



LOUISIANA
HOUSING
CORPORATION

BOARD OF DIRECTORS

Agenda Item 6

BRENDA EVANS, PROGRAM ADMINISTRATOR

LORETTA WALLACE, PROGRAM ADMINISTRATOR

July 11, 2012

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DECISION BRIEF:

The issuance of \$6,000,000 in Multifamily Housing Revenue Bonds for Tangi Village located in Hammond, Louisiana in Tangipahoa Parish

Issue

Quick Blvd. Apartments, LP, 1709 A Gornito Road, PMB #343, Valdosta, GA 31601 is requesting the Louisiana Housing Finance Agency to issue Multifamily Housing Revenue Bonds in an amount not to exceed \$6,000,000 for the acquisition/rehabilitation of a 96 unit multi-family development. The development is located at 13080 Quick Boulevard, Hammond, LA 70401, Tangipahoa Parish, Louisiana. One unit will be 60% AMI rent restricted and the remaining ninety-five (95) units will have Project Based Rental Assistance (PBRA) with fifty-six (56) of the units set aside for 60% or less AMI and forty (40) of the units set aside for 60% or less AMI.

In addition to the Bond Proceeds, other sources of funding to be utilized in the rehabilitation of this development will be \$2,553,593 M2M HUD Second Mortgage; \$3,239,508 from Low-Income Housing Tax Credit Equity; \$502,700 from Deferred Developer Fee; \$1,500,000 Louisiana Housing Finance Agency HOME Funds; \$300,000 from Reserve for Replacement.

The development sponsors consist of Integrity Development Partners, LLC, Stratford Capital Group and The Banyan Foundation, Inc. who have individually acquired and renovated over 50 PBRA properties in four states.

Tangi Village Apartments is comprised of twenty-four (24) buildings and one Community Building. The residential unit mix is made up of forty-eight (48) one-bedroom units; thirty-six (36) two-bedroom units; and twelve (12) three-bedroom units in three different building types.

Currently there are five (5) handicap accessible 1-bedroom units for this proposal submission. The requirement of 5% (5 units) equipped for mobility impaired and 2% (2 units) equipped for visual/hearing impaired will be provided.

Tangi Village does provide a very important resource for the low-income residents of Hammond as it is one of the very few properties of its type in the area. Once renovated, it will offer a much needed substantial improvement of quality and safe housing for the Section 8 residents of this area.

The Total Development Unit cost is estimated to be **\$107,321.**

Pros:

- Renovating an existing HUD PBRA family property that has much deferred maintenance.
- Saving the PBRA contract with this renovation due to its multiple low REAC Scores.
- HUD is working very closely with Borrower to remove the current owner to preserve this much needed affordable housing in Hammond.
- Other LHFA (HOME) and federal (FHLB AHP) funds are being leveraged with the Bonds and LIHTC to maximize the renovation and preservation of this asset.
- Upgrading the interior and exterior of the buildings including safety and security for the residents of this 30 year old property for many years to come.
- This property can only get preserved and renovated if it receives Bonds and LIHTC. There is no other funding that will allow this type of preservation to occur. The Development Team has done a great job in securing other funds to allow this property to be redeveloped.

Cons: None

Recommendation:

Staff recommends approval of this request.

LOUISIANA HOUSING CORPORATION

The following resolution was offered by Director _____ and seconded by Director _____:

RESOLUTION

A resolution of intention to issue not exceeding Six Million Dollars (\$6,000,000) Multifamily Housing Revenue Bonds for Tangi Village Project (13080 Quick Boulevard, Hammond, LA 70401, Tangipahoa Parish, Louisiana) in one or more series to finance the acquisition, construction, rehabilitation and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Corporation (the “**Corporation**”) is authorized by Chapter 3-G of Title 40 of the Louisiana Revised Statutes of 1950, as amended (the “**Act**”), and other constitutional and statutory authority supplemental thereto, to issue revenue bonds to finance residential housing in the State of Louisiana (the “**State**”); and

