC's website no later than 5:00 P.M. CST on the Publication Date. LHC will allow a period for questions and clarification requests up until 5:00 P.M. on the Questions Deadline Date. The Letters of Intent shall be received no later than 5:00 P.M. on the Deadline to Submit LOI Date. Applications shall be received no later than 5:00 P.M. on the Deadline to Submit Date. The successful applicant(s) will be awarded funds on or about the Award Date. See §II.A.5, *Timeline*.

II.A. Goals and Objectives

The NOFA is designed to address unmet affordable housing needs for vulnerable households at risk of homelessness or housing instability by providing funds to build or rehabilitate affordable multifamily rental housing in Louisiana. The units funded through this NOFA must benefit low-to-moderate income persons, and defined qualifying populations, for the affordability period as specified in the terms.

² The HHSD program is proposed and submitted to HUD in a substantial Action Plan Amendment. The funds and final application date under this NOFA are subject to HUD's approval of the program.

³ The eligible parishes for CDBG-DR for Hurricane Ida and May 2021 floods include 80% to HUD Most Impacted and Distressed (MIDs) and 20% to Grantee MIDs. The Parishes are as follows: HUD MIDs (21) - Ascension, Assumption, Calcasieu, East Baton Rouge, Jefferson, Lafourche, Livingston, Orleans, Plaquemines, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Mary, St. Tammany, Tangipahoa, Terrebonne, and Washington Parishes; 70764 & 70788 (Iberville Parish) and 70767 (West Baton Rouge Parish); Grantee MIDs - East Feliciana, Iberia, Iberville, Point Coupee, St. Martin, West Baton Rouge and West Feliciana.

II.A.1. Program Objective

The Program's objective is to provide financing to develop or provide gap financing to enable the development of affordable multifamily housing in Louisiana for qualifying populations with deep affordability needs.

II.A.2. Eligible Applicants:

An Eligible Applicant is a nonprofit entity, for-profit entity, Tribal Entity, or qualified agency (including a public housing agency) that applies to receive funding from LHC as an owner or developer on its own or with another entity.

To be eligible for funding, an applicant must demonstrate experience and capacity relevant to owning and developing affordable rental housing and reflected in the scoring criteria. Additionally, it is important that applicants demonstrate successful direct implementation or partnerships with service providers in serve households such as those defined as the Qualified Population that have occupied the developer's units.

All Applicants must be in good standing with the laws, regulations, guidelines, and programs of LHC, and all State of Louisiana agencies and departments thereof. By way of example and not limitation, if an Applicant is a business entity, such entity must be qualified to do business in Louisiana and currently in good standing with the Louisiana Secretary of State.

II.A.3. Eligible Cost:

HHSD funds may pay for up to 100 percent of the following eligible costs associated with HHSD funded rental units. However, leveraging of other funding sources is highly encouraged and reflected in the scoring criteria.

- Development hard costs, including the actual cost of constructing and rehabilitating housing to meet applicable property standards. Eligible development costs also include site improvements, utility connections and costs to construct or rehabilitate laundry and community facilities located within the same building as the HOME-ARP-funded housing;
- Acquisition costs of improved or unimproved real property;
- Related soft costs, including reasonable and necessary costs incurred by the Eligible Applicant associated with the financing, development, acquisition, or rehabilitation of HOME-ARP rental housing;
- Relocation costs as defined in 24 CFR 92.206(f), 24 CFR 92.353, and the Notice;
- Certain costs related to the payment of construction, bridge, or guaranteed loans, if HOME-ARP is part of original financing.

II.A.4. Desired Project

LHC reserves sole and absolute discretion regarding whether a proposal provides reasonable assurances regarding (a) the capacity of the applicant to successfully complete and operate its proposed project; (b) the quality and resilience of the design being proposed; and (c) whether the proposed development will meet affordable rent standards as required by the funding being offered under this NOFA. If LHC rejects a proposal for one of these reasons, the rejection is final and is not subject to appeal. Accordingly, LHC will consider the following before making any award:

Eligible Projects:

- Projects can be located statewide. CDBG-DR funds are limited to specific disaster-impacted parishes. (See Exhibit A).
- Assisted units must comply with the affordability requirements of this Notice for a minimum period of 20 years, irrespective of the amount of HUD funds invested in the project or the activity being undertaken.
- All applicants should be experienced in projects of similar scope and nature and in good standing with the state. Developers may be for- or non-profit entities. A Public Housing Authority (PHA) may participate as a general partner or managing member.
- Eligible projects may be New Construction or Adaptive-Reuse/Rehabilitation, or a combination thereof. No project will be eligible if it is currently occupied by rental households, and which would require displacement or would otherwise trigger the requirements of the Uniform Relocation Act. Adaptive-Reuse/Rehabilitation projects are permitted when they can otherwise fully comply with this NOFA, including the disaster resiliency criteria.
- Scattered site single family projects are allowed. All units must be affordable and occupied by eligible households.
- Funds must be expended by December 31, 2026, unless an approved extension is granted by LHC/OCD.
- **At least 70% of affordable rental housing units rehabilitated, or constructed with HHSD funds must be occupied by households in the *Qualifying Populations*.** Units that are not restricted to occupancy by *qualifying populations* are subject to income targeting and rent requirements established under the HHSD Rental Program rules and are only permitted in projects with rental units restricted for occupancy by qualifying populations.
- ***“Qualifying Populations”*:**
 - Households that are experiencing homelessness, per 24 CFR §91.5;
 - Households with an annual income less than or equal to 30% AMI, per 24 CFR §91.5;
 - Households with an annual income less than or equal to 50% AMI and meet one of conditions of the “at risk of homelessness” definition, per HUD CPD Notice 21-10;
 - Households fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking, per HUD per 24 CFR §5.2003;
 - Households with an annual income less than or equal to 30% AMI and are experiencing severe housing cost burden, which is defined as paying more than 50% of monthly household income toward housing cost, per HUD CPD Notice 21-10;
 - Households who have qualified as homeless previously, are currently housed with temporary/emergency assistance, and who need additional housing assistance or supportive services to avoid a return to homelessness, per CPD Notice 21-10; or
 - Veterans (and their families) that meet one of the above definitions.
- For the CDBG-DR funded projects, at least 51% of the total units must be restricted to rents at or below 80% of AMI for the duration of the program period of affordability. For HOME-ARP funded projects, HOME-ARP guidelines allow that not more than 30% of the total

number of rental units assisted with HOME-ARP funds be restricted to households that are low-income. (See Notice CPD-21-10, September 13, 2021, Page 21).

LHC has the ability to approve the adjustment of the affordability and occupancy requirements on proposed units, as long as the project maintains federal compliance.

II.A.5. Developer Experience/Capacity

LHC desires to fund projects with applicants who have previously developed multifamily project(s) of similar scope and nature to that which is being proposed for this funding. The applicant must have the ability to serve as guarantor (completion and operating deficit guaranties). The proposed management agent/applicant should have recent experience providing quality property management services to multifamily properties of similar scope, scale and nature. Accordingly, the application requires a clear summary of the applicant and proposed management agent's recent, relevant experience.

