Louisiana Housing Corporation

2025 QUALIFIED ALLOCATION PLAN

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Section I - Introduction

The Louisiana Housing Corporation (the "Corporation" or "LHC") is the "housing credit agency" for the State of Louisiana. As the State's housing credit agency, LHC allocates low-income housing credits (LIHTCs) available through the State's annual housing credit ceiling each calendar year to qualified low-income housing projects. LHC also allows LIHTCs to be made available to qualified low-income housing projects financed with tax-exempt bonds subject to volume cap made available by the Governor of the State of Louisiana. LIHTCs must be allocated or allowed in accordance with a "qualification plan" as defined at Section 42(m)(1)(B) of the Internal Revenue Code of 1986, as amended ("Code"). LHC is responsible for coordinating the adoption of the State's annual qualified allocation plan (QAP) required by Section 42(m)(1)(B) of the Code, including adoption of this 2025 QAP.

The Corporation intends to maximize the production of decent, safe, affordable, energy efficient residential rental units to be added to the State's housing supply through the allocation and allowance of LIHTCs under this 2025 QAP. The Corporation also intends to limit the loss of existing affordable residential rental housing by providing incentives in the 2025 QAP to preserve the current stock of affordable rental housing units and by requiring all applicants for LIHTCs to waive their right to submit a request for a qualified contract as a condition of receiving an allocation or allowance of LIHTCs.

This 2025 QAP reserves LIHTCs and other Corporation funding resources for the development of sustainable affordable rental housing with an increased focus in the following key areas:

1 a robust cost containment policy for all tax credit and bond funded projects;
2 increased housing opportunities for seniors and single parent household units; and
3 an enhanced focus on assistance for victims of domestic violence.

The 2025 QAP serves as the controlling document for the award of all other Corporation funding resources used in combination with LIHTCs. LHC now requires asset management oversight of qualified low-income housing projects combined with other Corporation funding resources. Such asset management oversight will require completion of a Lien Payment Priority Spreadsheet, an application model as determined by LHC, and an electronic requisition form to process requisitions of Corporation funding advances during the construction through construction completion and final audited cost certification.

The Corporation retains the right to amend, modify or withdraw any QAP provision that is inconsistent or in conflict with state and federal laws and/or regulations.

LHC will amend the QAP as required by the promulgation or amendment of the Regulations and to meet the public purpose policies of LHC. Any such amendment is expressly permitted by the Qualified Allocation Plan, and the making of such amendments will not require further public hearings.

Section II - Available Sources

A. Division of Available LIHTCs

There will be one (1) funding round for allocating the 2025 Housing Credit Ceilings. LHC will award applications with the highest score from each Pool below using the Selection Criteria in **Appendix A.** LIHTCs available in such pool will be awarded to the next highest ranked application only if the available credits for such application are sufficient for the project's feasibility and viability; otherwise, the available LIHTCs will be made available to the next highest ranked application that will be feasible and viable with the remaining available LIHTCs in the pool.

1. **Qualified Non-Profit/CHDO Set-Aside**: At least ten percent (10%) of the state's LIHTC housing credit ceiling will be allocated to qualified low-income housing projects involving material participation by a "qualified nonprofit organization" ("Non-Profit") as defined at Section 42(h)(5) of the Code. LHC will award LIHTCs to the highest scoring qualified low-income housing projects using the applicable Pool Selection Criteria until all the Qualified Non-Profit/CHDO Set-Aside has been exhausted.

Qualified Non-Profit Pool/CHDO Pool Applications must include the following documentation:

IRS 501(c)(3) or 501(c)(4) Determination Letter of non-profit organization;

Articles of Incorporation and Bylaws of non-profit organization;

CHDO approval letter from participation jurisdiction if applying as a CHDO, and evidence that one of more employees of the CHDO has demonstrated development experience;

Non-profit Participation Information as required by the Application;

Development Services Agreement evidencing that Qualified Non-Profit or CHDO will receive at least fifty-one percent (51%) of the Developer Fee; and

A resolution from the Non-Profit or CHDO's Board of Directors that includes language authorizing the Non-Profit or CHDO to apply for LIHTCs under the 2025 QAP in partnership with another entity (if applicable) to develop and own the affordable rental housing.

2. **Rural Rehabilitation Pool:** Reserved for Applications proposing the acquisition and rehabilitation of existing housing in rural areas of the state.

3. **Rural New Construction Pool:** Reserved for Applications proposing new residential construction in rural areas of the state.

4. **Urban Rehabilitation Pool:** Reserved for Applications proposing the acquisition and rehabilitation of existing housing in urban areas of the state in the following eligible Parishes: Caddo; East Baton Rouge; Calcasieu, Jefferson; Lafayette; Orleans; Ouachita and St. Tammany.

5. **Urban New Construction Pool:** Reserved for Applications proposing new residential construction in housing in urban areas of the state in the following eligible Parishes: Caddo; East Baton Rouge; Calcasieu, Jefferson; Lafayette; Orleans; Ouachita and St. Tammany.

6. **Choice Neighborhood Initiative (CNI):** A maximum of $3,000,000 of LIHTCs may be reserved for projects located in a designated CNI area. LIHTCs will be awarded to a CNI project that meets all of the following criteria:
    a. Project must be located within a targeted census tract identified by the local governmental unit for revitalization.
    b. Local plan has been submitted with the Application that identifies the specific census tract within which the project is located that is also within the area designated as a CNI.
    c. Evidence must be submitted with the LIHTC application showing the commitment of federal and state resources to provide non-housing infrastructure, amenities and services beyond the LIHTC development.

Elderly Housing Set-Aside: Other Corporation funding sources are not currently specifically set aside for qualified low-income housing projects serving elderly populations; however, LIHTCs for qualified low-income housing projects serving elderly populations will be funded, one in Rural Areas and one in urban areas, provided that qualifying applications are received.

7. **Remainder:** LIHTCs not awarded due to inadequate requests among eligible applications in established pools will shift to other pools in Urban Areas or Rural Areas, respectively . Except for LIHTCs in the

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Qualified Non-Profit Pool/CHDO Pool, any LIHTC pool balances remaining after awards from Urban Pools and Rural Pools will be transferred to a Statewide pool.

Per Capita Credits Only

ALLOCATION POOLS	AMOUNT AWARDED
Nonprofit/CHDO	$1,500,000
Rural Areas	$2,250,000 Rehab Sub-Pool
	$2,250,000 New Construction Sub-Pool
Urban* Areas	$2,000,000 Rehab Sub-Pool
	$2,000,000 New Construction Sub-Pool
Choice Neighborhood Initiative (CNI)	$ 3,000,000
Total	**$13,000,000**

Urban Areas: EBR, Orleans, Caddo, Ouachita, Calcasieu, Lafayette, St. Tammany, Jefferson

Note: Application submissions whose project units evidence a combination of both Rehab and New Construction for Rural areas, will only be placed in the Rural New Construction Pool if the percentage of New Construction units exceeds 50 percent of the project's total number of units.

B. Maximum LIHTCs

1. **LIHTC Per Project Cap:** The maximum LIHTCs from the housing credit ceiling that any single project may receive based upon competitive selection criteria is $1,000,000 for projects located within rural parishes and $1,500,000 for projects located within the 8 metropolitan parishes.

2. **LIHTC Per Developer Cap:** No Developer, including related persons thereof or agents thereof or any person having an identity of interest with any such Developer, related persons thereof or agents thereof or any combination of the foregoing shall be reserved competitive LIHTCs from the housing credit ceiling in excess of $2,000,000 for rural parishes and $3,000,000 for metro parishes. No single developer will be awarded credits in excess of $3,000,000.

   A Developer that has never been issued a Form 8609 is eligible to receive only one (1) award for the 9% funding round.

C. Basis Boost Determination

Projects with competitive LIHTCs from the housing credit ceiling may qualify for a 30% basis boost if located in Qualified Census Tracts (QCTs); Tribal Census Tracts (TCTs); or if located in either a federally declared disaster area, a Difficult Development Area (DDA) or a Census tract where the AMI meets or exceeds 100% for the area as determined by the Federal Financial Institutions Examination Council (FFIEC) www.ffiec.gov.

Projects financed with tax exempt bonds located in a QCT or DDA are eligible for up to a 30% basis boost.

Section III - Application Process and LHC Fees

A. Process for All Applications

Application and Analysis fees are not refundable and must be computed in accordance with the Non-Refundable Fee Schedule specified within this section. Fees may be paid by cashier's check, electronic wire transfer, or money order only. Applicants may not submit separate applications for LIHTCs from a calendar year housing credit ceiling for a multiple phase project in the same application cycle.

Cashier's checks and money orders should identify the project for which they are being submitted and, if mailed to the LHC, should be addressed as follows:

Louisiana Housing Corporation
Attn: Rental Production - Competitive Round
2415 Quail Drive
Baton Rouge, LA 70808

For Information regarding Electronic Wire Transfers please contact staff @ qapcomments@lhc.la.gov .

The wire date and confirmation/reference number should be e-mailed to qapcomments@lhc.la.gov .
All LIHTC applications must use the established Electronic Underwriting Application process. By submitting an application, applicants agree to conduct transactions with the LHC by electronic means and for LHC to transfer the electronic application to its service providers.

If you require special services or accommodations, please submit your request via e-mail to qapcomments@lhc.la.gov with "Accommodation Request" in the subject line.

LHC will disqualify Applications if:

- the sender or its informational processing system inhibits the ability of LHC to print or store the electronic application;
- the underwriting application is not submitted in Excel format, is incomplete, or has been unlocked/copied/tampered with;
- the application is not in a form capable of being processed by LHC's system;
- an applicant does not create a unique ID and password or provide a valid email address.

Community Notification:

An Applicant must include with the LIHTC Application evidence that a Public Notice was published in a local newspaper having general circulation in the city, town, township or municipality of the proposed development area **AND** in the official journal of the local governing authority three (3) separate times within six (6) weeks of application submission. The notice must be published in the legal section of the paper and may not be published **only** in the online edition of the newspaper. The Applicant must provide evidence of the notification by documentation of certified mailing receipts showing that the applicant has submitted correspondence regarding the application to the Mayor and the Chair or President of the local governing authority where the project is located**. *Please note that notifications sent via email will NOT be accepted.**

NOTE: For projects utilizing Tax Exempt Bond Financing, proof of public notice must evidence that the notices ran within 60 days prior to application submission.

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A list of acceptable local newspapers and official journals of local governing authorities is posted on the Corporation's website. If any applicant proposes to submit an application in an area not listed or covered, a written request for additional information must be submitted by no later than Friday, February 21, 2025 at 4:00 p.m. CDT to qapcomments@lhc.la.gov .

This notice must include:

- The name of the project owner;
- The project name;
- The project address or location;
- The maximum number of units;
- The mix of units;
- The nature of the project (i.e., new construction or rehabilitation, elderly or family, etc.,) and construction type and occupancy type, along with proposed community facility and supportive services;
- Statement that the project is competing for 9% Tax Credits from the state housing credit ceiling (or applying for an allowance of LIHTCs pursuant to a tax-exempt bond financing) to be allocated by Louisiana Housing Corporation; and
- Total development cost listing all funding sources and amounts.
- Include contact information (proposed taxpayer name, contact person, phone number or email address) for the public to submit question/comments.

LHC may request and retain all original documents submitted electronically in the application. An applicant's failure to provide original documents within 72 hours after receiving the Corporation's written request will result in an automatic disqualification. Materials contained in LIHTC applications are subject to the requirements of the Louisiana Public Records Request law (*La R.S. 44:1 et seq.*).

B. 9% Competitive Application Process

1. **Pre-submission Requirements:** The following must be submitted on or before, **Monday, March 24, 2025 by 4:00 p.m. CDT (No final application will be considered without receipt of a pre-submission packet by the required deadline):**
   - Letter of Intent to Apply
   - Map & either Municipal/9-1-1 Address or Legal Description of the property site(s)
   - Market Study Checklist
   - Location Characteristics
   - Market Study Fees

2. **Final Submission Requirements:** The following must be submitted on or before **Friday, May 30, 2025 by 4:00 p.m. CDT**:
   - Underwriting application
   - Application Fee
   - Analysis Fee
   - Evidentiary materials to support the appendices in the underwriting application, the Threshold Requirements and all financial commitments
   - Evidentiary materials to support the Selection Criteria items
   - Threshold information, if applicable, any additional material upon request only
   - Cost Containment Template
   - Lien Payment Priority Spreadsheet (Projects funded with LHC soft funds)

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Applications not received on or before the specified deadline(s) or submitted by means other than the established Electronic Underwriting Application process (including via email) shall be disqualified.

LHC performs a completeness check solely in order to determine whether any materials required under this Section III B. or under the threshold items described in Section IV are missing and/or incomplete. The completeness check does not include a review of any point scoring items, any material environmental items (except to the limited extent described in Addendum B) or any other item not specifically described in this paragraph.

QAP 2025 Program Schedule		
Date	**Applicant**	**LHC**
January 8, 2025		Update of Draft QAP to Board of Directors
January 17, 2025		2025 Draft QAP Posted on LHC website
January 20-24, 2025	Written Comments	Statewide Publication of Revised Draft for Public Comment and Public Hearing Notice
February 10, 2025		Public Hearing for QAP
February 12, 2025		Presentation of Staff Recommendations, Adoption of Final QAP and Submission to the Governor for Signature
February 14th-21th 2025	Written FAQs	FAQ period
February 28, 2025		FAQ Responses Posted
March 7, 2025		QAP Workshop
March 24, 2025	Pre-submission Packet and Market Study Fees along with location characteristics	
May 30, 2025	Submission of the Application and Analysis Fees, Underwriting Application, Financial Commitments, Evidentiary Materials to support the Appendices and the Selection Criteria	
July 9, 2025		Proposed Projects for Underwriting presented to the Board of Directors
September 24, 2025		Score Reconciliations Provided to Developers
September 30, 2025	Deadline to Submit Written Request for Appeal of Reconciled Score	
October 8, 2025		Approval of Final Rank, Scoring and Reservation of LIHTCs

3. **Evaluation of Competitive Applications:** Aggregate rankings or scoring under Appendix A does not guarantee an award of LIHTCs to a particular project. During the application review process and throughout the allocation process, LHC utilizes sound and reasonable judgment and exercises discretion consistent with sensible and fair business practices. Notwithstanding a Project's score, LHC is not obligated to reserve LIHTCs for a Project.

a. **Notice to Applicant:** LHC will not provide information as to the Application's processing status.
b. **Joint Review:** LHC may conduct joint reviews with or obtain information from other funding sources.
c. **Ownership of Applications:** LHC is the owner of all LIHTC Applications.
d. **Communication with Contact Person:** LHC staff will communicate only with the contact person listed as the contact person in the Application. LHC will disregard information received from persons other than the contact person unless such information is submitted in response to a staff request of such person.
e. **Corporation's Request for Supplemental Data and /or Clarification:** LHC may request supplemental data.
f. **Score Reconciliation:** LHC will provide each developer a reconciliation of their scores by no later than 4:00 p.m. CST on September 24, 2025.
g. **Appeals: Appeal requests must be specific as to the decision being appealed. An applicant may only appeal its own application; thus, no applicant can appeal any determinations of another applicant's application.** Upon receipt of the reconciliation of the score, the developer may request an appeal in writing by no later than September 30, 2025. LHC will present appeals to a review panel. The review panel will review only staff scoring decisions, not underwriting feasibility issues. LHC may reject any appeal requests for applications not reasonably positioned to receive an award.
h. **Tie-breaking Procedures:** In the event of a tie between applications for which there are insufficient LIHTCs to award each, LHC will use the following tie-breaking criteria:
    iii. The lowest amount of LIHTCs.
    iv. Earliest application submittal.
i. **Reservations Pursuant to Qualified Allocation Plan and Federal Regulations:** The Corporation may make, revise, rescind or withdraw any reservations or allocations.
j. **Waiting List:** LHC will place all unfunded applications meeting the minimum threshold in statewide rank order on the approved waiting list. The 2025 waiting list shall remain active until either the next QAP is approved, or until such time as the LHC Board of Directors takes any other action affecting the waiting list.
k. **Prohibited Contact:** LHC will disqualify individuals, entities, developers and their staff and/or agents and representatives for making any contact with LHC staff or Board members regarding the competitive funding round between the initial submission deadline and the end of the appeal period. Any questions concerning the QAP and/or its policies and processes must be submitted via email to qapcomments@lhc.la.gov.

C. Tax- Exempt Bond Financing and 4 Percent Housing Credit

Applicants requesting to finance projects with tax-exempt bonds must complete (i) a separate bond and underwriting application, (ii) the Cost Containment Template, and (iii) if other LHC funds are requested, a Lien Payment Priority Spreadsheet. Applications for bond financed projects may be submitted at any time during the calendar year but must be submitted to the Corporation at least sixty (60) days in advance of the meeting at which such project will be subject to approval by the Corporation's Board of Directors in accordance with the latest approved QAP.

A public hearing must follow a Notice of Public Hearing published at least fourteen (14) days prior to the hearing in a newspaper of general circulation within the parish where the project is located. Such a Public Notice must specify the number and percentage of low-income units if the project contains fifty (50) or more units or, if not specified in the Public Notice, the governing authority of the jurisdiction in which the Project is located must approve the number and percentage of low-income units.

LHC may require a legal opinion stating that the development is eligible to receive a LIHTC allocation.

While an award of 4% Credits is not competitive, LHC will verify that all projects have the appropriate development team in place, meet all threshold requirements, and meet LHC's underwriting requirements. LHC has the final determination concerning eligibility of a project for a LIHTC award and may reject an application for failing to meet threshold requirements. LHC's Program Counsel will prepare and/or review and approve all Section 42(m) letters evidencing the allowance of 4% LIHTCs.

A representative of the developer or Management Company must meet with the LHC-specified staff within six months following issuance of the 42(m) letter.

D. Non-Refundable Fee Schedule

The following non-refundable fees govern the application processing, reprocessing and reservation of LIHTC and the fees to monitor and report compliance or non-compliance. The following non-refundable fees must be paid either with a wire transfer, money order or certified check. LHC will return any other form of payment and disqualify the application.

Application Fee	
1 to 4 units	$100.00
5 to 32 units	$1,000.00
33 to 60 units	$1,500.00
61 to 100 units	$2,500.00
Over 100 units	$5,000.00

Analysis Fee	
1 to 4 units	$100.00
5 to 32 units	$1,000.00
33 to 60 units	$1,500.00
61 to 100 units	$2,500.00
Over 100 units	$5,000.00

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Market Study Fees
$4,800.00

Reprocessing Fee	
1 to 4 units	$50.00
5 to 32 units	$500.00
33 to 60 units	$750.00
61 to 100 units	$1,250.00
Over 100 units	$2,500.00

Credit Award
5% of Credit Reserved

Return/ Reallocation
5% of Reallocated Credits

Subsidy Layering/Placed In Service Review Fees (Note: If HUD or RD Housing Assistance or other government assistance is provided to a Project, a Subsidy Laying Review is required in addition to the Placed In Service Review)	
Subsidy Layering Review	¼ Analysis Fee
Placed In Service Review	$250.00

Note: Placed In Service review is for each resubmission and/or resubmission of Financing Certification, Syndication Certification, and/or the audited cost certification.

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Annual Compliance/Monitoring Fee (Applicable To All Units In The Project)	
Project Size	**Fee**
Per unit	$40.00

Section IV - Threshold Requirements

Applications which fail to meet threshold requirements are ineligible. Unless otherwise noted, projects with tax-exempt bond financing must also meet all threshold requirements. All 4% Applications must be accompanied by the Cost Containment Template. All Applications requesting LHC soft funds are required to submit a Lien Payment Priority Spreadsheet. The Cost Containment Template is intended to identify costs based upon threshold requirements, selection criteria chosen, and other factors that increase costs above the HUD limits for moderately designed housing. The Cost Containment Template will be submitted to the State Bond Commission for all projects financed with tax-exempt bonds. The Lien Payment Priority Spreadsheet is intended to identify the proposed layers of mortgage liens and payment priorities during both the construction loan period and the permanent loan period of a project and the position of the mortgage associated with the additional LHC funds requested to accompany the LIHTC request.

A. Project Threshold Requirements

1. **Resiliency Construction Requirements for Tier 1 & Tier 2 Parishes**

To enhance the durability and long-term sustainability of affordable housing developments in high-risk areas, all LIHTC projects located in Tier 1 and Tier 2 parishes must incorporate the following fortified construction measures:

1. **Roofing** – Must meet IBHS FORTIFIED Roof™ standards, including sealed roof decks and wind-rated shingles.
2. **Windows & Doors** – Must be impact-resistant or have hurricane-rated shutters that meet ASTM standards; garage doors, if applicable, must meet wind-load requirements.
3. **Verification** – A licensed architect or engineer must certify compliance.

2. **(New Construction Only):**

a. The building footprint (for buildings with residential units) should not be located within or partially within the Special Flood Hazard Area ("SFHA"). Parking is not required to be at or above the building elevation requirements.

Please refer to the below "Limited Special Flood Hazard Area Exceptions" for projects located in a SFHA.

b. The building footprint may be in Zone B or X-Shaded (500-YR); however, all building mechanicals and finished residential floors must be built at elevations of no less than three feet above the higher of (a) the lowest point within the building footprint, or (b) the nearest road centerline.

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c. Irrespective of FIRM designation, the application must clearly establish whether the proposed building footprint experienced flooding in the 2016 Great Floods; if the footprint was flooded, the plan must clearly address how such risks are mitigated, either through elevation above the Base Flood Elevation (BFE), flood proofing, or both.

Limited Special Flood Hazard Area Exceptions:

New Construction/Redevelopment

This limited Special Flood Hazard Areas (SFHA) exception will apply only to new construction developments funded under this QAP.

Special Flood Hazard Areas (SFHAs) are areas that are at the greatest risk of flooding, mudflow, or flood-related erosion. High-risk areas are identified as a Special Flood Hazard Area (SFHA) on FEMA maps and are labeled as Zones A1-30, AE, AH, AO, AR, or A99 as defined by HUD. However, for this funding round, LHC will consider new construction projects in zones designated as Special Flood Hazard Areas (SFHA). This limited exception will apply only to zones labeled as AE or a zone of lower flood risk. Flood Zone AE is a newer version of what used to be Flood Zones A1-A30. The zones have a BFE that is used to determine the rate in FEMA's Flood Insurance Rate Map (FIRM). These areas are subject to a 1% chance of flooding annually and are mandatory flood insurance areas. Zones designated as "high risk" zones such as AH, AO, V, and VE are deemed unsuitable for new construction projects and will not receive funding consideration. In addition, any structure built in an area designated as a Special Flood Hazard Area must maintain a flood insurance policy throughout the affordability period and must adhere to Fortified Roofs, windows, and doors. However, for communities designated by FEMA as "high Risk" for flooding or zoned as A1-30, AE, AH, AO, AR, or A99, LHC may consider new construction projects under limited circumstances. LHC will review each proposed project for feasibility, cost reasonableness, and the affordable housing needs of the project area. LHC reserves the right to deny funding to any project in a SFHA where LHC determines the risk for repetitive loss outweighs the need for affordable housing.

New Construction Projects proposing new construction on sites within the Special Flood Hazard Areas (SFHAs) must submit a site plan that clearly indicates all of the following:

- The FEMA-determined elevation of the floodplain or floodway;
- The elevation of the lowest floor level in the proposed buildings; and
- The location of the proposed buildings.

