



Rich Smith Development, LLC

May 7, 2012

Mr. Don J. Hutchinson
Louisiana Housing Finance Agency
2415 Quail Drive
Baton Rouge, LA 70808

RE: Comments to the revised 2013 Draft Qualified Allocation Plan

Dear Mr. Hutchinson,

Please accept the following comments in regards to the revised 2013 Draft Qualified Allocation Plan ("QAP").

- **Final QAP** – Section I.D. (page 4 and 5 of the QAP) states that applicants will be allowed to submit written questions regarding the final 2013 QAP until May 11th at noon and that the Corporation will post a composite list of questions with answers by May 16th and no further information will be provided past that point. Please clarify this. Does this mean that staff will not answer any questions with regarding to the QAP and applications after that time? If so, please consider deleting this as applicants should be given the opportunity to ask questions until applications are due.
- **Developer Limits** – Please consider increasing the Developer Limit to \$1,200,000 which would allow each developer the opportunity to receive two projects.
- **HOME Funds** – Please consider decreasing the maximum amount per project to the lower of \$500,000 or the maximum amount allowed per HOME assisted unit under HUDs FHA 221(d)(3) limits for elevator structures. This decrease would make funds available to twice as many projects. The way it is currently written it is possible that only three projects could be awarded HOME funds.
- **CDBG Funds** – Please consider decreasing the maximum amount per project to \$500,000 to allow more projects to receive funding.
- **30% Basis Boost** – Please consider granting the 30% Basis Boost to other areas in addition to Difficult to Develop Areas and Qualified Census Tracts. Ideas of applying the discretionary 30% basis boost include – 1) to areas that have not had an allocation within the past 3 years; 2) projects that include PSH units; 3) projects located in census tracts in which the median income of the census tract exceeds 120% of the area median income; and/or 4) Project located in an Enterprise Community, Renewal Community or HUB Zone.
- **Energy Star Version 3** – Some states have opted to stick with Energy Star Version 2 while all the "kinks" are worked out with Version 3. Please consider doing this as well.
- **Selection Criteria** – Please consider making the following changes:
 - Project Diversity –
 - Percentage of low income units in project does not exceed:
 - 90% of total project units = 4 points

- 80% of total project units = 8 points
- 70% of total project units = 10 points

Currently this section provides the maximum 10 points to a project that has 60% of its units as market rate. It is very difficult to make a project work financially at 20% market rate and to get above that amount you would have to have a considerable amount of soft funding which is nearly impossible to come by these days.

We appreciate your consideration of our comments. Please contact me should you have any questions.

Sincerely,



Andrea Cooper
Vice President of Acquisitions