

LOUISIANA HOUSING CORPORATION

2018 WINTER NOTICE OF FUNDING AVAILABILITY

RELEASE DATE: February 9, 2018

The Louisiana Housing Corporation (LHC or Corporation) hereby releases this Notice of Funding Availability (NOFA) for the Preliminary Commitment of **at least \$4,000,000 of HOME Investment Partnership Program funds (HOME Funds)**. Eligible projects for this NOFA are those proposed for development in HOME non-entitlement jurisdiction. A priority for this NOFA is housing development in Area of Demonstrated Need. Additionally, the LHC will give a service priority to rental projects that restrict their developments to households at the sixty percent (60%) AMI level.

The LHC is making available federal HOME Investment Partnerships Act funds (CFDA No. 14.239) to promote the development of affordable single family homeownership and affordable rental projects. Eligible projects may involve (1) the acquisition and rehabilitation of existing dwelling units for sale, rent, or lease purchase and (2) the acquisition of building lots and the construction of new dwelling unit for sale, rent, or lease purchase that meets the needs of low- and very low-income.

The LHC will provide financial assistance for eligible projects in the form of Cash Flow payment loans for rental projects and as construction loans for homeownership development projects. The maximum amount of funds that can be received by any one applicant under this NOFA is \$1,000,000 and no more than \$150,000 per HOME assisted unit. A minimum of 4 and no more than 11 HOME units must be assisted for each project under this NOFA.

Eligible affordable development proposals include the acquisition and rehabilitation of existing dwelling units, and the acquisition of building sites and/or the construction of improvements including water lines, sewer lines, sewage disposal systems, gas lines, electric lines, roads, curbs, gutters, sidewalks, and other land improvements necessary to prepare the site for the construction of affordable units for low- and very low-income families.

The NOFA is expected to address a portion of the unmet housing needs of the state by soliciting for-profit developers, units of local government, experienced non-profit organizations and community housing development organizations (CHDOs) interested in undertaking small projects (between 4 and 11 units) of affordable rental housing development or homeownership within HOME non-entitlement jurisdictions. This NOFA does not specifically target CHDOs; however, an applicant of CHDO sponsored affordable housing development may apply.

HOME funds provided to rental housing development activity will be in the form of a soft cash flow loan payable from Surplus Cash for rental development activities. HOME Funds will accrue interest at a rate not exceeding the long-term applicable federal rate (AFR) and will be payable from not less than 50% of Surplus Cash so that at the end of the term of and hard first Mortgage Note the unpaid balance of such Note will not exceed 80% of the residual value of the project. Any deferred developer fees will be paid from Surplus Cash in conjunction with the repayment of the soft cash flow loan.

HOME funds provided to homeownership activities will be in the form of a loan based upon LHC underwriting. HOME funds must be repaid through the proceeds of the sale of the housing units at the time of closing; unless, the development is undertaken by a State Certified CHDO that has submitted with the application a CHDO Proceeds reuse plan that the LHC finds acceptable.

Interested parties will submit applications for the development, construction/rehabilitation and management of all phases of an affordable rental/ownership housing development, including the planning, program administration, program documentation, applicant intake and financing necessary to receive an investment of HOME Funds. LHC will post the NOFA and corresponding application on the agency website no later than 4:30 P.M. C.D.T. on February 15, 2018. LHC requires that all potential applicants attend the 2018 Winter NOFA Orientation Workshop, scheduled for **February 28, 2018, at 10:00 A.M. C.D.T.**, at the headquarters of the Louisiana Housing Corporation (2415 Quail Drive, Baton Rouge, Louisiana 70808).

If you require special services or accommodations, please submit request via e-mail to Cassandra Davis at cdavis@lhc.la.gov.

The deadline for receipt of applications under this NOFA shall be no later than 4:00 P.M. C.D.T. on, May 11, 2018. The tentative award date for successful applicants will be no later than June 29, 2018.

2018 WINTER NOFA

GOALS AND OBJECTIVES

The purpose of this NOFA is to address a portion of the unmet affordable housing needs of the state, particularly in rural (non-entitlement) areas by expanding and sustaining the supply of affordable housing units located in non-entitlement areas, by making available funding for small rental or homeownership projects.

All developments funded through this NOFA must benefit very low and low income persons. HUD defines “very low income” residents as those families whose total household income, adjusted for family size, does not exceed 50% of the area median income. HUD defines “low income” residents as those families whose total household income, adjusted for family size, does not exceed 80% of the area median income. Rental projects must have a minimum of 90% of tenants in HOME assisted units at no more than 60% of AMI for the first year. Homeownership project must be sold to buyers with income at or below 80% of AMI.

FUNDING

No less than \$4,000,000 in HOME funds will be made available through this NOFA. The Corporation, at the discretion of its Board of Directors, may increase this amount dependent on the quality and number of viable applications received. No affordable rental housing development will be awarded more than \$1,000,000 in HOME Funds with projects receiving no more than \$150,000.00 per HOME assisted unit. The highest scoring projects will be awarded until the funds are exhausted.

An applicant receiving funds under this NOFA will be expected to maintain the fiscal, physical and managerial soundness of the affordable rental housing development receiving the HOME Funds for the longer of the period of affordability or the maturity of any loan or guaranty financing provided by the LHC. Applicants must assure compliance with all federal cross cutting and LHC regulatory and administrative requirements, including but not limited to:

- Implementing the project or program activity as proposed in the submitted application;
- Ensuring compliance with all reporting requirements;
- Managing fund disbursement and accounting;
- Preparing work specifications;
- Conducting inspections;
- Affirmatively marketing;
- Program administration;
- Program documentation;

- Applicant intake; and
- Ensuring that all HOME requirements are met for the entire affordability period applicable to the project.

ELIGIBLE USES

HOME Funds awarded under this NOFA will only reimburse costs incurred to develop a project. No HOME funds will be used to reimburse a project cost unless the Funds Requisition Form with back-up invoices and receipts is submitted and approved. No funds will be disbursed until all funding commitments and grant agreements are signed, and environmental conditions are satisfied.

The purchase of land is an eligible use of funds under this NOFA; however, in no case will the entire award to an activity under this NOFA be allowed for **only** the acquisition of land.

Construction/Rehabilitation costs must be included as a budgeted item and approval must be drawn on a pari passu basis with other permanent funding sources.