In addition, all project proposals must include a FEMA floodplain map covering the Project area with the boundary of all Sites clearly delineated. FEMA floodplain maps can be obtained from the FEMA website. Proposals must also indicate the long-term risk of flooding of the proposed site(s) using the online resource for flood risk, Flood Factor. For each project site(s), please indicate long-term risk as indicated by Flood Factor's rating for the address: Minimal, Minor, Moderate, Major, Severe, or Extreme. In addition, for projects in designated wetlands to proceed, Project Teams must provide a narrative discussing planned site-

or building-level mitigation measures as well as wetland mitigation plans and an Army Corp of Engineers permit where necessary. Any approved structure(s) built in a special flood area must be a minimum of 5 feet above the FEMA base flood elevation.

Rehabilitation Projects:

If any portion of a Site is located within the SHFA floodplain or floodway, the Project Application must include one or both of the following as applicable: Rehabilitation Projects proposing the rehabilitation of existing buildings on Sites within the one percent (1%) floodplain or floodway must submit a site plan that clearly indicates all of the following:

- The historic frequency of flooding and flood-related repairs;
- The FEMA-determined elevation of the floodplain or floodway;
- The elevation of the lowest floor level in the existing buildings;
- The location of the existing buildings; and
- Evidence that the Site is enrolled or is eligible to enroll in the National Flood Insurance Program.

Note: Projects involving the rehabilitation of existing buildings on Sites located in the one percent (1%) floodplain or floodway will ONLY be permitted if the lowest existing floor elevation of each building in the floodplain is at least three (3) feet above the FEMA designated floodplain elevation.

3. **30% AMI and Target Population:**
   Projects must set aside at least 5% of units for households with incomes at or below 30%. AMI and agree to give preference to Veterans, Disabled and Elderly persons on the PHA waiting list if they satisfy the requirements of the Project's Management and/or Operating Plan.

4. **Site Control:** Site control is required at the time of application and may be documented by a purchase agreement, an option to purchase, an extended term lease, or a valid title in the name of the taxpayer or developer. The application submission must identify the site locations and ensure that the site will not have any impediments or require extraordinary costs to develop the site.

5. **Zoning:** Appropriate zoning is required at the time of application and must be evidenced by submitting the following:
   a. an official local jurisdiction map that the site is zoned for the proposed project type.
   b. a signed letter from an official of the jurisdiction stating either that (i) the proposed project is consistent with existing zone requirements or (ii) changing the existing zoning requirements to permit the project will be completed no later than the date for LIHTC reservations.

   ***Please note that notifications sent via email will NOT be accepted.**

6. **Infrastructure:** Evidence of the following:
   a. *Utilities*: electrical, water and sewer lines available to the property site.
   b. *Transportation*: Evidence that reasonable transportation services are currently proximate to the site, or if no such transportation services exist, a narrative statement of how tenants will access commercial, educational, recreational and other services upon completion of the project.
   c. *Educational Facilities*: (i) primary educational facilities are reasonably available to school-age children of tenants if the project is for family units, and (ii) notification to the local public school system about the estimated prospective population count of school age children when the project is placed in service.

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7. **Environmental Review:** All projects involving use of existing structures must submit an Environmental Restrictions Checklist completed by a professional licensed to conduct environmental testing. The owner must mitigate or abate any finding of environmental hazards in accordance with an Operating and Maintenance Plan, including training on-site personnel. Costs associated with environmental hazard mitigation or abatement must be included in the project's budget.

8. **Negative Neighborhood Features:** New Construction Projects must not be within a half-mile radius of any of the following incompatible uses listed with the exceptions of Towns or Cities with a population of 15,000 or less. The following incompatible uses cannot be adjacent to any new construction projects in the following parishes: East Baton Rouge, Jefferson, Orleans, St. Tammany, Caddo, Lafayette, Calcasieu and Ouachita.

Junk yard/Dump	Pig/Chicken Farm
Processing Plants	Distribution Facilities
High Voltage Substations	Airports
Solid Waste Disposal	Salvage Yard
Heavy Industrial	Prisons

9. **Tenant Referrals from LHA/OCD, PHAs:** Owners must market to and rent to low income households referred by the LHA/OCD, and/or the local PHA if the tenants satisfy the requirements of the Project's Management and/or Operating Plan.

10. **Minimum Internet/Cable Capacity Requirements:** All units must be equipped with networks to provide cable television, telephone and internet access in the living area and each bedroom. Tenants must be able to access and activate the following networks (combined or distinct):
    - telephone network installed for phones using CAT5e or better wiring,
    - network for data installed using CAT5e or better, networked from the unit back to a central location or similar configured wireless network and television services network using COAX cable. Network must support broadband/high speed internet connection(s).
    - The wiring for such networks should be available to tenants free of charge. Owners may charge tenants its actual fee incurred for activating and making available any services provided directly by the Project or through third party providers. The equivalent of wireless network access is acceptable.

11. **Energy Efficiency**:
    Rehabilitation projects are not required to adhere to the minimum energy efficiency requirements unless:
    i. The Capital Needs Assessment requires replacement of the item;
    ii. The Applicant chooses to replace an item; or
    iii. The Corporation, in consultation with the Corporation's contracted underwriter, determines that an early replacement of an item with a more energy efficient system substantially improves the quality of life for residents with substantial benefits attributable to reduce deposits to reserves for replacement and/or reductions in operating expenses.

12. **Design Features:** All projects must meet the following design features:
    i. All projects must have a 15 year or more maintenance-free exterior, such as brick, stucco, fiber-cementitious material or other Corporation-approved acceptable durable materials. The use of other durable materials is subject to review by the Corporation's Construction Department or a designated architect. Vinyl siding is not an acceptable material within 6' of finished grade (it can be allowed in recessed porches where protected from sunlight). If vinyl siding is used, it must meet a wind standard

rating of 186-210 mph. Vinyl siding cannot exceed 20% of total wall area on any building. Vinyl is allowed on soffit area as long as it meets the wind criteria.

ii. All projects must have at least a 25 year roof warranty.

iii. All projects must have at least double paned, insulated windows.

iv. All projects must obtain certification by IBHS or qualified Architect for "Fortified Roof".

13. **Flood Requirements:** All projects located in the Special Flood Hazard Area (SFHA) must meet the National Flood Insurance Program (NFIP) criteria in 44 CFR 60.3, elevating at a minimum to the Base Flood Elevation indicated in the applicable Flood Insurance Rate Map (FIRM) and/or Flood Insurance Study (FIS). Projects must also meet all local standards for floodplain management. Applicants must provide a finished construction Elevation Certificate and, if located inside a levee protected area, an Architect's certification.

14. **Rehabilitation Projects:** Rehabilitation projects must submit a capital needs assessment which specifically addresses the current Federal Emergency Management Agency (FEMA) and NFIP Guidelines. Rehabilitation of a historic property in a local historic, state cultural, or National Register Historic District must be rehabilitated in accordance with the Secretary of the Interior's Standards for Historic Rehabilitation.

15. **Historic Rehabilitation Projects:** Applications for historic rehabilitation projects must include evidence of an approved Part I from the Louisiana Office of Cultural Development Division of Historic Preservation (Part II will be due at carryover) and any information concerning waivers from minimum project requirements. If a historic structure undergoing substantial improvement (per the NFIP definition) is not being elevated, the application must document that the historic designation will be maintained after completion.

16. **Projects with Federal Funds or Insurance:** LHC will reserve LIHTCs to projects receiving federal funds or insurance under a federal program only after the federal agency advises the LHC in writing that it has no objections.

17. **Legal Description of Project Property Site:** Applications must include a legal description and map including parish, municipality, subdivision, tracts, section, ranges, boundaries, directions and measurements.
    a. A Scattered Site Project may identify the street addresses for each separate site or a legal description.
    b. The legal description and/or street addresses of the Project Site included with the Application must be consistent with all subsequent documents submitted.
    c. Additional Sites: No additional sites may be included without LHC approval.

18. **Minimum Score:** All projects, including those using tax-exempt bonds, must meet a minimum selection criteria score of forty (40) points.

19. **LIHTC Compliance Training:** Taxpayer/Owners will be required to provide evidence to the Corporation that the proposed on-site manager or the management company has completed LIHTC Compliance training within the prior (12) twelve months of the application submission from a program deemed acceptable to the Corporation in accordance with industry recognized training standards.

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20. **Eviction Prevention/Low Barrier Tenant Screening:** Recognizing the importance of preventing evictions to reduce the impact of eviction on low-income households, LHC has mandated the following: Please refer to Section D. Compliance Monitoring, Fair Housing, VAWA, and Eviction Prevention and Appendix H for additional information.

    i. All applicants must commit to creating an Eviction Prevention Plan for the property.
    ii. All applicants must commit to implementing low-barrier tenant screening in order to minimize the impact of previous evictions on a household's ability to secure future housing.

B. Acquisition/ Rehab Project Threshold Requirements

1. **Audited Financials of Project from Seller:** Applications must include the project's last 3 years of audited financials. LHC may accept alternate documentation such as tax returns and compiled financials of the project.

2. **Sales Price with Related Persons in Seller and Purchaser:** LHC will not recognize a sales price in excess of the appraised value. For purposes of the gap analysis, LHC will reduce the sales price in an amount equal to the difference between the appraised value and the sum of the sales price and any seller retained reserves.

3. **Ten Year Title History:** Applications must include a ten-year title history of all property and a summary of the parties owning and purchasing the property (including price paid) within the ten year period.

4. **Amenities:** Properties must include either on-site laundry (one washer and one dryer per every 10 units) or washers and dryers hookups installed and maintained in every unit at no additional cost to tenants. All amenities, with the exception of the on-site laundry, must be available to the tenants at no additional charge. The requirement of an on-site laundry does not apply to SRO projects or rehab projects with twelve (12) or fewer units.

5. **Capital Needs Assessment:** Applications must include a capital needs assessment (CNA) by an architect or engineer, dated no earlier than six months before the application submission.
    The person conducting the CNA must have a background in evaluating accessibility under the Fair Housing Act, Section 504 of the Rehabilitation Act, and the Americans with Disabilities Act. The reviewer must identify the appropriate technical accessibility standard for each law and apply that standard to the design plans and construction.

    a. The CNA must:
        - identify the age and condition of the building or project and related major systems (including climate control equipment, plumbing and fixtures, cooking and other kitchen equipment, roofs, exterior siding and electrical systems);
        - specify the required repair and/or rehabilitation of the buildings and systems (including the estimated costs of each) over at least twenty years following the Placed in Service Date;
        - estimate the useful remaining life of the project and related major systems following their repair;
        - specify the minimum amount which must be deposited to the repair and replacement reserve over twenty years to maintain property quality and habitability standards; and
        - either identify the presence of environmental hazards, such as asbestos, lead paint and mold on the property, or contain an Exhibit A Phase I Environmental.

    Should the CNA identify the presence of hazardous material, the application also must include a hazard mitigation plan and show the costs of mitigation in the project's budget.

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6. **Appraisal:** Applications must include an appraisal establishing the fair market value of any existing property if the purchase price exceeds $500,000 or if the Acquisition Costs of buildings are included in Eligible Basis. The Appraisal must be based on the "as is" value of the property, before construction or rehabilitation, and without consideration of any financial implications of tax credits or project-based voucher assistance. An appraisal establishing value after the property is constructed or rehabilitated is not acceptable unless the appraisal includes the "as is" valuation. Appraisals may not be dated more than 180 days prior to application submission.

C. Project Team/Developer Threshold Requirements

1. **Developer Experience**

   The Managing Member or General Partner must:

   a. be identified in the application;
   b. have served as a Managing Member or General Partner in a project in any state of comparable size and financing complexity within the last five (5) years and in which the project received Forms 8609;
   c. become a general partner or managing member of the ownership entity; and
   d. remain responsible for operation of the project for a period of three (3) years after the project is placed in service unless LHC approves the removal of the Managing Member or General Partner following a request by the Investor Partner or Investor Member to remove the same for cause.

   New Developer. A Developer that has never been allocated tax credits is only eligible to receive an award of tax credits for one (1) project submitted under the QAP. A new developer shall complete at least one (1) LIHTC Project in which all LIHTC units have been occupied. A new Developer must provide a copy of an IRS Form 8609 for the first LIHTC Project from LHC, or any other state housing credit agency, before being allowed to submit an application for another LIHTC project.

   LHC may request a personal credit report or Authorization for Release of Information Form from another HFA where the developer has been awarded LIHTCs.

   No developer or taxpayer utilizing a debarred participant in the development or operation of a project may be part of the development team for a project with reserved or allocated tax credits.

2. **Property Management Experience**

   a. The property management company must have at least:
      - one (1) similar (size and type) LIHTC project in their current or past portfolio;
      - two (2) years of experience successfully managing a LIHTC Property;
      - one (1) staff person serving in a supervisory capacity with regard to the Project who has been certified as a LIHTC compliance specialist within twelve (12) months of the application deadline from an organization approved by LHC;
      - one (1) staff person with a record of Fair Housing training; and
      - one (1) staff person with a record of domestic violence or abuse training

   LHC may request the audited financials of the management company.

   b. None of the persons or entities serving as the property management company may have in their portfolio a project with material or uncorrected issues of non-compliance beyond the applicable cure period.
   d. LHC approval is required to change a management company within two (2) years of project completion.

   The development must be managed by an on-site manager that has received LIHTC Compliance Certification dated no more than twelve (12) months prior to the application deadline from a program deemed acceptable to the Corporation in accordance with industry recognized training standards.

3. **Project Team Disqualifications**
   LHC will disqualify any member of the project team who is not in good standing or has met one or more of the following criteria:
   a. Within the past ten (10) years, has been debarred or received a limited denial of participation by any federal or state organization from participating in any development program and/or has outstanding flags in HUD's national 2530 National Participation system;
   b. Within the past ten (10) years, has been in a bankruptcy;
   c. Within the past ten (10) years, has had an adverse fair housing settlement, an adverse civil rights settlement, or an adverse federal or state government proceeding and settlement;
   d. Within the past ten (10) years, has been involved in a project which previously received an LIHTC allocation but failed to meet standards or requirements or failed to fulfill one of the representations without the express LHC approval;
   e. Within the past five (5) years, has been found to be directly or indirectly responsible for any other project in which there is or was an uncorrected issue of non-compliance that remained uncorrected for more than three (3) months from the date of notification unless LHC determines that the uncorrected non-compliance was not the fault of the person in question;
   f. Is delinquent or in default on any LHC obligation, including but not limited to, loan repayment, as of the application date;
   g. Has an outstanding audit report requirement or unresolved audit deficiencies as of the application date;
   h. Has unresolved 8823s or other outstanding compliance violations as of the application date; or
   i. Is currently out of compliance with project schedules on existing LHC-funded projects by greater than ninety (90) days as of the application date.
   j. Currently owns or manages an LHC funded development that has not submitted a Tenant Selection Plan that complies with LHC's Fair Housing Tenant Selection Policy with regard to Criminal Record Screening by April 1, 2024.

   LHC may decide to not fund any application for lack of capacity.

D. Underwriting Guidelines

1. **Cost Estimates and Cost Containment**: All bond applications must include a detailed cost estimate from the architect listed as part of the development team (see the Estimate and Certificate of Actual Cost Template posted on the Corporation's website). All applications for LIHTCs must complete the LHC Cost Containment Template to evidence threshold mandates and other subordinate lender induced costs and complex layered financing costs not otherwise required in connection with the production of moderately designed resilient housing.

2. **Payment Priorities and Sources and Uses**: All applications, including bond applications, must include a detailed Accounting Statement of Sources and Uses of Funds identifying each source and indicating type (loan, grant, syndication proceeds, and contributed equity). Sources generally include only permanent financing and grants. If interim financing or a construction loan is proposed, provide details in the project description. Separately identify detailed uses, avoiding broad categories such as "soft costs." Under acquisition costs, identify purchase price separately from related costs such as appraisal, survey, title, recording and legal fees. Include separate line items representing construction contract amount, builder's profit, builder's overhead and total project costs.

3. **LHC Subordinate Loan Financing**: All projects receiving subordinate loan financing must complete LHC's Lien Payment Priority Financing Spreadsheet that separates financing during the construction term from permanent term financing. LHC's subordinate loans shall mature at the end of project's extended use period or the maturity date of the first mortgage loan. An annual investor asset manage fees not

exceeding $5,000 in the first year of credit period (inflation adjusted each year thereafter) and deferred developer fees may be paid from Surplus Cash in priority over payments on LHC's subordinate loan from Surplus Cash; provided that such priority payment shall be subject to review and approval by LHC's Program Underwriter. Deferred developer fees must be completely paid by the end of the 15-year Compliance Period.

4. **Cash Flow Analysis**: All applications must submit a twenty (20) year pro forma cash flows complying with the following requirements: **Rate of Increase:** two percent (2%) for revenues and three percent (3%) expenses for the first fifteen years and thereafter at three percent (3%) for both revenues and expenses. If annual cash flow is greater than 10% of total operating expenses, LHC's Program Underwriter may reduce LIHTCs allocated or allowed or reduce the maximum amount of LHC's subordinate loans to the least amount that sustains the feasibility and viability of the project. LHC may reduce cash flow requirements on projects with LHC subordinate debt.

5. **Vacancy Rate Assumptions in Cash Flow Analysis:** the greater of seven percent (7%) or as determined by the commissioned market analyst.

6. **Required Debt Service Ratios:** Debt service ratios may not fall below 1.15 (1.10 for Rural Development and HUD funded properties). The maximum debt service ratio is 1.4. Excess cash flow must be deposited to the Reserves for Replacement or used to prepay hard debts.

7. **Maximum Return on Capital for Projects with Soft Funds:**
A Capital Recovery Payment on Taxpayer Capital equal to 350 basis points above the comparable Treasury bill yields as of the Closing Date that are coterminous with the return of taxpayer capital over a maximum ten (10) year period. LIHTC equity does not count as Taxpayer Capital.

8. **No Distributions of Surplus Cash Without LHC Approval**: No distributions of Surplus Funds to investors may take place through the expiration of the Extended Use Period without the approval of LHC and its Underwriter so that any cash needed to support the sustainability of an asset will remain with the asset.

9. **Terms Required for Cash Flow Notes:** Any cash flow note associated with the acquisition of an existing project must be accompanied by a schedule establishing the imputed principal of the cash flow note under IRC Section 1274(b) and any basis adjustment of the note and project pursuant to Section 1.1275-4(c) of the Treasury Regulations. All cash flow notes must mature on or before the end of the economic life of the project, which may not exceed 55 years. Developer Fee Cash Flow Notes must mature by the end of the initial Compliance Period of 15 years and must be paid from Surplus Cash or a capital contribution to the project.

10. **Required Deposit to Reserves for Replacement:** Minimum replacement reserves should equal not less than $300 for senior developments and $350 for family developments per unit per year for new construction developments. For rehabilitation, the minimum is the greater of $500/unit/year or an amount required by a Capital Needs Assessment at the end of each 5th year following the placement in service of a project. Notwithstanding the foregoing, the annual amount to be deposited to the replacement reserves may be determined by HUD or RD if either is providing financing to a project.

11. **Maximum Rents:** Pro forma rents for application purposes may not exceed the lowest of market rents evidenced in the market study, HUD's most recently published fair market rents (FMR), or the maximum rent permitted by Section 42 or any subsidy program which benefits the project. The market study narrative may include a discussion of why the HUD fair market rents for the broader market area should not be applicable in the primary market to be served by the Project; however, such narrative must

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specifically reference a rent comparability analysis of other rental projects in the primary market area serving income qualified households where the market analyst certifies that the market rents for such income qualified households exceed the HUD fair market rents.

12. **30% AMI and Target Population:**
    Projects must set aside at least 5% of units for households with incomes at or below 30% AMI and agree to give preference to Veterans, Disabled and Elderly persons on the PHA waiting list if they satisfy the requirements of the Project's Management and/or Operating Plan.

13. **Minimum Operating and Maintenance Expenses:** Minimum operating and maintenance expenses shall be the greater of $4,500 per unit per year or an amount based on similarly-situated projects in LHC's portfolio as certified by LHC's Underwriter. For rehabilitation applications, LHC may increase the minimum based on review of the prior three (3) years of audits of the project's operations.

14. **Minimum Operating Reserve Balance:** Minimum operating reserves should equal six (6) months of projected operating expenses plus debt service coverage. Withdrawals from the operating reserve exceeding the prior month operating expenses must be pre-approved by LHC.

15. **Reserve Transfers**: All Reserves in a transfer of a project to a purchaser through the expiration of the Extended Use Period must remain with the project so that both the operating reserves and capital replacement reserves remain with the project and will not be siphoned off in a project transfer to enhance profits to the seller of the asset financed in part with tax credits.

16. **Rent Subsidies:** Rent subsidies will be taken into account in the pro forma.

17. **Developer Certification of Sources and Uses:** Developers must certify the project's initial development budget, including sources and uses, related party fees, and the purchase price of sites, at the time of application, full financial closing, and placement in service of the project. All uses in the initial development budget must be based on the higher of current market pricing or short-term pricing forecasts.

18. **Developer Fees:**
    a. 9% LIHTC projects are subject to a Maximum developer fee of $2,000,000.
    b. Projects utilizing tax-exempt bonds are not subject to a fee cap.
    c. Developer Fees cannot exceed fifteen percent (15%) of the project's Total Development Cost (TDC).
    d. Applications must include a Development Services Agreement.

19. **Architect Fees and/or Build-Design Fees:** Maximum of seven percent (7%) of construction contract, must be shown as a soft cost (not a hard or construction cost)

20. **Builder Profit:** Maximum of six percent (6%) of the builder profit fee base. Costs to lease equipment owned by the Developer, Builder, or any parties with an identity of interest will count as builder profit and overhead, excluding costs of fuel, lubrication, or other normal expenditures for such equipment.

21. **Builder Overhead:** Maximum of two percent (2%) of the builder profit fee base.

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22. **Profit and Overhead Limitation:** LHC will not allow overhead and builder profit when
    a. more than fifty percent (50%) of the contract sum in the construction contract is subcontracted to one subcontractor, material supplier or equipment lesser, or

    b. seventy-five percent (75%) or more of the contract sum in the construction contract is sub-contracted with three or fewer subcontractors, material suppliers or equipment lessors.

23. **General Requirements:** Maximum of six percent (6%) of the general requirements base; excludes bond premium paid by the Developer or the Taxpayer/Owner.

24. **Syndication Costs:** Maximum of ten percent (10%) and fifteen percent (15%) of Gross Equity for privately placed and publicly offered syndications, respectively, will be treated as part of the Developer Fee.

25. **Maximum Unit Development Cost**. The maximum unit development cost is based on the design building type (i.e., elevator, walk up, row house, detached/semi-detached), number of bedrooms, and geographic location of the proposed property. All projects developed with LIHTCs must use the latest applicable cost limits for properties located in the HUD 2024 Unit Total Development Cost Limits document (see HUD PIH Office of Capital Improvements website):
    https://www.hud.gov/sites/dfiles/PIH/documents/2024_Units_TDC_Limits.pdf

    Staff approvals following Cost Containment: Staff may approve cost increases identified in the Cost Containment Template related exclusively to Extraordinary Site Costs, Threshold Mandated Costs, and/or Complex Layered Financing Costs up to 30% above the per unit maximum Total Development Costs following completion of the Cost Containment Template. The LHC Board must approve all costs greater than 30% above the per unit maximum total development costs, provided that such costs are related to cost increases identified in the Cost Containment Template related exclusively to Extraordinary Site Costs, Threshold Mandated Costs, and/or Complex Layered Financing Costs. For projects initially exceeding HUD TDC limits, LHC will implement a **RS Means review** as part of its cost containment measures for further consideration. Verification of these documented construction costs will be conducted by LHC Construction staff utilizing RS Means software.

