

From: [Marjorianna Willman](#)
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Subject: FW: HOME fund initiative
Date: Friday, March 22, 2013 10:29:03 AM

From: David Strange [<mailto:david@newhorizongroup.com>]
Sent: Thursday, March 21, 2013 5:26 PM
To: Brenda Evans
Cc: Wayne Neveu (WNeveu@FoleyJudell.com); Louis Jurney
Subject: HOME fund initiative

Brenda thank you for speaking us today about the HOME fund initiative and our Windsor Court project in St. Gabriel. Please accept the following comments to the HOME memorandum.

1. While I understand the use it or lose issue with the Funds coming about in September as perhaps the motivation of the Agency to allow such large (\$1,500,000) awards to ensure no funds are lost to undersubscription. The unintended consequence of this policy is as few as 4 deals could utilize all the funds. I would suggest that preference be given to deals requesting between \$500,000 to \$1,000,000 then if not all the funds used then still keep the \$1,500,000 cap and the deals with the larger gaps get funded. It seems to me this process of giving an advantage to smaller request but leaving the cap in place, both rewards the stronger deals(as measured by needing less HOME funds to be feasible) while preserves a method to ensure all the HOME funds get used. This process will also ensure the most deals done and not just as few as 4.
2. The other issue is with using the initial score a criteria in determining the rank related to the HOME funds. On the 4% deals unlike the 9% deals the score so long as it meets threshold is irrelevant and to give the score relevance at this point seems unfair. For instance if a 4% deal had a score of 70 and now gets an extra 7 under this initiative the score would be 77. Conversely had a deal scored 60 which met threshold then gets 6 points under the initiative for a total of 66. The result is an 11 point advantage to first deal over the second. That 11 points seems to be determinative to the competition as leverage and other criteria are only 10 points items. I think this point issue should be removed and the scoring just be on the remaining criteria under the HOME initiative.

Thank you for your consideration of our comments and I look forward to the program being implemented,

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