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May 28, 2013

Mr. Don Hutchinson
Interim-President
Louisiana Housing Corporation
2415 Quail Dr.
Baton Rouge, LA
70808

Re: 2013 Draft Qualified Allocation Plan Comments

Dear Mr. Hutchinson,

Please accept the following as our comments to the current Draft of the 2014 Qualified Allocation Plan:

1. **Historic Properties:** The draft QAP allows a TDC of \$225,000 for historic rehab. The problem is that just because the building is historic doesn't mean the developer is doing a historic rehab. A developer can put inexpensive windows, siding, etc. on a historic building. This can be corrected by doing the following:

Under Maximum Average TDC Per Unit by Development Type, change "Historic Rehab: \$225,000" to "Historic Property." Then change the definition of Historic Property to read, "Property designated as historic by the State Historic Preservation Office (SHPO) or local governmental historic commission renovated in accordance with the Secretary of the Interior's Standards for Historic Rehabilitation. A property located in a historic district that does not qualify as historic either individually or collectively by SHPO standards does not meet the requirement of a historic rehab.

2. **Scattered Site Rehab:** New Orleans has 55,000 blighted properties and many other urban areas around the state have high concentrations of blighted property. Encouraging scattered site projects is good, but increasing density when there are thousands of existing, blighted singles and doubles makes no sense. We suggest adding the following item under F. *Scattered Site Rehabilitation/New Construction or Infill Projects (only one selection allowed)*:

(iii) Scattered Site Rehab 20 _____

The added advantages of this one additional tweak are that it will encourage blight remediation within the areas targeted for economic and industrial investment and it is extremely environmentally conscious. According to the Preservation Green Lab, the average new construction home would have to operate for 50 years to equal the environmental benefit of rehabilitating an existing home instead: "The greenest home is the one already built."

3. **Significant Economic Growth:** If you keep the radius at 25 miles, then the de facto result will be additional points for most urban projects. Quantifying 50 jobs and \$1 billion in investment in an urban area like New Orleans or Baton Rouge is actually quite easy. To truly incentivize workforce housing where there is significant economic investment, the radius should be tightened to 5 or 10 miles.
4. **Definition of "Rural Area":** Metairie and Slidell are not rural areas but they are not listed in the areas that are excluded from rural development areas. The current definition of rural encourages suburban, not rural development. To truly incentivize rural development the definition of rural area should be changed to read, "Any area 10 miles from the corporate limits of the following 10 Louisiana cities: New Orleans, Baton Rouge, Shreveport, Lafayette, Lake Charles, Kenner, Bossier City, Monroe, Alexandria, and Houma." Leave the points for rural development in the QAP, but encourage true rural development, not development in the dense suburbs.
5. **Credit Limit per project:** Decreasing the credit limit per developer from \$1,000,000 to \$600,000 will increase the number of projects that get funded. In our opinion it is good public policy to do so.

If you have any questions please do not hesitate to contact me.

Sincerely,



Neal Morris