    *Exclusions to calculating the HUD TDC Limit referenced above:

    Requests must acknowledge that application will be ineligible if LHC does not approve the increase.

    a. **Extraordinary Site Costs:** Examples include, but are not limited to: abatement of extraordinary environmental site hazards; removal or replacement of extensive underground utility systems; extensive rock and/or soil removal and replacement; removal of hazardous underground tanks; work to address unusual site conditions such as slopes, terraces, water catchments, lakes, etc.; and work to address flood plain and other environmental remediation issues. Costs to abate asbestos and lead-based paint should be included in normal demolition costs where such items are found within the structures themselves. An example of extraordinary lead-based paint would be where the lead has leached into the soil and requires extraordinary measures to remove, staff as recommended by the project's Architect/Engineer. Cost standards will be based on industry standard cost indexes such as RS Means. Extraordinary site costs must be itemized as a separate specific cost. Items in this category must have evidence that such is needed by a qualified professional and justification for such costs.

    b. **Exclusion of Community Facilities and Community Services Facilities**: The costs associated with community facilities and community service facilities will be excluded from establishing the project cost.

c. **Single Room Occupancy (SRO) Project:** SRO Projects are subject to project cost limits. Applicants may request a waiver of the cost limits if the local governmental unit by resolution or ordinance endorses the SRO Project and certifies it will provide shelter to homeless persons or will receive Stewart-McKinney Act Funds.

d. **Reallocated Credits Based on Housing Discrimination:** Notwithstanding any other previous LHC requirement or policy to the contrary, additional costs to projects which are delayed based on housing discrimination and reallocated LIHTCs will be subject to cost limits. Applicants may request a waiver of the cost limits if the project remains feasible and the increased costs were due to circumstances beyond the developer's control.

e. **CNI Projects:** CNI Projects are subject to cost limits and must submit the LHC Cost Containment Template with any application for LIHTCs.

Section V - Post Award Processes & Requirements

A. Post Reservation

Carryover/Carry-Forward Allocation of Tax Credits

Carryover allocation documentation for projects with a reservation of 2025 credits from the housing credit ceiling will be due on or before December 11, 2025. The credit allocation year for projects competing for LIHTCs for the State housing credit ceiling will be determined after the carryover documentation has been received, similar to what was done in the 2022-2023 funding round.

Tenant Selection Plans

Owners must submit Tenant Selection Plans that are compliant with LHC's Criminal Record Screening policy within ninety (90) days following notification of the LIHTC award.

B. Placed in Service Process and Procedure

Placed in Service Requirements

LHC must receive the Financing Certification, Syndication Cost Certification, GAAP Audit and Baseline Operating Budget by not later than the April 1st of the calendar year following the year in which the Project is placed in service. (See templates posted to the Corporation's website for the Financing Certification, Syndication Certification, and Certificate of Actual Costs.)

Receipt of Cost Certifications and GAAP / GAAS Audits: Prior to mailing a Form 8609 for a project, the Corporation Staff must receive (i) an unqualified GAAS Audit as required by Treasury Regulation 1.42-17(a)(5), (ii) a Financing Certification, (iii) a Syndication Certification and (iv) a proposed baseline operating budget (including trending assumptions) as of the date sustaining occupancy in the project is projected. The GAAS audit and the Financing Certification must certify all sources and uses of funds through the Placed in Service Date of a project and must clearly distinguish and show (a) costs that may be included in eligible and qualified basis and (b) costs which may not be included in eligible and qualified basis. The three certifications must be complete, accurate, and final or resubmission and another Placed in Service fee will be required. The three certifications should be reviewed at the same time by the CPA prior to submission.

Subsidy Layering Review: A subsidy layering review will be conducted in connection with any project receiving Governmental Assistance from HUD or RD in addition to housing tax credits for each of acquisition, rehabilitation and new construction uses.

Extensions: The Taxpayer/Owner may request only a one (1) year extension for submission of the certificates and audits from the Corporation and only if the Taxpayer has elected to begin the first year of the credit period following the year in which the Project is placed in service.

IRS Forms 8609: IRS Form 8609 will not be issued if the Taxpayer or a Partner/Member is non-compliant with the QAP or any provision of federal, state, or local law or regulation.

Fees to CHDO or Non-profit General Partner

Prior to delivery of IRS Form 8609, a non-profit general partner must certify that payment of the fee is consistent with the Development Services Agreement submitted with the LIHTC Application. Developer Fees to CHDOs or non-profit general partners in connection with projects receiving an allocation must not be less than twenty percent (20%) of the total Developer Fees. Fees paid to CHDOs or non-profits, up to 20% of the developer's fee, will not be included in the developer's maximum profit cap.

Compliance Training Requirements

Taxpayer/Owners will be required to evidence to the Corporation at least ninety (90) days prior to a Project's Placed In Service Date that the proposed on-site manager or the management company has completed compliance training and is certified as a LIHTC Specialist within the prior (12) twelve months in a LHC-approved program.

Extended Use Agreement, Compliance Monitoring and Other Requirements

Upon execution, owners must file the Tax Credit Regulatory Agreement (and appropriate tax-exempt bond regulatory agreement, if applicable) in the mortgage/conveyance records of the Parish where the Project is located.

Owners must execute and return a separate Compliance Monitoring Agreement when the Project is placed in service and prior to LHC providing Form 8609. LHC may impose reporting and record keeping requirements, nondiscrimination regulations, and any other special conditions.

Construction Monitoring Criteria

Construction Documents:
Not more than forty-five (45) days prior to the commencement of construction, the developer must submit to the Corporation the following:

1. Complete plans and specifications in PDF format via disc or zip drive and a ½ set of hard copy drawings for monitoring and review purposes.
2. Construction contract, complete with timeline and schedule of values.
3. Certification by Architect/Engineer/Design Professional of the plans and specifications.

Within thirty (30) days of receipt, the Corporation will notify the developer of any concerns or need for clarity. Notwithstanding the Corporation review, the applicant remains responsible and accountable for compliance. ContructionMonitoringGroup@lhc.la.gov

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Building Permits:
Owners must submit copies of all building permits to the Corporation when available. Should building permits not be available at the start of construction, the applicant may submit a "will issue" letter from the Authority Having Jurisdiction (AHJ), stating that building permits will be issued once certain requirements are met.

Construction Monitoring and Compliance:
The Corporation will conduct periodic on-site inspections during the course of construction.

The Developer must submit the following to the Corporation:

1. Notice to proceed.
2. Monthly application for payment certified by the Design Professional and/or project manager and the Developer.
3. A copy of all change orders submitted with monthly applications for payment.

Construction Completion:
At construction completion, the applicant shall submit the following:

1. Certificate of Substantial Completion.
2. Certificate(s) of Occupancy if applicable.
3. Prior to issuance of IRS form(s) 8609, the Corporation will perform its final inspection.

Using Regional Material, Labor, and Services: The Taxpayer/Owner will submit plans to the LHC that detail these maximization efforts.

C. Application Revisions

Notification of Material Change

The applicant is responsible for notifying LHC, in writing, of any occurrence of a material change in a project. A material change may result in cancellation of the LIHTC reservation, commitment, or carryover allocation.

Notification of Reprocessing Change

The applicant is responsible for notifying LHC, in writing, of any occurrence of a reprocessing change in a Project. Form 8609 will be withheld until the Taxpayer submits a revised application and reprocessing fee. LHC may allow increases to the developer fee in a reprocessing application in excess of the Developer Fee submitted in the original application provided the increase does not exceed the above stated limits. However, the increased fees must be deferred.

Site Change

Any site change may result in the cancellation of the LIHTC reservation, commitment, or allocation. (This does not include the substitution of lots in a scattered site project.)

Deviations from Selection Criteria in Submitted Application

When a Developer requests a deviation from the selection criteria in the submitted application and the deviation is not a material change as defined by the Glossary or a change that a Reasonable Man would determine to materially change the project, the Developer shall select a substitute benefit or enhancement identified in the selection criteria in the QAP of equal or greater point value. Corporation staff shall consider approval of the request and require that the replacement benefit to the project be incorporated into the project, thereby enhancing the project by the same point value. There shall be no additional penalty to the Developer.

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If the Developer or the Corporation determines there is no appropriate substitute project enhancement of equal or greater point value, the Developer and all affiliates shall be subject to penalty points in the next tax credit funding round equal to the point value of the representation that cannot be satisfied.

When a Developer requests a deviation from the selection criteria in the filed application and the deviation is a Material Change as defined by the Glossary or by the Reasonable Man's Standard (e.g., project was funded when another project would have been funded but for the original selection made by the Developer and awarding of points based on that selection), the following penalties shall apply:

1. The Developer shall select a substitute benefit or enhancement in the QAP of equal or greater point value. The Corporation's Board of Directors may approve the request and require the replacement benefit to the project be incorporated into the project, thereby enhancing the project by the same point value. There shall be no additional penalty to the Developer.

2. If the Developer does not select a substitute benefit or enhancement in the QAP of equal or greater point value:

    a. The Developer may surrender its allocation and there shall be no additional penalty to the Developer.

    b. If the Developer does not surrender the allocation and no substitute selection criteria is selected, the Developer and all affiliates shall be subject to penalty points in a single application in the next tax credit funding round equal to three (3) times the point value of the selection criteria that cannot be satisfied.

Applicants requesting more than one (1) Material Change relating to selection criteria in a single funding cycle shall be subject to a one (1) year suspension of participation in the LHC's LIHTC funding round(s).

The approval of any Material Change requested due to reliance on a representation made by a governmental entity and the penalties, if any, to be assessed, will be at the discretion of the LHC Board of Directors. Such reliance will not permit a site change. Any site change may cancel any reservation, commitment or allocation of tax credits to such project.

The Board may waive penalties in extraordinary circumstances.

Notwithstanding the above, the Applicant/Developer must notify the Corporation of any changes to the project, including but not limited to, unit mix and development type. It is the Applicant's responsibility to provide required public notification of any such changes.

D. Compliance Monitoring, Fair Housing, VAWA, and Eviction Prevention

LHC has adopted a compliance monitoring procedure detailed in Appendix C and LHC's Housing Credit Compliance Guide, both of which are incorporated herein by reference.

Continuing Education

Property management must engage in Fair Housing continuing education at least once every three years.

VAWA

LHC requires that all projects comply with the Violence Against Women Reauthorization Act of 2022 (VAWA). An applicant for or a tenant of housing assisted under the LIHTC Program may not be denied admission to, denied assistance under, terminated from participation in, or evicted from the housing on the basis that the

applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission, assistance, participation, or occupancy. An incident of domestic violence, dating violence, sexual assault, or stalking shall not be considered a lease violation by the victim, nor shall it be considered good cause for an eviction. If a tenant who is a victim requests an early lease termination, lease bifurcation from the abuser, or transfer to another unit because she/he is in danger, a LIHTC property shall make every effort to comply with the request and shall not penalize the tenant. Each owner/manager of a LIHTC property shall have an emergency transfer policy for victims seeking safety, which incorporates reasonable confidentiality measures to ensure that the owner or manager does not disclose the location of the dwelling unit of a tenant to a person that commits an act of violence or stalking against the tenant. An owner, manager, or landlord may request documentation from a victim before these protections are triggered. Any one of the following shall be considered adequate documentation: an affidavit signed by the victim under penalty of perjury; an affidavit or letter signed by a domestic violence service provider, attorney, or medical/mental health professional who assisted the victim; or a court or administrative record. The submission shall be confidential. Also, if a tenant or an individual affiliated with a tenant is or has been the victim of domestic violence, dating violence, sexual assault, or stalking by a member of the tenant's household or any guest, the tenant may not be denied rental assistance or occupancy rights solely based on the basis of criminal activity directly relating to that domestic violence, dating violence, sexual assault or stalking. An affiliated individual means the tenant's spouse, parent, brother, sister, or child, or a person to whom the tenant stands in the place of a parent or guardian (for example, the affiliated individual is in the tenant's care, custody, or control); or any individual, tenant, or lawful occupant living in the tenant's household.

Eviction Prevention and Low Barrier Tenant Selection

Evictions have a negative, costly, and traumatic impact on tenants, owners, property managers, service providers, and communities. Because of the lack of affordable housing in many communities, tenants who are evicted have very limited rental housing alternatives. Tenants who are evicted are at a significantly higher risk for homelessness. Eviction prevention is a component of supportive housing to reverse housing instability plaguing vulnerable populations. Furthermore, if the goal is to create and maintain safe, affordable, energy-efficient housing for the most vulnerable populations, eviction should be the last resort. Additionally, owners and property managers understand preventing evictions for tenants is key to successfully operating their properties. In successful supporting housing environments, housing and service providers approach evictions with the goal of working together across all parties to proactively alleviate potential lease violations, educate and engage with tenants, and coordinate assistance.

Recognizing the importance of preventing evictions to reduce the impact of eviction on low-income households, LHC has mandated the following:

- All applicants must commit to creating an Eviction Prevention Plan for the property. A qualifying Eviction Prevention Plan must be drafted prior to initial lease-up and submitted to LHC for review and approval. The plan must include an eviction prevention philosophy and policy to guide operations and organizational culture, development and implementation of strategies and practices to address common lease violations, and address how the property will implement management practices that utilize eviction only as a last resort and must describe strategies that will be taken with tenants on an individualized basis to attempt to prevent evictions when issues arise. The plan will be reviewed as part of LHC ongoing compliance monitoring to ensure it remains in place. In addition, the Applicant must agree to submit data on evictions as part of the Annual Owner Certification of Compliance reporting.
- All applicants must commit to implementing low-barrier tenant screening in order to minimize the impact of previous evictions on a household's ability to secure future housing. The applicant must agree to include in their Tenant Selection Plan that they will not screen out applicants for evictions that occurred **more than** 12 months prior to the date the household applies for a unit. A qualifying Tenant

Selection Plan must be drafted prior to initial lease-up and submitted to LHC for review and approval. The plan will be reviewed as part of LHC's ongoing compliance monitoring to ensure this requirement remains.

- Please refer to Appendix H for further information.

Management Company Updates

The Management Company of record for the project will be required to provide electronically to the Corporation, through a Corporation-approved medium, any changes in contact information, as well as, but not limited to, information on the number of vacancies and unit mix.

Glossary

The definitions of the words and terms below are meant to aid comprehension. Nothing in the phrasing will supersede the meanings of the words or terms in the context of the other QAP sections or Appendices.

ACCESSIBLE UNITS: Units which satisfy Section 504 of the Rehabilitation Act of 1973 and fully meet the handicap accessibility requirements of the Uniform Federal Accessibility Standard.

ADJACENT: Defined as nearby, but not necessarily touching.

AFFILIATE: Any corporation, entity, partnership, venture, syndicate, or arrangement in which a local housing authority has an ownership or governance interest of less than a majority either directly or indirectly through one or more subsidiaries.

AUDIT INSTRUCTIONS: The instructions are posted to the Corporation's web site and are to be used by an independent CPA to submit placed in service and annual audits.

BASELINE OPERATING BUDGET: The budget established for a project during the first year of the Credit Period that is formatted in accordance with the Corporation's Chart of Accounts.

BEDROOM: An area of a unit to be used for sleeping and not primarily for family activities other than sleeping.

BLIGHTED HOUSING: An abandoned residential unit which is not currently inhabited, occupied or used and which has deteriorated substantially beyond normal wear and tear and is in a state of disrepair.

BUILDER OVERHEAD: Portion of a general contractor's expenses necessary to conduct business which directly concerns the Project and may include such items as office rent, fuel, lights, telephone and telegraph, stationery, office supplies, fire and liability insurance for the office, salaries of office employees such as a bookkeeper, social security taxes, public liability insurance, workmen's compensation insurance, and unemployment compensation taxes for office personnel. The allowance does not include salaries of the builder or executives of the builder.

BUILDER PROFIT FEE BASE: The construction hard costs specified in the Estimate and Certificate of Actual Cost by the project's architect and which hard costs must be audited by an independent certified public accountant in accordance with generally accepted auditing standards utilizing generally accepted accounting principles and reduced by any General Overhead.

CAPITAL FUNDS: Funds appropriated to the Local PHA to carry out capital and management activities in accordance with the provisions of Section 9 of the United States Housing Act of 1937, as amended.

CASH FLOW NOTE: Any evidence of indebtedness which is issued or assumed in connection with the acquisition or construction of a building and which (i) is not payable in whole or in part in accordance with a fixed amortization schedule or (ii) is payable in whole or in part only to the extent of profit or the cash flows of the Project.

CHART OF ACCOUNTS: The standard chart of accounts to be posted to the LHC's or the Corporation's website and which will be used to submit annual audits of a project to the LHC or the Corporation.

COMMUNITY FACILITIES: Facilities located on the Project Site which are functionally related and subordinate to a Project and which are intended to primarily (not exclusively) benefit tenants of a Project but which are available to neighborhood residents without charge or a fee. Community facilities must be relative to the type of project and number of units and in compliance with local codes. It must contain at least 15 net square feet for each residential unit up to 3,500 square feet. It must also have a kitchen with refrigerator/freezer, cabinets, and a sink with counter space, community meeting room

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with seating and activity areas commensurate to the total number of units, and restrooms that will be available to all residents. Community facilities must be contained within a building with a roof, enclosed walls, and air conditioning. Community facilities may not be amenities such as a Pavilion or Gazebo. If a Project is a phase of a larger development, only the Community Facility identified on the Project Site of the phase may qualify as a Community Facility for that phase only and shall not be qualified for any other phase. (Excluded from receiving Community Facility Selection Criteria points are Scattered Site Rental Projects on Non-Contiguous Land and all Homeownership Projects including lease-to-own projects.)

COMPUTER CENTER: A dedicated room and equipment separate and apart from the equipment used by the development manager's office staff. The center must contain a minimum of 5 computers. Detailed drawings of the community building to include computer center and its equipment must be shown.

CONCERTED COMMUNITY REVITALIZATION PLAN: A plan that involved public input and that has been adopted by the local governmental unit. The plan must target a specific area but does not encompass the entire city, town, or village and provides a clear direction for implementation, includes a strategy for obtaining commitments of public and private investment in non-housing infrastructure, amenities, or services beyond the Credit development.

The Plan demonstrates the need for revitalization and includes the planning document elements such as setting goals for outcomes, identifying barriers to implementation, establishing timelines and benchmarks, and identifying community partners. The proposed site must be located within the targeted area.

CONTACT PERSON: The person listed as the Contact Person by the Taxpayer in the Tax Credit Application or such substitute individual specified in writing by the Managing General Partner or Managing Member. The Contact Person may not be a professional who will render any independent and/or unqualified professional opinion to the Corporation.

CONTROL: Having the capacity or the power to designate 25% or more of the board or management of an entity or general partner of a limited partnership.

CONVERSION: The process of rehabilitating a nonresidential building to residential rental use.

COVERED PARKING: A covered area that has a roof that is usually used for parking. May consist of either:

i. Carport– Extensions or a roof structure that has one or two walls supporting the roof but open on two or even three sides,
ii. Garage – Attached or Detached from the residential unit that is enclosed on all sides, or
iii. Multi-car Parking Garage – A building with several levels for parking cars.

DEFENSIBLE SPACE: The creation of a residential environment whose physical characteristics (i.e. building, layout, site plan) function to allow inhabitants themselves to become key agents in ensuring their security.

DELTA PARISHES: Caldwell, Concordia, Catahoula, East Carroll, Franklin, Madison, Morehouse, Ouachita, Pointe Coupee, Richland, Tensas, West Carroll.

DEVELOPER: Any person or entity (including persons or entities which constitute Related Persons to such person or entities or have an identity of interest with such person or entity) which owns or develops a Project, including any general partner of a partnership, any Builder related to or having an identity of interest with the person or entity which owns or develops the project and any consultant receiving any fee or compensation to assist in the development of a Project.

DEVELOPER FEE: Any profit, fee or income realized by the Developer in connection with the development of a project as specified in a GAAP Audit and which satisfy the Developer Fee Terms.

DEVELOPMENT COSTS: The costs of acquiring land or buildings or constructing and/or rehabilitating buildings and facilities functionally related and subordinate to such buildings as certified in a GAAP Audit by an independent certified public accountant in accordance with generally accepted auditing standards utilizing generally accepted accounting principles as of the placed in service date of the building or as of the end of the first year of the credit period for the building.

DEVELOPMENT WI-FI: Tenant access to the internet via a development deployed Wi-Fi network. Coverage must be available throughout the units. All costs and equipment and maintenance/replacement of necessary equipment must be paid by owner through the end of the extended use period and must be included as an annual operating expense of the project.

DEVELOPMENT PLAN OF ACTION: A plan of action to redevelop an area defined by a local governmental unit or Qualified Non-Profit organization in accordance with the requirements of Section 42(i)(3)(E) of the Code.

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DEVELOPMENT TEAM: Any party identified in the Application as such or any other party identified who advances funds to the Developer or Taxpayer prior to an allocation.

DISABLED HOUSEHOLD: A household composed of one or more persons at least one of whom has: (1) a disability as defined in Section 223 of the Social Security Act or (2) is determined to have a physical or emotional impairment that is expected to be of long-continued and indefinite duration and the impairment substantially impedes his/her ability to live independently, and is of such a nature that such ability could be improved by more suitable housing conditions OR (3) has a developmental disability as defined in Section 102 of the Developmental Disability Assistance and Bill of Rights Act.

DISABILITY EQUIPPED UNITS: Units which satisfy Section 504 of the Rehabilitation Act of 1973 and fully meet the handicapped accessibility requirements of the Uniform Federal Accessibility Standard.

DISTRESSED PROPERTY: Any federally-assisted building for which a waiver of the ten year period described in Section 42(d)(2)B)(ii) is obtained or a building which qualifies for such a waiver but for the building having been last placed in service more than ten years prior to the Application deadline or any federally funded project (such as USDA, HUD or PHA) placed in service 15 years or earlier from the Application Deadline which project requires rehab (exclusive of soft and intermediary costs) of $20,000 or more per unit.

ELDERLY HOUSEHOLD Development: A development will be considered an Elderly Development if 100% of its units will be occupied by persons 62 years of age or older or if at least 80% of its units will be occupied by persons 55 years of age or older. The applicant must include a statement in the application submission specifying which age group the developer will target.

ELIGIBLE TARGET POPULATION FOR PERMANENT SUPPORTIVE HOUSING:

i. A member of the household has a substantial, long-term disability including but not limited to serious mental illness, addictive disorder, developmental disability, physical, cognitive, or sensory disability or disabling chronic health condition that qualifies them for Medicaid-funded supports and services operated by the DHH program offices for Behavioral Health, Developmental Disabilities or Aging and Adult Services.

ii. A household shall be considered to be in need of permanent supportive housing if a member has a physical, mental or emotional impairment which is expected to be of long-continued or indefinite durations, substantially impedes their ability to live independently without support; and is of such a nature that such ability could be improved by more suitable housing conditions.

iii. The household's income is 50% or below of Area Median Income.

EXCESS PROPERTY PURCHASE COST: Determined to exist when a development property sale is between a seller and a taxpayer who are related or have an identity of interest.

EXERCISE ROOM: The exercise room must have a minimum of five pieces of equipment. The equipment must be of commercial grade and consist of strength training machines and cardiovascular machines. A photo and specifications of the equipment must be included in the application.

FINANCING CERTIFICATION: A certification by the Taxpayer on the form provided by the Corporation which specifies among other matters (a) Sources of Funds for a Project, (b) Syndication Information, (c) Subsidies provided to a Project and (d) amounts allocated to various development costs as of Application, reservation and placed in service dates.

FLEXIBLE FUNDS: Funds made available by or through the Louisiana Housing Corporation that do not impose either rent or occupancy restriction on any units other than Maximum Low-Income Units.

FORTIFIED GOLD: Inclusive of the Silver standard, the Gold standard incorporates techniques to ensure a 'continuous load path' from the roof to the foundation, to better strengthen the property. In addition, back-up power is required.