II.A.6. Construction/Design Quality

The applicant commits to design elements consistent with quality features and amenities, which should include resource-efficient, healthy and durable building systems and approaches, fencing and/or access control features as appropriate to the design/location of the project, community space, open space and landscaping, parking, and/or in-unit features including market-standard square-footage of units, window treatments, appliances, and finishes. Put plainly, LHC is seeking well-built and attractive multifamily housing which will be a positive contribution to its community.

In addition, LHC is seeking developments that incorporate disaster resilience measures to provide better outcomes in a major storm or rain event with building construction quality features that seek to mitigate against the impact of flooding and weather disasters and reduce risk from future hazards. The project should anticipate FEMA flood mapping adjustments to plan for long-term resiliency needs. LHC may, in its sole discretion, reject any submission in which the construction quality, design and features of the proposed housing are not generally consistent with these goals. Proposals must include a Site Plan.

Applicants eligible for HHSD assistance are required to develop quality, affordable rental housing using higher standards and innovative practices in order to lower the risks from storm and hurricane-related impacts. The funding will provide developers with the opportunity to use workable approaches to resilient housing (such as, but not limited to elevated structures/mechanicals, building materials/technologies, power generation, topography and landscaping, retention/detention ponds, etc.) toward development properties, which are substantially more likely to fare better in major storms than existing properties in similar locations.

All reconstruction or new construction properties funded under this NOFA will, at a minimum and in addition to specific siting and elevation requirements, be required to meet the FORTIFIED Multifamily Gold standard (see §II.A.6.a, Meets IIBHS FORTIFIED Multifamily Gold Standard, and will achieve Enterprise Green Communities certification (2020) (see §II.A.6.b, Enterprise Green Communities (EGC) Certification).

If FORTIFIED Multifamily Gold or EGC criteria is determined to not have been met at construction completion, HHSD funds retainage may not be released and applicants and their affiliates may be ineligible to receive future HHSD awards though OCD and/or LHC for a period to be determined by

these entities, in their sole discretion. IIBHS will adjudicate achievement of the FORTIFIED Multifamily Gold Standard. Enterprise will adjudicate whether the EGC criteria have been met.

II.A.6.a. Meet IIBHS Fortified Multifamily Gold Standard

The Insurance Institute for Business and Home Safety (“IIBHS”) FORTIFIED Multifamily Gold Standard¹⁴ is concerned with the application of proven technologies, materials, and techniques in (a) the design and installation of the roof system for enhanced performance, (b) building envelope protection and reduction of business operations downtime, and (c) enhanced structural performance, including a continuous load path from roof to ground. Such requirements are generally recognized by the insurance industry as superior in terms of their ability to withstand wind and weather-related impacts, ensuring rapid recovery of operations in the aftermath of a major weather event. LHC anticipates that there will be an incremental cost for construction to this standard. Certification by the IIBHS, through its contractor, is required.

[https://fortifiedcommercial.org/wpcontent/uploads/Fortified Commercial Wind Standards 2020.pdf](https://fortifiedcommercial.org/wpcontent/uploads/Fortified_Commercial_Wind_Standards_2020.pdf)

II.A.6.b. Enterprise Green Communities (EGC) Certification

All awarded projects must meet the 2020 Enterprise Green Communities Criteria. Properties must receive post-construction certification from Enterprise. For a summary of the mandatory criteria required under Enterprise 2020 Green Communities standards refer to:

https://www.greencommunitiesonline.org/sites/default/files/2020_green_communities_criteria_checklist.pdf.

Note that EGC certification requires that all EGC Mandatory criteria be achieved, and new construction projects must also achieve at least 40 EGC Optional points. Substantial and Moderate Rehab projects must achieve at least 35 Optional points. Within these EGC Optional points, this NOFA requires applicants to select: 1.6 Resilient Communities: Multi-Hazard/Vulnerability Assessment (10 points); 3.5 Surface Stormwater Management (6-10 points); 4.7 Access to Potable Water During Emergencies (8 points); 5.9 Resilient Energy Systems: Floodproofing (8 points) and 5.10 Resilient Energy Systems: Critical Loads (8 points). Accordingly, all of the EGC optional points are mandated by this NOFA as specific items concerned with disaster resilience. There is no preference in this NOFA for properties which achieve more than the required minimum of EGC points. Note that EGC ‘pre-build’ review must be completed prior to the issuance of the Notice to Proceed with Construction.

II.A.7. Program Funding

LHC has allocated **Thirty-Five Million Dollars (\$35,000,000)** for the Homeless and Housing Stability Development (HHSD) of vulnerable population affordable multifamily housing under this NOFA. The following represents the breakdown of funding sources. **LHC will determine the funding source awarded for each project based on project characteristics and location.** LHC does not intend to co-mingle CDBG-DR and HOME-ARP funds in a single project. Applicants do not need to specify which of the funding sources are requested under the project – awards will be generally termed HHSD funds:

- \$26,000,000 in CDBG-DR funding
 - \$9,000,000 in HUD HOME-ARP funding
- a. These funds may be utilized in combination with and leveraging other sources of funding, including LHC Low Income Housing Tax Credits (LIHTCs). Applicants in areas anticipating being funded by HOME-ARP funds should see the *HOME-ARP Nonprofit Services NOFA*

issued by LHC on April 19, 2024. These funds are not eligible for a CDBG-DR funded project.

All types of other funding sources may be used by applicants. It is LHC's intent to make multiple awards. The amounts listed above are approximate amounts and may vary.

Note: The award of CDBG-DR funds is contingent on HUD's approval of the State's Action Plan Amendment including the creation of this HHSD program. LHC reserves the right to remove CDBG-DR as a funding source prior to the final application due date if the program is not approved by HUD.

II.A.8. Form of Program Funding

The LHC will provide HHSD funding in the form of a deferred (forgivable upon meeting all required criteria) payment loan for the funds remaining at the end of the compliance term. To the extent that Surplus Cash is generated from the operation of the Project, the applicant/developer shall submit an amount equal to 50% of Surplus Cash annually to LHC to further affordable housing objectives. The Surplus Cash payments will reduce the loan amount to be forgiven at compliance maturity and will not exceed the assistance amount. Surplus cash is defined as any unrestricted cash remaining at the end of each fiscal year of the agreement after payment of all accrued operating expenses for the project for such fiscal year and required reserves. HHSD financing will be in first or second lien.

II.A.9. Timeline

The following timeline will apply:

Date	Event
Monday, March 18, 2024	<i>Notice of Funding Availability (NOFA) published</i>
Friday, April 12, 2024	Written questions or comments submitted by 5:00 p.m. CST ("Written Comments Deadline") <i>*LHC Developer Forum-April 8th to solicit input on the NOFA.</i>
Tuesday, April 30, 2024	Response to questions and Publication Date of the Amended NOFA, if needed.
Friday, May 31, 2024	Required <i>Letter of Intent (LOI) to Submit</i> due to LHC by 5:00 p.m. CST ("Letter of Intent Deadline").
Friday, July 2, 2024	5:00 p.m. CST Deadline for <i>Submission of Applications</i> to the LHC ("Application Submission Deadline"). (min 30 days)
Friday, August 7, 2024	LHC award determination. <i>Conditional Award Letter(s)</i> issued.
Friday, December 13, 2024	Closing Deadline (anticipated)
June, 2025	Projected latest date for commencement of construction.
January, 2026	Estimated Construction Completion, Certificate of Occupancy and Placement in Service ⁴

⁴ a) Proposer should propose a realistic timeline to complete all units; even if the estimate exceeds 15 months. LHC has a preference to have a number of units completed within 15 months.

b) Developer **Affirmative Marketing** and **Occupancy Plan** is to be submitted to LHC Housing Department. By federal regulations, if the HOME-ARP assisted units are not occupied by eligible qualifying households or low-income households within **6 months following project completion**, the LHC, must submit to HUD information on its efforts to coordinate with a CoC etc., to fill units. All HHSD assisted units **MUST** be filled with eligible qualifying or low-income households **within 12 months of project completion**.

