

April 10, 2012

Ms. Brenda Evans
Program Administer
Louisiana Housing Finance Agency
2415 Quail Dr.
Baton Rouge, LA 70808

Re: 2013 QAP comments

Dear Brenda-

Please accept the following as our written comments relative to the 2013 QAP.

Developer Experience-

- The LHC should encourage developer experience within the QAP either by mandating minimal experience as a threshold factor OR by giving points in the selection criteria. Experienced developers provide knowledge and expertise needed to make the project successful.

Developer fees:

- Developer fees should be allowed on acquisition cost. Historically 5% or 10% developer fee has been allowed on acquisitions cost. This seems to be the norm in other area states that are encouraging rehab rather than new construction. Allowing developer fee on acquisition cost provides developers with the incentive to explore the rehabilitation of existing or blighted structures rather than opting for new construction.

Market Study-

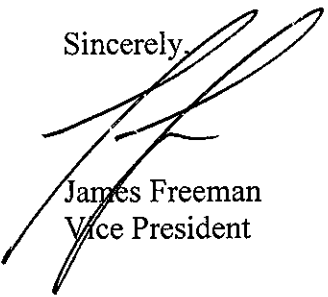
- The market study process should be placed back with the developer to obtain prior to filing an application. The agency should reserve the right to request additional information on market areas they feel may not be suitable for additional housing. Should the LHC choose to continue administration of the market studies, then they should require market analyst be Louisiana based or have a strong presence in Louisiana. The LHC should discourage use of market analyst from outside the state that does not have a local presence.

Selection Criteria –

- Definitions of different project types need to be consistent throughout the QAP and in subsequent FAQ's. Vague and inconsistent definitions create potential loop holes and defy the will of the QAP.
- Points should be added back to the selection criteria for having full support of the local jurisdiction. In the past points were awarded for having a resolution of support from the local jurisdiction. The LHC should award developments that are wanted and accepted in local communities.
- The location characteristic section of the selection criteria needs attention. Currently market analysts are charged with the responsibility of allowing/disallowing points for different services and assessing negative points for certain services. There are no definitions for these services or any guidance for the market analyst to follow when addressing this section. Each service is at the market analyst subjective review as to award points or assess negative points. There is no consistency in the review of this section with different market analyst. Each service, both positive and negative, should be defined so that market analyst has detailed criteria to follow when assessing points for or against a project. This section also creates a disadvantage to rural projects as most of these services are not often immediately found in rural towns across Louisiana.
- Superior site points should be deleted as it is a subjective review. The minimum building requirements of the QAP and other points given in the selection criteria ensures that a project will be superior if awarded. Until there is a way to implement this process without a subjective review it will remain an unfair process.

Thank you for the opportunity to provide these comments.

Sincerely,



James Freeman
Vice President