FORTIFIED SILVER: Inclusive of the roof standard, the Silver standard extends the specifications for construction materials and techniques to the walls, windows and doors, to enhance endurance of the property to hurricanes and wind (specifications differ depending on whether the property is in a hurricane-prone or wind-prone region). In addition, it requires mechanicals to be elevated to BFE +3, or the 500-year level, and that there be electrical connections for back-up power.

GAZEBO/PAVILION: A landscaped area that includes a site built gazebo/pavilion with a permanent affixed sitting area with a minimum of 400 sq. ft. under roof. *A Gazebo/Pavilion is not and shall not be designated as a Community Facility.

GROCERY STORE: A full scale store or market that stocks perishable (including but not limited to fresh meat, milk and eggs), produce and vegetables that also has a bakery, deli and or butcher services within the store.

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HABITABILITY STANDARDS: The Physical Conditions Standards promulgated in HUD Regulations at 24 CFR 5.703, including the major areas of housing: the site, the building exterior, the building systems, the dwelling units, the common areas and health and safety conditions.

HARD COSTS: Costs of constructing or renovating a project as evidenced in the Estimate and Certificate of Actual Costs reduced by any amount which reduces the Builder Fee Base. Hard Costs do not include Acquisition Costs, Builder Profit, Builder Overhead, Developer Fees or Soft Costs (such as architectural, engineering, consultant, legal fees, etc.).

HEAVY INDUSTRIAL: May produce any loud noises, vibration, noxious fumes, or other hazardous byproducts beyond the property line but must not produce these negative effects beyond the boundaries of the entire district.

HISTORIC PROPERTY: Property designated as historic by the State Historic Preservation Office SHPO or local governmental historic commission and 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 does not meet the requirement of a historic rehab. In order to be awarded LIHTC, evidence of an approved Part I application from the Louisiana Office of Cultural Development Division of Historic Preservation must be included with the application submission. Project must submit a Part II by no later than the carryover date.

HOMELESS PERSON/HOUSEHOLD: A Person or household sleeping in a place not meant for human habitation or in an emergency shelter; and a person or household in transitional housing for homeless persons who originally came from the street or an emergency shelter.

HOMEOWNERSHIP PROJECT: Project consisting of townhouses, duplexes with firewalls or buildings with not more than one unit per building. Applicants for Homeownership Projects must execute the LHC's or the Corporation's form of an Option to Purchase and Right of First Refusal Agreement which provides to an individual tenant the option to purchase a unit at the Minimum Purchase Price. No points will be awarded for Community Facilities located in a Homeownership Project.

HOUSEHOLDS IN POVERTY: Households at or below the most recent Poverty Threshold as determined by the U.S. Census Bureau.

HOUSEHOLDS WITH LONG TERM DISABILITY: A household in which a household member has Substantial Long Term Disability.

HUD CHART OF ACCOUNTS: The uniform system of account categories prescribed by Generally Accepted Accounting Principles (GAAP).

IDENTITY OF INTEREST: An identity of interest is construed to exist when:

i. There is any financial interest of the Developer or Taxpayer in the Builder or any financial interest of the Builder in the Developer or Taxpayer.
ii. Any officer, director, stockholder or partner of the Developer or Taxpayer who is also an officer, director or stockholder or partner of the Builder.
iii. Any officer, director, stockholder or partner of the Developer or Taxpayer has any financial interest in the Builder; or any officer, director, stockholder or partner of the Builder has any financial interest in the Developer or Taxpayer.
iv. The Developer or Taxpayer advances any funds to the Builder.
v. The Developer or Taxpayer supplies and pays, on behalf of the Builder, the cost of any architectural services or engineering services other than those of a surveyor, general superintendent, or engineer employed by a Developer or Taxpayer in connection with its obligations under the construction contract.
vi. The Developer or Taxpayer takes stock or any interest in the Builder compensation as consideration of payment.
vii. There exists or comes into being any side deals, arrangements, contracts or undertakings entered into or contemplated, thereby altering, amending, or canceling any of the required closing documents, except as approved by the LHC or the Corporation.
viii. Any relationship (e.g., family) existing which would give the Builder or Developer or Taxpayer control or influence over the price of the contract or the price paid to any subcontractor, material supplier or lessor of equipment.
ix. Any member of the Development Team advances any funds to the Developer or Taxpayer at any point prior to an allocation.

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For purposes of determining an identity of interest between parties not identified in (i) through (ix), such parties will be identified as either the Developer and Taxpayer or the Contractor as appropriate to establish the identity of interest. The Corporation may reduce any allowable costs where an Identity of Interest has been found among the parties to transactions involving the sale, development and/or operation of the project.

MARKET ANALYST: A disinterested professional housing consultant who has no identity of interest with any Builder or Developer participating in the Housing Tax Credit Program in any state and who by virtue of academic training, licensing and/or experience is a recognized expert skilled in the requirements of conducting a market survey and demand study.

INFILL PROJECT: A project that includes the development of vacant or underused parcels of land within existing areas that are already largely developed or previously developed. The site must be surrounded on at least two sides with adjacent established developments (residential or commercial). Agricultural land does not qualify as infill.

LAND COSTS: The purchase price related to the purchase of undeveloped land. The purchase price of land shall not include any appreciated value above the price paid for such land by the Developer or by any other entity related to the Developer or by any entity in which the Developer had an ownership interest within the ten (10) year period immediately preceding the sale of the land to the Taxpayer.

LARGE FAMILY HOUSEHOLD: A household with at least five persons at initial occupancy of a unit.

LIGHT INDUSTRIAL: Relies more on labor and less on heavy machinery; produces finished products from partially processed material; and must not produce any loud noises, vibrations, noxious fumes, or other hazardous byproducts beyond the property line.

LIQUOR STORE: A store that sells alcoholic beverages (including but not limited to beer, wine and spirits) for consumption elsewhere and such sales make up 50% or more of the store's inventory.

LOCAL GOVERNMENT: The Governing authority of a parish or local governmental unit as referenced in the Louisiana Constitution of 1974.

LOCAL GOVERNMENTAL SUPPORT: Project has local governmental support as evidenced by (i) a commitment letter on official letterhead signed by the chief elected official of the Local Government in which the project is located or (ii) a fully executed City Proclamation in support of the project executed by the majority members of the Local Government or (iii) a certified resolution of the governing authority of the Local Government in support of the Project.

LOCAL NON-PROFIT SPONSOR: A 501(c)(3) or 501(c)(4) organization in which not more than fifteen percent (15%) of the members of the governing board are domiciled outside the service area of the non-profit and at least seventy-five percent (75%) of the governing board are domiciled within the Project's Market Area or is a LHC certified Community Housing Development Organization ("CHDO") with a service area encompassing the Project's market area.

MATERIAL CHANGE: Notwithstanding the provisions of any prior Qualified Allocation Plan, a material change for any project, including projects receiving an allocation from a prior calendar year, shall mean any reprocessing change which results (i) in the project deemed not feasible or not viable or (ii) a reduction of points from the Selection Criteria below the minimum score or below the score of the highest ranked project on the waiting list for the year in which the credits were allocated. Any change caused by force majeure or circumstances beyond the control of an Owner will not be a material change if the Corporation's Board of Directors concurs that such change was beyond the control of the Owner. The Corporation also considers the following to be material changes:

- Removal of any managing general partner;
- Bankruptcy of any managing general partner;
- Deletion or change of resident amenities and/or services such as activity centers, children centers, community centers, computer rooms, laundry rooms, etc.;
- Changes in residential unit design that increase or decrease by 10% or greater the number of units, unit mix, square footage of each unit, etc.;
- A 10% or greater change in the total number of structures;
- Change in the type and quality of construction materials, as well as mechanical and/or electrical systems that result in a 10% or greater change of the total construction cost;
- Delays in project schedule or benchmark dates in excess of 180 days, and,
- Notwithstanding the foregoing, any change that a reasonable man would determine to materially change the project;
- A 10% or greater change in the project's sources or uses.

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MINORITY BUSINESS ENTERPRISE: Minority group members are United States citizens who are Asian-Indian, Asian-Pacific, Black, Hispanic American and Native American. Ownership by minority individuals means the business is at least 51% owned by such individuals or, in the case of a publicly owned business, at least 51% of the stock is owned by one or more such individuals (i.e., the management and daily operations are controlled by those minority group members.)

MIXED USE BUILDING: A building consisting of units available for residential rental use and other property, the use of which is not related to residential rental use, e.g., commercial office space, owner-occupied residences, etc.

NEIGHBORHOOD IMPACT: With respect to a clearly defined neighborhood described on a map outlining such neighborhood, either (i) the construction of at least one hundred (100) new residential units or (ii) the demolition of at least fifty (50) functionally obsolete residential units and the construction and/or reconstruction of not less than fifty (50) residential housing units.

NEIGHBORHOOD NETWORK: A multi-service community learning center located in a facility of a Project promoting self-sufficiency by (i) improving computer access for tenants, (ii) advancing literacy, (iii) preparing residents to take advantage of employment opportunities and (iv) providing access to healthcare information and other social services.

NEIGHBORHOOD NETWORK FUNDING: Financial commitments or funding evident in the operating pro forma of a Project committed to providing a Neighborhood Network that includes (i) a business plan for staffing, technical support, and ongoing funding, and a strategy for achieving ongoing partnerships with other neighborhood, community, or educational groups, (ii) the location and size of the space to be used for the facility to be used as a Neighborhood Network, (iii) an estimate of the number and percentage of residents who will benefit directly from the services of the Neighborhood Network and (iv) a detailed estimate of the center's initial cost and ongoing operating expenses.

ONSITE SECURITY: Twenty-four (24) hour on-site security through the use of cameras, security gate, or on-site personnel in an official capacity as a professional security guard. Costs for on-site security must be evidenced as an expense item on the project's operating pro-forma. Security personnel may be uniformed or non-uniformed. If security cameras are provided (1) cameras must be dispersed throughout the development so as to provide maximum security coverage of the property and a diagram of the proposed location of cameras must be included in the application to receive points, (2) At least one camera per every 20 units is required to receive points in this category; the number of cameras will be rounded up in making this determination, and (3) properties will be required to retain 30 days of continuous footage; enabling security footage of any given day to be available for up to a minimum of 30 days. Security gates must provide full perimeter fencing with controlled gate access. The fencing and gate must be either wrought iron, aluminum or wood. Chain-link fencing is unacceptable.

PERMANENT SUPPORTIVE HOUSING: Housing that is (i) safe and secure, (ii) affordable to the eligible target population (as defined under "Eligible Target Population for Permanent Supportive Housing" in this glossary, (iii) permanent, with continued occupancy as long as the eligible target population pays the rent and complies with the terms of the lease or applicable landlord/tenant laws in the State of Louisiana and (iv) linked with supportive services that are flexible and responsive to the needs of the individual, available when needed by the eligible target population and accessible where the tenant lives, if necessary.

PHA REFERRAL AGREEMENT: The executed form of the PHA Referral Agreement attached as an Appendix to the Application.

PHILANTHROPIC DONATIONS: A "philanthropic donation" is the strategic charitable donation of goods, in-kind services, or cash. The donation may be an isolated event or provided on an ongoing basis. Funds may not be used to provide supportive services to the project. LHC considers these "philanthropic donations" fully substantiated if reflected on the Developer Entity's IRS tax returns as a charitable donation and/or reflected in "grant statements, press releases, letters, or other documentation."

PLAYGROUND: An area with playground equipment of commercial grade and with a minimum of four separate play activities. Multi-functional single structures are acceptable provided that they have at least four separate play activities. A photo and specifications of the equipment must be included in the application. Each phase of a multi-phase development must have its own playground.

POVERTY CENSUS TRACT: Census tract in which the percentage of Households in Poverty exceeds 15% of the total households of such census tract.

PRIORITY HUD REHABILITATION PROJECT: A project in which the mortgage is either FHA insured or HUD held and which receives a Project Based Subsidy or is subject to occupancy restrictions which are as restrictive as the restrictions applicable to a Low Income Unit.

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PRIORITY NEIGHBORHOOD SUPPORTED PROJECT: A project that is specifically identified to be constructed, reconstructed, or rehabilitated in a neighborhood plan.

PRIORITY STRATEGIC PROJECT: A Priority HUD Rehabilitation Project or a Strategic Priority Project.

PRISON: Not considered a prison if it is a jail or detainment facility that is co-located with a police station or similar law enforcement office.

PROJECT BASED SUBSIDY: Projects receiving operating subsidies based upon either (i) a Section 8 project based assistance contract, (ii) rental assistance from RD or (iii) other operating subsidies in connection with housing supported under the Stewart McKinsey Act and (iv) Project Rental Assistance (PRACs), (v) Annual Contribution Contract (ACC) subsidies, (vi) Rental Assistance Demonstration Program (RAD) or other such operating subsidies in connection with a Federal or State operated program.

PUBLIC HOUSING AGENCY PROJECT: A project that includes a signed self-certification form dated not earlier than 60 days before the application submission which verifies that a PHA is sponsoring and developing the project referenced in the application. The PHA must have at least 51% controlling interest in the General Partner of a Limited Partnership or Managing Member of a Limited Liability Company and receive at least 51% of the developer fee. The application must contain the current project specific certification signed by both the developer/taxpayer and the PHA.

QUALIFIED ALLOCATION PLAN AMENDMENTS: LHC reserves the right to amend the QAP from time to time or to implement new features or provisions of Section 42. Such amendment(s) are expressly permitted and the making of such amendment(s) will require LHC notification.

QUALIFIED COMPLIANCE PERIOD: Period of affordability as elected in the application. This includes the Extended Use Period and any additional years of affordability committed to by the Applicant.

QUALIFIED NON-PROFIT ORGANIZATION: An organization (i) described in paragraph (3) or (4) of Section 501(c) of the Code, (ii) exempt from tax under Section 501(a) of the Code, (iii) determined by the LHC or the Corporation not to be affiliated with or controlled by a for-profit organization and (iv) one of the exempt purposes of such organization includes the fostering of low-income housing.

REDEVELOPMENT PROJECT: A project located in a specified area requiring revitalization as evidenced by an adopted concerted community revitalization plan adopted by the local governing authority that is located within a Qualified Census Tract which is (i) a Distressed Property, (ii) Redevelopment Property, or (iii) Owner-Occupied Property covered by a Development Plan of Action as defined by the glossary.

REDEVELOPMENT PROPERTIES: A Project located within a Qualified Census Tract(s) which is specified by a local governmental unit as requiring revitalization as evidenced by a concerted community revitalization plan adopted by the local governing authority.

RELATED PERSON: Any person bearing a relationship to such person as specified in sections 267(b) or 707(b)(1) of the Code, or if the persons for whom a relationship is being determined are engaged in trades or businesses under common control (within the meaning of subsections (a) and (b) of section 52 of the Code).

RENT UP/LEASE COSTS: Costs, such as advertising, sample unit costs, on site rental managers and staff and initial rental costs, necessary to fully rent a low-income building which may be amortized over the period necessary to rent all units, (e.g. 24 or 36 months).

REPROCESSING CHANGE: Any change other than a material change relating to (i) adjustments of sources or uses of funds greater 5% but less than 10%, (ii) increases or decreases in the number of units, unit mix, square footage, etc. greater than 5% but less than 10%, (iii) increases or decreases in the number of buildings greater than 5% but less than 10%, (iv) an applicant's inability to comply with the project schedule proposed in the Application by more than three months in any element of the Project and (v) any increase in the interest rate of long term debt required to complete the Project.

REQUIRED EXHIBITS: The Exhibits and/or Appendices specified as Required Exhibits in the Application and does not include the Exhibits and/or Appendices to support Selection Criteria items.

SELLER TAKE BACK NOTE: With respect to low-income housing credits allocated pursuant to IRC §42(h)(4) and where there exists an identity of interest between the managing members and/or general partners of the seller and the purchaser of property identified in the ten year title history of the property, the LHC will directly finance the lowest price paid by an owner or purchaser of the property identified in the ten-year title history and permit the seller to take back a note for the difference between (i) the original cost of the property paid by a party related to the seller during such ten

year period and (ii) the current as-is appraised value of the property only if the seller held note is payable from surplus cash and is subordinate to any promissory note financed with LHC Program Resources.

SCATTERED SITE PROJECT: A project consisting of buildings containing housing units in which all such units are rent restricted (when non-contiguous) provided that each building is located on a single lot which is subdivided by the local jurisdiction and for which an option to purchase separately may be executed and further provided that a single building may not contain more than two (2) housing units. Evidence of a Scattered Site Project must consist of a subdivision plot or proposed subdivision plot evidencing separate lots for each building. If a Scattered Site Project is located on non-contiguous land, no points will be awarded for Community Facilities. A scattered site project that is contiguous may include units that are not rent restricted.

SINGLE PARENT HOUSEHOLD: A household with children in which one parent or guardian of such children resides in the household and in which no other adult resides in such household at initial occupancy.

SPECIAL NEEDS HOUSEHOLD: A household which constitutes a Single Parent Household, Large Family Household, a Foster Parent Household, an Elderly Household, a Disabled Household, a Homeless Household, a Veteran Household, or a Household with Victims of Domestic Violence.

SPECIAL NEEDS PROJECTS: A Project in which at least twenty-five percent (25%) of the units are set aside for Special Needs Households in accordance with the Tax Credit Regulatory Agreement; provided, however, that a Special Needs Project constituting an Elderly Project satisfies the requirements of the Fair Housing Act.

SPONSOR: The person(s) owning one hundred percent (100%) of the interests in and who controls the Managing General Partner or Managing Member. A non-profit organization may sponsor another non-profit organization or a for-profit subsidiary entity only if such non-profit sponsor is legally entitled to designate all board members of the sponsored non-profit and/or owns 100% of the stock or ownership interest in the subsidiary as evidenced in the articles of incorporation of the sponsored non-profit or the subsidiary's articles of organization. As this paragraph pertains to PHA's, the PHA must be receiving an Annual Contribution Contract from HUD.

SUBORDINATE SOFT DEBT: Any mortgage loan or unsecured loan payable from Residual Cash.

SUBSIDIARY: Any corporation, entity, partnership, venture, syndicate, or arrangement in which a local housing authority receiving an Annual Contribution Contract shall participate by holding a 100% ownership interest or participating in its governance, in which commissioners, officers, employees, and agents of such authority constitute a majority of the governing body of such entity.

SUBSTANDARD: Any residential housing unit which does not satisfy the Habitability Standards and requires Substantial Rehabilitation.

SUPPORTIVE HOUSING: Housing designed to meet the special needs of the targeted special needs households occupying the housing and providing Supportive Services targeted to such special needs households.

SUPPORTIVE SERVICES FOR PSH: The range of services tailored to the needs of the category or categories of persons with special needs occupying housing in which such services are provided. The intensity of services delivered may vary based on the target population and individual needs but for typical individuals would include an intensive service mix covering these types of services:

- Outreach and engagement
- Support in accessing housing (including assistance with applications, arranging for utilities and arranging for relocation)
- Crisis prevention and intervention
- Support in acquiring skills and knowledge for community living including acquiring benefits and money management
- Providing opportunities for social support an peer support
- Advocacy, clinical case management, clinical interventions
- Facilitating arrangement for childcare
- Service Coordination including services of a tenant services liaison
- Arranging access for acute and emergency care
- Mental health and substance abuse treatment
- Linkage to education and employment
- Arranging access to transportation

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SUPPORTIVE SERVICES FOR SPECIAL HOUSEHOLD TYPES OTHER THAN PSH: The range of services tailored to the needs of the category or categories of persons with special needs occupying housing in which such services are provided. The costs of Supportive Services must be specified in the Application and separately identified as an expense item in the operating pro-forma or must be provided by a governmental or non-profit Corporation which evidences in writing a commitment to provide supportive services to special needs households in the Project without charge. For purposes of this definition, Supportive Services are presumed to be provided if such services qualify under HUD or VA Regulations and if HUD/VA informs the Corporation in writing that services evidenced in the Application qualify under their regulations. Supportive Services must be provided for a period commencing at the placed in service date of a project and ending not earlier than the end of the tax credit compliance period for a project. A description of Supportive Services must contain minimum supportive services required under HUD regulations for such special needs group and may include:

- Daycare
- After-school programs
- Financial and budgeting seminars
- Job training
- Homebuyer training and seminars
- Supervised recreational activities for children
- Transportation to seminars
- Preventive health care programs/health screening on a regular basis
- Transportation to facilitate access to social services, doctors, and shopping
- Computer labs/internet hookup and/or tutors
- Library
- Dry-cleaning and/or laundry
- Grocery pickup and/or delivery
- Continuing education
- Information and senior counseling
- Homemaker/housekeeping or Meals
- 24 hour security/neighborhood watch programs
- Community pets (cost of care provided by project)
- Community gardening
- Weekly exercise class
- Grandparent mentoring programs
- Weekly "day trips" to shopping centers/specialty shopping
- Reading service and library
- Social and recreational programs planned and overseen by the property manager. (Monthly birthday parties/ holiday dinners and/or parties; potluck dinners, movie nights, bingo)

SURPLUS CASH:

Any cash (excluding tenant security deposits) remaining at the end of each fiscal year of the Borrower after: (A) payment of all operating expenses for the Project for such fiscal year; (B) payment of all sums due or currently required to be paid under the terms of any Permanent Loan Documents; and (C) payment of all amounts required to be deposited into any reserve fund for the payment of operating expenses, any reserve for replacements to the Project, or any other special reserve funds required to be maintained by the Project under the Permanent Loan Mortgage or the LHC Subordinate Loan Documents.

SYNDICATION COST CERTIFICATION: A certification by the Taxpayer and Syndicator on the form provided by the Corporation which specified among other information costs or items incurred for the packaging of the investment units and the promotion as an investment, including any marketing of the actual units, the production of any marketing memorandums or promotional materials, the mobilization of any broker/dealers who will sell the investment units and the actual sales commissions paid to the sellers of the partnership (whether they are unrelated third parties or the individuals who promoted the investment), including due diligence related aspects of the syndication and legal costs associated with the offering, opinions, inquiries as to certain aspects of the syndication, etc.

Tier 1 Parishes: These parishes are considered the most vulnerable to hurricanes, storm surges, and other catastrophic weather events. (Cameron, Iberia, Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St. Martin, St. Mary, St. Tammany, Terrebonne, Vermilion.)

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Tier 2 Parishes: These parishes are still exposed to hurricanes and severe weather but are slightly less at risk than Tier 1. They are often adjacent to coastal areas but may have lower flood and storm surge exposure. (Acadia, Ascension, Assumption, Calcasieu, Iberville, Jefferson Davis, Lafayette, St. Charles, St. James, St. John, Tangipahoa, Washington, East Baton Rouge, West Baton Rouge.)

UNIVERSAL DESIGN: Is the design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design.

VETERAN HOUSEHOLD: A household in which at least one household member is a Veteran as defined by Title 38 of the Code of Federal Regulations.

WALKING TRAIL: The trail must be an asphalt or concrete paved surface measuring at least 5 feet in width and a minimum of ¼ mile in distance. The trail must be separate from the required sidewalks.

WOMEN BUSINESS ENTERPRISE: 51 percent owned by a woman or, in the case of a corporation, at least 51 percent of the stock of which is owned by one or more women; and whose management and daily business operations are controlled by one or more individuals who are women

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Appendix A - Selection Criteria

APPENDIX A-SELECTION CRITERIA AND EVIDENTIARY MATERIALS

I. TARGETED PROJECT TYPE (Maximum of 11 points allowed)

A. Community Redevelopment (select one, maximum 3 points allowed)

(i) *Redevelopment Project — 3 ____
- a. Distressed Property: ____
- b. Redevelopment Property: ____
- c. Owner Occupied Property with Development Plan of Action: ____

(ii) *New Construction Project included in a Concerted Community Revitalization Plan — 3 ____

(iii) PHA sponsored project — 3 ____

* Documentation must be submitted with the application evidencing that the project meets the requirements of a Redevelopment Project as defined by the QAP. Any project receiving points in this category must be located in a qualified census tract and must be located in an area that is a part of a Concerted Community Revitalization Plan.