WHEREAS, developer listed in Schedule I hereto, (the “**Developer**”) has met with officials of the Corporation and has advised the Corporation of the Developer’s interest in the acquisition, construction, rehabilitation and equipping of a multifamily housing facility, more particularly described in Schedule I hereto (the “**Project**”) within the State, subject to the willingness of the Corporation to finance the Project by the issuance of revenue bonds pursuant to the Act; and

WHEREAS, the Corporation deems it necessary and advisable that it takes such action as may be required under applicable statutory provisions to authorize and issue revenue bonds in one or more series to finance the cost of the Project set forth in Schedule I hereto, together with costs incident to the authorization, issuance and sale of the bonds, the aggregate costs of the Project and costs of authorization, issuance and sale of the bonds being presently estimated to be the amount set forth in Schedule I hereto; and

WHEREAS, the Developer has stated its willingness to arrange for the acquisition, construction, rehabilitation and equipping of the Project and to enter into contracts therefor; and

WHEREAS, the income tax regulations prescribed by the Internal Revenue Service require that the issuer of tax exempt bonds adopt a resolution with respect to such bonds or take the other similar “official action” towards the issuance of the bonds prior to the commencement of the acquisition, construction, rehabilitation and equipping of an exempt facility bond project; and

WHEREAS, one purpose of this resolution is to satisfy the requirements of said income tax regulations with respect to the Project set forth in Schedule I hereto:

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Louisiana Housing Corporation, that:

SECTION 1. Pursuant to the authority of the Act, and other constitutional and statutory authority supplemental thereto, the Project is hereby approved and the financing of the acquisition, construction, rehabilitation and equipping thereof through the issuance of revenue bonds of the Corporation pursuant to the Act is hereby authorized in one or more series (the “**Bonds**”) and in a sufficient principal amount presently estimated as set forth in Schedule I hereto. It is the intent of this resolution to induce the financing of the Project. This resolution is the affirmative official action of the Corporation acting by and through its Board of Directors towards the issuance of its special, limited obligation revenue bonds in accordance with the Constitution and statutes of the State and the United States Treasury Department Regulations, Section 1.150-2. It is recognized and agreed that the Developer may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) the Developer itself; (ii) any "related person" as defined in Section 147(a)(2) of the Internal Revenue Code of 1986, as amended (the "Code"); or (iii) any legal successor thereto, respectively, subject to approval of the Corporation's Bond Counsel, hereinafter employed.

SECTION 2. The costs of financing the Project will be paid out of the proceeds from the sale of the bonds, in one or more series, which shall be special, limited obligations of the Corporation, payable solely out of the revenues derived by the Corporation with respect to the Project for which financing is made available, and the Bonds and the interest thereon shall never constitute obligations, either general or special of the State, or of any political subdivision of the

State or give rise to a pecuniary liability of the State or of any political subdivision of the State within the meaning of any provision or limitation of the Constitution or statutes of the State. The Corporation does not have the power to pledge the general credit or taxing power of the State or of any political subdivision of the State.

SECTION 3. The issuance of not exceeding Six Million Dollars (\$6,000,000) aggregate principal amount of Multifamily Housing Revenue Bonds (Tangi Village Project) in one or more series (the “**Bonds**”) of the Corporation, pursuant to the Act, and other constitutional and statutory authority supplemental thereto, be and the same is hereby authorized and approved. In authorizing the issuance of the Bonds, the Corporation will make no warranty, either expressed or implied, that the proceeds of the Bonds will be sufficient to pay the cost of the Project or that the Project will be suitable for the Developer’s purposes or needs. The Bonds shall be sold by the Corporation on such date as may be determined by the Chairman of the Board of Directors of the Corporation, in accordance with the requirements of the Act, and pursuant to the provisions of the Notice of Intention to Sell at Private Sale attached hereto as Exhibit I.

By virtue of the Corporation’s application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission’s approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the “State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.”, adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

SECTION 4. The operation of the Project, as well as the financing of the Project, will comply with all Federal, State and local laws and regulations and the Developer will obtain all necessary approvals and permits required thereunder.

