

Section IV - Threshold Requirements

Applications which fail to meet threshold requirements are ineligible. Unless otherwise noted, projects with tax-exempt bond financing must also meet all threshold requirements. All 4% Applications must be accompanied by the Cost Containment Template. All Applications requesting LHC soft funds are required to submit a Lien Payment Priority Spreadsheet. The Cost Containment Template is intended to identify costs based upon threshold requirements, selection criteria chosen, and other factors that increase costs above the HUD limits for moderately designed housing. The Cost Containment Template will be submitted to the State Bond Commission for all projects financed with tax-exempt bonds. The Lien Payment Priority Spreadsheet is intended to identify the proposed layers of mortgage liens and payment priorities during both the construction loan period and the permanent loan period of a project and the position of the mortgage associated with the additional LHC funds requested to accompany the LIHTC request.

A. Project Threshold Requirements

1. ~~Resiliency Construction Requirements for Tier 1 & Tier 2 Parishes~~

~~To enhance the durability and long-term sustainability of affordable housing developments in high-risk areas, all LIHTC projects located in Tier 1 and Tier 2 parishes must incorporate the following fortified construction measures:~~

- ~~a. **Roofing** — Must meet IBHS FORTIFIED Roof™ standards, including sealed roof decks and wind-rated shingles.~~
- ~~b. **Windows & Doors** — Must be impact-resistant or have hurricane-rated shutters that meet ASTM standards; garage doors, if applicable, must meet wind-load requirements.~~
- ~~c. **Verification** — A licensed architect or engineer must certify compliance. [WH1]~~

2. ~~Resiliency Standards (New Construction Only)~~ [WH2]:

- ~~a. The building footprint (for buildings with residential units) should not be located within or partially within the Special Flood Hazard Area (“SFHA”). Parking is not required to be at or above the building elevation requirements.~~

~~Please refer to the below “Limited Special Flood Hazard Area Exceptions” for projects located in a SFHA.~~

- ~~b. 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.~~
- ~~c. Irrespective of FIRM designation, the application must clearly establish whether the proposed building footprint experienced flooding in the 2016 Great Floods; if the 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.~~

Limited Special Flood Hazard Area Exceptions:

New Construction/Redevelopment

This limited Special Flood Hazard Areas (SFHA) exception will apply only to new construction developments funded under this QAP.

Special Flood Hazard Areas (SFHAs) are areas that are at the greatest risk of flooding, mudflow, or flood-related erosion. High-risk areas are identified as a Special Flood Hazard Area (SFHA) on FEMA maps and are labeled as Zones A1-30, AE, AH, AO, AR, or A99 as defined by HUD. However, for this funding round, LHC will consider new construction projects in zones designated as Special Flood Hazard Areas (SFHA). This limited exception will apply only to zones labeled as AE or a zone of lower flood risk. Flood Zone AE is a newer version of what used to be Flood Zones A1-A30. The zones have a BFE that is used to determine the rate in FEMA's Flood Insurance Rate Map (FIRM). These areas are subject to a 1% chance of flooding annually and are mandatory flood insurance areas. Zones designated as "high risk" zones such as AH, AO, V, and VE are deemed unsuitable for new construction projects and will not receive funding consideration. In addition, any structure built in an area designated as a Special Flood Hazard Area must maintain a flood insurance policy throughout the affordability period and must adhere to Fortified Roofs, windows, and doors. However, for communities designated by FEMA as "high Risk" for flooding or zoned as A1-30, AE, AH, AO, AR, or A99, LHC may consider new construction projects under limited circumstances. LHC will review each proposed project for feasibility, cost reasonableness, and the affordable housing needs of the project area. LHC reserves the right to deny funding to any project in a SFHA where LHC determines the risk for repetitive loss outweighs the need for affordable housing.

New Construction Projects proposing new construction on sites within the Special Flood Hazard Areas (SFHAs) must submit a site plan that clearly indicates all of the following:

- The FEMA determined elevation of the floodplain or floodway;
- The elevation of the lowest floor level in the proposed buildings; and
- The location of the proposed buildings.

In addition, all project proposals must include a FEMA floodplain map covering the Project area with the boundary of all Sites clearly delineated. FEMA floodplain maps can be obtained from the FEMA website. Proposals must also indicate the long-term risk of flooding of the proposed site(s) using the online resource for flood risk, Flood Factor. For each project site(s), please indicate long-term risk as indicated by Flood Factor's rating for the address: Minimal, Minor, Moderate, Major, Severe, or Extreme. In addition, for projects in designated wetlands to proceed, Project Teams must provide a narrative discussing planned site- or building-level mitigation measures as well as wetland mitigation

plans and an Army Corp of Engineers permit where necessary. Any approved structure(s) built in a special flood area must be a minimum of 5 feet above the FEMA base flood elevation.

Rehabilitation Projects:

If any portion of a Site is located within the SHFA 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:

- The historic frequency of flooding and flood-related repairs;
- The FEMA determined elevation of the floodplain or floodway;
- The elevation of the lowest floor level in the existing buildings;
- The location of the existing buildings; and
- Evidence that the Site is enrolled or is eligible to enroll in the National Flood Insurance Program.

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.

- All structures, defined at 44 CFR 59.1, designed principally for residential use, and located in the one percent annual chance (or 100-year) floodplain, that receive assistance for new construction, reconstruction, rehabilitation of substantial damage, or rehabilitation that results in substantial improvement, as defined at 24 CFR 55.2(b)(10), must be elevated with the lowest floor, including the basement, at least two feet above the one percent annual chance floodplain elevation (base flood elevation).
- For buildings qualifying and applying for Historic Tax Credits and 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.
- Mixed-use structures with no dwelling units and no residents below two feet above base flood elevation, must be elevated or floodproofed, in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above base flood elevation.
- Structures that are elevated must meet federal accessibility standards.
- No residential buildings or structures of any kind may be located in a floodway.