BOBBY JINDAL
GOVERNOR

MILTON J. BAILEY
PRESIDENT

Louisiana Housing Finance Agency

The following resolution was offered by Commissioner J. Mark Madderra and approved by Commissioner Donald B. Vallee:

RESOLUTION

A resolution providing for preliminary approval of the State's 2010 Per Capita Draft Qualified Allocation Plan; and providing for other matters in connection therewith.

WHEREAS, Section 42 of the Internal Revenue Code of 1986, as amended (the "Code") provides for a low-income housing credit (the "Housing Credit") that may be claimed as part of the general business credit under Section 38 of the Code; and

WHEREAS, the Housing Credit determined under Section 42 of the Code is allowable only to the extent that the owner of a qualified low-income building receives a housing credit allocation from a housing credit agency such as the Louisiana Housing Finance Agency (the "Agency") unless the building is exempt from the allocation requirements by reason of Section 42(h)(4) of the Code; and

WHEREAS, Section 42(m)(1)(D) provides that Subsection (h)(4) shall not apply to any project unless the project satisfies the requirements for allocation of a housing credit under the Allocation Plan applicable to the area in which the project is located; and

WHEREAS, under Section 42(m)(1)(A) of the Code, the Housing Credit for any building is zero unless (i) such amount was allocated pursuant to a qualified allocation plan (the "Allocation Plan") of the Agency, (ii) the Housing Credit Agency notifies the chief executive officer of the local jurisdiction within which the building located of such project and provides such individual a reasonable opportunity to comment on the project, (iii) a comprehensive market study of the housing needs of low-income individuals is conducted before the credit allocation is made by a disinterested party who is approved by the Housing Credit Agency and (iv) a written explanation is made available to the general public for any allocation of housing credit dollar amount which is not made in accordance with established priorities and selection criteria; and

WHEREAS, pursuant to Section 42(m)(1)(B) of the Code, the Allocation Plan must:

(i) set forth selection criteria to be used to determine housing priorities of the Agency which are appropriate to local conditions;

(ii) also give preference in allocation housing credit dollar amounts among selected projects to---

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(I) projects serving the lowest income tenants,

(II) projects obligated to serve qualified tenants for the longest periods, and

(III) projects which are located in qualified census tracts and the development of which contributes to a concerted community revitalization plan, and

(iii) provide a procedure that the Agency will follow in monitoring for noncompliance with the provisions of Section 42 of the Code and in notifying the Internal Revenue Service (the "IRS") of such non-compliance which such agency becomes aware of and in monitoring for non compliance with habitability standards through regular site visits.

WHEREAS, pursuant to Section 42(m)(1)(C) of the Code, the selection criteria set forth in a qualified allocation plan must include:

(i) project location,
(ii) housing needs characteristics including whether the project includes the use of existing housing as part of a community revitalization plan,
(ii) project characteristics,
(iv) sponsor characteristics,
(v) tenant populations with special housing needs,
(vi) public housing waiting lists,
(vii) tenant populations with children, and
(viii) projects intended for eventual tenant ownership.

WHEREAS, Section 42(m)(2)(A) requires the Agency to allocate Housing Credits to a project in an amount which the Agency determines is necessary for the financial feasibility of a project and its viability as a qualified low income housing project throughout the credit period; and

WHEREAS, the Agency is required to take into account in making its determinations under Section 42(m)(2)(A) the following:

(i) the sources and uses of funds and the total financing planned for the project;
(ii) any proceeds or receipts expected to be generated by reason of tax benefits;
(iii) the percentage of housing credit dollar amount used for project costs other than the cost of project intermediaries, and
(iv) the reasonableness of the developmental and operational costs of the project.