II.A.10. Method of Award

II.A.10.a. Point System

Application awards determinations will be based on scoring criteria that includes demonstrated qualifications and experience as well as the details of the proposed project. See §IV, SELECTION CRITERIA for the application scoring point system.

II.A.10.b. Funding Priority

Completed applications received on or before the Application Submission Deadline which respond to LHC's Submission Deadline will compete against each other for funding. LHC expects the funding to be sufficient for multiple awards.

LHC will award to the highest scoring, complete Applications. Additionally, due to the disproportionate number of unsheltered homeless individuals in Orleans Parish, at least one project will be awarded in Orleans Parish, subject to submittal of complete applications and determined feasibility. Awards may be contingent on an allocation LIHTC and the availability of funding sources. In the event an awarded project does not receive an allocation if required for total project funding, LHC will award to the next highest scoring application.

II.A.11. Letter of Intent Submission

A *Letter of Intent* is required prior to submission of a full application. *Letter of Intent (LOI) Form* includes general information related to:

- A. Property Location,**
- B. Property Design,**
- C. Project Timeline,**
- D. Unit Details and Amenities,**
- E. Project Budget.**

The *LOI Form* for review is included as **Exhibit C** of the NOFA. A fillable **LOI Form** is included on the LHC website for download and is to be used for completion and submittal to LHC via email at the following address:

Re: Letter of Intent: LHC HHSD NOFA

Email: HHSDinfo@lhc.la.gov

The submission of a *LOI Form* does not require the applicant to submit an application; however, an application may not be submitted for a project which did not submit a Letter of Intent. The Applicant is encouraged to complete the *LOI Form* based on the best available information, given that some details may still be open for final determination.

II.A.12. Application Submission

The **Application Packet** is titled **Exhibit D** to this NOFA and is available for download on the LHC website as a separate document. The Application Packet consists of a fillable Excel submission to be accompanied by the required documents noted in the Application instructions as part of the Excel file. Applications may be submitted to LHC through following the upload instructions included in the Application Packet.

II.A.13. Questions Regarding These Application Guidelines

Applicants may submit questions by email with attention to LHC Administrator at HHSDinfo@lhc.la.gov. Additionally, LHC will host a Developer Forum to receive input from potential applicants related to the structure and content of the NOFA, to be announced via the LHC website and social media. NOFA revisions and answers to written questions received by 5:00 p.m. CST, on

the Written Questions Deadline Date will be posted on LHC Website by 5:00 p.m., CST, on the Responses/Publication Date of the Amended NOFA.

II.A.14. Potential Supplemental Funding

LHC does not envision making additional funding available for this Program. Applicants should not assume or expect funding availability through LHC in excess of the amount stipulated in §II.A.3, Program Funding.

II.B. Primary Requirements

II.B.1. 4% LIHTCs and/or Non-LIHTC

The release of the HHSD award funds offered under this NOFA may be coupled with the receipt of a 4% Low Income Housing Tax Credit (LIHTC) through the Louisiana Housing Corporation (LHC), as financing is arranged by the applicant. Applicants are also encouraged to leverage any additional non-LIHTC funding, including Section 202, vouchers or other bond financing. All funding sources must be listed at the time of application with a clear indication of their availability and commitment to the project.

II.B.2. Location

Only projects proposed to be located within the state of Louisiana are eligible for funds under this NOFA.

II.B.3. Flood Zones

The submission must indicate the flood-zone determination of the site.

- The building footprint (for buildings with residential units) may not be located within or partially within the Special Flood Hazard Area (“SFHA”). The SFHA may not be remapped or modified on the basis of a ‘Conditional Letter of Map Revision Based on Fill’; the building footprint must be outside of the SFHA as mapped, without consideration for mapping revisions. Parking is not required to be at or above the building elevation requirements required in the NOFA.
- The building footprint may be in Zone B or X-Shaded (500-YR); however, all building mechanicals and finished residential floors must be built at elevations of no less than three feet above the higher of (a) the lowest point within the building footprint, or (b) the nearest road centerline.
- Irrespective of the Flood Insurance Rate Map (“FIRM”) designation, the application must clearly establish whether the proposed building footprint experienced flooding in the 2016 Great Floods; if the proposed residential building footprint was flooded, the plan must clearly address how such risks are mitigated, either through elevation above the Base Flood Elevation (“BFE”), flood proofing, or both.
- Irrespective of FIRM designation, the application must identify the flood risk exposure as indicated by the Coastal Protection and Restoration Authority’s Master Plan Data Viewer. To look up property in the Data Viewer - Select ‘View Louisiana Coast’; Select ‘View My Community’; Input the street address of the proposed property; Select ‘My Info!’; Select ‘My Flood Risk’; and on the right select ‘Medium Scenario’, ‘With Plan’, and ‘.2% Flood Event (500-Year)’. If your property is shown to be in a location with flood depth (the colored map), your plan must address how you will withstand such a future, equal flooding event. Such mitigation may be by means other than elevation.

- For historic buildings located in a SFHA, if the residential units are above the required elevation noted above, and applicant satisfies all other requirements above, the site will qualify as eligible.

II.B.4. Non-Residential Uses

Projects may not include funding for non-residential uses, such as commercial or retail space.

II.B.5. Minimum Project Size

Projects should propose multifamily affordable housing developments with a minimum of eight (8) total residential units.

II.B.6. Maximum Project Size

There is no maximum project size regarding number of units.

II.B.7. Maximum Award

A single award will not exceed \$5 million.

II.B.8. Developer Fee

This program will permit a developer fee, in an amount no greater than \$8,000 per residential unit, and only to the extent it can be paid from development sources (i.e., there will be no 'deferred developer fee' in the transaction in a development which otherwise conforms with this NOFA). The total developer fee may not exceed twelve percent (12%) of total development costs, less the developer fee. This fee may be paid 25% at closing, 25% at 50% construction completion, and 50% upon completion of the final Subsidy Layering Review.

II.B.9. Market Study

A market study is not required for Projects where 100 percent (100%) of the units are for occupancy by the Qualifying Populations. Instead, the Applicant must demonstrate through the Application description that there is unmet need for the type of housing being proposed for the Qualifying Populations. This can include Continuum of Care (COCs) data, public housing and affordable housing waiting lists, point-in-time surveys, housing inventory count, or other relevant data on the need for housing for the QPs. (See the *List of Louisiana COCs* and contact information in **Exhibit E**).