Development Subsidy – HOME funds may be left in the project to provide a development subsidy when the total cost to develop the homes exceeds the lesser of the appraised value or the HOME/Housing Trust Fund Sale Price Limit for the year in which the project is originally funded. The amount of the development subsidy is the difference between the actual total cost to construct and the sale price. The development subsidy when combined with any homebuyer subsidy normally cannot exceed forty percent of the sale price and the development subsidy alone cannot exceed \$10,000 on any one unit. For projects located in an Area of Demonstrated Need, LHC will allow the amount of development subsidy that is necessary to produce affordable modest housing. The development subsidy will not exceed the difference between the appraised value and the TDC. HOME funds cannot be used solely for development subsidy without some level of direct subsidy to the home buyer. There must be a minimum of \$1,000 of HOME funds used as direct subsidy to the end beneficiary.

INELIGIBLE USES

HOME funds cannot be used to purchase land from a person or person within an entity that has an identity of interest with the applicant.

Properties previously financed with HOME Funds during their affordability periods cannot receive additional HOME assistance unless assistance is provided within the first year after project completion.

HOME Funds may not be used for development, operations or modernization of public housing financed under the 1973 Act (Public Housing Capital and Operating Funds).

Projects that previously received funding from LHC are ineligible to apply during this round.

RENTAL DEVELOPMENT

Affordable Rental housing developments must meet the affordability requirements of this section:

1. Rent for HOME Funds-assisted units must not exceed 30% of the adjusted income of a family whose annual income equals or is less than 65% of the area median income as determined by HUD, adjusted by bedroom size. HUD provides annual HOME rent limits that include average occupancy per bedroom and adjusted income assumptions. For purposes of this initiative, HOME rent limits and requirements will be used for all HOME Funds-assisted units.

2. In affordable rental housing developments with 5 or more HOME Funds-assisted units, 20% of the HOME-assisted units must be occupied by very low income families and meet one (1) of following rent requirements:

a. The rent does not exceed 30% of the annual income of a family whose income equals 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD provides the HOME rent limits which include average occupancy per unit and adjusted income assumptions.

b. The rent does not exceed 30% of the family's adjusted income. 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% 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. PBV may be awarded to projects that have one-bedroom units available to serve households in need of PSH. In addition to the unit size the project must be close to public transportation and health care. No more than 25% of the units in a project can be set aside for PSH PBVs. Projects that request PBVs will be reviewed by the Louisiana Housing Authority and the with PSH/PBV waiting list to ensure the project is in a location where services are accessible and people in need of PSH want to live. The project must satisfy the glossary definition for "Permanent Supportive Housing".

HOMEOWNERSHIP DEVELOPMENT

1. The housing must be a 1 to 4-unit single-family dwelling.

2. The housing must be modest housing as follows:

a. In the case of acquisition of newly constructed housing or standard housing, the housing has a purchase price for the type of single family housing that does not exceed HUD HOME Value Limits.

b. In the case of acquisition with rehabilitation, the housing has an estimated value after rehabilitation that does not exceed the HUD HOME Value Limits for the area.

3. The sale price is within the HUD HOME Value Limits of the area.

4. The housing must be acquired by a homebuyer whose family qualifies as a low income family and the housing must be the principal residence of the family throughout the period of affordability.

5. Homeownership units developed using HOME funds must be sold to an eligible buyer within 9 months of the date of completion of construction or rehabilitation, or the unit must be rented to an eligible tenant in accordance with the requirements at §92.252. If the units are not sold or rented as required, all funds must be repaid to LHC.

6. All homebuyers must have received housing counseling.

FINANCIAL SUSTAINABILITY

Applicants unable or unwilling to provide the required information indicated below will not be funded under this NOFA.

PERFORMANCE BOND

Each funded application that receives an award of HOME Funds will be required to post a performance bond during the period of construction sufficient to cover the HOME Fund award or provide proof of minimum net financial resources as indicated below.

MINIMUM NET FINANCIAL RESOURCES

In lieu of a performance bond, demonstration of minimum net financial resources is an option for a person or entity alone or in combination with other persons or entities having net assets equal to the applied for HOME Fund Loan **and** who has unrestricted liquid assets at least equal to 10% of the applied for HOME Fund Loan. Applicants must provide proof through submittal of certified audited financials.

MANDATORY ACTIVITIES & THRESHOLD REQUIREMENTS

CROSS CUTTING FEDERAL REQUIREMENTS

All applicants shall comply with the following:

1. Environmental clearance;
2. Uniform Residential Requirements as applicable;
3. Feasibility and viability; and
4. Market study (if required).

THRESHOLD REQUIREMENTS

1. Applicants must complete and submit the 2018 Winter NOFA application by no later than **May 11, 2018 at 4:00 CST**.
2. Applicants must provide the required performance bond or provide proof of minimum financial requirements at start of construction.

3. Projects with multiple environmental issues will cause the award of HOME Funds to be canceled.
4. Projects involving the relocation of tenants must include in the application submittal a relocation plan and evidence in the project's Sources and Uses the costs associated with the relocation of tenants. Applicants must provide a copy of the HUD required General Information Notice in the application package. The budget for relocation must be included in the application and the expected cost must be reasonable.
5. Projects shall prove that water and sewer services will be provided upon completion by submitting the following:
 - a. Letter from the local service provider; or
 - b. Architectural submission.

CAPITAL NEEDS ASSESSMENT – REHABILITATION PROJECTS ONLY

A capital needs assessment must be submitted at the time of application for all rehabilitation projects.

An independent, experienced third party must perform the Capital Needs Assessment and this party cannot have a financial interest in ownership of the development (i.e. not a member of the development team). It is required that a licensed professional, such as an engineer/architect, perform the assessment and supply the LHC with their professional opinion of a property's current overall physical condition. This includes the identification of significant deferred maintenance, existing deficiencies, and material building code violations that affect the property's use and its structural or mechanical integrity.

The assessment shall include a site visit and physical inspection of the interior and exterior of units and structures, as well as an interview with available on-site property management and maintenance personnel to inquire about past repairs/improvements, pending repairs and existing or chronic physical deficiencies. The assessment should include an opinion as to the proposed budget for recommended improvements and should identify critical building systems or components that have reached or exceeded their expected useful lives. The assessment should also include recurring probable expenditures for significant systems and components impacting use and tenancy, which are not considered operation or maintenance expenses, in order to determine the appropriate replacement reserve deposits on a per unit per year basis.