SECTION 5. The Chairman of the Board of Directors and/or the Interim Executive Director or Chief Operating Officer of the Corporation are authorized and directed to call for a public hearing with respect to the Project and the proposed revenue bonds to finance same in accordance with the requirements of Section 147(f) of the Code, and cause to be published appropriate notice of each public hearing in accordance with the Code.

SECTION 6. The officers of this Board of Directors and the Interim Executive Director or Chief Operating Officer of the Corporation are authorized and empowered to take any and all further action and to sign any and all documents, instruments and writings as may be necessary to carry out the purposes of this resolution and to file, on behalf of the Corporation, with any governmental board or entity having jurisdiction over the Project, such applications or requests for approval thereof as may be required by law, including an application to the State Bond Commission for approval of the financing.

SECTION 7. All commitments by the Corporation herein with respect to the Project are subject to the condition that on or before 36 months from the date of adoption hereof, the Corporation and the Developer shall have agreed to mutually acceptable terms for the financing documents and the sale and delivery of the Bonds or other obligations.

SECTION 8. That it is recognized that a real necessity exists for the employment of bond counsel in connection with the issuance of the Bonds, and accordingly Foley & Judell, L.L.P., Bond Counsel, New Orleans, Louisiana, be and they are hereby employed as Bond Counsel to the Corporation to do and to perform comprehensive, legal and coordinate

professional work with respect thereto. The fee to be paid Bond Counsel shall be an amount based on the Attorney General's then current Bond Counsel Fee Schedule and other guidelines for comprehensive, legal and coordinate professional work in the issuance of revenue bonds applied to the actual aggregate principal amount issued, sold, delivered and paid for at the time the Bonds are delivered, together with reimbursement of out-of-pocket expenses incurred and advanced in connection with the issuance of the Bonds, subject to the Attorney General's written approval of said employment and fee.

SECTION 9. The Developer will comply with all rules, regulations and reviews of the Corporation in effect or undertaken from time to time.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 11th day of July 2012.

Chairman

Secretary

SCHEDULE I

DEVELOPER: Integrity Development Partners, LLC
INITIAL OWNER/OPERATOR: Quick Blvd Apartments, LP
BOND AMOUNT: Not exceeding \$6,000,000

PROJECT NAME	LOCATION	ESTIMATED NUMBER OF UNITS	ESTIMATED TOTAL COST
Tangi Village	Hammond, Tangipahoa Parish, LA	96	Approximately \$14,064,990

I, as authorized representative of the Developer, have reviewed the information above and hereby certify this Schedule I to be accurate and complete as of this date.

Quick Blvd Apartments, LP

By: _____
Authorized Representative

Date: _____

EXHIBIT I

NOTICE OF INTENTION TO SELL AT PRIVATE SALE

LOUISIANA HOUSING CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (TANGI VILLAGE PROJECT) IN ONE OR MORE SERIES

NOTICE IS HEREBY GIVEN in compliance with the provisions of Chapter 3-G of Title 40 of the Louisiana Revised Statutes of 1950, as amended (the “**Act**”), that the Louisiana Housing Corporation (the “**Corporation**”), proposes to sell its Multifamily Housing Revenue Bonds (Tangi Village Project), in one or more series (the “**Bonds**”) in aggregate principal amount of Six Million Dollars (\$6,000,000) in one or more series at a rate or rates not exceeding twelve percentum (12%) per annum. The Bonds are to be sold to a purchaser to be determined at a later date to finance the acquisition, construction, rehabilitation and equipping of Tangi Village, located in Hammond, Tangipahoa Parish, Louisiana (the “**Project**”) at a meeting of the Board of Directors of the Corporation scheduled for Wednesday, July 11, 2012, at eleven (11:00) o’clock a.m., Louisiana time, at the offices of the Louisiana Housing Corporation, 2415 Quail Drive, Baton Rouge, Louisiana 70808. The Corporation reserves the right to postpone the date, hour and place set forth above for the sale of the Bonds (without any further publication of notice of the change in the sale date, time and/or location). In the event the sale is postponed as provided above, anyone desiring written notice of the subsequent date and time which said sale is to be accomplished must request such notice from the Chairman of the Corporation. The Bonds will be sold pursuant to the terms of a resolution to be adopted by the Corporation and a Trust Indenture (the “**Indenture**”) to be executed by and between the Corporation and a trustee bank.

