



**United States Department of Agriculture
Rural Development
State Office**

March 21, 2012

**Mr. Don Hutchinson, Interim Executive Director
Louisiana Housing Corporation
2415 Quail Drive
Baton Rouge, LA 70808**

Dear Mr. Hutchinson:

Louisiana USDA Rural Development (RD) would like to take this opportunity to thank you for the successful partnership we have experienced with your agency over the past several years.

As you know, USDA RD shares a common mission with Louisiana Housing Corporation (LHC), formerly Louisiana Housing Finance Agency (LHFA), of providing affordable rental housing to low income residents of Louisiana. However, the mission of USDA RD focuses on the need for affordable rental housing in rural areas.

Currently, Louisiana RD has an outstanding affordable rental housing portfolio of nearly 400 multi-family housing properties consisting of over 12,000 units. This represents an investment by the federal government of nearly \$350 million in affordable rural rental housing stock in the state of Louisiana.

Resources provided by programs through your agency has been critical to the mission of the RD Multi-Family Housing Program; particularly the Low Income Housing Tax Credit Program. Funding opportunities provided by LHC have enabled developers to successfully leverage LHC resources with RD, or other third party resources, to complete necessary rehabilitation of existing properties within an aging RD portfolio. Based on recent tax credit awards, we believe RD owners/developers have evidenced their abilities to deliver.

In previous years we've requested a separate RD pool for properties financed through USDA and would ask for your consideration again. With a separate RD pool, our 12,000 affordable units can compete equally. A separate pool eliminates our issues of arguing specific "points" within the selection criteria to make our projects competitive. Most importantly it ensures preservation of our rural projects through the leveraging of USDA and LIHTC funds.

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We would also ask for consideration to include language within the 2013 Qualified Allocation Plan (QAP) for the LHC to accept waiver requests for specific Project Threshold Requirements. We would ask that the LHC consider these waiver requests on a case by case basis only if submitted by the owner/developer accompanied by an approval letter from USDA. There have been some Project Threshold Requirements in the past that have been either impossible or unfeasible due to the location or original construction designs. The LHC (LHFA) has always considered our requests, but we think it would be a good idea to include a brief statement in the QAP moving forward.

We respectfully request you continue to consider the needs of rural Louisiana during the development of the 2013 QAP.

RD is committed to working with LHC in an effort to accomplish the joint mission of providing affordable housing which is decent, safe and sanitary to low income residents of our state.

We appreciate the opportunity to share our thoughts and concerns and ask that you give the items noted your full consideration during the development of the 2013 QAP. Should you have any questions, please let me know.

Sincerely,



CLARENCE W. HAWKINS
State Director

cc: Brenda Evans
Board of Directors

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LOUISIANA HOUSING
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