The following components should be specifically examined in the Capital Needs Assessment:

1. Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, gas, and electric utilities and lines;
2. Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system, and drainage;

3. Interiors, including unit and common area finishes (carpeting, vinyl tile, plaster walls, paint condition, etc.), unit kitchen finishes and appliances, unit bathroom finishes and fixtures; and common area lobbies and corridors;
4. Mechanical systems, including plumbing and domestic hot water, HVAC, electrical, and fire protection; and
5. Elevators and/or stair wells (if applicable).

CHANGES TO PROJECT AFTER AWARD

Any changes to a project, including but not limited to unit count and configuration, after the notice of award must be approved in advance by the Corporation in writing. Changes made without the prior written approval of the Corporation will result in the cancelation of the project and the recapture of all awarded funds.

STRICTLY ENFORCED DEADLINES

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 funds not committed or expended within these timeframes will be recaptured by the Corporation.

1. A complete environmental review package including but not limited to a Phase I and 24 CFR Part 58 review (in a binder with tabs) is sent to Agaha Brass, Environmental Impact Officer, via mail to 2415 Quail Drive, Baton Rouge, LA 70808, (using a tracking service) and emailed to HOME@lhc.la.gov with tracking information within one hundred and twenty days (120) of this Conditional Commitment. Incomplete submissions will not be deemed as a submission and will not meet the 120-day requirement. Furthermore, the submission must contain the appropriate acknowledgment form (Exhibit C- Environmental Review + Davis Bacon and Related Acts Requirements Letter_Template.pdf).
2. Financial closing at which all other sources of funds in the Development Budget are fully documented for the Project does not occur within one hundred eighty (180) days of this Conditional Commitment.
3. Construction at the site does not commence within two hundred ten (210) days of the date of this Conditional Commitment.
4. The initial draw of HOME Funds is not made within two hundred forty (240) days of this Conditional Commitment.
5. Projects that have been awarded HOME Funds for which no draws have been disbursed within 12 months from date of award or for which construction has not begun within 18 months from the date of award will be cancelled automatically.

6. Homeownership Projects must be sold to an eligible buyer within 9 months of completion of construction or rehabilitation or converted to permanent rental or all HOME Funds which were a part of the project must be repaid to the LHC.
7. All projects must be completed within 4 years from date of award or all HOME Funds shall be repaid to LHC.
8. Rental Projects must have all assisted units initially leased to an eligible tenant within 18 months from date of construction completion or all HOME Funds which were a part of the project must be repaid to the LHC.
9. Soft Fund awards may be terminated at any time prior to the award expiration date due to the absence of program/project productivity. Funds advanced prior to the termination of a project (whether voluntary or involuntary) must be repaid to the LHC.
10. Developer Fee – Fifty percent (50%) of the reimbursable portion of the developer fee will be paid at project completion. The remaining fifty percent (50%) will be paid once all “HOME” assisted units have been initially leased to eligible tenants, or sold to an eligible homebuyer.

NOTE: IF ANY OF THE ABOVE REFERENCED TIMELINES/REQUIREMENTS ARE NOT MET IT WILL RESULT IN AN AUTOMATIC RECESSION OF THE CONDITIONAL COMMITMENT.

COMPLETED PROJECTS

Projects are considered complete only after all units identified in a single project are at 100% constructed and occupied by an eligible tenant.

REGULATORY AUTHORITY & REQUIREMENTS

All applications under this NOFA are governed by the HOME regulations and Final HOME Rule dated July 24, 2013, as amended (24 CFR Part 92). Modification of federal statutes or regulations governing the HOME Program by Congress, the Department of Housing and Urban Development (HUD), the state legislature, or LHC may become effective immediately and apply to the activities funded under this NOFA.

All HOME Funds must be spent in accordance with HOME Program rules and regulations on eligible HOME activities.

All dwelling units assisted with HOME Funds shall comply with the applicable federal, state, and local codes and ordinances, the rules and regulations for affordable housing set forth at 24 CFR 92.254, Subpart H--“Other Federal Requirements” (such as Affirmative Marketing, Lead-Based Paint Poisoning Prevention Act), and the rules and regulations set forth in 24 CFR Part 92 including Model Energy Code.

This NOFA does not include the text of all applicable regulations that may be important to particular projects. For proper completion of the application, LHC strongly encourages potential applicants to consult the federal HOME Program regulations, and other federal cross-cutting regulations (referred to in Subpart H of the federal HOME regulations). Applicants should also consult the state Uniform Multifamily Regulations (UMRs).

SITE DEVELOPMENT REQUIREMENTS

Pursuant to 24 CFR §92.251, single-family new construction housing that is financed by HOME Funds must meet all applicable local building codes and building and zoning ordinances in effect at the time of project’s completion. In the absence of a locally adopted building code, the project must meet the 2000 International Residential Code.

AFFORDABILITY REQUIREMENTS

The affordability period for each newly-developed unit is based on the amount of HOME Funds invested pursuant to 24 CFR §92.254. In the event that the housing unit is sold, the Corporation will recapture the shared net proceeds available based on the requirements of 24 CFR §92.254 and the housing unit must be sold for an amount not less than the current appraised value as then appraised by the appropriate governmental authority unless the balance on the loan will be paid at closing.

MINIMUM HOME ASSISTANCE PER UNIT

The minimum HOME assistance amount per unit may not be less than \$1,000. The number of HOME units will be determined by dividing the total amount of HOME Funds by the total permanent sources and applying the resulting percentage across all bedroom configurations. Each calculation is rounded up to the next whole number.

HOUSING CHOICE OPPORTUNITIES

Projects awarded HOME Funds must comply with Title VI of the Civil Rights Acts of 1964, the Fair Housing Act, Section 504, Executive Order 11063 and HUD regulations issued pursuant thereto so as to promote greater choice of housing opportunities.

UNIFORM RELOCATION AND REAL PROPERTY ACQUISITION ACT

If HOME Funds are proposed to pay for acquisition costs and activities, the Applicant follows the procedures of the Uniform Relocation and Real Property Acquisition Act to acquire the project site. The procedures must be followed prior to the site acquisition. HOME Funds cannot be used to pay or reimburse an applicant for site acquisitions activities that do not comply with the requirements of the Uniform Act.

DAVIS BACON PREVAILING WAGE RATE COMPLIANCE

If HOME Funds are awarded for rehabilitation and renovation cost activities or new construction of 12 or more housing units, the project budget costs must be based on the prevailing wage residential rates.