B. Rehabilitation & Preservation (Maximum 8 points) *Points selected must be relative to the pool selection of the applicant
Applicants cannot receive points for both New Construction and Rehab/Preservation

(i) Project Type - (select one of (a) - (f))

- (a) Existing LIHTC — 8____
- (b) Existing USDA, LHC, or other Federally Funded Project — 8____
- (c) Existing non-historic Residential Building — 7____
- (d) Blighted housing remediation and/or replacement — 7____
- (e) Rehab Infill/ Scattered Site (not eligible for points for community facility) — 7____
- (f) Preservation of Residential Historic Property — 3____

C. New Construction (Maximum 8 points) *Points selected must be relative to the pool selection of the applicant
Applicants cannot receive points for both New Construction and Rehab/Preservation

(i) Project Type (select (i)(a) and select (b) if applicable)

- (a) New Construction - Single Family, Multifamily or Duplexes — 7____
- (b) Homeownership Project * *(not eligible for points for community facility)* — 1 ____

(ii) Infill Project (select (ii) - and select (i)(b) if applicable)

New Construction Infill/ Scattered Site Single Family or Duplexes *(not eligible for points for community facility)* — 7 ____

* Owner must agree to sell units at minimum purchase price by not later than the 16th year of Compliance period. The award is subject to a transactional structure acceptable to the Corporation according to industry best practices that protects the expectations of tenants anticipating title transfer of their units in fee simple absolute or condo or cooperative ownership. Homeownership Projects are not eligible for points for community facility.

II. TARGETED POPULATION TYPE (only one selection from either (I) or(II) - Maximum 6 points)

A. Special Needs Households*

I. Population Served (Check one or more of (a), (b, (c), (d) or (e) and one of (i), (ii) or (iii))

- (a) Homeless Households
- (b) Disabled Households ____
- (c) Single Parent Households ____
- (d) Veterans ____
- (e) Victims of domestic violence

(i) Thirty Percent serve such households — 6____
or
(ii) Twenty Percent serve such households — 5____
or
(iii) Ten Percent serve such households — 4____

II. Elderly Households - 100% of the project units are designated for Elderly Households — 6____

*Does not apply to Permanent Supportive Housing. To earn points for this category project must provide supportive services. Application must include the following: (1) Description of Supportive Services tailored to each Special Needs Household (See Supportive Services Definitions). (2) Cost per annum of Supportive Services per Special Needs Household or written commitment from governmental or non-profit agency that Supportive Services will be provided to Project without cost. (3) Experience of Taxpayer/Owner in developing Projects servicing Special Needs Households.

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III. PRIORITY DEVELOPMENT AREAS AND OTHER PREFERENCES (Select All That Apply - Maximum of 13 points)

A. Extended Affordability Agreement* (Only one selection allowed)

Taxpayer/Owner will execute an Extended Affordability Agreement to keep the project affordable until after the:

(i)	35th year	3_____
(ii)	40th year	4_____
(iii)	45th year	5_____

* Lease to own projects ineligible; not eligible if executing Corporation's Option to Purchase and Right of First Refusal Agreement.

B. *GOVERNMENTAL PRIORITIES - Select all that apply.(Maximum 4 points)*

Census Tract Number: _____ Parish Location: _____

(i)	Project located in a Difficult Development Area (DDA) , Qualified Census Tract (QCT) or Federally recognized or State recognized Tribal Tract:	2____
(ii)	Project located in a parish that has not received an award of LIHTC within the last 20 years. ***Grant, La Salle, St. Charles, St. Helena, St. John the Baptist, Tensas***	2____

C. *ADDITIONAL FINANCIAL SUPPORT - (only 1 selection allowed)*

Additional Financial support reduces project development costs by providing Philanthropic donations not affiliated with any members of the development team, CDBG or HOME funds not provided by LHC, other governmental assistance/funding in the form of loan, grants, rental assistance or a combination of of these forms by:

- Waiving water and sewer tap fees;
- Waiving building permit fees;
- Foregoing real property taxes during construction;
- Contributing land for project development;
- Providing below market rate construction and/or permanent financing;
- Providing an abatement of real estate taxes; PHA contributions or other governmental contributions;

(i)	7% or more of total project development costs	4_____
(ii)	Greater than or equal to 4% but less than 7% of total project development cost	3_____
(iii)	2% but less than 4% of total project development cost	2_____

* The above referenced funds must be actual "awarded funds" as evidenced by a signed commitment obligating the funds to the project. Support documentation from the entity and calculations supporting the selection must be included in the application submission.

IV. LOCATION CHARACTERISTICS *(Maximum of 5 points allowed)*

A. NEIGHBORHOOD FEATURES

Points in this section are capped by the applicant's selection and verified through the commissioned market study. Applicants must include in their submissions the name, address, and map location each item where points are claimed under this section. Applicants who propose developments in proximity to negative neighborhood characteristics as defined within the QAP, can submit a justification along with their application. Justifications must include proof that the intended development is in an economically diverse neighborhood, not census tract.

(i) Points Gained*: (Maximum of 5 points allowed)

Points will be awarded for the following services located within the specified distance of the site. Applicant should ensure that the service is suitable for the targeted population. Points will only be awarded for the services listed below. For Urban Projects - One (1) point will be awarded for the services listed that are within a 1 mile radius of the project and One Half (0.5) point will be awarded for any service listed that is located over 1 mile but is within a 2 mile radius of the development. **For Rural Projects - 1 point will be awarded for the services listed that are within a 5 mile radius of the project only, NO points will be awarded for the services listed that are over 5 miles.** The addresses for each selection must be included in the application submission. **Only 1 point per service type allowed.**

Evidence may be submitted but points will be assigned by the Market Analyst.

Grocery Store	1
Fresh produce market and or fruit stand (must be located in a fixed structure)	1
Hospital/Doctor Office or Clinic	1
Bank/Credit Union (must have live tellers)	1
Elementary, Secondary or Post Secondary School	1
4-Year College, University, Vocational, Technical & Community College	1
Pharmacy/Drug Store (not including pharmacies within hospitals)	1
Public Transportation (shuttle services excluded)	1
Louisiana Licensed (current) Adult/Child Day Care/After School Care	1
Public Park	1
Police of Fire Station	1

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V. PROJECT CHARACTERISTICS - Select and provide support documentation on all that apply		
A.	**COMMUNITY FACILITIES** (Community facilities must be consistent with the definition contained in QAP.) ***Homeownership and Scattered Site projects on a Non-Contiguous site are not eligible to receive points for community facilities.***	2_____
B.	**OPTIONAL AMENITIES:** ***Architect Certification for the selected amenities is required.*** (All are required to receive points) (i) Dishwashers maintained in each unit (ii) Development Wi-Fi	 1_____ 1_____
C.	**PROJECT AMENITIES *(Maximum 2 points allowed)*** ***All amenities must be located on the project site and must be new or an improvement.** Playground Computer Center (minimum 5 computers) Exercise Room (must have equipment) Picnic Area with Permanent Grill Courtyard with Seating	 1_____ 1_____ 1_____ 1_____ 1_____
D.	**ADDITIONAL ACCESSIBLE UNITS *(Only 1 selection allowed)*** (i) Number of Units:_____ = more than 15% of the total units but less than or equal to 20% of the total units (ii) Number of Units:_____ = more than 20% of the total units * Submit number, percentage and description of construction and/or equipment provided for each Accessible Unit. Accessible Units in excess of Section 504 of II C Accessible Project Rehabilitation Act of 1973. Section 504 applies to all Projects, i.e., 5% of units must be accessible for people with mobility impairments and 2% for people with hearing or vision impairments.	 2_____ 3_____
E.	**ON-SITE SECURITY *(Maximum 3 points allowed)*** (i) Make your selection(s) below, a maximum of only 2 points allowed for this section (i) Security Cameras ____ Security Gate ____ On-Site Security Guard ____ (ii) Security cameras connect with local town crime surveillance initiative * Twenty-four (24) hour on-site security through the use of cameras, security gate, or on-site personnel in an official capacity as a professional security guard. Costs for on-site security must be evidenced as an expense item on the projects operating pro-forma. Security personnel may be uniformed or non-uniformed. If security cameras are provided (1) cameras must be dispersed throughout the development so as to provide maximum security coverage and a diagram of the proposed location of cameras must be included in the application to receive points, (2) At least one camera per every 20 units is required to receive points in this category; the number of cameras will be rounded up in making this determination, and (4) properties will be required to retain 30 days of continuous footage; enabling security footage of any given day to be available for up to a minimum of 30 days. Security Gates must provide full perimeter fencing with controlled gate access. The fencing and gate must be either wrought iron, aluminum or wood, chain-link fencing is unacceptable.	 2 _____ 1 _____
F.	***HUD DEFENSIBLE SPACE*** Project incorporates HUD Defensible Space	2____
G.	**Federally Qualified Health Centers (FQHC) -** Owners agree to host FQHCs onsite to provide tenants with access to preventive health services, dental services, mental health and/or substance abuse services, among others: a. On-site once a year b. On-site twice a year c. On-site Quarterly	 1_____ 2_____ 3_____
VI. THRESHOLD REQUIREMENTS – Please acknowledge that all of the following requirements have been met.		____
H.	**30% AMI and Target Population** Projects must set aside at least 5% of units for households with incomes at or below 30%. AMI and agree to give preference to Veterans, Disabled and Elderly persons on the PHA waiting list if they satisfy the requirements of the Project's Management and/or Operating Plan.	____
I.	**RESILIENCY STANDARDS** **FORTIFIED Roofs, windows, and doors – REQUIRED FOR ALL PROJECTS**	 ____
J.	**EVICTION PREVENTION & LOW BARRIER TENANT SCREENING – REQUIRED FOR ALL PROJECTS** Commits to creating an Eviction Prevention Plan for the property. Commits to implementing low-barrier tenant screening in order to minimize the impact of previous evictions on a household's ability to secure future housing.	 ____ ____

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Appendix B - Minimum Design Standards

New Construction & Adaptive Re-use Projects:

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CSI Format

The Construction Specification Index (CSI) is the standard filing system used by all architectural, design, engineering and construction professionals. The CSI format provides a uniform approach to organizing specification text by establishing a structure consisting of 16 divisions (see table of contents). Although the current Index has expanded to 50 divisions, for simplification purposes, we have determined the original 16 base divisions as the Louisiana Housing Corporation (LHC) preferred organization for new construction. The intent of this methodology is not meant to replace any Architect's desired preference for layout of their specifications; however, consideration to minimum set forth should be incorporated into all designs. Divisions XII and XIV have been eliminated.

LHC has simplified the categorization of the CSI format and has eliminated the five digit numbering code, replacing the number with a bullet.

For additional information or questions regarding CSI Format, please contact the Department of Design and Construction Review at (225) 754-1484.

If a conflict arises between regulations or standards, the most restrictive will be enforced.

Acronyms

ABA—Architectural Barriers Act

ACI—American Concrete Institute

ADA—Americans with Disabilities Act

AFUE—Annual Fuel Utilization Efficiency

AHJ—Authority Having Jurisdiction

ASTM—ASTM International formerly known as (American Society for Testing and Materials)

CFM—Cubic feet per minute

CM—Concrete Masonry Units

CSI—Construction Specification Index

DWV—Drain, Waste Vent

GPF—Gallons per Flush

HSPF—Heating Seasonal Performance Factor

HVAC—Heating, Ventilation and Air Conditioning

IECC—International Energy Conservation Code

KCMA—Kitchen Cabinet Manufacturers Association

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LSUCC—Louisiana State Uniform Construction Code

OLM—Office, laundry and maintenance

SEER—Seasonal Energy Efficiency Rating

SRO—Single Room Occupancy

Division I: General Requirements

Minimum Design Standards
Minimum Design Standards shall apply to new construction and reconstruction of all multifamily and scattered site developments.

Note: LHC's Minimum Design Standards are to be used as a guideline to meet all local, state, and national codes. These standards also provide a way to enforce above average construction and design for builders, contractors, and design professionals who wish to utilize funding from the Louisiana Housing Corporation. Other methods of construction and design may be acceptable on a case by case basis. **If you feel your design meets or exceeds LHC's Minimum Design Standards, please contact the Department of Design and Construction Review for further assistance.**

Units for Elderly Residents: All units for elderly residents shall be located at the grade level or on an elevator accessible floor.

Codes
All construction must comply with Louisiana State Uniform Construction Code (LSUCC), local planning and zoning, and local authorities and jurisdictions. Federal regulations which may pertain to the specific project such as the Fair Housing and Section 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as amended, also apply. It is strongly encouraged that the 2010 ADA/ABA standard be utilized when designing accessible units and public facilities.

Quality Assurance
Contractor shall furnish a written material and labor warranty on the units for a period of one full year after occupancy.

Unit Size Requirements
The following minimum square foot measurements are required for the different type of units. Net square feet are the heated and cooled area of the unit.

- SRO units shall contain at least 150 square feet.
- Efficiency units shall contain at least 450 square feet.
- One-bedroom units shall contain at least 650 square feet.
- Two-bedroom units shall contain at least 800 net square feet.
- Three-bedroom units shall contain at least 1,100 net square feet.
- Four-bedroom units shall contain at least 1,400 net square feet.

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Minimum Square Footage and Full Bathrooms Per Unit Type		
Unit Type	Bathrooms	Minimum Square Feet
Efficiency	1	450
1 Bedroom	1	650
2 Bedroom	1	800
3 Bedroom	2	1100
4 Bedroom	2.5	1400

Waiver of Minimum Square Footage and Full Bathroom Requirements. The minimum square footage and full bathroom requirements may be waived for an existing project which is being rehabilitated only if a federal program finances the unit and the federal agency administering the program which finances the unit requests a waiver of such limits or a rehab of an existing LIHTC property that doesn't meet the current square footage minimum and full bathroom requirements.

Reduction of Minimum Square Footage Per Unit. The minimum square feet per unit may be reduced by ten (10%) for existing units if the local jurisdiction within which the units are located certifies that such units will comply with all applicable zoning and building codes. This reduction does not apply to new construction or substantial rehabs.

Division II: Site Work

Must meet requirements of LSUCC, Authority Having Jurisdiction (AHJ) and accepted engineering practices.

Entries
One main entry shall have a concrete, treated wood, or other hard surface exterior stoop, porch or deck, a minimum of 5' x 5'. The main entry shall have a roof or awning over the entry area. The roof shall cover at least a 5' x 5 area.

Landscaping
Adequate landscaping is required on all multifamily projects. The developer shall submit a landscape plan as part of the plans and specifications. At a minimum, each building shall include a basic landscaping package.

Turf: All lawn areas shall be seeded with the seed variety, lime, and fertilizer application rate, which is appropriate to establish a good lawn cover. All slopes in excess of 3:1 within 10 feet of the building, driveway and/or walkway shall receive sod or other approved erosion control materials which will enhance the establishment of a permanent ground cover.

Sodded Areas: It is preferred that the front yards of each building and common areas are sodded.
Fencing: It is preferred that multifamily projects be fenced in such a way to provide security around the site boundaries.

Parking/Driveways
All multifamily projects shall have adequate parking (as determined by LHC).

Parking Lots: All on-site parking lots and access drives are to be paved and parking spaces are to have bumper stops or curbs. If walkways are used as bumper stops, the walkway shall be 6' wide.

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It is preferred that family units be provided with a minimum of 1 ½ on-site parking spaces per unit and that units for elderly residents have a minimum of 1 on-site parking space per unit.

Asphalt: shall consist of a hot mix asphaltic concrete pavement, such as manufactured by plants. Minimum 4" thick.

Concrete: shall conform to the latest revised Standard Specification for Portland cement, ASTM C595. All concrete shall comply with local building codes and be entrained with 5% air with a minimum cement content of 520 lbs. per cubic yard (5.5) sacks. Expansion-joint material shall follow requirements of American Concrete Institute (ACI) 318. Minimum 6" thick.

Soil Treatment-Termite Protection
Provide proper and complete termite treatment by a licensed exterminator.

Utilities Services
Electric: It is preferred that electrical service to new units is underground.

Laundry: all units shall be equipped with washer and dryer hookups (Exception: SRO and Efficiency Units). Laundry facilities located on the second floor and higher shall be equipped with a washer overflow pan piped to carry the overflow to an appropriate location or floor drain.

Phone-Internet: all units must be equipped with networks to provide cable television, telephone and internet access in the living area and each bedroom.

Walkways
All units shall have a paved walkway from the parking area to the main entrance.

Concrete pads and walks: All entry walks shall be a minimum of 36" wide, comply will local build codes, and shall be provided at all units from the entry to parking area. The minimum concrete thickness 3 ½".

Division III: Concrete

Concrete Finishes
Comply with ACI 302.1R for screening, re-straightening, and finishing operations for concrete surfaces. Do not wet concrete surfaces. Provide the following finishes:

1. Float finish for interior steps and ramps and surfaces to receive waterproofing, roofing, or other direct applied material.
2. Troweled finish for floor surfaces and floors to receive floor coverings, paint or other thin film finish coatings.
3. Trowel and fine-broom finish for surfaces to receive thin set title.
4. Nonslip-broom finishes to exterior concrete platforms, steps and ramps.

Division IV: Masonry

Brick: The siding material of all attached units shall consist of a minimum of 30% brick, stone, or other LHC approved materials. The bricked area calculation of 30% shall not include window and door areas, nor brick below finished grade.

Face Brick: Shall be ASTM C216, Grade MW or SW, type FBS or equivalent.

Concrete Masonry Units (CMU): It is preferred that stucco or split face shall be used for all CMU walls exceeding 3 feet or more exposure.

Division V: Metals

Metal Ties
Provide a metal tie-down strap (commonly called hurricane straps) at each bearing location of each roof truss, rafter and ceiling joist. The tie-down strap must attach to the top cord of the truss and the uppermost plate of the wall. All tie-downs shall be installed as required by AHJ.

Steel Lintels
Steel lintels, when specified for openings in masonry walls shall be primed and painted or hot dip galvanized. Preference by the AHJ shall be considered acceptable.

Division VI: Woods and Plastics/Rough Carpentry/Millwork

Wood Products, General
Lumber: Provide dressed lumber, S4S, marked with grade stamp of inspection agency. Engineered Wood Products: Acceptable to AHJ and for which current model code research or evaluation reports exist that shows compliance with building code in effect for the Project.

Cabinets and Drawers
Cabinet fronts shall be made of solid wood (not particleboard); doors, drawers and fronts shall be factory finished. Cabinet ends shall be finished with appropriate veneer. All cabinets shall be Kitchen Cabinet Manufacturers Association (KCMA) approved. Custom-built local cabinet options are acceptable if approved by LHC Design Review Department prior to installation.

Roof Construction
Minimum Roof Pitch: The minimum slope on all steep slope roofs shall be 4" vertical to 12" horizontal. Porch roofs are an exception. Composite material is preferred for decking. All exterior wood shall have a preservative retention rate of 40%.

Wood Stairs and Handrails
Composite material is preferred for stairs and handrails. All exterior wood shall have a preservative retention rate of 40%.

Division VII: Thermal and Moisture Protection

Fascias
Metal: 0.019" minimum thickness aluminum, factory finish (coil stock).

Composite: Hardi-plank or other durable material as approved by LHC.

Roof
Fiberglass Shingles: ASTM D3462, antifungal, 235 lb. seal tab type over minimum 15 lb. felt, with at least a 25-year product warranty.

Gutters and Downspouts: shall be appropriately designed with a minimum 5" gutter and a 2" x 3" downspout. All downspouts shall empty onto concrete splash-blocks or be piped to an appropriate location.

Siding
Composite: Fiber-Cement siding, primed, with two-coat minimum finish.

Wet Walls
Water-Resistant Drywall: Water-resistant gypsum board (commonly called green board) must be used on all walls in the bathroom and within six horizontal feet of wall surfaces where the drywall can be splashed such as kitchen sink, next to water heater and/or washer. Water-resistant gypsum, when used on ceilings must be rated for the span.

Division VIII: Doors, Windows, and Glazing

Door Accessories
Exterior hardware:

a) It is preferred that exterior doors have a doorknocker, security accessories (eyelet and deadbolt), and a kick plate.
b) All doors shall have a lever key-lock latch.

Interior Hardware: All doors shall be equipped with a lever-bundle. Install locks for bedrooms and bathroom.

Exterior Doors
Exterior Doors shall be 13/4" thick, made of steel or other equally durable material, insulated unless of solid wood (not particleboard) and be appropriately finished as recommended by the manufacturer.

Interior Doors
Solid Wood, Composite or hollow core panel doors. Interior doors shall be a minimum of 13/8" thick.

Windows
All window frames must be of solid vinyl, thermally broken aluminum, fiberglass, wood or wood clad. All glazing shall be double paned. The vapor seal on the glazing must have a minimum ten-year warranty. All windows shall have a minimum one-year warranty on the operation of the window. All windows shall have a National Fenestration Rating. Remember to include an ingress/egress window as required per code at all required locations (5.7 sq. ft.). Sash removal is not an acceptable method to achieve the required opening.

Division IX: Finishes

Exterior Ceiling
When using vinyl or aluminum material for porch ceilings, provide a rigid, solid backing such as OSB or plywood.

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Exterior Finishes
Posts and Columns: It is preferred that all posts (at deck level and above), columns, and guardrails be factory made and factory finished.

Handrails: Rail shall be smooth, splinter-free and painted or factory finished to withstand the weather and resist cracking and splintering.

Finished Floor Treatments
Carpet Padding: 7/16" thick, 6-lb. minimum re-bond polyurethane.

Sheet Carpet: 25 oz. minimum, 100% nylon. Other options include Berber type with blended fiber. In high traffic areas, 30 oz. minimum is preferred.

Sheet Vinyl: Shall be Armstrong or other approved equal. Provide product adhesive and underlayment as recommended by the manufacturer. All surfaces shall be clean, dry, and appropriate temperature during installation. Minimum 10 mil wear layer. Vinyl sheet flooring shall conform to the requirements of ASTM F1303, Type I.

Vinyl Tile: Shall be Armstrong or other approved equal, 1/8" x 12" x 12". Provide product adhesive and underlayment as recommended by the manufacturer. All surfaces shall be clean, dry, and appropriate temperature during installation. Follow manufactures recommendation for pattern layout.

Wood Flooring: Flooring should be tongue and groove hardwood; factory finished, or have a minimum of three coats of site-applied, UV-protected polyurethane.

Other Flooring Products: Ceramic file and engineered flooring.

Interior Entries
Paint: primed once, with two-coat satin, semi-gloss finish on all sides and faces.

Stain: stain or oil on all sides and faces, with three-coat varnish, polyurethane finish. Factory
Finished doors are acceptable.

Interior Wall Finishes
Paint: primed once, two-coat flat finish. Use gloss, semi-gloss, or satin finish for bathrooms, laundry, and kitchens.

Interior Entries
At the interior side of the main entry door, there shall be an uncarpeted, finished floor area. This area shall be no less than sixteen (16) square feet.

Interior Doors
Paint: primed once, with two-coat satin, semi-gloss finish on all sides and faces.

Stain: stain or oil on all sides and faces, with three-coat varnish polyurethane finish. Factory finished doors are acceptable.

Division X: Specialties

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Closet Storage/Accessories
Closets should contain 12" deep shelf, including a coat rod. Shelves with integrated hanger hooks may also be used.