The Bonds are being issued pursuant to the Act and the Indenture for the purpose of financing the acquisition, construction and equipping of a multifamily housing project and (ii) paying the costs of issuance associated with the Bonds. The Bonds are limited obligations of the Corporation and will be payable solely out of the income, revenues and receipts derived from the funds and accounts held under and pursuant to the Indenture and pledged therefor. As provided in the Act and the Indenture, the Bonds do not constitute an obligation, either general or special, of the State of Louisiana, any municipality or any other political subdivision thereof.

The principal of and interest on the Bonds will be payable at the principal office of the paying agent or agents selected by the Corporation in accordance with the provisions of the Indenture.

The Bonds will be dated as provided in the Indenture, will bear interest at such rate or rates established at the time of sale of the Bonds, payable on such dates as set forth in the Indenture, and will mature no later than forty (40) years from date of issuance.

The Bonds will be issued in fully registered form in the denominations as provided in the Indenture. Bonds will be transferable as provided in the Indenture.

This Notice of Sale of Bonds is being published in accordance with the requirements of the Louisiana Constitution and the Act. For a period of thirty (30) days from the date of publication hereof, any person or persons in interest shall have the right to contest the legality of this notice, the resolution, any provision of the Bonds to be issued pursuant to it, the provisions securing the Bonds, and the validity of all other provisions and proceedings relating to the authorization and issuance of the Bonds. If no action or proceeding is instituted within the thirty (30) days, no person may contest the validity of the Bonds, the provisions of the resolution pursuant to which the Bonds were issued, the security of the Bonds, or the validity of any other provisions or proceedings relating to their authorization and issuance, and the Bonds shall be presumed conclusively to be legal. Thereafter no court shall have authority to inquire into such matters.

For further information relative to the Bonds and not contained in this Notice, address Foley & Judell, L.L.P., Bond Counsel, One Canal Place, Suite 2600, 365 Canal Street, New Orleans, LA 70130.

BY ORDER OF THE BOARD OF DIRECTORS, acting as the governing authority of the Corporation.

LOUISIANA HOUSING CORPORATION

Chairman

Secretary

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Directors of the Louisiana Housing Corporation, do hereby certify that the foregoing _____ (__) pages constitute a true and correct copy of a resolution adopted by said Board of Directors on July 11, 2012, entitled: “A resolution of intention to issue not exceeding Six Million Dollars (\$6,000,000) Multifamily Housing Revenue Bonds for Tangi Village Project (13080 Quick Boulevard, Hammond, LA 70401, Tangipahoa Parish, Louisiana) in one or more series to finance the acquisition, construction, rehabilitation and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith.”

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Corporation on this, the 11th day of July, 2012.

Secretary

(SEAL)

**LOUISIANA HOUSING FINANCE AGENCY
MULTI-FAMILY PROJECT SUMMARY**

Date: 5/30/12

- (1) **PROJECT NAME:** Tangi Village
- (2) **AMOUNT OF BOND
ISSUE REQUESTED
(NOT TO EXCEED):** \$ 6,000,000
- (3) **PROJECT DESCRIPTION:**
- 1) Number of Units 96
 - 2) Total Land Area 9.281 acres
 - 3) Density: 10.343 # of Units per Acre
Low Rise X High Rise N/A
 - 4) New Construction: N/A
Rehabilitation: X
 - 5) Land Control: Current Legal Owner of Land:
Contract to Acquire Land by N/A
(date)
or
Option to Acquire Land by August 15, 2012
(date)
 - 6) Number of Parking Spaces Per Unit 1.46
 - 7) Census tract where Project located 22105953900
 - 8) State Representative District 86
Name of Representative Chris Broadwater
 - 9) State Senatorial District 6
Name of Senator Mack White, Jr.
- (4) **LOCATION:
(STREET ADDRESS OR
LEGAL DESCRIPTION OF
LAND AND PARISH):** 13080 Quick Boulevard
Hammond, LA 70401
Tangipahoa Parish
- (5) **CONTACT PERSON
FOR PROJECT:** Rhett J. Holmes
Phone: (229) 219-6762
- (6) **DEVELOPMENT TEAM:**
- Developer: Integrity Development Partners, LLC
1709 A Gornito Rd, PMB# 343, Valdosta, GA 31601
Contact: Rhett J. Holmes
Phone: (229) 219-6762
- Architect: IPG, Inc.
807 Northwood Park Dr., Valdosta, GA 31602
Contact: Robert Byington, Jr.
Phone: (229) 242-3557