UNIFORM PHYSICAL PROPERTY CONDITION STANDARD

Housing that is constructed or rehabilitated with HOME Funds must meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. If there are no such standards or code requirements, the housing must meet the Uniform Physical Property Condition Standard for the entire affordability period.

ACCESSIBILITY REQUIREMENTS

All funded projects must meet the accessibility requirements at 24 CFR Part 8, which implements Section 504 of Rehabilitation Act of 1973 (29 U.S.C. 794) and covers multifamily dwellings, as defined at 24 CFR 100.201, and must also meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601-3619). These requirements must be met for the entire affordability period.

CHDO SET-ASIDE REQUIREMENTS

The Final Rule at 24 CFR Part 92 imposed requirements on projects that receive funds from the HOME Investment Partnerships Program. Community Housing Development Organizations must demonstrate staff with capacity to undertake the proposed activity. CHDOs may use contracted staff to meet the capacity requirements. Contracted staff must be so contracted for a period of time and not for a particular project.

NOTE: Any changes in staff subsequent to the CHDO's designation must be fully disclosed within the application. See below for a summary of CHDO requirements in the event of changes within the CHDO organization:

STAFF DEVELOPMENT EXPERIENCE

1. Staff classification and documentation – To be counted as staff, the person must be employed by the CHDO, and documentation is needed.

a. Full time or part time employment – This would be evidenced by a payroll report or a W-4 or a W-2.

b. Contracted staff – This would be evidenced by a “contract” for employment and a W-9 and 1099 (at the end of a year).

2. Relevant development experience – Document the basis for answers to the applicable project type.

a. Homeownership Development – Has the staff person been involved in the acquisition, rehabilitation/construction and sale of homebuyer housing? Previous experience purely in counseling, marketing, or financing activities is not sufficient to be considered development experience.

b. Rental Development – Has the staff person been involved in the acquisition, rehabilitation/construction and/or ownership/operation of rental housing?

CHDO ORGANIZATION CAPACITY

The LHC must consider the organizational capacity of the CHDO. The LHC will review information submitted to determine if the CHDO has the organizational capacity to undertake an award under the current NOFA. Factors that the LHC will consider include:

1. Organizational structure – Can the current corporate organizational structure support housing development activities or is there a need for a subsidiary or other organizational structure for future development? Are there operations or activities that need to be organizationally separate from housing development activities and portfolios?

2. Management structure/practices – Does the current CHDO management have the ability to manage additional development activities? Are the corporate lines of authority for development activities clear? Are policies & procedures in place governing development activities?

3. Pipeline/portfolio – What does the CHDO have as its current project pipeline and program responsibilities? Will CHDO be able to handle the additional project proposed? If the CHDO organization pursues housing development, what other activities are likely to suffer or not be able to be pursued due to the effort required for development activities? Does CHDO’s portfolio of projects/properties evidence competent management and oversight? Do the properties appear to have adequate funding?

APPLICATION SUBMISSION

ORIENTATION WORKSHOP

LHC requires all potential applicants to attend the 2018 Winter NOFA Orientation Workshop, scheduled for, **February 28, 2018 at 10:00 A.M. C.D.T.**, at the headquarters of the Louisiana Housing Corporation located at 2415 Quail Drive, Baton Rouge, Louisiana 70808. The workshop will cover the requirements of the NOFA, including how to submit applications and information necessary for a successful application submission.

APPLICATIONS

This NOFA does not commit the LHC to award any contract nor to pay any costs incurred in the preparation or delivery of applications. Furthermore, the LHC reserves the right to accept or reject, in whole or in part, any and all applications submitted, and/or to cancel this NOFA. The LHC also reserves the right to ask for additional information or conduct interviews from/with any applicant and/or all applicants as may be necessary or appropriate for purposes of clarification. LHC reserves the right, at its sole discretion, to suspend or amend the provisions of this NOFA. Any such revisions will be formalized by the issuance of an amendment to this NOFA.

Market Analysis Fee of \$4,500.00 (if required) is due at the time of application and is nonrefundable.

ALTERNATIVE MARKET ANALYSIS

Alternative Market Analysis: For all CHDO Projects with less than 12 total units the Market Analysis fee is waived when the information below is submitted by the applicant.

Homeownership Development:

1. Number of prospective low income (80% of AMI and less) current rental households in the Market Area;
2. Household size of eligible prospective buyers;
3. Income Required of prospective buyers;
4. Average amount of direct homebuyer assistance required (if any) of prospective buyers;
5. Number of comparable units sold over the last year;
6. Sale price of comparable units sold in the last year;
7. Size of comparable units sold in the last year;
8. Square foot cost of comparable units sold in the last year;
9. Listing date of comparable units sold in the last year;

10. Sale date of comparable units sold in the last year;
11. Time on market (Average, Maximum, Minimum)

The Market Analysis must indicate that the homeownership units can reasonably be expected to be leased up in nine months following completion of construction.

Rental Development:

1. Number of prospective low income (80% of AMI and less) current rental households in the Market Area;
2. Household size of eligible prospective renters;
3. Vacancy Rate of Comparable projects;
4. Rents of comparable projects;
5. Capture rate;
6. Number of rent burden households in the market area;

The Market Study or Analysis must indicate the HOME assisted units can be reasonably expected to be leased within 12 months following construction completion.

INELIGIBLE APPLICATIONS

Applications will be deemed ineligible if any of the following conditions exist as of the date of application:

1. Any project located outside of a HOME non-entitlement jurisdiction.
2. Any person and or entity on the federal debarred list or an organization representing such person or entity is on the list.
3. Any person and or entity that received notice that they are currently out of compliance with LHC regarding annual audits or who are in arrears with other LHC financed projects.
4. Homeownership Developments proposed by entities that currently have unsold properties, either built or in development, funded by LHC HOME Funds.
5. Any person or entity that currently has a LHC financed project with compliance issues that are unresolved for greater than 90 days.
6. Projects previously awarded financing by LHC that are currently incomplete.
7. Any person or entity (including any of the principals) that has two or more projects previously awarded financing by LHC that are currently incomplete.

