

**Louisiana Housing Corporation
LIHTC - 2015 Qualified Allocation Plan
Selection Criteria**

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SELECTION CRITERIA AND EVIDENTIARY MATERIALS

I. TARGETED PROJECT TYPE (Select All That Apply)

Points

NOTE: Points may only be selected from one of the following categories: Selection Criteria Items I.D. New Construction Scattered Site Project, I.E. Non Scattered Site Rehabilitation Projects, and I.F. Scattered Site Rehabilitation or Infill Projects. No project will be allowed points from more than one of the aforementioned categories.

A. *De-concentration Projects* (Maximum of **20** Points)

(i) *Project Diversity* - Percentage of Low Income Units in Project does not exceed:

- | | | |
|-----|--------------------------------|---------|
| (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:

- | | | |
|-----|---|---------|
| (a) | 120% of the area median income for the Parish | 10 ____ |
| (b) | 150% of the area median income for the Parish | 12 ____ |

B. *Redevelopment Project* (Maximum 6 points allowed)

6 ____

NOTE: See QAP Glossary for definition of a Redevelopment Project, Redevelopment Area, and Concerted Community Revitalization Plan (CCRP). Applicable information within the CCRP must be highlighted or referenced in the application submission.

Check Type:

- | | |
|--|------|
| Distressed Property: | ____ |
| Redevelopment Property: | ____ |
| Owner Occupied Property with Development Plan of Action: | ____ |
| Urban Redevelopment Property: | ____ |

Note: Redevelopment Project must be located in a Redevelopment Area as defined by the QAP. Support documentation must evidence that the incentives and/or resources amounting to or valued at five percent (5.0%) or more of the Total Development Costs are committed to the targeted area by local government.

C. *High Vacancy Projects*

- | | | |
|-------|----------------------------------|--------|
| (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 (residential or non-residential) for at least 90 days and is likely to remain vacant because unit is substandard.
- Capital Needs Assessment must evidence inspection of vacant units.
- Market Study must directly address causes of vacancy, specific need for vacant unit sizes in the market

D. New Construction Scattered Site Project (Maximum 4 points allowed)

NOTE: Points will only be allowed for a new construction scattered site project in areas where there are no LIHTC properties within a 5 mile radius of the proposed project.

- | | | | |
|------|--|---|-------|
| (i) | New Construction Scattered Site Project | 2 | _____ |
| (ii) | New Construction Scattered Site Lease to Own * | 4 | _____ |

Submit list of each separate address and square footage and costs of each separate building.

* Owner must agree to sell units at minimum purchase price by not later than the 16th year of Compliance period. The award is subject to a transactional structure acceptable to the Corporation according to industry best practices that protects the expectations of tenants anticipating title transfer of their units in fee simple absolute or condo or cooperative ownership.

E. Non Scattered Site Rehabilitation Projects (Maximum 8 points allowed)

- | | | | |
|-----|--------------------------------------|---|-------|
| (i) | Non Scattered Site Abandoned Project | 6 | _____ |
|-----|--------------------------------------|---|-------|

- Submit letter from local governmental unit that all units (residential or non-residential) in the Project are Substandard and have been vacant for at least six months
- Capital Needs Assessment must also certify 100% vacancy

- | | | | |
|-------|---|---|-------|
| (ii) | Substantial rehabilitation or conversion of Historic Property | 7 | _____ |
| (iii) | Rehabilitation or conversion of Non-Historic Property | 8 | _____ |

F. Scattered Site Rehabilitation/ or Infill Projects (Maximum 10 points allowed)*

- | | | | |
|------|---|----|-------|
| (i) | Scattered Site Rehab or Rehab Infill | 10 | _____ |
| (ii) | Scattered Site Rehab or Infill – Lease to Own* | 10 | _____ |

* Submit list of each separate address and square footage and costs of each building.

* **Points will not be allowed for both Selection Criteria Items D and F under I. Targeted Project Type.**

** Owner must agree to sell units at minimum purchase price by not later than the 16th year of Compliance period. The award is subject to a transactional structure acceptable to the 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. **Infill projects must be consistent with the definition contained in the QAP.**

~~**G. Mixed Income Projects (only one selection allowed)**~~

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- (a) ~~Percent of non-qualified units equal to or greater than 20%~~ 5
- (b) ~~Percent of non-qualified units less than 20% but greater than or equal to 10%~~ 3

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HG. Preservation Priority Project (Maximum 10 points allowed)

- (i) Developments with Project Based Section 8 for at least 100% of the units or USDA or PHA rental subsidy for at least 60% of the units 10
- (ii) ~~Developments that include at least three previous housing tax credit developments that have passed their initial 15-year period~~ 10
- (iii) Developments with Project Based Section 8 for at least 60% of the units or USDA or PHA rental subsidy for at least 40% of the units 9
- (i+ii) Developments with Project Based Section 8 for at least 30% of the units or USDA or PHA rental subsidy for at least 20% of the units 8

II. TARGETED POPULATION TYPE (Maximum 612 points allowed, one selection only)

A. Special Needs Households other than Elderly Households and provides Supportive Services – this does not apply to Permanent Supportive Housing (Check one or more)