WHEREAS, Section 42(m)(1)(A)(i) of the Code requires that the Allocation Plan be approved by the governmental unit in accordance with the rules similar to the rules of Section 147(f)(2) of the Code (other than subparagraph (B)(ii) thereof) of which the Agency is a part; and

WHEREAS, the Agency's Program Rule attached hereto as **Exhibit I** and the Selection Criteria attached hereto as **Exhibit II** utilized in connection with the Agency's Low Income Housing Tax Credit Application Package has been determined to satisfy the requirements of Section 42(m)(1)(B)(i) and (ii) and Section 42(m)(1)(C) of the Code and to satisfy the Agency's responsibilities under Section 42(m)(2); and

WHEREAS, under Section 42(m)(1)(D) of the Code, the Housing Credit for any project qualifying under Section 42(h)(4) of the Code is zero unless the project satisfies the requirements for allocation of a Housing Credit under the Allocation Plan of the Agency; and

WHEREAS, under Section 42(m)(1)(B)(iii) of the Code, an Allocation Plan is not qualified unless it contains a procedure that the Agency will follow in monitoring compliance with the provisions of Section 42 of the Code and notifying the IRS of any non-compliance of which the Agency becomes aware; and

WHEREAS, Section 42(m)(1)(B)(iii) is effective on January 1, 1992, and applies to all buildings placed in service for which a Housing Credit is, or has been, allowable at any time; and

WHEREAS, final regulations relating to (i) the requirement that State allocation plans provide a procedure for the Agency to monitor for compliance with the requirements of Section 42 of the Code, (ii) how the Agency is to report any non-compliance to the IRS, and (iii) the affect of such regulations on the Agency, owners of buildings or projects for which a Housing Credit is claimed, and taxpayers claiming the Housing Credits are contained at 26 CFR Part 1 (the "Compliance Regulations"); and

WHEREAS, Section 1.42-5 of the Compliance Regulations provides that a procedure for monitoring for non-compliance under Section 42(m)(1)(B)(iii) must include the following:

(i) Recordkeeping and Record Retention Provisions of Section 1.42-5(b) of the Compliance Regulations;

(ii) Certification and Review Provisions of Section 1.42-5(c) of the Compliance Regulations;

(iii) Inspection Provisions of Section 1.42(d)-5 of the Compliance Regulations; and

(iv) (iv) Notification of Non-Compliance Provisions of Section 1.42(5)(e) of the Compliance Regulations; and

WHEREAS, the form of the Compliance Monitoring Agreement attached hereto as **Exhibit III**, to be entered into by and between the Agency and owners of low-income housing projects, is sufficient to satisfy the Compliance Regulations relating to the requirements that an owner of a low-income housing project (i) keep and retain records for each qualified low-income building in the project, (ii) certify under penalty of perjury certain matters relating go the operation of the project for prescribed periods, and (iii) make available the project and records in connection with the project for on-site inspection; and

WHEREAS, pursuant to Section 1.42-5(c)(2) of the Compliance Regulations relating to reviews of each low-income housing project by the Agency, the Agency must

(i) review owner certifications under Section 1.45-5(c)(1) for compliance with the requirements of Section 42,

(ii) conduct on-site inspections of all buildings in the project by the end of the second calendar year following the year the last building in the project is placed in service and, for a least 20 percent of the project's low-income units, inspect the units and review the low-income certifications, the documentation supporting the certifications, and the rent records for the tenants in those units; and

(iii) at least once every 3 years, conduct on-site inspections of all buildings in the project and, for at least 20 percent of the project's low-income units, inspect the units and review the low-income certifications, the documentation supporting the certifications, and the rent records for the tenants in those units; and

(iv) require that the Agency randomly select which low-income units and tenant records are to be inspected and reviewed by the Agency. *[The review of tenant records may be undertaken wherever the owner maintains or stores the records (either on-site or off-site). The units and tenant records to be inspected and reviewed must be chosen in a manner that will not give owners of low-income housing projects advance notice that a unit and tenant records for a particular year will or will not be inspected and reviewed. However, the Agency may give an owner reasonable notice that an inspection of the building and low-income units or tenant record review will occur so that the owner may notify tenants of the inspection or assemble tenant records for review (for example, 30 days' notice of inspection or review).]*

WHEREAS, Section 1.42-5(h) of the Compliance Regulations provides that (i) the requirement of Section 42(m)(1)(B)(iii) that allocation plans contain a procedure for monitoring for non-compliance becomes effective as of June 1, 1992 and applies to buildings for which a low-income housing credit is, or has been, allowable at any time and (ii) Section 42(m)(1)(B)(iii) of the Code and the Compliance Regulations do not require monitoring for whether a building or project is in compliance with the requirements of Section 42 of the Code prior to January 1, 1992; provided, however, if the Agency becomes aware of non-compliance that occurred prior to January 1, 1992, the Agency must notify the IRS of that non-compliance.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Louisiana Housing Finance Agency:

SECTION 1. PROGRAM RULE. The Program Rule attached hereto as **Exhibit I** is hereby preliminarily approved.