REQUIREMENTS AND ORDER OF SUBMISSION

- 1) Submit 1 original and 3 copies of the application along with 1 electronic copy (USB flash drive) including all required attachments and documentation individually scanned and attached. The USB flash drive shall contain the application in Microsoft Excel format (2007 Version or above) and all required attachments and documentation for the application in Adobe .pdf format.
- 2) Market Study fee or required alternative market analysis information stated above.
- 3) The application must be submitted in the following order and style:
 - A. Application Checklist;
 - B. Complete hardcopies of application with each section and attachment individually labeled and tabbed;
 - C. Complete electronic copy the application with each section and attachment ***individually scanned and labeled.*** Application and attachments on USB flash drive shall contain be in Microsoft Excel format (2007 Version or above) and all required attachments in Adobe .pdf format.

DEADLINE TO SUBMIT

Applications must be received by the LHC, in their entirety, by no later than **May 11, 2018 at 4:00 P.M. C.D.T.**

WHERE TO SUBMIT

Each proposal and accompanying documentation shall be submitted in a sealed envelope. The outside of the envelope must be address as follows:

Louisiana Housing Corporation

Housing Production

2415 Quail Drive

Baton Rouge, Louisiana 70808

Re: 2018 Winter NOFA

Must include: Applicant/Company Name & Return Address

METHODS OF SUBMISSION

Applicants assume the risk of the delivery method chosen, including delivery via private courier or the U.S. mail. Be advised that applications arriving after the **May 11, 2018 4:00 P.M. C.D.T.** application deadline, whether via personal delivery, U.S. mail, Federal Express, UPS, or other comparable method of delivery, will not be accepted for any reason.

IMPORTANT DATES AND DEADLINES

NOFA and application published and posted to LHC website	February 9, 2018, 4:30 P.M. C.D.T.
2018 Winter NOFA Orientation Workshop	February 28, 2018, 10:00 A.M. C.D.T.
Deadline to submit written inquiries to LHC	March 8, 2018, 4:30 P.M. C.D.T.
Deadline for LHC to post FAQ in response to written inquires	March 16 2018, 3:30 P.M. C.D.T.
Application Deadline	May 11, 2018, 4:00 P.M. C.D.T.
Award of Applications	No later than June 29, 2018
Written Agreement signed by Applicant and returned to LHC	Within 7 days from preliminary award

NOTE: LHC reserves the right to revise this schedule. Any such revision will be formalized by the issuance of an amendment to the NOFA.

QUESTIONS AND COMMUNICATION

LHC will consider written inquiries from applicants regarding the NOFA. Inquiries will only be considered if they are **submitted in writing to HOME@lhc.la.gov by the deadline for submission of written inquiries** set forth above. Inquiries shall clearly reference the section of the NOFA for which the applicant is inquiring or seeking clarification. Any and all written inquiries from applicants submitted in writing to HOME@lhc.la.gov will be deemed to require an official response.

In addition to written responses to individual inquiries, an official response to each inquiry, along with the actual inquiry, will be posted by at 3:30 P.M. C.D.T. on March 16, 2018, in the form of a Frequently Asked Questions Addendum (FAQ) at <http://www.lhc.la.gov>.

It is the sole responsibility of the applicant to inquire into and clarify any item of the NOFA that is not understood. The Corporation also reserves the right to decline to respond to any inquiry that will cause an undue burden or expense for LHC. As mentioned above, the LHC will post all inquiries with answers on its website, <http://www.lhc.la.gov>.

It is the strict policy of the LHC that prospective respondents to this NOFA refrain from initiating any contact or communication, direct or indirect, with LHC staff or members of the Louisiana Housing Corporation's Board of Directors with regard to the competitive selection of applicants. Any violation of this policy will be considered as a basis for disqualification from consideration.

The LHC will produce public records in accordance with LA R.S. Title 44.

Underwriting Standards:

Following are some of the underwriting standards used by LHC. This is not meant to represent all of the criteria used. A more complete listing of underwriting standards can be found in the LHC HOME Policy and Procedures manual that is available on the LHC website.

Homeownership

Sale price cannot exceed the lesser of the appraised value or the HOME/Housing Trust Fund Sale Price Limit for the year in which the project is originally funded.

Appraised Value cannot exceed the HOME/Housing Trust Fund Sale Price Limit for the year in which the project is originally funded.

Development Subsidy – HOME funds may be left in the project to provide a development subsidy when the total cost to develop the homes exceeds the lesser of the appraised value or the HOME/Housing Trust Fund Sale Price Limit for the year in which the project is originally funded. The amount of the development subsidy is the difference between the actual total cost to construct and the sale price. The development subsidy when combined with any homebuyer subsidy normally cannot exceed forty percent of the sale price and the Development Subsidy alone cannot exceed \$10,000 on any one unit. For projects located in an Area of Demonstrated Need, LHC will allow the amount of development subsidy that is necessary to produce affordable modest housing. The development subsidy will not exceed the difference between the appraised value and the TDC. HOME funds cannot be used solely for development subsidy without some level of direct subsidy to the home buyer. There must be a minimum of \$1,000 of HOME funds used as direct subsidy to the end beneficiary.

Fee Simple The greatest possible estate in land, wherein the owner has the right to use it, exclusively possess it, commit waste upon it, dispose of it by deed or will, and take its fruits. A fee simple represents absolute ownership of land, and therefore the owner may do whatever he or she chooses with the land. If an owner of a fee simple dies intestate, the land will descend to the heirs.

Homebuyer Subsidy – Funds may be left in the project to provide a homebuyer subsidy when the established sale results in a note to the buyer that exceeds thirty percent of the purchaser adjusted household income. The amount of the homebuyer subsidy may not exceed the actual amount necessary to bring the note to thirty of household income. The homebuyer subsidy when combined with the development subsidy cannot exceed forty percent of the sale price except in Areas of Demonstrated Need.

Conversion To Rental – If, for any reason, homeownership units completed under this NOFA are not sold to qualified buyers within nine months they must be converted to permanent rental housing and fully initially leased to eligible renters within eighteen months. Any units that do not meet the deadlines above must repay the LHC assistance provided.

Rental Development

Relocation Plan - Projects involving the rehabilitation of existing occupied rental units must include in the application submittal a relocation plan and evidence in the project's Sources and Uses the costs associated with the relocation of tenants. Applicants must provide a copy of the HUD required General Information Notice in the application package. The budget for relocation must be included in the application and the expected cost must be reasonable.

Capital Needs Assessment – For projects involving the renovation/rehabilitation of existing rental units a capital needs assessment must be submitted at the time of application.