- (i) Homeless Households
- (ii) Disabled Households
- (iii) Tenant populations of individuals with children

- (a) Twenty Percent serve such households 5
- (b) Ten Percent serve such households 3

B. Veterans Households 7
Fifty Percent or more serve such households (Project must evidence com Veterans Administration)

C. Elderly Households 6
100% of the project units are designated for elderly households

For items II.A, B and C under Targeted Population Type application must include the following:

- (i) Description of Supportive Services tailored to each Special Needs Household (See Supportive Services Definitions)
- (ii) Cost per annum of Supportive Services per Special Needs Household or written commitment from governmental or non-profit agency that Supportive Services will be provided to Project without

- (iii) cost
Experience of Taxpayer/Owner in developing Projects servicing
Special Needs Households

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

A. *Extended Affordability Agreement (Lease to own projects ineligible) (Maximum 4 points allowed)*

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

- | | | |
|-------|-----------------------|---------|
| (i) | 25 th year | 2 _____ |
| (ii) | 30 th year | 3 _____ |
| (iii) | 35 th year | 4 _____ |

* Lease to own projects ineligible; not eligible if executing Agency's Option to Purchase and Right of First Refusal Agreement

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B. *Increased Unit Affordability (Maximum 6 points allowed)*

At least 5% percent or more of project units serve households with incomes at or below 30% AMI.

- | | | |
|-------|--|---------|
| (i) | At least 5% less than 10% of units serve households (other than PSH) with incomes at or below 30% AMI | 4 _____ |
| (ii) | At least 10% but less than 15% of units serve households (other than PSH) with incomes at or below 30% AMI | 5 _____ |
| (iii) | At least 5% and less than 10% of units serve PSH households with incomes at or below 20% AMI | 6 _____ |

*To qualify for points in this section, units must be reflected on the rental income page of the application. Project must evidence ability to maintain lower rate units via rental income, grants or subsidies throughout the projects affordability period. Only one-and two-bedroom units will qualify as PSH units. To qualify for PSH points (iii) applicant **must** submit letter of PSH Support from the PSH Executive Council.

C. *Governmental Priorities (Maximum 7 points allowed)*

- | | |
|------|---|
| (i) | Project Located in Qualified Census Tract (QCT) or Difficult Development Area (DDA) 2 _____
Census Tract Number: _____ Parish Location: _____ |
| (ii) | Copy of Final Concerted Community Revitalization Plan adopted by local governmental unit included in Application along with a resolution evidencing adoption of the plan. 2 _____ |

(iii) HUB Zone 3 _____

*HUB Zone classification must be current as of March 31, 2015 to receive points

Louisiana classifications may be accessed through the following link: <https://www.sba.gov/content/hubzone-maps>

D. **Rural Area Project** (as defined in the QAP glossary) 10 _____

E. **Governmental Support** (Maximum 4 points allowed)

Note: The below referenced Governmental Funds must be actual “awarded funds” as evidenced by a signed commitment obligating the funds to the project.)

Governmental support reduces project development costs by providing CDBG, HOME, or other 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, PHA contributions or other governmental 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 _____

IV. **LOCATION CHARACTERISTICS**

A. **Neighborhood Features**

Points in this section are capped by the applicant's selection and verified through the commissioned market study. Applicants must include in their submissions the name, address, and map location each item where points are claimed under this section.

(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 _____
Hospital/Doctor Office or Clinic _____	Bank/Credit Union (must have live tellers) _____
Elementary School _____	Post Office _____
Pharmacy/Drug Store _____	
Public Transportation (shuttle services excluded) _____	
Louisiana Licensed (current) Adult/Child Day Care/After School Care _____	
Elementary School receiving a grade of "B" or better by the Louisiana Department of Education _____	

Total Positive Points _____

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

Note: 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 (all) _____	Airports _____
Electrical utility substations _____	Liquor Store _____
Prisons _____	Solid waste disposal _____
Adult entertainment/video/ _____	Bar, Club or Lounge _____
Theater _____	

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.

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 the definition contained in QAP.
Homeownership projects are not eligible to receive points for community facilities.)

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 _____
(iii) Paved walking Trail (minimum ¼ mile)	2 _____

D. Additional Accessible Units

Accessible Units in excess of Section 504 of II C Accessible Project Rehabilitation Act of 1973. Section 504 applies to all Projects, i.e., 5% of units must be accessible for people

with mobility impairments and 2% for people with hearing or vision impairments.

(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. *Project has On Site Security (as defined in Glossary)* 3 _____

As defined in Glossary- If security cameras are provided, a diagram of the proposed location of cameras must be included in the application. At least one camera per every 20 units is required to receive points in this category. The number of cameras will be rounded up in making this determination.

VI. LEVERAGE, EFFICIENCY AND VIABILITY

A. *Leverage for Disability Funding (Non-Governmental Support)* 3 _____

Leverage consists of non-governmental funds for persons with disabilities:

List: _____

B. *Project's TDC per unit is at least 10% below the maximum TDC/unit* 3 _____

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 _____
- 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 label appendixes in final application submittal -5 _____