General Contractor: Great Southern, LLC
2009 Springhill Drive, Valdosta, GA 31601
 Contact: Mike McGlamry
 Phone: (229) 506-6876

Attorney: Coleman Talley, LLLP
910 North Patterson St., Valdosta, GA 31601
 Contact: Thompson Kurrie, Jr.
 Phone: (229) 242-7562

Lending Institution
 to Originate Mortgage
 Loan (if known): _____
 Contact: _____
 Phone: _____

Provider of Credit
 Enhancement on Mortgage
 Loan (if known): _____
 Contact: _____
 Phone: _____

Investment Banker for
 Bonds Publicly Offered
 (if known): _____
 Contact: _____
 Phone: _____

Purchaser of Bonds
 for Bonds Privately
 Placed (if known): Red Stone Financial, LLC
140 East 45th St., 15th Floor, New York, NY 10017
 Contact: Cody Langeness
 Phone: (212) 297-1800

(7) **ZONING:** Located in Tangipahoa Parish.
No current zoning regulation in place

(8) **UTILITIES:** All utilities are available on site.

(9) **FAIR MARKET VALUE** \$ 2,938,000
OF PROJECT PROPERTY: Specify date of most recent appraisal: August 19, 2011

(10) **FINANCIAL INFORMATION:** Amount

A. **SOURCES OF FUNDS:**

Bond Proceeds	<u>\$ 6,000,000</u>	<u>58.24</u> % Dev. Cost
Other Sources (list)		
<u>HUD Second Mortgage</u>	<u>\$ 2,553,593</u>	<u>24.79</u> % Dev. Cost
<u>LIHTC Equity</u>	<u>\$ 3,239,508</u>	<u>31.44</u> % Dev. Cost
<u>Reserves / Def, Fee/HOME</u>	<u>\$ 2,271,889</u>	<u>22.05</u> % Dev. Cost
TOTAL SOURCES OF FUNDS	<u>\$ 14,064,990</u>	

B. USES OF FUNDS:

- (1) LAND COSTS \$ 240,000 \$.5936 per sq. ft.
- (2) BUILDING ACQUISITION COSTS
(less Land costs) \$ 2,605,504 \$ 27,141 per D/U
- (3) CONSTRUCTION \$ 4,809,371 \$ 50,097 per D/U
(or Rehabilitation Costs)

(4) PROFESSIONAL FEES:

	<u>Amount</u>	<u>% of Total Funds</u>
Architectural	\$ <u>258,400</u>	<u>4.3</u> %
Engineering	\$ <u>30,000</u>	<u>.5</u> %
Legal:		
Counsel to Issuer	\$ <u>9000</u>	<u>.15</u> %
Bond Counsel	\$ <u>24000</u>	<u>.4</u> %
Special Tax Counsel (specify firm name)	\$ _____	_____ %
Other Legal (specify firm & purpose)	\$ _____	
_____	\$ _____	
_____	\$ _____	
_____	\$ _____	
_____	\$ _____	_____ %
_____	\$ _____	_____ %
Total Professional Fees	\$ <u>321,400</u>	<u>5.35</u> %

(5) UNDERWRITING:

Management Fee	\$ <u>30,000</u>
Sales Commission	\$ <u>8,400</u>
Underwriter's Counsel	\$ <u>12,000</u>
Net to Underwriters Expenses (list)	\$ _____

_____	\$ _____
Total Underwriting Fee:	\$ <u>50,400</u>

(6) COSTS OF ISSUANCE:

Printing	\$ _____
Publishing/Advertising/ Recording	\$ 4,200 _____
Rating Expense	\$ _____
Letter of Credit Fees and other credit expenses	\$ _____
Consultants	\$ _____
Insurance	\$ _____
Issuer's Financing Fees	\$ 6,000 _____
Trustee Bank's initial fee and expenses	\$ 6,600 _____
Other:	
Bond Commission Fees	\$ 7,800 _____
Accountant Verification	\$ 4,800 _____

(7) OTHER:

Pay down construction loan	\$ 3,762,100 _____
<u>SEE ATTACHED LIST</u>	\$ 2,246,815 _____
_____	\$ _____

TOTAL USES OF FUNDS \$ 14,064,990 * \$ 107,321 per D/U

* Per Unit Costs based on TDC net of Construction Loan Paydown

Amount of Permanent

Mortgage Requested \$ 2,237,900 _____

% 21.72
of Total Costs

* Total Costs is based on TDC net of Construction Loan Paydown

(11) **UNIT TYPES:**

All (100%) Units

Low Income Units

Unit Type	No.	Total Sq. Ft.	No. of Unit Types Set Aside for 50% or less Area Median Income		No. of Unit Types Set Aside for 60% or less Area Median Income		Total Sq. Ft.
1 BR	48	27,696	20		11,540	28	16,156
2 BR	36	31,932	15		13,305	21	14,658
3 BR	12	13,296	5		5,540	7	7,756
Other	_____	_____	_____	_____	_____	_____	_____
Total	96	72,924	40		30,385	56	42,539

Estimate Market Rents For
Non-Low Income Units:

<u>Unit Type</u>	<u>Total Units</u>	<u>Total Monthly Rent Per Non-LIU</u>	<u>Total Annual Rent of Non-LIU's</u>
Eff.	_____	_____	_____
1 BR	_____	_____	_____
2 BR	_____	_____	_____
3 BR	_____	_____	_____
Other	_____	_____	_____
Total	_____	_____	_____

(12) **CURRENT RENTAL COSTS AND RELOCATION PLAN:**
 (For Acquisition and/or Rehabilitation Projects Only)

<u>Unit Type</u>	<u>Monthly</u>	<u>Present Rent Annual</u>	<u>Sq. Ft./Month</u>
Eff.	_____	_____	_____
1 BR	\$22,798.75	\$273,585.00	\$.823
2 BR	\$20,880.00	\$250,560.00	\$.654
3 BR	\$7,848.00	\$94,176.00	\$.590
Other	_____	_____	_____
TOTAL	\$51,526.75	\$618,321.00	\$.707

Have interior and exterior photographs of Project been attached?

Yes No

Will any of the present tenants be displaced because of higher rents due to rehabilitation?

Yes No

If yes, approximately how many? _____

Is there a relocation plan? Yes No

Please briefly describe relocation plan (Submit detailed relocation plan when completed)

All current residents are being relocated and consolidated into about two-thirds of the existing property.

It is anticipated that there will be no permanent displacement.

(13) **VACANCY RATE:** The present vacancy rate in the general market area is 9.1 %.

(14) **AREA MEDIAN INCOME:** Median income in area according to HUD is 51,000.00.

(15) **ELECTION OF THE MINIMUM SET-ASIDE REQUIREMENT:**

The owner irrevocably elects one of the Minimum Set-Aside Requirements (Check one only):

At least 20% of the rental residential units in this development are rent restricted and to be occupied by individuals whose income is 50% or less of area median gross income.

At least 40% of the rental residential units in this development are rent restricted and to be occupied by individuals whose income is 60% or less of the area median gross income.

(16) **OPTIONAL ELECTION:**

The owner elects to occupy 15% or more of all low-income units by tenants with income of 40% or less of area median income and the average rent charged to tenants in residential market rent units is at least 300% of the average rent charged to low-income tenants:

Yes No

(17) **EQUAL OPPORTUNITY:**

Do you agree to provide equal opportunity to members of minority groups and to employ such groups in the Project's development in the roles of, including but not limited to, contractor, subcontractor, employee, laborer, agent, appraiser, or supplier?