An independent, experienced third party must perform the Capital Needs Assessment and this party cannot have a financial interest in ownership of the development (i.e. not a member of the development team). It is required that a licensed professional, such as an engineer/architect, perform the assessment and supply the LHC with their professional opinion of a property's current overall physical condition. This includes the identification of significant deferred maintenance, existing deficiencies, and material building code violations that affect the property's use and its structural or mechanical integrity.

The assessment shall include a site visit and physical inspection of the interior and exterior of units and structures, as well as an interview with available on-site property management and maintenance personnel to inquire about past repairs/improvements, pending repairs, and existing or chronic physical deficiencies. The assessment should include an opinion as to the proposed budget for recommended improvements and should identify critical building systems or components that have reached or exceeded their expected useful lives. The assessment should also include recurring probable expenditures for significant systems and components impacting use and tenancy, which are not considered operation or maintenance expenses, in order to determine the appropriate replacement reserve deposits on a per unit per year basis.

The following components should be specifically examined in the Capital Needs Assessment:

1. Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, gas, and electric utilities and lines;
2. Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system, and drainage;
3. Interiors, including unit and common area finishes (carpeting, vinyl tile, plaster walls, paint condition, etc.), unit kitchen finishes and appliances, unit bathroom finishes and fixtures; and common area lobbies, and corridors;

4. Mechanical systems, including plumbing and domestic hot water, HVAC, electrical, and fire protection; and
5. Elevators and/or stair wells (if applicable).

Debt Coverage Ratio – Rental projects must have a debt coverage ratio of not less than 1.10 not more than 1.40 for the first position loan.

Maximum Rents – For the purposes of this NOFA HOME rents in effect at application will be considered the maximum allowable rents. The HOME rents are inclusive of utilities. If the utilities are paid by the tenant, then a utility allowance must be deducted from the standard HOME rents to reach the maximum allowable rent for the project. As an example, if a two-broom unit has a HOME Rent limit of seven hundred twenty-six dollars and the utility allowance for the unit is one hundred twenty-five dollars the maximum rent allowed would be six hundred one dollars.

Rate of Increase Assumptions for Revenues and Expenses -- Revenues may be projected to increase at a rate not in excess of two percent and expenses must be projected to increase at a rate of not less than three percent.

Reserve for Replacement – A special reserve to be established for each project from which the costs of replacement and repair of the project is to be funded. For this NOFA the minimum amount allowed for Reserve for Replacement is three hundred dollars per unit per year. The Reserve for Replacement is based on all units not just assisted units.

Service Priority – Projects that wish to claim Service Priority points should keep in mind that the project must still generate enough revenue such that any and all long term debt is covered and revenue is sufficient to cover standard ongoing operating expenses. For the purpose of this item, LHC will use \$4,500.00 per unit, per year operating costs unless the applicant has turned in audits (required if another rental project has been funded by LHC) in which case LHC will utilize the average operating costs of the applicants' previous developments.

Utility Allowance – HUD now requires that HOME PJs, such as LHC, produce utility allowances for each specific project. The PJ may no longer rely on the utility allowances produced by local housing authorities. As such LHC will allow the use by an applicant of a PHA utility allowance for planning and application purposes only but LHC will produce a utility allowance based on the information provided by the utility companies to the applicant that must be used by all funded projects. The LHC utility allowance will be incorporated into the Regulatory Agreement and other closing documents as appropriate. Applicants must provide rate and tariff sheets and a sample bill provided by each utility that will be providing service to the property. If certain utilities (such as water, sewer and trash pick-up) will be paid by the project then a rate sheet is not required. Additionally, if a project is all electric, there is no need to provide a gas rate sheet and sample bill. The sample bill for electricity shall be for 1,000 kWh, for Gas 100 ccf, for water 1,000 gallons. All sample bills must include any taxes and other charges or tariffs assessed.

Both Homeownership and Rental Development:

Assisted Units – The number of HOME units will be determined by dividing the total amount of HOME Funds by the total amount of long term funds and applying the resulting percentage across all bedroom configurations. Each calculation is rounded up to the next whole number. Only the actual HOME eligible development costs of the assisted units may be charged to the HOME program. If the assisted and non-assisted units are not comparable, the actual costs may be determined based on a method of cost allocation.

Cost Reasonableness Analysis – A Cost Reasonableness Analysis is performed on all projects by the LHC Construction Department using information provided and RS Means costing data. The cost of construction submitted by the applicant must fall within twenty percent of the cost obtained by the LHC staff for the project to be considered as cost reasonable. For projects not deemed as cost reasonable to be funded they must either be redesigned or the construction must be competitively bid through a public bid process. In no case will the LHC provide per unit funding in excess of the HUD 234 limits for elevator type projects.

Developer Fee - Any profit, fee or income realized by the Developer in connection with the development of the project as specified in a GAAP Audit and which satisfy the Developer Fee Terms.

Developer Fee Base - The Development Costs of a Project reduced by (i) any Acquisition Costs, (ii) any Land Costs, (iii) any payments deemed lease payments for self-owned equipment, (iv) any payments to related persons or to persons with an identity of interest to the Developer, and (v) any Developer Fees (including Builder Profit and Overhead when there is an identity of interest between the Builder and the Developer).

Environmental Clearance – All projects must complete the appropriate part of 24 CFR Part 58 and receive an Authority to Use Grant Funds prior to commencing work.

Financial Commitments – Other funding must be backed up with firm enforceable financial commitments at the time of application.

Identity of Interest – An identity of interest is construed to exist when:

1. There is any financial interest of the Developer or Owner in the Builder or any financial interest of the Builder in the Developer or Owner.
2. Any officer, director or stockholder or partner of the Developer or Owner who is also an officer, director or stockholder or partner of the Builder.
3. Any officer, director, stockholder or partner of the Developer or Owner has any financial interest in the Builder; or any officer, director, stockholder or partner of the Builder has any financial interest in the Developer or Owner.
4. The Developer or Owner advances any funds to the Builder.

5. The Developer or Owner supplies and pays, on behalf of the Builder, the cost of any architectural services or engineering services other than those of a surveyor, general superintendent, or engineer employed by a Developer or Owner in connection with its obligations under the construction contract.
6. The Developer or Owner takes stock or any interest in the Builder compensation as consideration of payment.
7. There exists or comes into being any side deals, arrangements, contracts or undertakings entered into or contemplated, thereby altering, amending, or canceling any of the required closing documents, except as approved by the LHC or the Corporation.
8. Any relationship (e.g., family) existing which would give the Builder or Developer or Owner control or influence over the price of the contract or the price paid to any subcontractor, material supplier or lessor of equipment.
9. Any member of the Development Team advances any funds to the Developer or Owner at any point prior to an allocation.