A Market study or allowable Market analysis is required for Projects containing units restricted for occupancy by low-to-moderate income Households or market-rate households. Market studies required by other funding sources also must be complied with and shall conform to general market study guidelines prepared at the Applicant's expense by an individual or firm that:

- i. Has the knowledge and experience necessary to conduct a competent market study for Low- or Low to Moderate Income residential rental property;
- ii. Is aware of, understands, and correctly employs those recognized methods and techniques that are necessary to produce a credible market study;
- iii. In reporting the results of the market study, communicates each analysis, opinion and conclusion in a manner that is not misleading as to the true market needs for Low-Income residential property; and
- iv. Is an independent third party having no identity of interest with the Applicant/Project Owner, the partners of the Project Owner, the intended partners of the Project Owner, or with the general contractor.

The market study must confirm that the proposed units for non-qualifying populations are achievable and needed in addition to assessing the current market demand in the neighborhood where the project is proposed.

II.B.10. Award Leverage - HHSD Efficiency

It is highly desirable that applicants leverage 4% LIHTC through LHC and other funding as available to the developer or applicant entity but is not required. Applicants are further advised that leveraging is a scoring criterion.

II.B.11. Eligible Uses

No funds will be disbursed until all legal agreements are signed and all environmental conditions are satisfied. Construction costs must be included as a budgeted item and funds may be drawn on a *pari passu* basis with construction-period funding sources, subject to the approval of LHC. LHC will allow draws at intervals no more frequently than monthly and may be submitted according to AIA percentage completion. Funds will not be disbursed for any costs enumerated at 24 CFR §570.207, in eligible activities.

II.B.12. Ineligible Applicants

The following applicants are Ineligible Applicants:

- Any person or entity (or affiliate thereof) on the federal debarred list, or an organization controlled by such person or entity on that list.
- Any person or entity (or affiliate thereof) that received notice that they are currently out of compliance with the Louisiana Housing Corporation (“LHC”) and/or Louisiana Office of Community Development (“OCD”) regarding annual audits or who are in arrears on payments of LHC/OCD loans.
- Any person or entity that currently owns or controls an LHC- and/or OCD-financed project with outstanding issues of non-compliance that are unresolved for greater than 90 days as of the date of the application submission.

II.B.13. Requirements Regarding Timeframe for Expenditure of Funds

For awards under this NOFA, LHC will **strictly adhere** and impose deadlines for committing and expending funds based upon the activity proposed and other information provided in the Application. Any changes to timelines must be approved by LHC.

Any funds not expended within the timeframes included in the award agreement documents may be recaptured by LHC. Projects must adhere to the following:

- Applicants must adhere to the project schedule included in the Application submission and if the project utilizes low-income housing tax credits it must satisfy placed in service requirements outlined in Section 42 of the Internal Revenue Code.
- All units must be occupied according to an Occupancy Plan to be submitted to LHC, which requires that all units must be filled with eligible households within 12 months of construction completion. All developers must submit and follow an *Affirmative Marketing Plan (See Exhibit B. Section B)*.

II.B.14. Affordability & Population Served Requirement

All units built utilizing HHSD funds must meet affordability or HHSD qualifying populations⁵ requirements as noted in section §II.A.4. The tenant household income limits will follow the funding source in the proportions as specified. All affordability will be deed-restricted for 20 years in accordance with the terms to be stated in the award agreement.

Rent limitations will be applied according to HUD funding source requirements. Rental units occupied by low-income households must comply with the rent limitations in 24 CFR 92.252(a) (i.e., the lesser of the Fair Market Rent for existing housing for comparable units in the area, as established by HUD).

Notwithstanding the foregoing, when a household receives a form of Federal tenant-based rental assistance (e.g., housing choice vouchers), the rent is the rent permissible under the applicable rental assistance program (i.e., the tenant rental contribution plus the rent subsidy allowable under the rental assistance program). The rent limits for low-income households apply to the rent plus the applicable utility allowance as established by HUD.

II.B.15. Property Management Plan requirement

Applicants must include a plan for property management of the proposed development.

II.B.16. Physical Characteristics

Notwithstanding any and all commitments to Resilient, Sustainable and Healthy Design, LHC specifically requires the following physical attributes:

- Commitment by the developer to construct stormwater infrastructure sufficient to meet Parish planning and zoning subdivision requirements.
- Minimum Enterprise Green Communities (EGC) score. See details in *Section II.A.6.b*.

II.B.17. Project Readiness Requirement: Site control

Applicants must demonstrate site control. Site control requires ownership or an option to purchase which is valid at submission of the Application and for which the Applicant has the right to extend through the Closing Date. Note that violations of HUD funds (and CDBG rules) related to choice-limiting actions apply and violations of these rules will result in disqualification of the Application.

II.B.18. Project Readiness Requirement: Funding commitments

The applicant must demonstrate it has commitments for funding from other sources to the satisfaction of LHC, in its sole discretion.

- (a) Commitments of other sources of funding.
 - (i) Commitments must be dated after the publication date of this NOFA.
 - (ii) LHC reserves the right to require updated commitments as it deems necessary.
 - (iii) Commitments for LIHTC equity must provide for at least 10% pay-in prior to the first payment of HHSD funds from LHC.
 - (iv) Conditions contained in commitments shall be subject to determination by LHC as to reasonableness. LHC may reject any commitment (and deem the application deficient) if, in the sole discretion of LHC, any condition is outside of market requirements and/or is unlikely to be satisfied.
- (b) Projects that will utilize LIHTCs pursuant to Section 42(h)(4) of the Code must also submit a LIHTC Application in accordance with the requirements of Section 42(m) of the Code and

⁵ See list of qualifying populations at <https://www.hudexchange.info/programs/home-arp/overview/>.

the provisions of the 2024 QAP. The application for LIHTC and HHSD funds will be a combined application. Any award of HHSD funds for a project utilizing LHC Tax-exempt Bonds to obtain LIHTCs allowable pursuant to Section 42(h)(4) of the Code will be made contingent upon approval from the Louisiana State Bond Commission.

II.B.19. Non-Compliance in Federal or Other Agency Programs

Applicants (and/or their Affiliates) cited for non-compliance in federal housing programs or in a project/program administered by LHC or the State's Office of Community Development shall not receive a reservation of funds from LHC unless or until such non-compliance is cleared. Existing material issues of non-compliance by applicants or their affiliates shall be the basis for a non-award under this NOFA. Applicants who are uncertain as to their compliance status with LHC or OCD should inquire prior to the Letter of Intent to Submit Deadline.

II.B.20. Duration of Requirements

All requirements will be applicable for the duration of LHC Regulatory Agreement (20 years).

II.B.21. Restrictions on Development Costs

LHC does not impose specific limits on project development costs, but per II.C.1 below, costs must be evaluated and determined as reasonable.

II.B.22. Non-Assignability of Application and Award

The responding Applicant must be a principal of the applicant developing entity with the legal authority to enter the partnership into a legal agreement with LHC. Any awards made will be made to the established single-asset entity partnership proposed in the Application, addressed to the principal of that entity submitting the Application. Any assignment by the responding Applicant of such an award, without the prior, written consent of LHC will immediately and irrevocably void the award. Any change in the proposed ownership from that which is stipulated in the Application will constitute an assignment.