Division XI: Equipment

Bath
Accessories: All bathrooms shall have:

a) Medicine cabinet with mirror 16" wide by 20" tall (minimum) or standard mirror
b) Wall hung toilet paper dispenser
c) 18" (minimum) towel bar

Bath Tub: Tubs should be 30" minimum width; made of fiberglass, acrylic, porcelain, or cultured marble.

Faucets: Polished chrome plated. Lever handle.

Sink: Sinks shall be 15" minimum diameter; made of fiberglass, acrylic, porcelain, or cultured marble.

Shower: Showers should be 36" x 36" minimum; made of fiberglass, acrylic, ceramic, or, cultured marble.

Protection/Suppression Accessories
Smoke Alarms: Building code requires the installation of smoke alarms in the following locations:

1) In each sleeping room.
2) Outside each separate sleeping area in the immediate vicinity of the bedrooms.

When more than one smoke alarm is required to be installed within an individual dwelling unit, the alarm devices shall be interconnected.

Carbon Monoxide Alarms:
An approved carbon monoxide alarm shall be installed outside of each separate sleeping area in the area immediate vicinity of the bedrooms in dwelling units within which fuel-fired appliances are installed and in dwelling units that have attached garages. LA State Fire Marshall also requires the installation of carbon monoxide detectors in all single family or duplex construction.

Fire Extinguishers: Must meet requirements of AHJ and building code:

1) Location: Shall be located in conspicuous locations where they will be readily accessible and immediately available for use.
2) Type: Stored-Pressure Antifreeze Type: UL-rated 2-A, 2.5-gal nominal capacity or type approved by AHJ.

Kitchen
Countertops: shall be molded roll-backed, laminate plastic or Formica with finished ends and sealed at the cut out for sink. Other appropriate materials may be used such as Corian. Consult the LHC Department of Design and Construction Review if alternate materials are being considered prior to installation.

Faucets: Lever handled. The housing of the faucet shall not be plastic.

Hoods: All units shall be equipped with a 100 CFM intermittent or 25 CFM continuous range hood. Range hoods shall discharge to the outdoors. Use ducting sized and ducting material per manufacturer recommendation. Provide a finished cover over exposed ducting.

Sink: 6" deep minimum, stainless steel double bowl.

Portable Fire Extinguisher: should be provided in the locale of the kitchen for the typical application

Laundry
Shall have an overflow pan or floor drain if laundry is located second level or higher.

Division XIII: Special Construction

Storage areas
Exterior storage areas are preferred on all units. This storage area should be constructed so it can be used for yard tools, mowers and outside recreational equipment. Any such features must be constructed to AHJ requirements.
Ramps

Note: When including an accessible ramp comply with the following in addition to the LSUCC: all ramps shall be minimum 36" wide with a 5' turning areas at each landing, and a minimum load capacity of 1500 lbs.

Composite: PVC or other with non-skid surface.

Concrete: with non-skid surface.

Metal: galvanized steel, or aluminum with non-skid surface.

Wood: shall meet the requirements of LSUCC.

Playgrounds
It is preferred that playgrounds be included in the overall design of the project. When office, laundry and maintenance (OLM) buildings are provided it is preferred that an approved fenced-in playground be provided adjacent to OLM Building. The area immediately in and around the playground shall be mulched with 6" of the appropriate material such as cypress mulch, pine-bark mulch, pine needle mulch or sand.

OLM Building
On projects of 30 or more units it is preferred that the developer include an OLM building.

Project Amenities
All properties other than SRO Projects must include HVAC systems, refrigerators, stoves and on-site laundry (1 washer and 1 dryer per every 10 units) or washers and dryers hookups installed and maintained in every unit at no additional cost to tenants. The requirement of an on-site laundry shall not apply to rehabilitation projects with 12 or fewer units.

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Roof Offsets

It is preferred that projects of four or more attached units be designed in such a way as to vary the roof line with offsets, gable porch roofs, etc.

Division XV: Mechanical

Heating Ventilating and Air Conditioning Equipment

All units shall be heated and cooled using high-efficiency equipment. HVAC systems shall have a minimum SEER (Seasonal Energy Efficiency Rating) rating of 15/SEER2=14.3 with a minimum HSPF (Heating Seasonal Performance Factor) rating of 8.8/SEER2=7.5. Fuel oil and gas fired furnaces and boilers shall have an AFUE efficiency of 85% or greater. Alternative HVAC systems may be approved by LHC.

Plumbing Accessories

Washers and hot water heaters located on the second floor or higher shall have overflow pan piped into DWV, positive drain outside, or floor drain.

Division XVI: Electrical

Exterior Luminaries

Exterior luminaries shall be located at all entrances and common areas. All onsite parking areas shall be lighted. The electrical supply for all common areas, stairways, walkways and parking areas shall not come from the individual unit.

Interior Luminaries

Each room, hall, stair, and walk in closet shall have a minimum of one switch operated overhead light.
Kitchens shall include switch-operated lighting over the cooking area, the sink area and the general or dining area.
Bathrooms shall be equipped with switch-operated lighting over the lavatory area and the general area.

UNIVERSAL DESIGN: The Definition

Universal design is the design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design.
The intent of the universal concept is simple life for everyone by making more housing usable by more people at little or no extra cost. Universal design is an approach to design that incorporates products as well as building features and elements which, to the greatest extent possible, can be used by everyone. While accessible or adaptable design requirements are specified by codes or standards for only some buildings and are aimed at benefiting only some people (those with mobility limitations), the universal design concept targets all people of all ages, sizes, and abilities and is applied to all buildings.

What is a universal design feature? Any component of a house that can be used by everyone regardless of their level of ability or disability. Universal features are generally standard building products or features that have been placed differently, selected carefully, or omitted. For example, standard electrical receptacles can be placed higher than usual above the floor, standard but wider doors can be selected, and steps at entrances can be eliminated to make housing more universally usable.

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UNIVERSAL DESIGN Features in Housing

The following list of characteristics are elements, features, ideas, or concepts that contribute to or can be components of universal housing. This list is intended as a guide. The features described are those we might look for in universal housing but not all are expected to be included in any given home.

Some are finite recommendations, some are lists of options, and some are scope statements identifying how many particular features must or should be included. Obviously, the more universal design characteristics or features included, the more usable the house.

A key component of universal design is the market appeal it adds to the home because the universal features are integrated into the overall design. Done well, universal design becomes a virtually invisible element.

ENTRANCES

Stepless Entrances

- It is best to make all home entrances stepless.
- More than one stepless entrance is preferred.
* At least one stepless entrance is essential; if only one, not through a garage or from a patio or raised deck.

Site Design Methods for Integrated Stepless Entrances

- Level bridges to uphill point.
- Driveway and garage elevated to floor level so vehicles do the climbing.
- Earth berm and bridge with sloping walk.
- Site grading and earth work (with foundation waterproofing) and sloping walks at 1:20 maximum slope.
- Avoid ramps. If ramps are used, integrate into the design.

Other Entrance Features

* One-half inch maximum rise at entrance thresholds.
* At least one 36” entrance door.
- Minimum 5' x 5' level clear space inside and outside entry door. (Can be smaller if automatic power door is provided.)
- Keyless entry at main entrance
- Power door operators whenever possible.
- Weather protection such as a porch, stoop with roof, awning, long roof overhang, and/or carport.
- Built-in shelf, bench or table with knee space below located outside the door.
- Full length sidelights, windows in doors, and/or windows nearby.
- Wide-angle viewers and TV monitors.
* Lighted doorbell at a reachable height.
* Light outside entry door and motion detector controlled lights.
- House number should be large, high contrast, located in a prominent place.

INTERIOR CIRCULATION

- An open plan design.

* At least one bedroom and accessible bathroom should be located on an accessible ground floor entry

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level (same level as kitchen, living room, etc.).

* Clear door opening width (32" nominal minimum, 34" – 36" wide doors), for all doorways.
* Flush thresholds at all doorways (1/2" max).
* Clear floor space (18" minimum).
* Circulation route 42" minimum width.
    - Turning space in all rooms (5' diameter).

Vertical Circulation

- All stairs should be appropriate width and have space at the bottom for later installation of a platform lift, if needed.
- If a two-story dwelling:
    - At least one set of stacked closets, pantries, or storage spaces with knock-out floor

      OR
    - A residential elevator with minimum 3' x 4' clear floor area installed at the time of initial construction.
- Stair handrails to extend horizontally beyond top and bottom risers.

BATHROOMS

When more than one bathroom is provided, all should meet the following criteria, including bathrooms on the second floor.

- At least one bathroom must have one of the following accessible bathing fixtures:
    - Minimum 5' x 3' (4' preferred), curbless shower

      OR
    - Tub with integral seat, waterproof floor, and a floor drain.
- Other bathrooms in the same house may have a tub with an integral seat or a 3' x 3' transfer shower with "L" shaped folding seat and ½" maximum lip (curb) in lieu of fixtures described above. When possible, arrange at least one shower control for right-hand use and one for left- hand use.

* Adequate maneuvering space: 60" diameter turning space in the room and 30" x 48" clear floor spaces at each fixture. Spaces may overlap.
* Clear space (3') in front and to one side of toilet.
* Toilet centered 16" – 19" from any side wall, cabinet, or tub.
* Broad blocking in walls around toilet, tub, and shower for future replacement and relocation of grab bars.

- Grab bars should not be stainless steel or chrome. Use colors to match décor.

* Lavatory counter height 34" maximum above finished floor.

- Knee space under lavatory (27" minimum). May be open knee space or achieved by means of removable vanity or fold-back or self-storing doors. Pipe protection panels must be provided to prevent contact with hot or sharp surfaces.
- Countertop lavatories preferred with bowl mounted as close to front edge as possible.
- Wall hung lavatories acceptable with appropriate pipe protection.
- Pedestal lavatories are not acceptable.

* Long mirrors should be placed with bottom no more than 40" above finished floor and top at least 74" high.

- Full-length mirrors are good choices.

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Fixture Controls

- Offset controls in tub/shower with adjacent clear floor space.
* Single-lever water controls at all plumbing fixtures and faucets.
- Pressure balanced anti-scald valves at tubs and showers.
- Adjustable height, movable hand-held shower head or 60" – 72" flexible hose allows easy use by people of all heights.
- Hand-held shower heads in all tubs and showers, in addition to fixed heads, if provided. Single- lever diverter valves if needed.
- Mixer valve with pressure balancing and hot water limiter.

KITCHENS

* Space between face of cabinets and walls should be 48" minimum.
- Clear knee space (minimum 27" high) under sink (must have pipe protection), counters, and cook tops. May be open knee space or achieved by means of removable base cabinets or fold- back or self-storing doors.
- Variable height (28" – 42") work surfaces such as countertops, sinks, and or cooktops. May be mechanically adjustable in 2" increments or be electrically powered, through a continuous range.
- Contrasting color border treatment on countertops.
* Stretches of continuous countertops particularly between refrigerator, sink, and stove top.
- Adjustable height shelves in wall cabinets.
- Full-extension, pull-out drawers, shelves, and racks in base cabinets.
* Full height pantry storage with easy access pull-out and/or adjustable height shelves.
* Front-mounted controls on all appliances.
- Cooktop or range with staggered burners and front or side-mounted controls.
- Glare-free task lighting to illuminate work areas without too much reflectivity.
- Side-by –side refrigerator with pull out shelving.
  OR
- Under counter or drawer type refrigerators installed on raised platforms.
- Built-in oven with knee space beside, set for one pull-out oven rack at the same height as adjacent countertop.
- Drop-in range with knee space beside, top set at 34" above finished floor.
- Dishwasher raised on a platform or drawer unit, so top rack is level with adjacent countertop.
* Single-lever water controls at all plumbing fixtures and faucets.

LAUNDRY AREAS

* Front-loading washers and dryers, with front controls, raised on platforms.
- Laundry sink and countertop surface no more than 34" above finished floor with knee space below.
* Clear floor space 36" wide across full width in front of washer and dryer and extending at least 18" beyond right and left sides. (Extended space can be part of knee space under counter tops, sink, etc.)

STORAGE

- 50% of all storage should be less than 54" high.
- Adjustable height closet rods and shelves.
- Power operated clothing carousels.
- Motorized cabinets that raise and lower.

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GARAGES AND CARPORTS

- Power operated overhead doors.
- 8' minimum door height or alternate on-site parking for tall vehicles.
- Extra length and width around cars.
- Sloping garage floor (with through-the-wall vents at bottom of slope to release fumes) in lieu of stepped entrance with ramp from garage to house interior.
- Avoid ramps in garages.

DECKS (If Installed)

- Build deck at same level as house floor. 2% maximum slope away from home allowed for positive drainage.
- Keep deck clear of the house and use slatted decking for positive drainage.

HARDWARE

* Lever door handles throughout.
  - Push plates.
* Loop handle pulls on drawers and cabinet doors—no knobs.
  - Touch latches.
  - Magnetic latches in lieu of mechanical locks.

HOME AUTOMATION

* Motion detector light switches in garages, utility spaces, and entrances.
- Remote controls for selected lights.
- Remote controls for heating and cooling.
- Doorbell intercoms that connect to portable telephones.
* Audible and visual alarms for doorbell, smoke detectors, etc.

LIGHT AND COLOR

- Color contrast between floor surfaces and trim. Avoid glossy surfaces.
- Color contrast difference between stair treads and risers.
* Emphasize lighting at stairs, entrances, and task lighting.
- Ambient, focused, and variable lighting.
- Contrast between countertops and front edges or cabinet faces.

Switches and Controls

* Light switches 44" – 48" high, and thermostats 48" maximum height.
* Outlets and communication elements 15” minimum above finished floor.
- Easy-touch rocker or hands free switches. (See Home Automation.)
- Electrical outlets at beds and desks, four-plex boxes each side for computer and electronic equipment as well as personal use equipment.
- Electrical panel with top no more than 54" above floor located with a minimum 30" 48" clear floor space in front.

WINDOWS

- Windows for viewing, 36" maximum sill height.
- Use casement, awning, hopper, or jalousie style windows.

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- Use crank operated style and power operators whenever possible.

SLIDING DOORS

- Exterior sliding doors: drop frame and threshold into subfloor to reduce height of track, or ramp the finished floor to top of track.
- Interior pocket doors: when full open door should extend 2" minimum outside doorjamb and be equipped with open-loop handles for easy gripping.
- Bypassing closet doors: each panel should create an opening at least 32" clear.

DEFENSIBLE SPACE

SECURITY

Page 1 of HUD's Manual of Acceptable Practices cites two references for site design to achieve security: *Architectural Design for Crime Prevention* (U.S. Government Printing Office) and *Defensible Space* (Macmillan). Since security has become an increasingly important issue for public housing and for the communities that surround them, security should be given very serious consideration in the development of these site plans. The parameters to be used are as follows: The front yards, the fronts of buildings, and the main entries to units shall face existing streets or new driveways so as to facilitate normal patrolling by police cars and police response to residents' request for assistance. This will also enable residents across the street, whose units also face the street, to survey their neighbors' front doors.

PARKING

All parking areas are to be positioned a minimum distance of 10 feet from any building and should be positioned to facilitate surveillance from the units. Parking may be placed between the side walls of townhouse groupings as long as the nearest automobile space is not closer to the street than the front line of the building. Concrete wheel stops at curbs are to be provided at every parking space.

WALKS

Walks shall be provided for safe convenient direct access to each unit and for safe pedestrian circulation throughout a development between facilities and locations where major need for pedestrian access can be anticipated. Walks shall be located so that they are easily surveyed from the interior of units.

LIGHTING

Lighting is to be provided for the entire developed site with concentrations at walks, ramps, parking lots, and entrances to units. The intensity shall be 0.5 foot candles minimum for parking lots and walkways; and 4.0 foot candles for townhouse entrances, ramps, and steps. Parking lighting poles shall have a minimum height of 25'0" and pedestrian walk lighting poles a height of 12'0" to 15'0".

PLANTING

Planting should not be placed so as to screen the doors and windows of dwelling units from the street or from walks leading from the street to dwelling unit entries.

Plant material should be selected and arranged to permit full safe sight distance between approaching vehicles at street intersections. Additional attention is required where driveways enter streets, at crosswalks and especially in areas of concentrated mixed pedestrian and vehicular movement. Planting that hides the pedestrian from the motorist until he steps out on the street should be avoided.

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Acronyms

ABA—Architectural Barriers Act

ACI—American Concrete Institute

ADA—Americans with Disabilities Act

AFUE—Annual Fuel Utilization Efficiency

AHJ—Authority Having Jurisdiction

ASTM—ASTM International formerly known as (American Society for Testing and Materials)

CFM—Cubic feet per minute

CM—Concrete Masonry Units

CSI—Construction Specification Index

DWV—Drain, waste vent

GPF—Gallons per Flush

HSPF—Heating Seasonal Performance Factor

HVAC—Heating, Ventilation and Air Conditioning

IECC—International Energy Conservation Code

KCMA—Kitchen Cabinet Manufacturers Association

LSUCC—Louisiana State Uniform Construction Code

OLM—Office, laundry and maintenance

SEER—Seasonal Energy Efficiency Rating

SRO—Single Room Occupancy

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Division I: General Requirements

A. Minimum Design Standards for Rehabilitation: LHC's Minimum Design Standards for Rehabilitation of existing structures are to be used as a guideline to assist in meeting or exceeding all local, state, and national codes. These standards also provide a way to enforce above average construction and design for builders, contractors, and design professionals who wish to utilize funding from the Louisiana Housing Corporation (LHC). Other methods of construction and design may be acceptable on a case by case basis. If you feel your design meets or exceeds LHC's Minimum Design Standards for Rehabilitation, please contact the Department of Design and Construction Review for further assistance.

B. Waiver Process: Understanding that no single code can cover the infinite number of possible configurations and circumstances that may arise during rehabilitation, a written request for waiver to a LHC requirement will be earnestly considered. The request must detail the necessity of variance from this code and have prior approval from the Authority Having Jurisdiction (AHJ). Photographs are encouraged where necessary to convey understanding. All requests are to be submitted electronically to the Director of Construction, Design and Review at LHC and copied to your agency's LHC representative in multi or single family program, respective to the funding being used.

C. LHC Funded Rehab: (code requirements)

1. The total scope of work must meet the Louisiana State Uniform Construction Code (LSUCC), in force at the time of funding, regardless of what funding source is used when other funds are leveraged to complete the scope of work.

LSUCC regulations shall apply to the construction, alteration, movement, enlargement, replacement, repair, equipment, use and occupancy, location, removal, and demolition.

Completed units shall not contain Health/Safety or issues identified in the Federal Uniform Property Condition Standards, **inspectable items**. See latest version of HUD REAC Compilation Bulletin.

D. Universal Design Requirements: LHC encourages the inclusion of Universal Design elements whenever possible. Units that will meet Universal Design upon completion may be preferred in selection of potential projects.

E. Codes: All rehabilitation activities shall comply with all applicable codes and ordinances of the Authority Having Jurisdiction (AHJ).

1. Building Code: All rehabilitation improvements shall comply with the currently adopted Louisiana State Uniform Construction Code (LSUCC).
2. Local Codes: Rehabilitation improvements shall comply with local authorities and jurisdiction's regulations, local planning, and zoning laws.
3. Federal Codes: Federal regulations which may pertain to the specific project such as the Fair Housing Act and Section 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 2010, as amended, may also apply.

F. Energy Efficiency: All rehabilitated single family structures are encouraged to improve the energy efficiency of the dwelling. An energy audit is encouraged; however, prescriptive methods may be utilized to achieve base efficiency ratings.

G. Work Plan and Contingencies:

1. Each recipient of LHC funding for rehabilitation shall be responsible for obtaining any required tests and surveys prior to construction.
2. Each recipient of LHC funding for rehabilitation shall develop a detailed work write up for each dwelling under rehab.
3. Each recipient of LHC funding for rehabilitation shall develop a work plan for each rehab project and shall execute the work in a manner which will not cause reworking of completed phases of construction.

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4. Each recipient of LHC funding for rehabilitation shall develop a cost estimate of proposed construction activities which shall include at least 5% up to a maximum 20% contingency for unforeseen expenditures. Contingency funds may be used for hidden damage not observed in the initial evaluation of the structure only after review and approval from LHC.

Contingency may not be used for additional features, or amenities not identified in the initial evaluation of the property.

H. Quality Assurance: The contractor shall furnish a written material and labor warranty on the dwelling improvements for one full year after completion.

Division II: Existing Conditions

A. Hazardous Materials: Each recipient of LHC funding for rehabilitation shall make reasonable efforts to avoid sites that contain known hazardous materials, such as but not limited to: Asbestos, Radioactive Waste, Biological Hazards, PCBs, Mercury, Toxic Molds, and Radon.

1. Hazardous materials shall be abated or mitigated prior to commencement of rehabilitation activities.
2. In all houses constructed prior to 1978, Lead Based Paint shall be addressed per EPA requirements.

B. Evaluation of Existing Structure: All structures targeted for rehab shall be evaluated for projected rehabilitation costs. Structures with unstable foundations, extensive termite damage, extensive deterioration, or faulty construction likely to result in collapse shall not be considered.

1. Lead-based paint abatement costs shall not be considered rehabilitation costs for this purpose.
2. Historic preservation costs shall not be considered rehabilitation costs for this purpose.

C. Existing Code Violations: Rehab activities shall remedy all active code enforcement actions or violations cited by the Authority Having Jurisdiction or utility provider.

Division III: Concrete

A. Existing Concrete: If included in the scope of work, existing exterior concrete shall be free of defects such as deterioration, cracks or joints with an elevation change more than ½", or conditions which render the concrete structure unsuitable for structure's intended purpose. Cross slopes should not exceed 2%.

B. Exterior Concrete: All new exterior concrete flatwork and stairs shall be free of hazardous defects and shall conform to the latest revised Standard Specification for Portland cement, ASTM C595. All concrete shall comply with local building codes and be entrained with 5 percent air with a minimum cement content of 520 lbs per cubic yard (5.5) sacks).

1. Expansion-joint material- Follow American Concrete Institute (ACI) 318. Expansion joints shall be installed at connections to permanent structures and connections to adjoining flatwork, such that occur at the primary structure, concrete stairs, driveways, public sidewalks, light fixture standards, and similar fixed structure connections.
2. Flat work shall be minimum 4-inches thick for sidewalks and accessible routes. Driveways shall be minimum 6-inches thick.

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C. Concrete Finished: All new exterior concrete flatwork and stairs shall be finished to a non-slip resistant finish, such as a broom finish or equivalent.

Division IV: Masonry

A. Brick: When the scope of work addresses existing brick construction, brick veneer shall be in good condition or restored, free of holes, breaks, deterioration, or other defective conditions, and all joints shall be restored to a weather tight surface.

1. Defective units shall be replaced with units similar in texture, weight, and color to the original brick.
2. Loose and/or deteriorated joints shall be restored by acceptable tuck pointing methods, with mortar similar in composition to the original mortar.

B. Concrete Masonry Units (CMU): When the scope of work addresses Concrete Masonry Units restoration, all masonry units (Concrete Block) shall be in good condition or restored, free of holes, breaks, deterioration, or other defective conditions, and all joints shall be restored to a weather tight surface.

1. Deteriorated units shall be replaced.
2. Cracked joints may indicate unstable foundation conditions. If cracks are minor and do not indicate foundation failure; they shall be filled with a suitable vinyl concrete patch material.
3. Holes in units and joints may be filled with mortar.

Division IV: Metals

A. Flashings: When the scope of work requires replacement or repair of flashings, the following standards shall be met:

1. All replacement metal flashing materials shall be corrosion resistant and minimum nominal thickness of 0.019 inch
2. Corrosion resistant flashing in contact with pressure treated lumber, containing copper, shall not be aluminum material. Compatible products must be used as approved by manufacturer and/or AHJ.