SECTION 2. SELECTION CRITERIA. The Selection Criteria attached hereto as **Exhibit II** is preliminarily approved.

SECTION 3. COMPLIANCE MONITORING AGREEMENT. The Compliance Monitoring Agreement, substantially in the form attached here to as **Exhibit III**, is preliminarily approved.

SECTION 4. Agency staff is authorized to hold public hearings as required by IRC Section 42 and to do any other necessary action in furtherance of finalization of the QAP.

SECTION 5. OTHER ACTIONS AND APPROVALS. The officers of this Board of Commissioners and the President or Vice President of the Agency are authorized and empowered to take any and all further action and to sign any and all documents, instruments and writings as may be necessary to carry out the purposes of this resolution and to file, on behalf of the Agency, with any governmental board or entity having jurisdiction over the Agency, such applications or requests for approval as may be required by law, in accordance with the requirements of Section 147(f) of the Code.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: Michael L. Airhart, Alice Washington obo John N. Kennedy, J. Mark Madderra, Mayson H. Foster, Donald B. Vallee, Walter O. Guillory, Joseph M. Scontrino, III, Katie Anderson, Elsenia Young, Neal P. Miller

NAYS:

ABSENT: Allison A. Jones, Guy T. Williams, Susan W. Sonnier, Jerome Boykin, Sr., Tyrone A. Wilson

And the resolution was declared adopted on this, the 14th day of July, 2010.

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing five (5) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on July 14, 2010, providing for approval of the State's Qualified Allocation Plan; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 14th day of July, 2010.

Secretary

(SEAL)

EXHIBIT A

Tentative Timeline of 2010 LIHTC Ceiling Reservations for Competitive Applications

March 17, 2010	Preliminary Timeline submitted to the BOC for consideration.
April 15, 2010	Stakeholders Meeting with Developers, CHDO/Non-Profits, Local and National Investors in Baton Rouge, LA (Jurisdictional Reps. from across the state)
April 16, 2010	Stakeholders Meeting with Developers, CHDO/Non-Profits, Local and National Investors in Shreveport, LA (Jurisdictional Reps. from across the state)
April 23, 2010	Deadline for receipt of additional written comments from Stakeholders meeting
May 12, 2010	Draft RFP – Market Study Analysts (to BOC for approval)
June 9, 2010	BOC – Meeting Board approval of RFPs for Tax Credit Financial Analysts and Tax Counsel
July 14, 2010	Staff proposed financial analyst and Draft QAP presented to the BOC for approval
July 15, 2010	Statewide Publication of Draft QAP/Public Hearing Notice
July 29, 2010	Public Hearing on QAP
August 11, 2010	Board adopts Final QAP – Simultaneous submission to Governor and Joint Committee on Budget (JLCB)
August 24, 2010	Application Workshop (Subject to analysts development of the application)
September 17, 2010	Application Deadline
September 20, 2010	Applications forwarded to Underwriter
September 22, 2010	Application packet sent to MS analyst
October 20, 2010	Market Studies Due in from Analysts (copies delivered to Agency, Developer and Underwriter)
October 27, 2010	Staff posts preliminary rank and score
November 3, 2010	F&V reports due from Underwriter, Staff Completes Scoring and review process

EXHIBIT A

Tentative Timeline of 2010 LIHTC Ceiling Reservations for Competitive Applications