II.B.23. Outreach and Marketing Plan

Applicants must include a plan for outreach and marketing of the proposed development.

II.C. Underwriting Standards and Requirements

II.C.1. Underwriting

In accordance with 24 C.F.R. 92.250, LHC will perform underwriting analysis as part of the application process to assess the Project's financial feasibility, as well as cost allocation and subsidy layering analyses to determine the appropriate amount of the HHSD award.

LHC shall underwrite all Projects that receive HHSD funds to determine if:

- Projects will be feasible under 25 C.C.R. § 8310 for a minimum of 20 years;
- Projects' development costs will be reasonable under 25 C.C.R. § 8311;
- Projects will return a reasonable level of profit for the developer; and
- LHC will provide only enough HHSD funds for the Project, alone or in combination with other governmental assistance, that is necessary to provide quality affordable housing.

Additionally, LHC shall examine all the sources and uses of funds for the Project (including any operating cost assistance, COSR, or project-based rental assistance that will be provided to the Project) and assess the current market demand in the neighborhood the Project will be located, the experience of the Recipient, the qualifications of the Recipient's employees, the financial capacity of the Recipient, and firm written financial commitments for the Project.

II.C.2. Replacement Reserve Deposit Requirements

Unless otherwise approved by LHC, the operating budget must include a minimum deposit of \$500 per unit per year for the Replacement Reserve, and it must be funded and maintained for the full compliance period and reflected in the operating expenses for the full 20-year projection of expenses. Replacement Reserve deposits will be inflated at 3% annually.

II.C.3. Operating Reserve Requirements

All projects must establish and maintain, until the project has achieved a minimum of five (5) years of Stabilized Occupancy, an operating reserve equal to a minimum of six (6) months of project operating expenses. Withdrawals from this Reserve shall only be made with the prior written consent of LHC for the purpose of curing operating deficits as defined in the Loan Agreement. If this Reserve is determined by LHC to no longer be necessary, all funds remaining in such Reserve shall be paid to the project operating account.

II.C.4. Lease-Up Reserve Requirements

This program does not impose Lease-Up reserve requirements but will recognize reasonable establishment of such reserves from development funds, as proposed by the Applicant. All uses of such funds must appear in the audit of the partnership in the year the project is placed in service.

II.C.5. Insurance Reserve Requirements

All transactions must fund an Insurance Reserve, from development sources other than HHSD, in an amount equal to the underwritten annual insurance cost ('Baseline Insurance Amount' or 'BIA').-

II.C.6. Rents

See also §II.B.14, Affordability.

- AMI-based rents must be underwritten at the maximum net rent (gross rent less applicable utility allowance) for the set-aside applicable to the unit.
- Permanent Supportive Housing (PSH): PSH are underwritten to applicable voucher-based rents (120% FMR).

II.C.7. First Mortgage Terms

The proposed First Mortgage will be sized for scoring purposes. That is, the First Mortgage will be sized for the application based on the Letter of Intent (LOI) reflected in the applicant's proposal, and assuming a 1.20 Debt Service Coverage Ratio, and a 7% interest rate, and a 30-year amortization. The LOI will depend on the unit- and affordability mixes, market rents, other income, and operating expenses.

The borrower's actual First Mortgage may ultimately be higher or lower than the amount reflected in the application, and upon which the HHSD fund amount is based. The borrower's actual First Mortgage may be less if the actual lender determines a lower Net Operating Income than the borrower proposed in the application, and/or provides a higher interest rate. The actual First Mortgage may be more if it is based on a higher NOI and/or a lower rate. In either case the LHC will allow the actual First Mortgage to differ from the First Mortgage assumed in the application.

II.D. Further Award Requirements

II.D.1. Environmental Clearance

Applicants are required to obtain environmental determination (to be included in program costs) and submit to LHC for clearance pursuant to 24 CFR Part 58. Prior to receipt of environmental clearance from LHC, the applicant or developer may not undertake, or commit any funds to,

physical or choice-limiting actions, including property acquisition, demolition, tenant relocation, rehabilitation, conversion, repair or construction. Violations of this provision may result in the denial of any funds under this program. The Applicant is encouraged to ensure that site control exists for sufficient period of time to allow environmental clearance process to be completed before purchase must occur.

II.D.2. Insurance Requirements

Insurance requirements for projects are governed by the State of Louisiana Office of Risk Management Procedures Manual for Insurance Language in Contracts and Indemnification Agreements, Revised December, 2019, Exhibit D. The entire procedures manual can be found at the following URL: <https://www.doa.la.gov/media/lugfise1/contract-manual-12-2019.pdf>

Additionally, all funded projects are required to carry flood insurance, irrespective of whether such insurance is required by other parties, and without regard to the siting of the property outside of the SFHA. Projects must carry the lesser of full replacement coverage or the maximum available NFIP insurance on all individual buildings. Sponsors are hereby advised to ensure that at costs for these insurance premiums are fully reflected in their proposed operating budgets.

II.D.3. Accessibility

Projects will be subject to accessibility requirements under Section 504 of the Rehabilitation Act of 1973, as well as the accessibility requirements of the Fair Housing Act, the Americans with Disabilities Act and the Architectural Barriers Act.

II.D.4. Davis-Bacon

Construction is subject to Davis-Bacon wage and record-keeping requirements.

II.D.5. Payment and Performance Bonds

Each funded application that receives an award of HHDP Funds will be required to post both a payment and performance bond during the period of construction corresponding to the requirements of the Disaster Recovery CDBG Grantee Administrative Manual (available on the OCD website) and associated LHC requirements. The minimum requirements are as follows:

- A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
- A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is executed in connection with a contract to assure payment as required by law of all persons supplying labor and material for execution of work under the contract.

II.D.6. Section 3

HUD’s Section 3 requirements (for outreach to low-income individuals and to businesses owned by such individuals) apply in connection with the construction of the project, and to any contract or subcontract in excess of \$100,000, as applicable.

II.E. Loan Documents

II.E.1. Award Regulatory Agreement

The Award Regulatory Agreement will be subject to only those liens and encumbrances specifically agreed to by LHC. The Award Regulatory Agreement will be recorded to survive foreclosure or transfer of ownership.

II.E.2. Guaranties

Applicants should note that LHC will require one or more Key Principals to give a Guaranty of Completion, an Operating Deficit Guaranty, and a Guaranty of Non-Recourse Carveouts, to LHC.

II.E.3. Closing Costs

The Applicant will be responsible for all costs related to closing the loan, whether or not closing occurs, including all title costs, recording costs, legal fees, abstract fees, survey costs, or such other costs associated with the funding. For proposal purposes, these may be estimated at \$65,000; however, the actual cost may be higher or lower.

II.E.4. Award Documents Control

Loans will be structured around standard-form Award Legal Documents, including an Award Acceptance Agreement, Loan Agreement, Note, Mortgage, Regulatory Agreement, Subordination Agreement (if required by the senior lender), Completion Guaranty, and Guaranty of Non-Recourse Carve-Outs. It is anticipated that these template legal documents will be posted no later than thirty (30) days prior to the deadline for submission of applications under this NOFA. Conflicts between the Award Legal Documents and any other documents executed in connection with the project will be resolved in favor of LHC Award Legal Documents.

