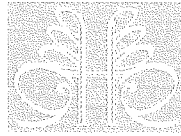


# H R I P R O P E R T I E S

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April 10, 2012

Brenda Evans  
Louisiana Housing Corporation  
2415 Quail drive  
Baton Rouge, LA 70808

Re: Comment to 2013 Qualified Allocation Plan

Dear Mrs. Evans,

Please accept this letter and its proposed language for consideration in the upcoming draft of the 2013 Qualified Allocation Plan (QAP).

Within Section I.B. "Allocation Pools," we propose changes per the following:

I.B.(3) Allow for participation in this pool by meeting the following criteria:

- The written sponsorship of a certified PHA
- Ownership of the project site by the sponsoring PHA or local government with a signed commitment of such land to the partnership (typically via a long-term ground lease)
- Project must include ACC public housing units

Mandating a 51% ownership in the general partner and equivalent fee sharing not only creates disincentives for qualified developers to partner with a PHA and produce units targeted to PHA needs, but also deters investors from participating in what will be perceived to be a less attractive deal structure than one solely owned by a private entity. Allowing a private entity with PHA sponsorship to participate in the PHA pool would induce greater interest in this specific market segment as well as garnering the greatest investor pricing and leverage available from the LIHTC.

Within Section I.C. "Maximum Tax Credits," we propose the addition of a subsection "3" which would read as follows:

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I.C.(3) The Agency will allow for an exception to the annual LIHTC reservation limit of \$1,000,000 to up to \$1,500,000 for a large master planned and sustainable community developed in a public private partnership, whether or not developer participates in some or all of the development pieces, which transforms the larger community economically, socially and environmentally. Examples are proposed developments that include, in addition to affordable housing, schools, retail, medical facilities, improve the environment and ecology and access to public transportation. A letter from the highest elected official from the local jurisdiction would be required to evidence the transformative impacts. Only one project would be eligible for this designation per funding round.

Within Section IV “Glossary,” we propose the addition of the following:

**Transformational Project:** Large master planned community, developed in a public private partnership, which transforms the larger community economically, socially and environmentally through tangible additions to affordable housing, schools, retail, medical facilities and includes measurable improvements to the environment, ecology, and access to public transportation. A letter from the highest elected official from the local jurisdiction would be required to evidence the transformative impacts.

Offered as an alternative to the inclusion of the Transformational Pool as requested above, within “Louisiana Housing Finance Agency LIHTC – 2013 Qualified Allocation Plan Selection Criteria,” the Index Page will be revised to reflect as follows to include the addition of Section I(G):

A. De-concentration Project	4-10 Points
B. Rehabilitation Project	10-20 Points
C. Redevelopment Project	6 Points
D. Abandoned Project	10 points
E. High Vacancy Project	2-6 Points
F. Scattered Site Project	4 Points
G. <u>Transformational Project</u>	<u>10 points</u>

Further, within “Selection Criteria and Evidentiary Materials,” Section I(G) will be added and read as follows:

I(G) Transformational Project (As defined in the glossary)	10_____
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Within “Selection Criteria and Evidentiary Materials,” Section III(D):

Delete scoring points for “Rural Target Area.” The points awarded offer a redundant advantage to developments that already have their own set aside Rural

Pool. If these points are only to differentiate Rural Target Area deals from regular rural deals, then the points should be specific only to those competing in the Rural Pool.

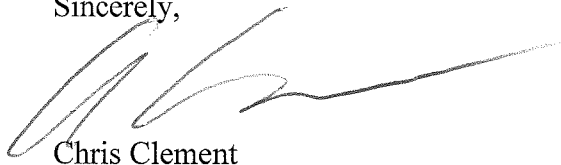
If these points are applicable to rural deals that may compete in the General Pool or in a collapsed pool, then the points selection for Section III(C)(ii), "Concerted Community Revitalization Plan," should be similarly weighted at 6 points. This would allow both rural and non-rural deals, that both are included in their respective local Concerted Community Revitalization Plans, to compete fairly in a collapsed or General Pool.

As a general comment; should the LHC decide to implement a statewide credit allocation based on Congressional Districts, we would request that the credits be distributed amongst the Districts through a direct correlation to the population of each district.

Additionally, we would request that, given the possibility of substantial changes to the QAP, the public be given another opportunity to view any updated drafts prior to the QAP's adoption by the Board. The public release of future drafts or final copies could be appropriately done on a similar timetable as that afforded to the LHC Board.

HRI respectfully requests that the LHC consider these comments in drafting the 2013 QAP. Should you have any questions, or if you would like to discuss further, please do not hesitate to contact me. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Clement", with a long, sweeping horizontal line extending to the right.

Chris Clement