November 5, 2010	Begin Challenge Period (Dev. Sent F&V, MS and Score)
November 10, 2010	BOC meeting – Preliminary ranking and scores presented to Board
November 15, 2010	End of Challenge Period
November 18, 2010	All responses to challenges sent for review by Underwriter and MS analysts
November 29, 2010	Final revised F&V's due from Underwriter and Final MS revisions due from analysts.
December 8, 2010	Board Approval of Final Rank and Reservation of Tax Credit

EXHIBIT II

Louisiana Housing Finance Agency
LIHTC - 2010 Qualified Allocation Plan
Selection Criteria

EXHIBIT II

Selection Criteria Index Page

I.	**Targeted Project Type (Maximum of One)**	**Point Ranges**
A.	De-concentration Project	2-10 Points
B.	Rehabilitation Project	10-20 Points
C.	Redevelopment Project	6 Points
D.	Abandoned Project	10 Points
E.	High Vacancy Projects	2-6 Points
F.	Scattered Site Project	4 Points
II.	**Targeted Population Type (Maximum of One)**	
A.	Single Room Occupancy Shelter	5 Points
B.	Accessible Project	10 Points
C.	Special Needs	6-10 Points
D.	Lease to Own	10 Points
E.	Adult Residential Care Project	3 Points
III.	**Priority Development Areas and Other Preferences (All That Apply)**	
A.	Extended Affordability Agreement	2-4 Points
B.	Increased Unit Affordability	4-5 Points
C.	Difficult Development Area (QCT/DDA)	2-4 Points
D.	Rural Target Area (RD)	6-12 Points
E.	Other Governmental Priority	3-6 Points
F.	PHA Referrals and Sponsorship	4 Points
G.	Local Government Support	2-9 Points
H.	LHFA Targeted Parishes (Defined in Glossary)	8 Points
IV.	**Location Characteristics**	
A.	Neighborhood Features	0-10 Points
V.	**Project Characteristics**	
A.	Green Buildings	5 Points
B.	Community Facilities	2 Points
C.	Optional Amenities	1-5 Points
D.	Additional Accessible Units	1-3 Points
E.	Superior Design	10 Points
VI.	**Leverage, Efficiency and Viability**	
A.	Ratio of Project's Intermediary Cost to Development Costs	2-4 Points
B.	Leverage Ratio	1-5 Points
C.	Leverage for Disability Funding	3 Points
D.	Viability Penalty Points	Loss of 3 - 15 Points
VII.	**Project & Submission Penalty Points**	Loss of 4 - 39 Points

EXHIBIT II

SELECTION CRITERIA AND EVIDENTIARY MATERIALS

Points

I. TARGETED PROJECT TYPE (Select Maximum of One)

A. ***Deconcentration Projects*** (maximum of 10 Points)

(i) Project Diversity - *Percentage of Low Income Units in Project does not exceed:*
(Not Qualified for Selection Criteria in I-F Scattered Site Project and II-E Lease to Own)

(a)	60% of the Total Project units	4 ____
(b)	50% of the Total Project units	8 ____
(c)	40% of the Total Project units	10 ____

(ii) *Geographic Diversity*: Project is located in census tract in which the median income of the census tract exceeds 120% of the area median income — 6 ____

B. ***Rehabilitation Project*** *which constitutes:*

(i) *Substantial Rehabilitation or Conversion:* (for acquisitions only) — 10____
- *Capital Needs Assessment* must evidence Substantial Rehabilitation

(ii) *Rehab of Historic Property* — 10____
- *Must evidence Historic Designation by SHPO*

C. ***Redevelopment Project*** (As defined in the glossary) — 6____

D. ***Abandoned Project*** (For Acquisitions Only - Not Qualified for Selection Criteria II-D Lease to Own) — 10 ____
- Submit letter from local governmental unit that all units in the Project are substandard and have been vacant for at least six months
- Capital Needs Assessment must certify 100% vacancy

E. ***High Vacancy Projects*** (For acquisitions only)

(i)	Minimum of 25% but less than 50%	2 ____
(ii)	Minimum of 51% but less than 75%	4 ____
(iii)	75% or above	6 ____

* Submit letter from local jurisdiction that unit has been vacant for at least 90 days and is likely to remain vacant because unit is substandard.
* Capital Needs Assessment must evidence inspection of vacant units.