Applicants should note that LHC will not be a party to “operating agreements” and other agreements between the applicant and its investor(s). In particular, applicants should note that no agreements can be made between the applicant and its investors and lenders regarding cash distributions, except as regards the share of Surplus Cash that is distributable to the project owner.

II.E.5. Representations and Warranties

Applicants should note that the Award Legal Documents contain representations and warranties that are ongoing, and accordingly it is possible that an applicant may receive an Award Acceptance Agreement (“AAA”) but, because of subsequent non-compliance or other issues, be unable to close.

II.F. Award Process

II.F.1. Process for Reviewing Application

II.F.1.a. Communication with Contact Person

LHC will communicate only with the contact person listed in the Application. Information received from persons other than the contact person will have no binding effect on LHC, unless legally designated.

II.F.1.b. Authority of Contact Person

The applicant must submit written authorization, signed by a duly authorized representative of the applicant, delegating the contact person to represent the applicant with LHC in all matters regarding the application.

II.F.1.c. Completeness

The review process will begin with a review for completeness. Applications that are materially incomplete will be rejected without further review. LHC shall determine materiality in its sole and absolute discretion.

II.F.1.d. Potential LHC Requests for Clarification

LHC may, but shall not be obligated to, follow-up with an applicant during the application review process in a telephone or email conversation in order to obtain clarification should LHC determine it to be advisable or necessary. Applicants should endeavor, however, to provide thorough and

complete applications as they may not have an opportunity for subsequent communications either oral or written other than the response to the deficiency letter.

II.F.1.e. Deficiency Letter

Applicants who submitted a complete Application may receive a Deficiency Letter based on LHC's review of the Application. Applicants must respond to the Deficiency Letter according to the timeframe indicated by LHC. If all material deficiencies are not remedied within 5 business days or as directly by LHC (in the sole and absolute discretion of LHC within the allowed period), the application will be rejected.

II.F.1.f. Order of Award

Complete applications without deficiencies (including applications that cure deficiencies within the allowed response period), and that are determined to comply with the requirements hereof, will be awarded to highest point score (subject to availability of funding, and subject to the requirements hereof).

II.F.2. Rejected Applications

LHC may reject an application that is not materially complete by the due date, or if the applicant fails to cure all deficiencies within the allowed period. All determinations regarding whether the application is complete, or whether the applicant has adequately addressed any deficiencies, shall be determined by LHC in its sole and absolute discretion.

II.F.3. Award Acceptance Agreement ("AAA")

II.F.3.a. Form of AAA

LHC will issue Award Acceptance Agreements to the applicant of the awarded application, in substantially the form of LHC template Award Acceptance Agreement ("AAA") that can be found on LHC Website. Applicants should note that the AAA will require commencement of construction activities within 180 days after issuance of the AAA, unless otherwise specified by LHC.

II.F.3.b. Funding Reservation

Funding will be reserved for the awarded project for the time period allowed in the AAA for the applicant's execution and return of the AAA.

II.F.3.c. Recapture

If the applicant does not execute the AAA within the allowed time period, if the applicant does not comply with the terms of the AAA, or if the applicant relinquishes its AAA after executing it, LHC will reverse the funding reservation and may award to the next highest scoring applicant.

II.F.3.d. Reservation Pursuant to Federal Regulations

LHC reserves the right to make and revise reservations in accordance with published federal regulations, rulings, guidelines and notices. LHC will not commence funding until environmental clearance has been issued.

III. APPLICATION SUBMISSION

Applicants assume the risk of electronic delivery. Be advised that responses arriving after the Application deadline will not be accepted for any reason.

LHC requires an electronic application as part of the Application Package. This Application must be submitted electronically through the upload link provided by LHC on the LHC website. *LHC will send a confirmation email to Applicants confirming the receipt of Application by the deadline.*

IV. SELECTION CRITERIA

IV.A. Minimum Score

There is no minimum point score for award of these funds; however, LHC reserves the right to determine that the highest scoring application is of insufficient overall quality to merit award, and to require changes to that application to improve its overall score, as a condition of award.

IV.B. Maximum Point Score

All points awarded will be based on the criteria in this Section of this NOFA. LHC will be scoring all applications and will be the sole determining body of funding award. The scoring breakdown will be as follows:

NOFA Scoring Points—Funds will be awarded under this NOFA based on a competitive score, which allocates points for Developer Experience and Qualifications and core components contained in the Proposed Development, including Applicant Readiness, Pro Forma, Leverage, Services to Qualified Populations and Development Impact. There are 100 total available points.

Support documentation for each requested point item must be included in the application submission. Maximum 100 points.

I. Developer Experience & Qualifications		MAXIMUM 40 POINTS
<p>Developers must demonstrate extensive experience with developing affordable housing and working with households that are defined in the Qualified Population. This includes showing prior, proven experience developing affordable rental units and/or mixed income developments and successful direct implementation or partnerships with service providers that serve households such as those defined as the Qualified Population that have occupied the developer's units.</p> <p>While the volume of the applicant's prior production is an important indicator of this capacity, so is the quality of the services and degree of support provided to the Qualified Population or similar LMI tenants.</p>		<p>Developers shall demonstrate their experience and qualifications across several factors:</p> <ul style="list-style-type: none"> • The experience and qualifications of each member of the development team. • The developer's track record of previous developments. Developer will list previous developments, # of units and # of affordable units of past projects. • Previous and current partnerships with service providers that serve LMI or households as may be defined in the Qualified Population. • Other certifications, qualifications, previous experience, partnerships, funding sources, or similar merits that demonstrate the developer's capacity and ability to perform successfully under this program.
II. Proposed Development		MAXIMUM 60 POINTS
<p>A. Development Readiness</p>	<p>10 Points</p>	<p>Developer will demonstrate that it is ready to begin the project quickly upon receiving an HHSD award. Developer can demonstrate this by showing, among others, that:</p> <ul style="list-style-type: none"> • Developer has secured financing commitments from any additional funding sources beyond HHSD,

		<ul style="list-style-type: none"> • Developer has site control through ownership or a purchase option, • Developer has performed or is ready to perform any remaining due diligence activities upon award.
B. Proforma & Operating Subsidies	10 Points	Developer will demonstrate its access to or efforts it will make to access on-going operating revenues in addition to rental income to support the operations, management, and maintenance of the development given the financial limitations of serving the Qualified Population.
C. Leverage of HHSD Funds	10 Points	<p>Developers are encouraged to bring other sources of funding to the proposed developments including other debt, equity, grants, program-related investments, or similar financing.</p> <p>Developers that demonstrate financial commitments for other sources that leverage the impact of HHSD funding will be awarded points commensurately. <i>Similar to an efficiency score, the proposer with the highest leverage will receive maximize points.</i></p>
D. Services for Qualified Population	20 Points	<p>Developers must demonstrate how they will provide, either directly or in partnership with experienced service providers, supportive services to the Qualified Population who will be residents of the proposed development.</p> <p>Developers should provide details on: a) The types of services and programs to be offered, b) what entities will provide them; c) demonstrate a commitment from the service providers to provide services to Qualified Population household for the proposed development; and d) demonstrate how the developer will work with Continuum-of-Care entities to outreach and intake tenants any time there is vacancy in a unit dedicated to a Qualified Population household.</p>
E. Development Impact	10 Points	Developer will demonstrate impact by detailing the number of total income-restricted units to be developed and the total number of households from the Qualified Population (above the 70% minimum) that will be served by the development.

