

**LOUISIANA
HOUSING
CORPORATION**

BOARD OF DIRECTORS

Agenda Item # 9

CHARLETTE MINOR, PROGRAM ADMINISTRATOR

FULL BOARD MEETING MATERIALS

May 9, 2012

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LOUISIANA HOUSING CORPORATION

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

RESOLUTION

A resolution approving the adoption of the recommended awards (attached Exhibit A, entitled “HOME 2011-2012 NOFA Recommended Awards List - Urban Rental Development and Rural Rental Development for the HOME 2011-2012 Notice of Funding Availability (NOFA) for (Urban Rental Development and Rural Rental Development) Projects; and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Finance Agency (the “LHFA” or the “Agency”), as authorized by the State of Louisiana, has the authority under the LHFA Act to administer HOME Funds; and

WHEREAS, on February 10, 2012, the LHFA issued a HOME 2011-2012 NOFA for the HOME Program to release \$16,433,848, which included the categories Urban Rental Development and Rural Rental Development Projects; and

WHEREAS, the Agency's staff has reviewed those responding to the HOME 2011-2012 NOFA for the HOME Program and has compiled HOME 2011-2012 NOFA Recommended Awards List for the Urban Rental Development and Rural Rental Development Projects (attached Exhibit A, entitled: “HOME 2011-2012 NOFA Recommended Awards List - Urban Rental Development and Rural Rental Development; and

WHEREAS, the Louisiana Housing Corporation (the “LHC”) was created by and pursuant to the Louisiana Housing Corporation Act contained in Chapter 3-G of the Louisiana Revised Statutes of 1950, as amended (R.S. 40:600.86 through R.S. 40:600.111) (the “LHC Act”), and pursuant to Section 1 of Act No.408 of the 2011 Regular Session of the Louisiana Legislature (the “Housing Reorganization Act”), the Board of Directors (the “LHC Board”) of the LHC assumed the powers, duties, functions and responsibilities of the LHFA Board of Commissioners, pursuant to an amendment of Section 600.4 of Chapter 3-A of the LHFA Act by the Housing Reorganization Act, providing that the LHFA Board was abolished and, as of midnight on December 31, 2011, the activities, authority, power, duties, functions, programs, obligations, operations and responsibilities and any pending or unfinished business of the LHFA have been assumed and must be completed by the LHC with the same power and authority as the LHFA pursuant to Section 4 of the Housing Reorganization Act.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Louisiana Housing Corporation, acting as the governing authority of the Louisiana Housing Finance Agency, that:

SECTION 1. The HOME 2011-2012 NOFA Recommended Awards List for Urban Rental Development and Rural Rental Development Projects (attached Exhibit A, entitled: “HOME 2011-2012 NOFA Recommended Awards List - Urban Rental Development and Rural Rental Development) is hereby approved for funding.

SECTION 2. The Agency's staff and counsel are authorized and directed to prepare such documents and agreements as may be necessary to fund the projects found on the HOME 2011-2012 NOFA Recommended Awards List for the Urban Rental Development and Rural Rental Development Projects (attached Exhibit A, entitled: “HOME 2011-2012 NOFA Recommended Awards List - Urban Rental Development and Rural Rental Development).

SECTION 3. The Agency is hereby authorized, empowered, and directed the ability as may be necessary to create, change, amend, and revise any existing documents and/or commitments as may be necessary to fund the projects found on the HOME 2011-2012 NOFA Awards List for the Urban Rental Development and Rural Rental Development Projects (attached Exhibit A, entitled: “HOME 2011-2012 NOFA Recommended Awards List - Urban Rental Development and Rural Rental Development).

SECTION 4. The Chairman, Vice Chairman, President, Vice President, and/or Secretary of the Agency are hereby authorized, empowered, and directed to execute any forms and/or documents required to be executed on behalf of and in the name of the Agency the terms of which are to be consistent with the provisions of this resolution.

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

YEAS:

ABSTAIN:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 9th day of May 2012.

Chairman

Secretary

**STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE**

I, the undersigned Secretary of the Board of Directors of the Louisiana Housing Corporation (the “LHC”), do hereby certify that the foregoing three (3) pages constitute a true and correct copy of a resolution adopted by said Board of Directors on May 9, 2012, entitled: “A resolution adopting the recommended awards (attached Exhibit A, entitled “HOME 2011-2012 NOFA Recommended Awards List - Urban Rental Development and Rural Rental Development for the HOME 2011-2012 Notice of Funding Availability (NOFA) for CHDO Development (Homeownership and Rental Development) and Continuous Projects; and providing for other matters in connection therewith.”

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 9th day of May 2012.