F. ***Scattered Site Project- Blighted housing remediation and/or replacement*** — 4 ____
- Submit list of each separate address and square footage and costs of each separate building.

II. TARGETED POPULATION TYPE (Select Maximum of One)

A. ***Single Room Occupancy Shelter*** 5____

- Submit evidence from local governmental unit or appropriate continuum of care district that project satisfies need for homeless shelter

B. ***Accessible Project*** (Not qualified for VD Additional Accessible Units) 10_____

- Application must include the following:

(i) Description of Supportive Services tailored to each Special Needs Household (See Supportive Services Definitions)
(ii) Costs 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
(iii) experience of Taxpayer/Owner in developing Projects servicing Special Needs Households
(iv) evidence of Project Based Subsidy for Handicapped Households

C. ***Special Needs Households*** *other than Elderly Households and provides Supportive Services* (Check one or more)

(i) Homeless Households ______
(ii) Handicapped Households ______
(iii) Tenant populations of individuals with children ______

(a) Twenty Percent serve such households 10____
(b) Ten Percent serve such households 6____

- Application must include the following:

(i) Description of Supportive Services tailored to each Special Needs Household (See Supportive Services Definitions)
(ii) Costs 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
(iii) Experience of Taxpayer/Owner in developing Projects servicing Special Needs Households

D. ***Lease To Own (Section 8)*** *10*____

Owner must agree to sell units at Minimum Purchase Price.

- Not eligible if executing extended use agreement

The award is subject to a transactional structure acceptable to the agency 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.

E. ***Adult Residential Care Project***

Application must include the following: 1) Proof that it provides personal care for activities of daily living and instrumental activities of daily living available 24 hours a day; chore services, age and ability appropriate social and recreational activites, assistance with meals, medication administration assistance, coordination/provision of transportation,housekeeping and landry and intermittent nursing services. 2) Such projects must have proof of approval to receive Medicaid waiver funds through the Louisiana Department of Health and Hospitals. Projects will be allowed to adjust unit sizes to be consistent with the ARCP Licensing Standards for ARCP development

3________

EXHIBIT II

III. PRIORITY DEVELOPMENT AREAS AND OTHER PREFERENCES (All That Apply)

A. ***Extended Affordability Agreement***

Project will execute agreement in which Owner irrevocably waives its rights under the provisions of I.R.C. §42(h)(6)(E) and (F) until after the (not eligible for lease-to-own projects)

(i)	25^{th} year	2____
(ii)	30^{th} year	3____
(iii)	35^{th} year	4____

*Not eligible if executing Agency's Option to Purchase and Right of First Refusal Agreement

B. ***Increased Unit Affordability***

At least 5% percent or more of project units serve PSH households.

(i)	At least 5% less than 10%	4 ____
(ii)	At least 10% but less than 15%	5 ____

C. ***Difficult Development Area (QCT/DDA)***

(i) *Project Located in Qualified Census Tract/Difficult Development Area (QCT/DDA)* 2_____

Census Tract Number: __________ Parish Location:____________

(ii) *Copy of Final Concerted Community Revitalization Plan adopted by local governmental unit included in Application* 2_____

D. ***Rural Target Area (RD)***

Copy of Final Concerted Community Revitalization Plan adopted by local governmental unit included in Application 6_____

E. ***Other Governmental Priority** listed below:*

(i) Enterprise Community or Renewal Community	6_____
(ii) HUB Zone	3 _____

F. ***PHA Referrals and Sponsorship***

(i) *Developer submitted an certified agreement stating they will accept referrals from local PHA to which Developer agrees to rent low income units to households at the top of PHA's waiting list (See Attachment to Application for Form of Referral Agreement)* 4_____

G. *Local Government Support*

Local Government reduces project development costs by providing CDBG, local HOME or other local governmental assistance/funding in the form of loan, grants, rental assistance, or a combination of these forms or by:

- Waiving water and sewer tap fees;
- Waiving building permit fees;
- Foregoing real property taxes during construction;
- Contributing land for project development;
- Providing below market rate construction and/or permanent financing;
- Providing an abatement of real estate taxes;
- Providing other project operational cost subsidies other than real cash contributions

(i) 7% or more of total project development cost reduction 4____

(ii) Greater than or equal to 4% but less than 7% of total project development cost reduction 3____

(iii) 2% but less than 4% of total project development cost reduction 2_____

The above referenced Local Government Funds must be actual "awarded funds" as evidenced by a signed commitment obligating the funds to the project.