For purposes of determining an identity of interest between parties not identified in (i) through (ix), such parties will be identified as either the Developer and Owner or the Contractor as appropriate to establish the identity of interest.

The Corporation may reduce any allowable costs where an Identity of Interest has been found among the parties to transactions involving the sale, development and/or operation of the project.

Market Study – All projects require a Market Study to ensure that there is sufficient demand for the project that all units produced can reasonably be expected to be sold to qualified buyers within nine months of the completion of construction. The study is commissioned by LHC and paid for by the developer. Fees for the Market Study are due at application. A less formal Market Analysis may be done by LHC when appropriate in lieu of the Market Study.

Maximum Award – The maximum award cannot exceed the 234 limits for elevator type projects. Additionally, the LHC will underwrite to maximize, to the greatest extent possible, the private financing of the project. LHC may reduce the award from the amount requested to an amount that maximizes private financing.

Maximum LHC Participation – LHC will not contribute more than eighty-five percent toward the total development costs of a project. The remaining fifteen percent must be funded from other sources including owner equity, bank financing, etc.

Type of Assistance - The financial assistance for eligible projects will be made in the form of deferred payment loans. The maximum amount of funds that can be received by any one applicant under this NOFA is one million dollars and no more than \$150,000.00 per HOME assisted unit. Terms of the loan will be based upon LHC underwriting and may include forgiveness of all or part of the loan. HOME funds provided

for homeownership development must be repaid through the proceeds of the sale of the housing units at the time of closing absent an approved CHDO proceeds reuse plan when applicable.

DEFINITIONS

Terms not specifically defined herein have the meaning given to them in LHC's Qualified Allocation Plan (QAP) available on LHC's website.

Applicant – An employee of submitting organization.

Area of Demonstrated Need – An Area of Demonstrated Need is one located in a HUD defined Qualified Census tract with a shortage of affordable housing for lower income families and at least one of the following criteria and indicated in the 2011-2015 American Community Survey (located at:

<https://www.census.gov/programs-surveys/acs/guidance/subjects.html>)

The project is proposed to be located in a Non-Entitlement city/town where the median housing value, as listed in the 2011-2015 American Community Survey 5-Year Profiles, is \$45,000 or less;

The project is located in a Non-Entitlement city/town where household median income, as listed in the 2010-2014 American Community Survey 5-Year Profiles, is \$22,500 per year or less.

CHDO Developer - CHDO as a "developer" it is a LHC certified CHDO that (1) either owns a property and develops a project, or has a contractual obligation to a property owner to develop a project; and (2) performs all the functions typically expected of for-profit developers, and assumes all the risks and rewards associated with being the project developer.

For rental housing, the CHDO must obtain financing, and rehabilitate or construct the project. If it owns the property, the CHDO must maintain ownership and manage the project through the affordability period. If it does not own the property, the CHDO must enter into a contractual obligation with the property owner. LHC will not make a reservation of HOME Funds to a CHDO for development unless it has determined that the CHDO has staff with demonstrated development experience and the knowledge and skills necessary to undertake the project.

Completed Projects - Projects are considered complete only after all units identified in a single project are a 100% construction complete and occupied by an eligible tenant or sold to an eligible buyer.

Construction Completion - All necessary title transfer requirements and construction work have been performed; the project complies with the requirements of this part (including the property standards under § 92.251); the final drawdown of HOME Funds has been disbursed for the project.

Corporation – The Louisiana Housing Corporation (LHC)

LHC – Louisiana Housing Corporation (LHC)

Entity/ Organization – A legal body (non-profit; for-profit, local units of government) that will have legal ownership of the project and property before and after project completion. A developer may contract with an entity or be a part of a development team.

Income Targeting – Not less than 90% of the families receiving tenant based rental assistance (TBRA) are families whose annual incomes do not exceed 60% of the median family income for the area, as determined and made available by HUD with adjustments for smaller and larger families at the time of occupancy or at the time funds are invested, whichever is later or the dwelling units assisted with HOME Funds are occupied by families having such incomes.

Permanent Supportive Housing - Housing that is (i) safe and secure, (ii) affordable to the eligible target population (as defined under “Eligible Target Population for Permanent Supportive Housing” in this glossary, (iii) permanent, with continued occupancy as long as the eligible target population pays the rent and complies with the terms of the lease or applicable landlord/tenant laws in the State of Louisiana and (iv) linked with supportive services that are flexible and responsive to the needs of the individual, available when needed by the eligible target population and accessible where the tenant lives, if necessary.

Project – A site or sites together with any building (including a manufactured housing unit) or buildings located on the site(s) that are under common ownership, management, and financing and are to be assisted with HOME Funds as a single undertaking located within a 5 mile radius of each other within a single governmental entity (if located within a city, town, or other similar political subdivision then all sites must be within the same political subdivision for rental projects and within the same parish for homeownership projects. If located outside of a local jurisdiction then all sites must be within the same Parish for both rental and ownership projects. The project includes all the activities associated with the site and building.

Responsible Entity – Anybody of general government that has jurisdiction over the area in which a project is located, and exercises authority over land use issues in that jurisdiction (24

CFR § 58.2) which may include participating jurisdictions, state recipients, or insular areas responsible for conducting environmental reviews.

Rural Parish – A Parish which is entirely defined by USDA as rural.

Shall, Must, Will – Mandatory language denoting required action per Louisiana Revised Statute 39:1556(24); a requirement that must be met without alteration.

Should, Can, May – Non-mandatory language denoting desirable, advisable or permissible action.

Single Family Housing -- means a one-to four-family residence, condominium unit, cooperative unit, combination of manufactured housing and lot, or manufactured housing lot.

Sponsor – Person(s) with respect to the project concerned, having site control (evidenced by a deed, a sales contract, or an option contract to acquire the property), a preliminary financial commitment, and a capable development team. Only CHDOs that are LHC certified to do development may sponsor a project.

Substandard Housing - Any housing unit which does not satisfy the Habitability Standards and requires Substantial Rehabilitation.

Written Agreement – The document entered into between the LHC and the applicant for the HOME assisted units that includes, but is not limited to, the terms of funding.