Yes No

(18) **STATE BOND COMMISSION TENANT BENEFIT PROGRAM REQUIREMENTS:**

State Bond Commission Rule No. HS2-1993 "Rule Relative to State Bond Commission Multifamily Housing Applicants" provides as follows with respect to applications submitted to the State Bond Commission for new construction, acquisition and/or rehabilitation, or refunding of multifamily housing projects:

Multifamily housing applications must include defined tenant benefit programs for those units set aside for very low, low and/or moderate income families. Those applications that do not include such programs will not be docketed for consideration.

The staff of the State Bond Commission shall use the following criteria when evaluating defined tenant benefit programs.

A. Nonspecial Needs Multifamily Housing.

A developer shall select at a minimum two of the seven options listed below for the set-aside units.

1. Material Rent Differentials.

In order to be deemed material, a rent differential must satisfy the federal tax credit guidelines which specify that rent for set-aside unit should not exceed 30 percent of the imputed income limit for the set-aside unit.

2. Deposit Waivers and/or Application Fee Waivers.

Deposit or application fee waivers may be applied to either an application fee, a security deposit, or both.

3. Rent Cap.
Rent caps may be applied which limit the dollar and/or percentage of increase in rent upon renewal of a lease. Such rent caps must be equal to or less than one-half the scheduled rent increase for such lease renewal.
4. Rent Deferral.
Rent deferral programs would apply to those tenants which become unemployed during the term of their lease. Rent deferral programs can reschedule rent payments at reduced amounts or have a 100 percent deferral either until six months after the resident is no longer receiving unemployment compensation. This program may be funded with a reserve set aside for this specific purpose and clearly delineated in the bond documents.
5. Educational Programs or Other Socialization Programs.
These programs may include literacy or tutorial programs, re-education assistance for the unemployed or other such assistance which would increase opportunities for the targeted income class.
6. Day-care Related Programs.
These programs may either be located on site or subsidized off site day care centers. Programs may include after school care and/or supervision for the children of working parents.
7. Other such benefit programs as may be proposed by the developer, such as:
 - a. tenant security programs;
 - b. energy conservation programs.

B. Special Needs Multifamily Housing.

The commission recognizes the development of special needs housing for the elderly, disabled, homeless, etc., is essential to the welfare of the citizens of the State. Therefore, the criteria for the defined tenant benefit program shall be based on the total package to be offered to the special needs group, including, but not limited to the following:

1. Meals Programs.
Depending upon the special needs group targeted, this benefit can include one or more meals provided in a central dining area or some other meal program included as part of the total benefit package.
2. Transportation Assistance.
3. On-site Health Services.
4. Housekeeping.
5. Social Activities.

6. Trained and Certified Staff.

7. Rent Differentials.

C. Multifamily Housing in Qualified Redevelopment Areas.

The commission recognizes the importance of encouraging the redevelopment and/or revitalization of urban and inner city areas. Therefore, additional consideration will be given to the following:

1. A Qualified Redevelopment Area.

A qualified redevelopment area shall be defined by the governing authority of the local jurisdiction and as approved by the State Bond Commission.

2. Project Plan.

The project plan must include whether it is new construction or a redevelopment of an existing property. The plan must also include a defined tenant benefit package if the project targets a special income class. If the project requires the relocation of current residents, the plan must show how the relocation will be addressed.

Please include as Exhibit I a description of the Applicant's defined tenant benefit program. For your consideration, State Bond Commission Rule No. HS1-1993 provides the following definitions of income classes:

Very Low Income--households whose incomes do not exceed 50 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Low Income--households whose incomes do not exceed 80 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Moderate Income--households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Middle Income--households whose income are between 96 percent and 120 percent of the median income for the area, as determined and adjusted from time to time by HUD.

The schedule of income levels as published periodically by HUD will be used for purposes of this rule to determine income levels for particular areas of the state.

I certify that the information contained in this Project Summary and Application Package is true and accurate to the best of my knowledge.

Quick Blvd Apartments, LP

PROJECT OWNER

By:


Authorized Representative

Dated: 6/7/12