Secretary

(SEAL)

Louisiana Housing Finance Agency/ Louisiana Housing Corporation
HOME Funding Recommendation for Awards – HOME NOFA
URABN AND RURAL Rental Categories
FINAL TWO OF THE FOUR CATEGORIES APART OF NOFA

ATTACHMENT A

URBAN RENTAL CATEGORY

Category Amount: \$4,150,000.00

Project Number	Name of Project and Location	Final Score	Recommend Funding Amount	Cost per Square Foot/Unit
25	3222 Canal Street Apartment New Orleans, Orleans Parish Rehab 108 units	119	\$1,000,000.00	77.29/37,037
8	The Evangeline Apartments Shreveport, Louisiana Caddo Parish Rehab 52 units	109	\$ 520,000.00	51.25/22,242
41	Elm Drive Senior Housing Baton Rouge East, Baton Rouge Parish Rehab 60 units	108	\$1,000,000.00	66.93/42,836
32	The Studio LWG - Lafayette Rehab 15 units	107	\$1,000,000.00	154.33/104,941
9	Alabama Place - Rehab units Monroe, Ouachita Parish New construction 16 units	106	\$630,000	80.90/101,929
24	1840 Barrone Street – Rehab 10 units	97		
31	Brightside Place	92		
52	Bush Avenue	87		
	TOTAL		\$4,150,000	

*Total of all HOME Funds on existing units

RURAL RENTAL CATERGORY

Category Amount: \$6,000,000

Project #	Project Name:	Score	Recommended Funding Amount	Cost per Square Foot/ Unit Price
35	Tangi Village, Tangipahoa Rehab 60/24 units	122	\$1,500,000.00	66.03/50,160
46	Village Duchesne Apartments St. Landry - Rehab 70 units	116	\$1,497,000.00	63.50/28,936
63	James a. Herod, Vermillion New construction – 12 units	109	\$480,000.00	203.84/124,750
50	Park Ridge, St. Landry New construction – 12 units	102	\$592,000.00	140.63/126,563
22	Polk Place Apartments, Jefferson Davis – Rehab 12 units	101	\$629,000.00	47.00/36,817
13	Lefluer Landing III, Evangeline New construction – 8 units	93	\$1,302,000.00	95.24/85,714
47	Dyer Park, East Baton Rouge	92		
14	Fontenot Landing, Evangeline	91		
36	The Natchitoches Thomas, Natchitoches	89		
3	Magnolia Villas, Iberville	86		
	TOTAL		\$6,000,000.00	

Louisiana Housing Finance Agency HOME NOFA 2011-2012 Review Process

Urban and Rural Application Submission Recommendations

Louisiana Housing Finance Agency HOME NOFA 2011-2012 Review process

The Louisiana Consolidated Plan indicates eligible activities for funding to allocate annual HOME funds as provided by the U. S. Department of Housing and Urban Development (HUD) to Louisiana Housing Finance Agency (LHFA). LHFA released a HOME Notice of Funding Availability in accordance to the Consolidated Plan. The HOME funds intended for use in this NOFA, are those HOME funds subject to annual allocation received by the State and administered by LHFA.

The Louisiana Housing Finance Agency (LHFA) released the HOME Notice of Funding Availability (NOFA) for the HOME Funds 2010-2011- Second Release released Friday February 10, 2012. Deadline for application submission was on **Friday, March 16, 2012**. Nonprofit, for-profit organizations, and local units of government, were eligible to respond to the NOFA. The purpose of the NOFA was to expand the supply of affordable housing in all parish areas of Louisiana. The NOFA included guidelines and scoring criteria for prospective applicants for four funding categories:

- **CHDO Homeownership / Rental Development**
- **Rural Rental Development**
- **Urban Rental Development**
- **Continuous Projects**

1st Step

A total of **63 applications** were received. **The lists of applicants are included in Attachment A.** All applications submitted for consideration were initially checked to determine application completeness and if all required documents were included:

1. **Capital Needs Assessment** and/or
2. **Market Study.** (required for 10 units and more)
3. **Operating Performa**

Staff Members processed Step I

Charlette Minor, Program Administrator

Robert McNeese, HOME Manager

Agnes Chambers, NSP Manager

Joyce Jackson, HOME Housing Finance Specialist, III

Curtis Ferra, HOME Housing Finance Specialist, III

2nd Step– Test to meet HUD required regulations

1. **Subsidy Test** - A subsidy test was conducted on all rental and homeownership development application to determine if proposed units exceeded the maximum per unit subsidy amount. This is the maximum amount of HOME funds that may be invested in a project and are the 221 (d) (3) limits for elevator type projects established by HUD. This test also determines the After Rehab / Maximum Sale price limit. This part of the test determines the most that a single family ownership property can be sold for when assisted with HOME funds.

