

**LOUISIANA  
HOUSING  
CORPORATION**

**BOARD OF DIRECTORS**

**Agenda Item #7**

**BRENDA EVANS, PROGRAM ADMINISTRATOR  
LORETTA WALLACE, PROGRAM ADMINISTRATOR**

**FULL BOARD MEETING MATERIALS**

**March 14, 2012**

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## **DECISION BRIEF:**

### **Request to add HRI as a co-developer for 2101 Louisiana Avenue located in New Orleans, Louisiana in Orleans Parish**

#### **Issue**

2101 Louisiana Apartments, LLC, 2475 Canal St., Suite 300, New Orleans, Louisiana 70119 is requesting the Louisiana Housing Finance Agency to approve the addition HRI Properties as co-developer to the project. HRI Properties will partner with the current developer, Neville Development, represented by James Neville in a joint venture entity to develop, finance and oversee construction and lease up of the development. 2101 Louisiana will be wholly owned by a subsidiary of UNITY of Greater New Orleans, Inc.

HRI Properties is on the development team of Iberville On-site which received a tax credit award of one million, five hundred thousand (\$1,500,000.00) during the 2011/2012 Funding Round. The developer limits established by the 2011/2012 QAP is two million (\$2,000,000). A waiver of the developer limit is required for the inclusion of HRI Properties to the project's development team

The development is located at 2101 Louisiana Ave., New Orleans, Louisiana 70115, Orleans Parish. Of the forty-two (42) units, twenty-one (21) units will be set aside for 40% to 50% AMI and twenty-one (21) units will have project based subsidy.

The project was awarded \$856,618 from the 2012 LIHTC credit ceiling in December 2011. In addition to the tax credit award, other sources of funding to be utilized in the construction of this development will be \$2,030,000 from NORA NSP Grant Funds. The total development cost is \$9,165,768 (\$169,899 per unit).

The forty-two (42) units being proposed consist of nine (9) studio and thirty-three (33) one bedroom public housing/LIHTC units.

The development is being constructed from a building that was flooded following Hurricane Katrina and remained closed following the flood. The building was purchased by UNITY of Greater New Orleans. Project amenities include a community center, washer and dryer in each unit, central air and heating and access to public transportation.

#### **Pros:**

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.
- The recommended action will enhance the housing stock for the citizens of Louisiana.

#### **Cons:**

- There is no allowance made in the QAP for a waiver of the developer limits.
- There is no reasonably similar instance where a waiver of the developer limit was allowed.

#### **Recommendation:**

Staff denied the request to add HRI as a co-developer to the project to the projects development team.