SCORING

I. PROJECT READINESS & DEVELOPMENT SCHEDULE		MAXIMUM 25 POINTS
Readiness to Proceed		Readiness to Proceed – All evidence must be submitted in the file in order to obtain the points
	10 Points	Awarded to projects that have <u>completed environmental clearance review</u> – evidence must be submitted with the file
	5 Points	Awarded to projects on sites that have obtained discretionary public land use approvals (obtaining building permits is not necessary to score points).
	5 Points	Awarded to projects that are ready to proceed without requiring any additional development approvals (has obtained building permits and any zoning changes required).
	5 Points	Awarded to projects that have secured an executed contract from its general contractor.
II a. Leveraging		Maximum 15 Points
Percentage of HOME Program Funding Relative to Total Project Costs	15 Points	25% or less
	12 Points	26% - 50%
	9 Points	51% - 75%
	6 Points	76% - 85%
II b. Match		Maximum 15 Points
Applicant has contributions from eligible sources that qualify as match under the HOME program. Points are awarded for the percentage of match relative to HOME funds requested.	15 Points	75% or Greater
	12 Points	Less than 75% but Greater/Equal to 50%.
	9 Points	Less than 50% but Greater/Equal to 25%.

III. SAMPLE PRELIMINARY PLOT PLANS and ELEVATIONS		MAXIMUM 10 POINTS
Plot Plans and Elevations: To receive points, photos of the neighboring properties must be submitted. Neighboring properties include all properties/structures on the same block including across the street. Photos must be labeled and indicated on a block map. Applicants will receive either 5 or 10 points depending on the submission	10 Points	Sample floor plans and elevations must include design features that are consistent with existing neighborhood housing stock.
	5 Points	Sample schematic designs must be consistent with existing neighborhood housing stock.

IV. AVERAGE HOME SUBSIDY PER UNIT		MAXIMUM 20 POINTS
Average HOME Subsidy per unit	20 Points	\$10,000 or Less
	15 Points	\$10,001 - \$20,000
	10 Points	\$20,001 - \$30,000
	5 Points	\$30,001 - \$40,000

V. MBE/WBE PARTICIPATION		MAXIMUM 5 POINTS
MBE/WBE	5 Points	Entities anticipated to be involved in implementing the Project include registered Louisiana minority- or women-owned business enterprises (MBE/WBE)

VI. Marketing / Homebuyer Pipeline		MAXIMUM 10 POINTS
Pipeline	10 Points	Have commitments from enough prequalified eligible homebuyers or renters to effectively pre-sell/lease all housing
	3 Points	Have established relationships with realtors and/or others who have successfully secured eligible buyers/renters in the past. Or have a demonstrated organizational track record for of same

VII. DEMONSTRATED NEED		MAXIMUM 16 POINTS
To receive points for any of these criterion applicants must print out the information from the 2010-2014 American Community Survey 5-Year Profiles. This information can be accessed by going to the following link http://www.census.gov/quickfacts/table/PST045215/22 and entering the town's name, followed by Louisiana, in the search box. Staff in its review will verify the information.	4 Points	Awarded to projects located in a HUD Qualified Census Tract
	4 Points	Awarded to projects in a city/town where the median housing value, as listed in the 2010-2014 American Community Survey 5-Year Profiles, is \$45,000 or less
	4 Points	Awarded to projects in a city/town where household median income, as listed in the 2010-2014 American Community Survey 5-Year Profiles, is \$22,500 per year or less.
	4 Points	Awarded to projects located in a city/town with a poverty rate, as listed in the 2010-2014 American Community Survey 5-Year Profiles, of 50% or more

VII. AFFORDABILITY **MAXIMUM 10 POINTS**

Affordability data realistically estimates principal, interest, taxes, and insurance for subject properties.

<u>FOR HOMEOWNERSHIP DEVELOPMENT PROJECTS ONLY:</u>		
Affordability	10 points max	LHC will review the affordability data supplied by the applicant and will use it to calculate the income level to which the housing will be affordable. All housing assisted with HOME Funds must be affordable to families with incomes of 80% of the area median family income or below.
	<i>(10 points)</i>	<i>All homes will have sale prices that are affordable to families with incomes between 75% and 80% of the area median family income without a development subsidy of greater than 15%.</i>
	<i>(8 points)</i>	<i>All homes will have sale prices that are affordable to families with incomes between 74% and 70% of the area median family income without a development subsidy of greater than 15%.</i>
	<i>(6 points)</i>	<i>All homes will have sale prices that are affordable to families with incomes between 69% and 60% of the area median family income without a development subsidy of greater than 15%.</i>

FOR RENTAL DEVELOPMENT PROJECTS ONLY:		
Affordability	10 points max	LHC will review the affordability data supplied by the applicant and will use it to calculate the income level to which the housing will be affordable. All housing assisted with HOME funds must be affordable to families with incomes of 80% of the area median family income or below.
	<i>(4 points)</i>	<i>All Housing will be affordable to families with incomes between 75% and 80% of the area median family income.</i>
	<i>(6 points)</i>	<i>All Housing will be affordable to families with incomes between 74% and 70% of the area median family income.</i>
	<i>(8 points)</i>	<i>All Housing will be affordable to families with incomes between 69% and 60% of the area median family income.</i>
	<i>(10 points)</i>	<i>All Housing will be affordable to families with incomes between 59% and 40% of the area median family income.</i>

VI. PROJECT COMPLETION RECORD		Maximum 20 Points
LHC Completion Record	20 Points Max	The LHC will review and consider the applicant’s prior performance in the completion of projects on a timely basis in accordance with the original approved development schedule.
	<i>(20 Points)</i>	<i>Applicant has completed all projects on a timely basis.</i>
	<i>(15 Points)</i>	<i>Applicant has had minor difficulty in completing projects on a timely basis.</i>
	<i>(5 Points)</i>	<i>Applicant has had major difficulty in completing at least one project but less than 20% of total projects on a timely basis.</i>
	<i>(0 Points)</i>	<i>Applicant has been unable to complete any projects on a timely basis.</i>
	<i>(0 Points)</i>	<i>Applicant has never had a project funded by LHC</i>

VII. PRIORITY CONSIDERATION		Maximum 20 Points
Recognized LHC NOFA Priority	20 Points	Project is a Rental Activity and will restrict all units to 60% AMI households*
	*To receive these points the project must include the restriction to 60% AMI households in the Regulatory Agreement and Deed Restriction and the rents must be set so that a 60% AMI household would be paying no more than 30% of their income for rent inclusive of utilities.	