B. Railing:

1. All metal railings shall be structurally sound.
2. Metal handrails and guards shall be properly anchored to safely resist required loads specified by Louisiana State Uniform Construction Code. Some railing systems may require an Engineering review prior to installation.

C. Awnings: When the scope of work includes restoration of awnings:

1. All existing metal awnings shall be properly anchored to the structure and surface coatings maintained.
2. Awnings shall be cleaned and painted if defective surface conditions exist. Replacement should be included in a physical or capital needs assessment, if the useful life is less than the commitments required in the regulatory documents.

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Division VI: Woods and Plastics/Rough Carpentry/Millwork

A. Stair Construction

1. New stairs

a. All **new exterior** stairs shall meet the current Louisiana State Uniform Construction Code regarding dimensions, handrails, and guards.

b. **New Interior** stair construction shall meet the current Louisiana State Uniform Construction Code regarding dimensions, handrails, and guards.

2. Existing stairs

a. Existing **interior** stairs shall not be reduced in rise or tread depth from the original design.

b. Existing **exterior** stairs, guards and handrails shall be in good condition and capable of supporting normally imposed loads.

3. Guards

a. All stairs with open landings, balconies, or porches more than 30 inches above grade or the floor below, shall have guardrails.

b. All guardrails shall be safe, securely and firmly fastened in place.

c. When the scope of work calls for guard installation, they shall be a minimum of 36" in height above the adjacent walking surface. **Exception:** Stairway guards may be 34" above the plane of the nosing of stair treads.

d. Guards shall have infill to prevent accidental falls by providing one or more of the following:

- Solid wall
- Railing system with solid infill
- Railing system with balusters spaced so that a sphere of 4-inch diameter may not pass through.
- The triangular area on stair sides at the tread, riser, and railing may not pass a 6-inch diameter sphere.
- Stair risers shall be closed. Open risers are not permitted.

4. Handrails

a. All stairs with four or more risers shall have a handrail on at least one side.

b. All handrails shall be easily graspable by the occupants.

c. All handrails shall return to the wall, floor, or post so that they do not constitute a hazard.

d. When the scope of work calls for handrail installation, they shall be mounted no less than 34" and no more than 38" above the leading nose of the stair treads.

Wood Decking and Porches: Existing exterior wood decks shall be free of loose, deteriorated, rotten materials, securely attached to the main structure, or properly supported by a structurally sound foundation and support system. All repairs and reconstruction of exterior decks shall meet current Louisiana State Uniform Construction Code and/or the American Wood Council's, Prescriptive Residential Wood Deck Construction Guide. The Prescriptive Residential Wood Deck Construction Guide is available as a free download at: http://www.awc.org/publications/dca/dca6/dca6.pdf

B. Exterior Wood: When the scope of work addresses installation of exterior wood all new exterior wood shall consist of naturally durable hardwoods, composite materials suitable for exterior exposure, or

pressure treated wood in accordance with AWPA U1 for the species, product, preservative and end use. Preservatives shall be listed in Section 4 of AWPA U1.

Ground contact: All wood in contact with the ground shall be approved pressure preservative- treated wood suitable for ground contact use.

Division VII: Thermal and Moisture Protection

A. Fascias: When the scope of work includes restoration of fascia repairs or replacement shall meet the following requirements:

1. Wood fascias shall be properly surface coated with painted surfaces free of peeling, cracks, or other defective conditions which will allow moisture to penetrate into the wood.
2. Fascias may be covered with factory finished 0.019" minimum thickness aluminum where local ordinances allow.
3. All decayed wood shall be replaced with solid material before covering with metal.

B. Exposed Wood: All replacement wood exposed to elements of weathering shall consist of naturally durable hardwoods, composite materials suitable for exterior exposure, or pressure- treated wood where applicable.

All pressure-treated wood shall have a minimum preservative retention rate for above ground applications and a minimum preservative retention rate for all wood in contact with the ground as required by the manufacturer.

C. Reroofing: When the scope of work includes roof work, this section shall apply:

1. Roof Structure
   a. Structural elements of the roof support system shall be evaluated prior to commencement of reroofing activities.
   b. All defective rafters shall be repaired, replaced, or otherwise braced to safety withstand live loads during reroofing activities.
   c. Where roof covering is replaced, all substrate shall be repaired to a sound condition, free of rot or deterioration, suitable to support and anchor the new roofing material.

2. Roof Covering
   a. The roof and flashing shall be sound, tight, and not have defects that admit water intrusion.
   b. Roof drainage shall be adequate to prevent dampness or deterioration in the walls or interior portion of the structure.
   c. Existing roof drains, gutters and downspouts shall be in good repair and free from obstructions. Must function as designed.
   d. Roof water shall be discharged in a manner so as to not cause moisture problems to the structure.
   e. When the scope of work calls for roof covering, existing roof coverings shall be removed prior to reroofing.
   f. Roof coverings shall be installed in accordance with the manufacturer's installation instruction.

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3. Asphalt or Fiberglass Shingles: New dimensional or 3-tab shingles shall have a minimum warranty period of 25 years and be suitable for design wind speeds at location proposed.
4. Underlayment: Where roof coverings are removed to the decking below, minimum #15 felt shall be applied to the full area of the deck, including overhangs and porches. Underlayment shall be applied in accordance with the currently adopted Louisiana State Uniform Construction Code. Synthetic underlayment is acceptable if allowed by roofing manufacturer.
5. Ribbed Sheet Metal: Metal roof coverings shall be applied in accordance with the manufacturer's installation instructions and meet ASTM A 924 corrosion resistance requirements.
6. Manufactured Home Roof Repair or Replacement: Any product used to coat, cover, repair, or replace a manufactured home roof must be installed per manufacturer's installation instructions and/or recommendations. Written documentation by a qualified engineer for the installation of a product(s) is also acceptable.

7. Flashing
   a. All step flashings, counter flashings, and crickets shall be repaired or reconstructed, where a roof covering is added or replaced.
   b. Flashing at roof penetrations, such as plumbing vents, attic vents, electrical risers, or similar roof penetrations, shall be provided and replaced where a roof covering is replaced.

D. Gutters and Downspouts

1. Where roof water drainage causes deterioration to the structure or accumulation of water near the foundation, roofs shall have gutters and downspouts and shall be appropriately designed with a minimum 5" gutter and 2" x 3" downspouts. Exception: Local authorities may require reproduction of box or half-round style gutters. In this case, local requirements shall prevail.

Exception: Manufactured homes with integral guttering systems.

2. All downspouts shall empty onto concrete or composite splash blocks, or be piped to an approved location. Thin, lightweight, plastic splash blocks are not acceptable.
3. Rain water discharge shall runoff in a manner that does not create a nuisance, cause foundation damage, or infiltrate under or into the structure, or other structures.

E. Siding

Existing siding shall provide a weather tight barrier, free of holes or deterioration that admits rain into the walls of the structure.

F. Replacement Siding: All new siding material shall be installed in accordance with the manufacturer's installation instructions.

1. **Substrate Repair:** Where siding is replaced, all substrate shall be repaired to a sound condition, free of rot or deterioration, suitable to support and anchor the new siding material.
2. **Weather resistant membrane:** Where siding is removed and replaced, a weather resistant membrane (Tyvek or similar) shall be installed per manufacturer's specification.
3. **Flashing**: All windows and doors shall be properly flashed before new siding is installed.

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4. **Approved Materials:** All new siding shall consist of one or more of the listed materials below:

a. **Composite:** Fiber cement siding, primed, with two-coat minimum finish or factory finish.
b. **Metal:** 0.024" minimum thickness aluminum or galvanized steel with factory finish.
c. **Vinyl:** 0.040" minimum thickness, UV protected.
d. **Wood:** cedar or redwood stained or primed once with 2-coat minimum finish.

G. Insulation

1. When the scope of work addresses the installation of insulation in the thermal envelope, insulation shall be added in all ceilings with accessible attics, floors with crawl spaces, and any cavity exposed or opened during rehabilitation to provide at least the minimum R-value listed in the currently adopted International Energy Conservation Code.
   a. Baffles shall be provided at the intersection of exterior walls and ceilings to allow adequate passage of ventilation air where insulation is added to the attic.
   b. All insulation blow in walls (other than mobile homes) must be dense packed to a minimum density of 3.5 pounds per cubic foot of volume.
   c. When using prefab wall plugs (that will remain exposed) to cover holes created for the purpose of blowing wall or ceiling insulation the client must agree in writing before work on this measure begins.
   d. Insulation blown into the under-belly of a mobile home must be supported by a covering system (or material(s)) capable of supporting the weight of the insulation.

H. Air Infiltration: When included in the scope of work the following standards shall apply.

1. When exposed/uncovered during rehab activities, penetrations of floor, walls, and ceilings, such that occur at access openings, electrical wiring and outlet boxes, plumbing piping, and ducts, shall be sealed to prevent free passage of air between conditioned and unconditioned spaces or the exterior.

2. Air Barriers: Exposed walls in attics, separating the conditioned space of the dwelling unit from the unconditioned space in the attic, shall have an approved air barrier installed on the attic side of the wall.

3. Access Hatches and Doors Air Sealing and Insulation: Access doors from conditioned spaces to unconditioned spaces, such as attics and crawl space, shall be weather- stripped and insulated to a level equivalent to the insulation on the surrounding surfaces.

When loose fill insulation is installed, provide a wood framed or equivalent baffle or retainer to provide a permanent means of maintaining the installed *R*-value of the loose fill insulation.

4. Recessed Lighting: Recessed luminaries installed in the building thermal envelope, shall be sealed to limit air leakage between conditioned and unconditioned spaces.
   a. All recessed luminaries shall be IC-rated and *labeled* as meeting ASTM E 283, when tested at 1.57 psf (75 Pa) pressure differential; with no more than 2.0 cfm (0.944 L/s) of air movement from the conditioned space to the unconditioned space.
   b. A boxed enclosure may be built with type x gypsum over existing fixtures provided it fulfills the manufacturer's clearance to combustible specifications for the existing fixture.

I. Crawl Space: Where a crawl space is found to hold water or retain moisture sufficient to promote mold growth, the following standards shall be met:

1. Accessible crawl spaces shall be free from construction debris and standing water.

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2. Install a drainage system to relieve water retention.

3. Provide an access door per current LSUCC requirements.

4. Provide ventilation per current LSUCC requirements.

5. Repair or install a minimum 6 millimeter vapor barrier on the floor of the crawl space to provide a tight, vapor retardant membrane.

Division VIII: Doors, Windows, and Glazing

A. Exterior Doors: When the scope of work includes the installation of doors, the following standards shall be followed.

1. All exterior doors shall be 1 ¾" thick, insulated and made of steel or other equally durable material or solid wood. (not particleboard)

2. All exterior doors shall be appropriately finished as recommended by the manufacturer, and in a sound, weather stripped, weather tight, good condition.

3. When enlarging an exterior door it shall be a minimum of 36" wide.

B. Interior Doors: When the scope of work includes the installation of doors, the following standards shall be followed.

1. Existing interior doors shall be a minimum of 1 3/8" thick.

2. Existing interior doors shall be solid wood, composite, or hollow core panel doors, in good condition, properly finished, and operable.

3. Defective interior doors shall be replaced or restored to good condition and operate properly.

C. Door Accessories: When the scope of work includes replacement of door hardware, the following standards shall be followed.

1. All egress doors shall be evaluated for being readily openable from the inside of the dwelling.

2. All egress doors shall be readily openable from inside the dwelling without the use of a key or special knowledge or effort.

3. When the scope of work includes installation of other door accessories, all door accessories shall be quality material with no plastic latches or inferior hardware.

a. **Latches, knobs, and hinges** shall be metal with polished or brushed finish.

b. **Exterior Door Hardware:** All entry doors shall be equipped with a brass plated, or other durable metal finished, key lock knob or handle and deadbolt (see egress provisions).

c. **Interior Door Hardware**: All interior doors shall be equipped with brass plated, or other durable metal finished, knobs or handles.

D. Units with more than one bedroom: The scope of work shall not create a condition where bedrooms constitute the only means of access to other bedrooms or habitable spaces and shall not serve as the means of egress from other habitable spaces.

E. Kitchens and non-habitable spaces: The scope of work shall not create a condition where kitchens and non-habitable spaces are used for sleeping purposes.

F. Existing Windows: Windows not included in the scope of work shall meet the following standards.

1. **Glazing:** All existing windows shall be sound and weather tight with no holes or missing panes.

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2. **Frames:** Window frames shall be free of defective conditions such as rotten components, peeling paint, inferior glazing compound, missing counter weights, or condition which will render the window unsafe to operate, or will not provide an effective weather tight barrier.

3. **Operation:** Every window, other than fixed windows, shall be easily openable and capable of being held in position by window hardware. A lock or latch must be installed if not present for security that does not require special knowledge or tools to operate from inside the dwelling.

G. Replacement Windows: All replacement windows shall meet the following criteria.

1. All window frames must be of solid vinyl, thermally broken aluminum, fiberglass, wood, or wood clad.
2. All glazing shall be double-paned.
3. The vapor seal on the glazing must have a minimum ten-year warranty.
4. All windows shall have a minimum one-year warranty on the operation of the window.
5. All windows shall have a National Fenestration Rating meeting current minimum energy code requirements for Zones 2 & 3.
6. Windows at grade level shall have security latches which will not require special knowledge or tools to operate from the inside of the window.
7. Safety glazing shall be installed in hazardous locations, as defined by Louisiana Residential Code, where replacing existing glazing in hazardous locations.
8. When the scope of work calls for window replacement, all windows in rooms used for sleeping purposes shall have a window or door, meeting LSUCC requirements (IRC 310), connecting directly to the outside of the structure into an open court or yard. Removal of window sashes is not an acceptable method to meet the minimum opening requirements of the LSUCC for emergency escape and rescue.

Exception: Replacement, emergency escape and rescue, windows are allowed provided the window opening size is not decreased. Documentation of previous window size must be kept in client file.

H. Attic Access Opening: When the scope of work includes the installation of attic access the following standards must be followed unless conditions exist making these specifications unattainable. In such cases a reasonable effort must be made to comply as close as possible.

1. In all attic spaces with headroom of 30" or more, minimum 22" by 30" (roughed framed opening) attic access shall be provided.
2. All access openings must weather stripped (or air sealed) and be insulated to the same R-value as the adjacent attic space.

I. Crawl Space Access Opening

1. Existing crawl space access must be evaluated so at a minimum, the opening must have a functioning door and latch.
2. When the scope of work includes the installation of crawl access the following standards shall be followed unless conditions exist making these specifications unattainable. In such cases a reasonable effort must be made to comply as close as possible.

a. Crawl spaces shall be provided with a minimum 16" by 24" opening and shall not be located under an exterior doorway. Exception: Openings through the floor shall be a minimum of 18" by 24".

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b. Access openings located in the exterior foundation wall shall be no less than 16" by 24".

c. Access openings below grade; shall have an areaway, with the areaway floor below the threshold of the access door. Width and height of the areaway shall not be less than 16" by 24".

Division IX: Finishes

A. Exterior Finishes: When the scope of work includes repair or replacement of exterior finishes, the following standards shall apply.

1. All exterior finishes shall be free of holes, loose material, peeling paint, deterioration, mold, dirt, or other defective conditions.

2. All trims and soffits shall be constructed to resist the entry of insects or vermin into concealed spaces of the structure.

B. Wood: When the scope of work includes repair or replacement of exterior wood, the following standards shall apply.

1. All unfinished exterior exposed wood shall have a minimum preservative retention rate for above ground applications and a minimum preservative retention rate for all wood in contact with the ground, as specified by the manufacturer.

2. Use of CCA Treated lumber shall be prohibited.

C. Posts and Columns: When the scope of work includes repair or replacement of exterior posts and columns, the following standards shall apply.

1. All front porch columns shall be capable of supporting the roof dead load plus live loads and be 4" x 4" minimum pressure treated wood, extruded aluminum, fiberglass, or other factory-made, finished material.

2. Replacement front porch columns shall closely match original design unless structurally deficient.

3. Side or rear decks and porches may have a minimum of 4" x 4" pressure treated posts, at a maximum length of 10', supporting the roof above.

D. Handrails: Where handrails are required or included in the scope of work, the following standards shall apply.

1. All hand railing shall be smooth and splinter-free.

2. The paint, seal coat, or factory finish shall be in good condition or restored to retard deterioration of the handrail.

3. Vinyl, metal, or composite material.

4. Seals or stains shall not be acceptable treatment methods for applications where pressure treated or naturally durable material is required.

5. Seals or stains may be used to preserve the integrity of treated wood handrail material.

E. Fiber Cement Siding

1. On structures rehabbed for resale, existing siding shall be in good condition.

2. When the scope of work calls for new installation, siding shall be factory finished or be painted with at least two coats of exterior grade paint.

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F. Exterior Ceiling

1. Existing exterior ceilings, such as those that occur on porches, shall be free of openings to concealed spaces of the structure. Exception: Required ventilation openings are allowed, provided insect screens are installed to protect from entry of insects or vermin into the concealed space.

2. **Solid Backing:** When the scope of work includes using vinyl or aluminum material for porch ceilings, provide a rigid, solid backing such as OSB or plywood.

G. Carpet Padding: When the scope of work calls for new installation, carpet shall be a minimum of 7/16" thick, 6-lb. minimum re-bond polyurethane.

H. Sheet Carpet: When the scope of work calls for new installation, sheet carpet shall be 25 oz. minimum, 100 percent nylon. Other options include Berber type with blended fiber. High traffic areas, such as hallways, shall have 30 oz. minimum.

I. Sheet Vinyl: When the scope of work calls for new installation, sheet vinyl shall be minimum 10 mil wear layer or approved equal. Provide product adhesive and underlayment as recommended by the manufacturer. All surfaces shall be clean, dry, and appropriate temperature during installation. Vinyl sheet flooring shall conform to the requirements of ASTM F 1303, Type I. Existing flooring must be removed prior to installation.

J. Vinyl Tile: When the scope of work calls for new installation, vinyl tile shall meet the following standards:

1. Existing flooring must be removed prior to installation.
2. Vinyl tile shall be minimum thickness of 1/8".
3. Provide product adhesive and underlayment as recommended by the manufacturer.
4. All surfaces shall be clean, dry, and appropriate temperature during installation.
5. Follow manufacture's recommendation for pattern layout.

K. Wood Flooring:

1. When the scope of work calls for new installation, wood flooring shall be tongue and groove hardwood, factory finished; or have a minimum of three coats of site applied, UV-protective polyurethane.

2. Where interior floors are repaired in the scope of work, holes in hardwood floors shall be repaired, sanded and finished with closely matching finishes to the original finish.

L. Other Flooring Products

When the scope of work calls for new installation, ceramic tile and laminates installed per manufacturer's recommendations may be used. Existing broken tiles shall be replaced with similar size, color and texture.

M. Kitchen and Bath Floor Covering: When the scope of work calls for installation of kitchen and bath floor covering, kitchens and bathrooms shall be covered with a smooth nonabsorbent material such as ceramic tile, sheet vinyl, vinyl tile, or vinyl slabs.

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N. Interior entries: When the scope of work addresses the floor covering on the interior side of the main entry door, there shall be an uncarpeted, finished floor area. This area shall be no less than 16 square feet.

O. Interior Door Finish: When the scope of work addresses interior door finish, interior doors shall be finished and free of defective conditions. One or more of the following finishes may be utilized.

1. **Paint:** Primed once, with two-coat satin, semi-gloss finish on all sides and faces.
2. **Stain:** Stain or oil on all sides and faces, with three-coat varnish, polyurethane finish.
3. **Prefinished Doors:** Factory Finished doors are acceptable.

P. Water-Resistant Drywall: Where a rehab involves replacement of drywall in bathrooms and near areas where it may become wet, water resistant drywall shall be used as the replacement wall board in areas set forth as follows

1. Water-resistant gypsum board (commonly called green board) must be used on all walls in the bathroom and within six horizontal feet of wall surfaces where the drywall can be splashed such as a kitchen sink, next to water heater and/or washer.
2. When a tub/shower unit is on an exterior wall, provide water-resistant gypsum board behind the tub/shower unit.
3. Water-resistant gypsum, when used on ceilings must be rated for the span.

Q. Interior Wall Finishes: Where a rehab involves renewal of interior wall finishes, all existing interior wall finishes included in the scope of work shall be free of conditions such as peeling paint, holes, loose material, deteriorated surfaces, mold, mildew, and rot.

1. **Drywall repairs:** Shall be sanded to a smooth finish prior to applying primer paint.
2. **Paint:** Patches in existing drywall and all new drywall shall be primed once with two- coat finish paint. Gloss, semi-gloss, or satin finish shall be used for bathrooms, laundry, and kitchens.
3. **Paint over existing painted walls:** All repainted walls shall have coverage sufficient to completely hide the previous color. Primer and two finish coats may be required to accomplish this requirement.

Division X: Specialties

A. Entries: When the scope of work includes the installation of exterior entry components, the following standards shall be followed unless conditions exist making these specifications unattainable. In such cases a reasonable effort must be made to comply as close as possible.

1. All main entries shall have a concrete, treated wood, or other hard surface exterior stoop, porch or deck not to exceed 8 ¼" below the top of the threshold and have a minimum dimension of 36" by 36".
2. Secondary entries shall have a landing on the exterior of the door opening if the finished interior floor is more than 30" above the exterior adjacent grade or floor surface. Secondary exterior entries with less than 30" above grade elevation shall have a stair with a landing at grade level.

B. Bath: Rehabbed bathrooms in homes for resale shall be equipped, at a minimum, with the following:

1. Medicine cabinet with storage and mirror 16" wide 20" tall (minimum). Other combinations of mirror and storage may be acceptable by approval of LHC Construction Design and Review Department.
2. Wall-hung toilet paper dispenser

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3. 18" (minimum) towel bar
4. Shower rod if applicable

C. Site Address: Homes rehabbed for resale shall meet the following standards:

1. When the scope of work addresses installation of street address numbers, they shall be displayed on the structure in an area visible from the street for each dwelling. Exception: Where a structure is located more than 100 feet from the street or road, or where local jurisdiction's regulations allow, street address numbers may be displayed on the mailbox near the street.
2. Characters shall be of contrasting color in relation to the background where they are applied.
3. Arabic numbers and alphabet letters shall be displayed in English language and minimum ½" stroke width and 4" in height.

D. Mail Boxes: Each dwelling rehabbed for resale shall have a mailbox installed per US Postal Service regulations unless client waives this requirement due to not receiving mail at the residence.

Division XI: Equipment

A. Radon Reduction: In units known to have high radon levels: Units found to be at or above, 4pCi/l (PicoCuries per liter of air), shall install a Radon reduction system during the rehabilitation.

B. Combustion Appliances

1. Combustion Appliance Zone (CAZ) worst-case scenario draft test shall be performed on all atmospheric combustion appliances per BPI standards by qualified staff at the time of initial house evaluation.
2. CAZ testing must be conducted at the conclusion of any day that air sealing or other measures that may contribute to the air tightness of the combustion appliance zone(s) have been performed.
3. All CAZ test results during the construction phase and post inspection must pass acceptable standards.
4. If the initial CAZ tests reveal unacceptable results, the scope of work must state that this condition must be corrected first before proceeding with other work.
5. Documentation of all CAZ testing must be kept in the client file.

Division XII: Furnishings

A. Cabinets and Drawers: Where the scope of work includes replacement or repair of cabinetry the following standards shall apply:

1. **Existing Cabinets:** Cabinets shall be of sound construction and free of deterioration, with all doors, drawers, shelves, hardware, and other features in good condition and with a clean and sanitary finish.

2. Replacement Cabinets

a. Cabinet fronts shall be made of solid wood (not particleboard).
b. Doors, draws and fronts shall be factory finished.
c. Cabinet ends shall be finished with appropriate veneer.
d. All cabinets shall be Kitchen Cabinet Manufacturers Association (KCMA) approved.