(iv) Project has obtained local government support as evidenced by a signed commitment letter, The project must submit an original letter of support for the project on official letterhead from the highest ranked public official of the City in which the project is located or fully executed City Proclamation in support of the project AND proof of support from the majority members of the City Council. (These points are not dependent upon qualifying for (i), (ii) or (iii) above). 5_______

H. *State of Louisiana Designated Targeted Parishes* 10______

(To be determined)

IV. LOCATION CHARACTERISTICS

A. *Neighborhood Features*

(i) Points Gained*: (maximum of 10 Points)

Points will be awarded for the following services located within the specified distance of the site. Distance will be measured by odometer from the automobile entrance of the proposed project site to the closest automobile entrance to the parking lot of the applicable service. Applicant should ensure that the service is suitable for the targeted population. Points will only be awarded for the services listed below. One Half (0.5) points will be awarded for any service listed that is located over 1 mile but is within 2 miles.

1 point <= (1) mile

Grocery Store	____	Public Library	____
Public Transportation	____	Convenience Store	____
Hospital/Doctor Office	____	Bank/Credit Union	____
Elementary School	____	Post Office	____
Pharmacy/Drug Store	____		
Adult/Child Day Care/ After School Care	____		

Total Positive Points ____

(ii) Points Deducted*: (No Maximum for Deductions)

(There **is no limit** on the amount of points that can be deducted for negative neighborhood services.) Five points **each** will be deducted if any of the following incompatible uses are adjacent to the site; two points **each** will be deducted if any of the following incompatible uses listed are within ½ mile of the site.

Junk yard/dump	____	Pig/chicken farm	____
Salvage yard	____	Processing plants	____
Wastewater treatment *facility*	____	Industrial	____
Distribution facilities	____	Airports	____
Electrical utility substations	____	Liquor Store	____
Railroads	____	Prisons	____
Adult entertainment/video/ theater	____	Solid waste disposal	____

Total Negative Points ____

*The Market Study for every project must include a separate section that evidences whether the Project satisfies the positive points listed or incurs the negative points listed above. If this section remains unaddressed in the market study, maximum negative points will be assessed.

V. PROJECT CHARACTERISTICS

A. *Green Buildings*

5____

See Glossary for definition of "Green Building."

B. *Community Facilities (See Glossary)*

2____

(Community facilities must be consistent with definition contained in QAP)

C. *Optional Amenities*

(i) Washers and dryers are installed and maintained in every unit 3____
(ii) Dishwashers maintained in each unit 1____
(iii) Disposals maintained in each unit 1____

D. *Additional Accessible Units*

Accessible Units in excess of Section 504 of II C Accessible Project Rehabilitation Act of 1973 (Not Qualified for Selection Criteria II-C Accessible Project) Assume 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.

(i) Number of Units:__________ = more than 8% of the total units but less than or equal to 10% of the total units 1____
(ii) Number of Units:__________ = more than 10% of the total units but less than or equal to 15% of the total units 2____
(iii) Number of Units:__________ = more than 15% of the total units 3____

- Submit number, percentage and description of construction and/or equipment provided for each Accessible Unit.

* Unit count must represent at least (1) one unit above the 504 requirement

E. *Superior Design*

10______

Up to 10 points may be given for a project having Superior Design. Any developer requesting points from this category will be required to submit a $2,000 fee for an independent architect certification. The Board will retain an AIA-certified architect to review designs and make final determination.