Staff Members assigned step

Sterling Colomb, HOME Housing Finance Specialist, III

2. **Cost Reasonableness Test (Used the RSM software; a national company that provides local pricing on construction cost)**

Staff Members

Curtis Ferra, HOME Housing Finance Specialist, III

3. **Application signed by authorized person**

All reviewers based on assigned categories

3rd Step - Review and Scoring

URBAN RENTAL PROEJCTS & RURAL RENTAL PROJECTS

Scoring – A Scoring review was conducted by criteria included in the NOFA. The scoring review team consisted of the following:

4th Step- Feasible and Viable (analysis conducted by HOME staff using the HUD template

Feasible and Viable analysis were conducted on all the Continuous and CHDO Rental Development & Homeownership on all eligible applications that met the scoring threshold to determine the amount of funding the rental/homeownership project should receive.

The following assumptions were considered for the feasible and viable analysis:

- Annual Income rental projection increase at 2%
 - Annual Expenses increases at 3%
 - Rental reserves set at \$300.00 per unit
 - Rental vacancies calculated at 7%
 - Analysis Sale/ Income and Debt Ratios (CHDO Homeownership)
- Staff Members: Robert McNeese, HOME & Charlette Minor,

SCORING

Applicants considered for recommendation had to meet required scoring threshold.

Each eligible application was required to have all Required NOFA exhibits and meet all NOFA requirements as outlined in the NOFA. The scoring grids are included in each category

Each member of the panel reviewed and scored each proposal according to the criteria as specified in the NOFA. Scores for each proposal were determined by averaging the scores from each reviewer.

Funding recommendations were allocated beginning with the top-scoring proposal in each category.

Urban Rental Projects – projects

1st Scoring Review

Alvin Johnson, Jr. HOME Supervisor
Edward Falgoust, NSP Supervisor
Felecia McCoy, NSP Housing Finance Specialist
Desiree Armstead, HOME Housing Finance Specialist

2nd Review

Charlette Minor, Program Administrator
Robert McNeese, HOME Manager
Agnes Chambers, NSP Manager
Alvin Johnson, Jr. HOME Supervisor
Edward Falgoust, NSP Supervisor

Rural Rental Projects - Projects

1st Scoring Review

Agnes Chambers, NSP Manager
Janelle Dickey, NSP Housing Finance Specialist
Demetria Farve, HOME Housing Finance Specialist
Joyce Jackson, HOME Housing Finance Specialist

2nd Review

Charlette Minor, Program Administrator
Robert McNeese, HOME Manager
Agnes Chambers, NSP Manager
Alvin Johnson, Jr. HOME Supervisor
Edward Falgoust, NSP Supervisor

RECOMMENDED AWARDED PROJECTED AFTER SCORING

URBAN RENTAL CATEGORY

Category Amount: \$4,150,000.00

Project Number	Name of Project and Location	Final Score	Recommend Funding Amount	Cost per Square Foot/Unit
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	TOTAL		\$4,150,000	

*Total of all HOME Funds on existing units

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	TOTAL		\$6,000,000.00	

Louisiana Housing Finance Agency HOME NOFA 2011-2012 Review process | 6/1/2011

ATTACHMENT B –

**LIST OF DEVELOPMENT NOT RECOMMENDED FOR AWARD FOR THE UNDER
THE URBAN AND RURAL RENTAL HOME NOFA 2011-2012**

Project Number	Name of Project	In-eligible reason
	RURAL RENTAL	
2	Lake Gardens	Scored below required threshold
19	Country Living Apartments	Scored below required threshold
33	Bayou Oaks Homes	Scored below required threshold
39	The Cottages at Angel Manor	
	URBAN RENTAL	
10	Senior Residence of Baton Rouge	Scored below required threshold
07	Sonshine Community	Scored below required threshold
53	Scotlandville Townhomes	Scored below required threshold

Review process | 6/1/2011

Louisiana Housing Finance Agency HOME NOFA 2011-2012

LA-FY12 Allocations

KEY	CNSRTKE	STA	NAME	CDBG12	HOME12	ESG12
220030		LA	Alexandria	\$476,492	\$209,816	\$0
220126		LA	Baton Rouge	\$3,232,928	\$1,294,260	\$324,899
220192		LA	Bossier City	\$430,093	\$0	\$0
220828		LA	Houma-Terrebonne	\$881,699	\$289,306	\$0
229051	22C122	LA	Jefferson Parish	\$2,506,850	\$1,157,201	\$280,045
220924		LA	Kenner	\$456,688	\$0	\$0
220954		LA	Lafayette	\$1,210,721	\$468,842	\$0
220978		LA	Lake Charles	\$656,150	\$322,235	\$0
229999		LA	Louisiana Nonentitlement	\$20,817,250	\$8,240,993	\$2,847,783
221206		LA	Monroe	\$705,448	\$260,502	\$0
221296		LA	New Orleans	\$10,830,104	\$1,590,094	\$1,291,505
221650		LA	Shreveport	\$1,788,835	\$772,472	\$203,221
221698		LA	Slidell	\$164,895	\$0	\$0
229103		LA	St. Tammany Parish	\$1,053,611	\$0	\$0
221794		LA	Thibodaux	\$142,236	\$0	\$0