EXHIBIT A – CDBG-DR ELIGIBLE PARISHES

The eligible parishes for CDBG-DR for Hurricane Ida and May 2021 floods include:

- 80% to HUD Most Impacted and Distressed (MIDs) areas.
- 20% to Grantee Most Impacted and Distressed (MID) areas.

The Parishes are as follows:

A. HUD MIDs (21)

Ascension, Assumption, Calcasieu, East Baton Rouge, Jefferson, Lafourche, Livingston, Orleans, Plaquemines, St. Bernard, St. Charles,	St. Helena, St. James, St. John the Baptist, St. Mary, St. Tammany, Tangipahoa, Terrebonne, and Washington Parishes; 70764 & 70788 (Iberville Parish) and 70767 (West Baton Rouge Parish).
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B. Grantee MIDs (7)

East Feliciana, Iberia, Iberville, Point Coupee	St. Martin, West Baton Rouge and West Feliciana
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EXHIBIT B - HUD LIMITS**RENT LIMITS**

**Developer should confirm recent and applicable HUD rent limit tables and use accordingly. HUD will update rent limits annually.*

HUD provides the following maximum HOME rent limits, which are applicable to HHSD, as defined for the use of HOME-ARP and CDBG-DR funds.

Rent Limit for Qualified Populations

For any HOME-ARP household that meets criteria as a "qualified population", the rent must meet the following requirements:

1. The rent may not exceed 30 percent of the annual income of a family whose income equals 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD annually provides the HOME Rent Limits, that are also applicable to HOME-ARP, which include average occupancy per unit and adjusted income assumptions. This is also known as the low HOME rent limit.
2. If the unit receives federal or state project-based rental subsidy and the very low-income family pays as a contribution toward rent not more than 30 percent of the family's adjusted income, then the maximum rent (i.e., tenant contribution plus project-based rental subsidy) is the rent allowable under the federal or state project-based rental subsidy program.
3. If a household receives Tenant-Based Rental Assistance (TBRA), the rent is the rent permissible under the applicable rental assistance program (i.e., the tenant rental contribution plus the rental subsidy allowable under that rental assistance program).

The rent limits for HOME-ARP units for qualifying households include the rent plus the utility allowance.

Rent Limit for Low-Income Households

For any HHSD units occupied by "low-income households," the maximum rents are the lesser of:

1. The fair market rent (FMR) for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111; or
2. A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit. The rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.

Notwithstanding the foregoing, when a household receives a form of federal tenant-based rental assistance (e.g., housing choice vouchers), the rent is the rent permissible under the applicable rental assistance program (i.e., the tenant rental contribution plus the rent subsidy allowable under the rental assistance program).

Fair Market Rents are established by HUD each year for the Section 8 Program. For more information on the annual calculation of Fair Market Rents, visit the [Fair Market Rents](https://www.huduser.gov/portal/datasets/fmr.html) page. <https://www.huduser.gov/portal/datasets/fmr.html>

The FMRs for unit sizes larger than 4 bedroom are calculated by adding 15 percent to the 4 bedroom FMR for each extra bedroom. For example, the FMR for a 5 bedroom unit is 1.15 times the 4 bedroom FMR, and the FMR for a 6 bedroom unit is 1.30 times the 4 bedroom FMR, and so on.

- 5 BR = 1.15 x 4 BR FMR
- 6 BR = 1.30 x 4 BR FMR
- 7 BR = 1.45 x 4 BR FMR
- 8 BR = 1.60 x 4 BR FMR
- 9 BR = 1.75 x 4 BR FMR
- 10 BR = 1.90 x 4 BR FMR
- 11 BR = 2.05 x 4 BR FMR
- 12 BR = 2.20 x 4 BR FMR

Note: The FY 2023 HOME Rent Limits effective date is June 15, 2023.

[HOME Rent Limits | HUD USER](https://www.huduser.gov/portal/datasets/home-rent-limits.html)

<https://www.huduser.gov/portal/datasets/home-rent-limits.html>

[Version 9.4 SAS System Output \(huduser.gov\)](https://www.huduser.gov/portal/datasets/home-datasets/files/HOME_RentLimits_State_LA_2023.pdf)

https://www.huduser.gov/portal/datasets/home-datasets/files/HOME_RentLimits_State_LA_2023.pdf

EXHIBIT C – OTHER FEDERAL REQUIREMENTS

Other Federal Requirements

OTHER FEDERAL REQUIREMENTS

CDBG-DR and HOME-ARP funds are federal financial assistance and, therefore, are subject to requirements applicable to such funds. This includes the following requirements: 24 CFR part 92, subpart H, 92.352 – Environmental review; 92.353 – Displacement, relocation, and acquisition; and 92.355 – Lead-based paint.

- A. Other Federal Requirements and Nondiscrimination** - The requirements in 24 CFR 92.350. Must comply with the Federal requirements set forth in 24 CFR part 5, subpart A, including: nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended or ineligible contractors; drug-free work; and housing counseling and the nondiscrimination requirements at section 282 of NAHA. Must also comply with the Violence Against Women Act (VAWA) requirements set forth in 24 CFR 92.359.
- B. Affirmative Marketing and Minority Outreach** - The requirements in 24 CFR 92.351 apply to funded activities. Occupancy efforts must meet requirements for affirmative marketing in projects of five or more assisted units.

Developers are required to submit an **Affirmative Marketing Plan**: Recipients are expected to identify and serve appropriate beneficiaries, especially under-served populations and the noted qualifying populations.

Applicants must adopt an Affirmative Marketing Plan for all Projects with five or more HHSD-assisted units. The Plan must include:

- methods for informing the public, owners and potential tenants about fair housing laws and the policies of the local program;
 - a description of what awardee will do to affirmatively market housing assisted with HHSD funds;
 - a description of what grantees and/or the program administrator will do to inform persons not likely to apply for housing without special outreach;
 - maintenance of records to document actions taken to affirmatively market HHSD-assisted units and to assess marketing effectiveness; and
 - a description of how efforts will be assessed and what corrective actions will be taken when requirements are not met.
- C. National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321) and Related Laws** - The environmental requirements in 24 CFR 92.352 apply to eligible activities. The environmental effects of each activity carried out with federal funds must be assessed in accordance with the provisions of NEPA and the related authorities listed in HUD's implementing regulations at 24 CFR part 58. The applicability of the provisions of 24 CFR part 58 is based on the project as a whole (i.e., all individual project activities, such as acquisition and rehabilitation, aggregated according to the requirements at 24 CFR 58.32), not on the type of the cost paid with specific HOME-ARP/HOME funds. The LHC (referred to as the "Responsible Entity" or "RE") must assume responsibility for environmental review, decision making, and action for each activity that it carries out, in accordance with the requirements at 24 CFR Part 58. LHC must assume responsibility for approval of Requests for Release of Funds and Certification (RROF/C) submitted by State recipients.