VI. LEVERAGE, EFFICIENCY AND VIABILITY

A. ***Leverage for Disability Funding*** - *Leverage consists of federal or other funds for persons with disabilities:*

*List:*______________________________ 3____

B. **Actual *Cash Equity Contribution (Investment) by Developer or other Sources (Ex. City, Municipality)***

(i) Contributions of 10% or more of TDC 10______

(ii) Contributions 5% or more but less than 10% TDC 5______

C. ***Viability Penalty Points***

(i) Rehabilitation Hard Costs are less than $20,000 per unit -5___

Specify Total Rehab Hard Costs: $_____________ ÷ Number of Units: _______ = $________/unit

(ii) Development fee exceeds 25% of hard costs for rehabilitation -5___

VII. PROJECT & SUBMISSION PENALTY POINTS

A. Any project which utilizes a condominium or division of a site for the purpose of receiving Low Income Housing Tax Credits in excess of the QAP stated maximum -15____

B. Any project involving repair of physical damage on which an insurance claim is made and received but applicant fails to disclose and utilize insurance proceeds in the development budget to reduce the use of Low Income Housing Tax Credits -15____

- Attach Insurance Certification for any Redevelopment Project (III.F.) or Rehabilitation Project (III.G.)

C. Incomplete or Missing Exhibits, Appendices or Documents -4___

- Does not include Required Exhibits which must be submitted by Application Deadline. Missing Required Exhibits will result in Application being rejected.

Applications for a project that will have units in more than one local government jurisdiction must provide resolutions from all jurisdictions in which there are project units.

D. Failure to properly tab appendixes in final application -5___

LOUISIANA HOUSING FINANCE AGENCY

MEMORANDUM

TO: Board of Commissioners

FROM: Tax Credit Department

DATE: July 14, 2010

SUBJECT: Memorandum for allocation of returned Tax Credit Assistance Program Funds

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Issue: LHFA Strategy for allocating remaining TCAP funds of approx. $3m

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009. Title XII of the Recovery Act appropriated $2.250 billion dollars under the HOME Program heading for a grant program to provide funds for capital investments in Low-Income Housing Tax Credit (LIHTC) projects. The State of LA received approximately $39,383, 397 in TCAP funds from HUD.
The Agency has allocated nearly $36m with approximately $3MM of TCAP remaining due to developers returning previously allocated funds. This initiative is meant to provide additional TCAP funds for increases in costs for existing LIHTC projects. Maximum request per project will be $1M. Note that only projects that received an allocation of LIHTC between October 1, 2006 and November 30, 2009 are eligible to apply and who have not received their 8609s.

Staff processing strategy:

Timeline

1) Send out draft notice to developers by no later than close of business on Wednesday, July 14th, advising of Public Hearing on Allocation of Additional Tax Credit Assistance Program Funds to be held on Wednesday, July 21st.

2) Based upon public input, staff will present the final Initiative to Multi-Family Committee for approval on August 11th.

3) Applications will be due by close of business on August 25, 2010.

4) Staff will rank and score applications and post preliminaryrankings by no later than close of business on September 1, 2010.
5) Submission of recommended awards to be present to BOC on September 8, 2010.

Rank and Scoring
Projects will be scored and ranked according to the following criteria:

A. Rural Projects 30 points

B. Projects that can expend funds within 60 days as evidenced through their submitted completed AMEC model and as verified through Foley and Judell. 20 points

C. Projects with TCAP funds whose request for additional GO-Zone credits was filled during latest GO-Zone initiative and which Taxpayers will accept TCAP funds in lieu of additional GO Zone credits, 20 points.

In the event of a tie in scoring, the project requesting the lower amount of TCAP funding will be allocated the funds in advance of projects requesting higher amounts of funds.

Submissions
1. Two (2) disk submission of updated AMEC model with signed certification.

2. Certification from Foley and Judell on status of expenditure of funding.

3. Identification of all eligible costs in the construction/rehabilitation budget that may be filled with an increase in TCAP funds

4. Certification that the developer fee will be limited to the amount contained within the most recent feasibility/viability report. This includes no decrease in deferred developer fee. Increased developer fee will not be allowed.

This initiative is not intended to allow any changes in the project's sources of funds, design, unit mix, and/or selection criteria or increase any project's total development cost as reflected in the last review of the project by the agency. The Developer/Taxpayer must certify that no other resources are available to fill the identified funding gap.