No funds may be committed to a federal activity or project before the completion of the environmental review and approval of the RROF/C, as applicable. In addition, until the RROF/C have been approved,

neither a federal funds recipient nor any participant in the development process may commit non-HUD funds on or undertake a HOME/HOME-ARP activity or project if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives.

- D. Labor Standards** - The requirements in 24 CFR 92.354 apply to HOME/-HOME-ARP activities.
- E. Uniform Relocation Assistance and Real Property Acquisition Policies Act, Section 104(d), and HOME-ARP Displacement, Relocation and Acquisition Program Requirements** - HOME-ARP funding is subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and section 104(d) of the Housing and Community Development Act of 1974, in addition to the Displacement, Relocation and Acquisition regulatory requirements of 24 CFR 92.353. This Notice also includes HOME-ARP program specific relocation requirements applicable to HOME-ARP-assisted projects. PJs must comply with all applicable requirements, as described in this section.
- F. Section 3 Economic Opportunities for Low- and Very Low-Income Persons** - Section 3 requirements established at 24 CFR Part 75 apply to federal HUD-assisted projects.
- G. Conflicts of Interest** – HUD funds are subject to the following conflicts of interest requirements:
1. Conflicts of Interest: PJs, State recipients, and subrecipients engaging in any of the activities defined this Notice shall be subject to the conflicts of interest provisions at 24 CFR 92.356, including but not limited to the conflicts of interest exception process defined in 24 CFR 92.356(d)-(e). Owners and developers of HOME-ARP NCS and HOME-ARP rental housing shall be subject to 24 CFR 92.356(f).
 2. Organizational Conflicts of Interest: The provision of any type or amount of HOME/HOME ARP, TBRA or supportive services may not be conditioned on an individual's or family's acceptance, or occupancy of a shelter or housing unit owned by the PJ; State recipients; the subrecipient; or a parent, affiliate, or subsidiary of the subrecipient. No subrecipient may, with respect to individuals or families occupying housing owned by the subrecipient, or any parent, affiliate, or subsidiary of the subrecipient, administer financial assistance that includes rental payments, utility deposits, security deposits, or first and last month's rent provided pursuant to this Notice. All contractors of the PJ, State recipients, or subrecipient must comply with the same requirements that apply to subrecipients under this section.
 3. Written Standards of Conduct: PJs, State recipients, and subrecipients must maintain written standards of conduct covering the conflicts of interest and organizational conflicts of interest requirements under this Notice and 2 CFR 200.318. The written standards of conduct must also provide for internal controls and procedures to require a fair and open selection process for awarding HOME/HOME-ARP funds pursuant to this Notice.
- H. Applicability of Uniform Administrative Requirements.** The requirements of 2 CFR part 200, as amended apply to subrecipients receiving HOME-ARP funds, except for the following provisions: 2 CFR 200.306, 200.307, 200.308 (not applicable to participating jurisdictions), 200.311 (except as provided in 24 CFR 92.257), 200.312, 200.329, 200.333, and 200.334. The provisions of 2 CFR 200.305 apply as modified by 24 CFR 92.502(c) and the HOME-ARP Notice. If there is a conflict between definitions in 2 CFR part 200 and 24 CFR part 92, the definitions in 24 CFR part 92, govern. Where regulations in 24 CFR part 92 refer to specific regulations of 2 CFR part 200 that were or are renumbered or revised by amendments to 2 CFR part 200, the requirements that apply to the 84 use of HOME-ARP funds are the applicable requirements in 2 CFR part 200, as amended, notwithstanding the renumbered regulatory reference.
- I. Period of record retention:** All records pertaining to federal funds must be retained for five years, except as provided below. a. For HOME-ARP rental housing projects, records may be retained for five years after the project completion date; except that records of individual tenant income verifications,

project rents and project inspections must be retained for the most recent five-year period, until five years after the affordability period terminates.

- J. **Access to records:** Citizens, public agencies, and other interested parties with reasonable access to records, consistent with applicable state and local laws and any other applicable grant conditions from other federal grant programs regarding privacy and obligations of confidentiality.
- K. **Reporting and Performance Reports.** For rental activities, must provide complete project completion information for LHC to enter into IDIS.
- L. **Confidentiality Requirements** – as follows:
 - 1. All entities assisted by HOME/HOME-ARP funds must develop, implement, and maintain written procedures to require that:
 - a. All records containing personally identifying information of any individual or family who applies for and/or receives assistance will be kept secure and confidential;
 - b. The address or location of any NCS or rental housing exclusively for individuals fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking will not be made public, except as necessary where making the address or location public does not identify occupancy of the NCS or HOME-ARP rental housing, when necessary to record use restrictions or restrictive covenants in accordance with Section VI.B or VI.E, or with written authorization of the person or entity responsible for the operation of the NCS or HOME-ARP rental housing; and
 - c. The address or location of any program participant that is a fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking will not be made public, except as provided under a privacy policy of the LHC consistent with state and local laws and any other grant conditions from other federal grant programs regarding privacy and obligations of confidentiality.
 - 2. Documenting status of a qualifying population that is fleeing or attempting to flee domestic violence, dating violence, stalking, sexual assault, or human trafficking:
 - a. If an individual or family qualifies because the individual or family is fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking then acceptable evidence includes an oral or written statement by the qualifying individual or head of household seeking assistance that they are fleeing that situation. An oral statement may be documented by either –
 - i. a written certification by the individual or head of household; or
 - ii. a written certification by a victim service provider, intake worker, social worker, legal assistance provider, health-care provider, law enforcement agency, legal assistance provider, pastoral counselor, or an intake worker in any other organization from whom the individual or family sought assistance. The written documentation need only include the minimum amount of information indicating that the individual or family is fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking and need not include any additional details about the conditions that prompted the individual or family to seek assistance.

EXHIBIT E – NOFA APPLICATION

NOFA Application Packet

The Application will be submitted electronically via an Excel spreadsheet. [Instructions will be included in the Application Packet available separately on the LHC website.](#)

*See the LHC website for the **Exhibit D: Homeless and Housing Stability: Affordable Multifamily Housing (HHSD) Application Packet.***

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EXHIBIT F – LOUISIANA CONTINUUM OF CARE (COCS)

Region	Contact Person	Contact Phone	Contact Email
New Orleans	Valerie Coffin	504-821-4496	vcoffin@unitygno.org
Alexandria	Kitty Winn	318-443-0500	kittyw@centrallouisianahomeless.org
Balance of State	Carrie Patterson	225-2511139	cpatterson@lhc.la.gov
Lafayette	Elsa Dimitriadis	337-967-0995	elsa@archacadiana.org
Monroe	Sarah Johnson	318-807-6200	sarah@sarahbjohnson.com
Northlake	Amanda Mills	985-789-3108	amills@northlakehomeless.org
Shreveport	Christa Pazzaglia	318-670-4591	christa@nwlahope.org

Their full geographies can be found on the map here (all the green parishes are Balance of State): <https://laboscoc.org/housing-and-services>