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B. Countertops: Where the scope of work includes replacement or repair of countertops the following standards shall apply:

1. **Existing Countertops:** Countertops and vanity tops shall be a smooth nonabsorbent finish and free of defects such as holes, cracks, porous materials, or other defects which may retain moisture or food particles.

2. Replacement Countertops

   a. Shall be molded roll-backed, laminate plastic or Formica with finished ends and sealed at the cut out for the kitchen sink or basin.
   b. Other appropriate materials may be used such as synthetic molded tops, recycled glass tops, or other green construction friendly material.
   c. Consult the LHC Department of Construction Design and Review.

C. Closet Storage/Accessories: In homes rehabbed for resale or included in the scope of work, clothes closets shall contain 12" deep shelf, including a coat rod. Shelves with integrated hangar hooks may also be used.

Division XIII: Special Construction

A. Laundry: Laundry facilities located on the second floor shall be equipped with a washer overflow pan piped to carry the overflow to an appropriate location. This requirement covers new installations only, but recommended where feasible for existing locations.

B. Storage areas: Projects which incorporate accessory storage buildings or areas are encouraged. If storage areas are provided, in the scope of work, the following minimum design shall apply.

1. The storage area shall be a minimum of 48 sq. ft. for all units over 960 square feet of living space.
2. Interior ceiling height shall be a minimum of 7' in all storage areas and the width or depth shall not be less than 4' in any interior dimension.
3. Provide a pre-hung 3'0 x 6'8" entry door to the storage area with an entry lock.
4. The storage area may be provided by any of the following:
   a. A free-standing building architecturally similar to the house.
   b. Wood buildings, with T-111 or equal plywood siding, painted a compatible color with the primary structure are acceptable.
   c. Unfinished crawl space area.
   d. Metal buildings are not permitted.

5. Units that utilize an unfinished crawl space area for storage must create an appropriately-sized room with a concrete floor and provide the following:

a. A pre-hung metal entry door 3'0" x 6' 8"
   b. 20-min. fire separation (walls and ceiling)
   c. A switched light fixture
   d. Adequate ventilation for hazardous fumes
   e. Access to the remainder of the crawl space.

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6. Storage areas attached to the unit. Attached storage areas should be designed to complement and blend in with the home. This area shall have a concrete floor and provide the following:

a. Footings complying with local requirements.
b. A pre-hung metal entry door 3'0" x 6' 8"
c. 20-min. fire separation (walls and ceiling)
d. A switched light fixture
e. Adequate ventilation for hazardous fumes

C. Ramps

1. It may be necessary to provide a ramp in the rehab project. If a ramp is provided it shall be constructed in compliance with ANSI A117.1-2009, ADA 2010, UFAS, or any other nationally recognized accessibility code that is a "safe harbor" under Federal regulations.

2. Ramps shall be constructed of approved materials suitable for the purpose, or a combination of materials in the following list:

a. **Composite:** PVC or other with non-skid surface.
b. **Concrete:** with non-skid surface.
c. **Metal:** galvanized steel, or aluminum with non-skid surface.
d. **Wood:** Pressure treated lumber. All exterior wood shall meet the requirements of LSUCC for application proposed.

Division XIV: Fire Suppression

Portable fire extinguisher should be provided in the locale of the kitchen for the typical application.

Division XV: Plumbing

A. Existing Plumbing: Where a rehab involves replacement or repair of plumbing elements or installation of new water supply or septic systems, the following standards shall apply:

1. All fixtures, water supply lines, and drain/waste/vent lines shall be in working condition, free of obstructions, leaks, or other defects which interfere with proper operation or sanitation of the system.

2. Defective fixtures shall be replaced with new, energy saving features.

3. Drain/waste/vent systems shall be connected to a public sewer or to an approved private sewage disposal system. Newly installed private systems shall be approved by the local health department (DHH).

4. Water supply shall be from either a public supply system or an approved private supply. Private supplies shall be approved by the Authority Having Jurisdiction.

a. Water supply lines shall be insulated in all areas subject to freezing temperatures.
b. Replacement fixtures shall be provided with water shut off valves at the fixture location or a central manifold which will isolate the individual fixture for servicing. The building's main shut off valve shall not be acceptable for this requirement.

B. New Plumbing

1. All repair, replacement, addition, or new installation of plumbing systems shall meet the LSUCC and shall be approved by a certified plumbing inspector.

2. Ordinary repairs and fixture replacement may not be subject to inspection by the certified inspector, but shall be subject to the applicable plumbing code.

3. The following specifications shall be the minimum size and/or quality for replacement plumbing fixtures:

a. **Bath tubs** shall be 30" minimum from approach side to wall; made of fiberglass, acrylic, porcelain, or cultured marble.

b. **Faucet housings** shall not be plastic.

c. **Lavatories** shall be 15" minimum diameter; made of fiberglass, acrylic, porcelain, or, cultured marble.

d. **Showers** shall be 36" x 36" minimum; made of fiberglass, acrylic, ceramic, or, cultured marble.

e. **Toilets** shall be maximum 1.6 GPF; made of porcelain.

f. **Kitchen sinks** shall be 6" deep minimum, stainless steel double bowl.

g. **Laundry facilities** and **hot water heaters**, located on the second floor or higher, shall have an overflow pan piped into a DWV system, positive drain to the outdoors, or an approved floor drain. This requirement is for new installations but is recommended for existing locations.

h. **Water heaters-**Shall be energy star labeled and qualified.

Division XVI: Heating Ventilating and Air Conditioning

A. Existing HVAC Systems

1. All existing mechanical appliances, fireplaces, solid-fuel burning devices, cooking appliances, water heating appliances and HVAC equipment shall be evaluated for efficiency and inspected for defective or inadequate operation, ductwork, clearance to combustibles, safety controls, energy supply, combustion air supply, combustion gas venting, insulation, air sealing, and equipment.

2. If the system is capable of serving the intended purpose and defective conditions exist, the defects shall be corrected to provide the most efficient operation of the existing system.

3. Fuel-burning equipment shall combust fuel safely and operate as close to the designed Annual Fuel Utilization Efficiency (AFUE) as possible.

4. Flue gases (oxygen and carbon monoxide), stack temperature, draft and smoke (where applicable) shall be within acceptable limits.

5. A pre and post rehab Combustion Appliance Zone (CAZ) worst case scenario draft test shall be performed on all atmospheric combustion appliances per BPI standards.

6. CAZ testing is highly recommended at the conclusion of each work day, especially when measures affecting the tightness of the envelope are being performed.

7. Combustible fuel burning appliances, their fuel supply lines, and their venting systems shall be inspected and tested for proper sizing, operation, leaks, deterioration, adequate combustion, clearance to combustibles and shall be in compliance with the manufacturers installation requirements, and where applicable NFPA 54, NFPA 211 and NFPA 31.

8. Furnaces, air conditioners, heat pumps, and air handlers more than 20 years old shall be replaced with energy efficient equipment.

B. Replacement Heating Ventilating and Air Conditioning Equipment

1. All dwelling units, receiving an upgrade to the HVAC system, shall be heated and cooled using high-efficiency equipment.

2. Heat pump systems shall have a minimum SEER (Seasonal Energy Efficiency Rating) rating of 15/SEER2=14.3 with a minimum HSPF (Heating Seasonal Performance Factor) rating of 8.8/SEER2=7.5.

3. Fuel oil and gas fired furnaces and boilers shall have an AFUE efficiency of 80 percent or higher.

4. Alternative HVAC systems may be evaluated for use by LHC's Department of Construction, Design and Review.

5. All replacement systems shall be sized in accordance with ASHRAE Manual J including mini-split and zoned systems.

C. Duct Sealing and Insulation: Where the scope of work includes new duct installation the following standards shall apply:

1. AII ducts, including exhaust vent ductwork, installed in unconditioned spaces, outside the thermal envelope of the structure, shall be sealed and insulated with an insulation wrap of minimum R-8 value.

2. Duct penetrations between conditioned space and unconditioned space through floors, walls, and ceilings, shall be sealed with approved materials, preventing conditioned air from entering unconditioned space or escaping to the exterior.

3. Duct insulation shall extend to the floor, wall, or ceiling membrane where the supply duct passes through unconditioned space and terminates at a membrane of conditioned space.

4. Duct systems, located outside the thermal envelope of the dwelling, shall be pressure tested by qualified staff in accordance with the following criteria. Post construction test: Leakage to outdoors shall be less than or equal to 8 cf/m (226.5 L/min) per 100 ft2 (9.29 m2) of *conditioned floor area* or a total leakage less than or equal to 12 cf/m (12 L/min) per 100 ft2 (9.29 m2) of *conditioned floor area* when tested at a pressure differential of 0.1 inches w.g. (25 Pa) across the entire system, including the manufacturer's air handler enclosure.

   a. All register boots shall be taped or otherwise sealed during the test.
   b. Documentation of all duct testing (Pre and Post) shall be kept in the client file.

D. Programmable Thermostats

1. All newly installed HVAC systems shall be controlled by a programmable thermostat.

2. Existing programmable thermostats must be evaluated to ensure the device can still deliver the features designed by the manufacturer.

3. Training must be provided to tenants/clients on use.

E. Building Ventilation

1. The dwelling must be evaluated for compliance with Section 4 of the ASHRAE 62.2-2016 Ventilation and Acceptable Indoor Air Quality in Low-Rise Residential Buildings.

2. In no case shall the whole building ventilation rate be reduced below minimum whole-building ventilation requirements of ASHRAE 62.2 standards.

3. Where ventilation rates do not meet ASHRAE 62.2 standards, mechanical ventilation shall be provided to maintain minimum ventilation rates.

4. Existing exhaust ventilation discharge must be evaluated for proper discharge location. Relocation of exhaust vents may be required if located too close to fresh air intakes of the dwelling.

F. Range Hoods: When the scope of work includes installation of a range hood, the following standards shall apply:

1. All dwelling units shall be equipped with a minimum 100 CFM range hood vented to the exterior of the building.

2. Use manufacturer's recommended ducting material sized per installation instructions.

3. Exhaust ducting shall be concealed with a finish similar to the adjacent cabinetry where it extends above the wall cabinets through the ceiling.

4. Exhaust ducts shall terminate, at the exterior of the structure, in an exhaust hood, equipped with a back draft damper.

Exceptions and Considerations:

1. Designs utilizing Energy Recovery Ventilation technology may use a recirculation hood as a part of the ventilation design in combination with other intake and exhaust air openings.

2. Hoods vented to the exterior may contribute to compliance with ASHRAE 62.2.

3. If a waiver is granted, recirculation hoods shall be equipped with an activated charcoal filter. Approval must be obtained prior to installation from the LHC Department of Construction, Design and Review.

G. Bathroom Ventilation: When the scope of work involves rehabilitation of a bathroom, the following standards shall apply:

1. Bathrooms shall have a properly installed ventilation fan, minimum 50 CFM, vented to the exterior, penetrating the structure's outermost membrane. Ventilation fans vented to the exterior may contribute to compliance with ASHRAE 62.2. Exception: A ventilation fan is not required where existing window openings provide minimum ventilation required LSUCC.

2. Exhaust fan ducts systems shall be equipped with a back draft damper, terminate at the exterior of the structure, in a receptacle designed for this use and location.

H. Clothes Dryer Exhaust: Newly installed clothes dryers shall exhaust directly to the exterior, through the exterior membrane of the structure.

1. Exhaust ducts shall terminate, at the exterior of the structure, in an exhaust hood, equipped with a back draft damper.

2. Ducts shall be minimum 4" diameter with a smooth interior surface.

3. Joints shall be joined together in the direction of air flow.

4. No fasteners or screws shall penetrate the walls of the duct.

5. Exhaust ducts shall not be more than 35' equivalent length from the laundry area to the exterior of the structure. 90 degree ells = 5' equivalent length. 45 degree ells = 2.5' equivalent length. Straight duct is 1' linear length = 1' equivalent length.

6. In the laundry area, a maximum 8' length of flexible duct may be connected from the dryer exhaust duct to the clothes dryer.

I. Existing Clothes Dryer Exhaust:

1. Existing clothes dryer exhaust ducts shall be inspected and replaced if constructed of flexible, corrugated duct material.

2. Existing exhaust ducts shall be cleaned if blockage is discovered during inspection.

3. Existing clothes dryers exhausting to the interior environment shall be vented as closely as possible, in equivalent length of pipe run, to new exhaust installation requirements.

Division XVII: Electrical

A. Existing electrical system: In homes rehabbed for resale or if electrical alterations are included in the scope of work, the electrical system shall be evaluated for suitable size, minimum provisions, and

electrical hazards by a licensed electrical contractor. The system shall meet the following minimum standards.

1. All visible deficiencies and hazards shall be corrected.
2. All receptacle outlets in bathrooms, laundry rooms, kitchens, and outdoor outlets shall be protected by a ground fault circuit interrupter (GFCI).
3. All entrances, common hallways, interior and exterior stairways, bathrooms, kitchens, laundry rooms, and HVAC equipment rooms shall contain at least one luminary and it shall provide adequate lighting for the area.
    a. All permanently installed light fixtures shall have Energy Efficient lamps installed if suitable for types of switches installed.
    b. All other rooms shall contain at least one wall switch controlled light.
    c. Repairs may require AHJ inspections.

B. Additions, Alterations, New Wiring

1. All new wiring or extensions of the existing electrical system shall meet the current edition of the National Electrical Code and shall be inspected and approved by the AHJ.
2. Additional loads may require re-evaluation of the service size.

C. Rehab Involving Complete Removal of Plaster or Wallboard:

1. In addition to meeting the requirements of the NEC, each room, hall, stair, and walk in closet shall have a minimum of one switch-operated overhead light.
2. Kitchens shall include switch-operated lighting over the cooking area, the sink area and the general or dining area.
3. Bathrooms shall be equipped with switch-operated over the lavatory area and the general area.
4. Smoke detectors shall be installed in accordance with the current edition of the LSUCC.

Division XVIII: Communications

Minimum Provisions: Homes rehabbed for resale shall comply with the following standards.
If the dwelling is not prewired, means to connect to telephone and cable communication devices must be considered. If feasible the following provisions shall be provided.

1. Provide wiring for communication devices, or a roughed-in box and blank trim plate, with a raceway and pull string leading to an accessible area such as the attic or crawlspace, to allow the future installation of the required communication devices.
2. A raceway shall also be provided from the point of service to an accessible area within the structure.

Division XIX: Electronic Safety and Security

A. Fire Detection and Alarm

1. **Smoke Alarms:** Smoke alarms shall be installed in existing and rehabbed dwellings at all of the following locations:
    a. On the ceiling or wall outside of each separate sleeping area in the immediate vicinity of bedrooms no more than 8' from the bedroom door.
    b. Within each room used for sleeping purposes.

c. In each story within a dwelling unit, including basements and cellars but not including crawl spaces and uninhabitable attics.

In dwelling units with split levels and without an intervening door between the adjacent levels, a smoke alarm installed on the upper level shall suffice for the adjacent lower level provided that the lower level is less than one full story below the upper level.

2. Smoke alarms shall be interconnected in a manner that activation of one alarm will activate all of the alarms in the individual unit. Wireless connectivity acceptable.

3. The alarm shall be clearly audible in all bedrooms, over background noise levels, with all intervening doors closed.

4. Smoke alarms shall receive their primary power from the building wiring, provided that such wiring is served from a commercial source, and shall be equipped with a battery backup.

Exception: Smoke alarms are permitted to be solely battery operated in buildings where:

a. No construction is taking place.

b. Where a wireless interconnected smoke alarm system, with a minimum 10 year warranty for the smoke alarms, is installed.

c. Buildings that are not served from a commercial power source.

B. Carbon Monoxide Alarms

UL listed carbon monoxide alarm(s) shall be installed outside of each sleeping area, in the immediate vicinity of all bedrooms, if one or both of the following conditions exist:

1. The dwelling contains fuel burning appliances.

2. The dwelling has an attached garage.

3. Single family or duplex construction per LA State Fire Marshall.

Division XX: Earthwork

A. Drainage: Homes rehabbed for resale or if correction of drainage is included in the scope of work, shall comply with the following standards:

Conditions causing inadequate drainage or standing water near the structure shall be corrected to provide adequate drainage away from the structure by one or more of the following suggested methods:

1. Adjust backfill to allow for 6" fall in 10' (4% slope) away from the foundation walls.

2. Adjust grade to create a swale to divert water away from the foundation walls.

3. Install a French drain near the structure and discharge to an approved drainage system, ditch, or water retention area.

4. An agency proposed and LHC approved method. Acceptable engineering practices will be considered.

Division XXI: Exterior Improvements

Sections A, B, C, D, and E shall apply to all houses rehabbed for resale.

A. Existing Trees and Shrubbery: Trees, shrubs, and other plantings shall be in a condition which does not prohibit access to the structure or utility connections, or cause damage to the structure or walkways.

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B. Parking/Driveways:

1. Existing parking and driveways shall be restored to a good condition.
2. The parking area shall be one of the following materials:
   a. Hot mix asphaltic concrete pavement
   b. Concrete

3. For urban locations where onsite parking is not typical, local, street parking regulations shall apply. Adequate parking is required for every development.

C. Walkways:

1. Existing walkways shall be in a good condition and free of cracks and joints with elevation changes greater than ½". Defective conditions, such as excessive deterioration, shall be corrected by replacing the defective area.
2. All dwelling units shall have a paved walkway, from the parking area or street, to the dwelling's main entrance.
3. New walkways shall be constructed a minimum of 36" in width and 3 ½" in thickness.
   a. Walkways shall not exceed 4% slope in the direction of travel.
   b. Walkways shall have 2% cross slope, perpendicular to the direction of travel or crowned in the center, to allow for proper drainage.
   c. Walkways shall have isolation joints at connections to structures and cross walks per ACI 318 requirements.

D. Public walks:

1. Public walkways shall be free of hazardous conditions and excessive deterioration.
2. Replacement of public walks shall be completed in accordance with the AHJ rules and regulations.
3. Replacement walkways shall be ADA complaint.

E. Soil Treatment-Termite Protection: Provide proper and complete termite treatment by a licensed exterminator.

Division XXII: Utility Services

A. Capacity: Houses rehabbed for resale or if utilities are altered in the scope of work, shall meet the following standards.

1. All utility services shall be sized to adequately provide sufficient power, flow, volume, pressure, and drainage to allow for safe, dependable service of appliances and fixtures.
2. Insufficient supply of utilities shall be corrected during the rehabilitation process.

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Appendix C - Compliance Monitoring Agreement

The fundamental rules of the LIHTC program appear in Section 42 of the Federal Internal Revenue Service Code (The Code) and the State of Louisiana's Qualified Allocation Plan (QAP). In addition to Section 42 of the Code and the QAP, LIHTC project owners/managers should familiarize themselves with the items listed below:

A. LOW-INCOME OCCUPANCY REQUIREMENTS

Owners of projects receiving LIHTCs agree to make a portion or all of the units in the property available for occupancy by low-income tenants. LIHTC Owners also agree to keep the rents for these units affordable to low-income tenants. The program establishes maximum rents for qualified low-income units in a project, based on a percentage of the area median income and unit size. The LIHTC minimum set-aside requirement selected by the owner establishes the project's minimum low-income occupancy. To qualify for LIHTCs, a project must contain a minimum number of qualified units. This number is determined by the minimum set-side selected for the project by the owner. The income requirement that qualified units must satisfy differs according to the minimum set-aside selected. An owner must choose one of the following low-income set-asides:

1. **20/50 Set-Aside**: This set-aside requires that a minimum of 20 percent of the units in a project be qualified units leased to tenants with incomes less than or equal to 50 percent of the area median income, adjusted for household size.

2. **40/60 Set-Aside**: This set-aside requires that a minimum of 40 percent of the units in a project be qualified units leased to tenants with incomes less than or equal to 60 percent of the area median income, adjusted for household size.

3. **15/40 Set-Aside** (Deep-Rent Skewed): This set-aside requires a minimum of 15 percent of the low-income units in a project be qualified TC units leased to tenants with incomes less than or equal to 40 percent of the area median income, adjusted for household size. Rent must be restricted to 30 percent of the applicable income level and rent for low-income units is not greater than 50 percent of rents charged to market rate tenants for comparable units.

4. **Average income test**: A taxpayer may elect to apply the average income test if at least 40 percent of the units in the project are both rent restricted and occupied by individuals whose income does not exceed the imputed income limitation designated by the taxpayer for the respective unit. The taxpayer must designate an imputed income limitation percentage of 20%, 30%, 40%, 50%, 60%, 70% or 80% to such designated units provided that the average of the imputed income limitation of the respective designated units may not exceed 60% of the area median gross income.

All LIHTC projects must contain enough qualified units to satisfy the chosen set-aside by the end of the tax year following the year that the project was placed in service. If a project does not have enough qualified units, the owner cannot claim the project's LIHTCs.

B. CERTIFICATION AND REVIEW

1. *Certification*

Owners must certify at least annually to the LHC that, for the preceding twelve (12) month period:

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a. the project met the requirements of the 20/50 Set-Aside under Section 42(g)(1)(A), the 40/60 Set-Aside under Section 42(g)(1)(B),or the Average income Test, whichever is applicable to the project;

b. there was no change in the applicable fraction (as defined in Section 42(c)(1)(B)) of any building in the project, or that there was a change, and a description of the change;

c. the owner has received an annual income certification from each low-income tenant, and documentation to support that certification consistent with paragraph B.1.g. of this section;

d. each low-income unit in the project was rent-restricted under Section 42(g)(2);

e. all units in the project were for use by the general public, including the requirement that no finding of discrimination under the Fair Housing Act occurred for the project (meaning an adverse final decision by HUD, a substantially equivalent state or local fair housing agency or federal court);

f. the buildings and low-income units in the project were suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards), and the State or local government unit responsible for making local health, safety, or building code inspections did not issue a violation report for any building or low-income unit in the project (owners must attach any violation report or notice to its annual certification and state whether the violation has been corrected);

g. there was no change in the eligible basis (as defined in Section 42(d)) of any building in the project, or if there was a change, the nature of the change;

h. all tenant facilities included in the eligible basis under Section 42(d) of any building in the project were provided on a comparable basis without charge to all tenants in the building;

i. if a low-income unit in the building became vacant during the year, that reasonable attempts were or are being made to rent that unit or the next available unit of comparable or smaller size to tenants having a qualifying income before any units in the project were or will be rented to tenants not having a qualifying income;

j. if the income of tenants of a low-income unit in the project increased above the limit allowed in Section 42(g)(2)(D)(ii), the next available unit of comparable or smaller size in the project was or will be rented to tenants having a qualifying income; and

k. an extended low-income housing commitment as described in Section 42(h)(6) was in effect, including the requirement under Section 42(h)(6)(B)(iv) that an owner cannot refuse to lease a unit in the project to an applicant because the applicant holds a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937;

l. all low-income units in the project were used on a non-transient basis (except for transitional housing for the homeless provided under Section 42(i)(3)(B)(iii) or single room-occupancy units rented on a month-by-month basis under Section 42(i)(3)(B)(iv));

m. no tenants in low-income units were evicted or had their tenancies terminated other than for good cause and no tenants had an increase in the gross rent with respect to a low-income unit not otherwise permitted under Section 42;

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n. the ownership entity meets the requirements of the nonprofit set-aside if the project was allocated as such; and

o. no unauthorized changes in ownership or management agent(s) have occurred.

- Owner was in compliance with the LHC LIHTC Program Compliance Manual.

2. *Review*

The LHC will review the certifications submitted under paragraph B.1 of this section for compliance with the requirements of Section 42.

a. With respect to each tax credit project:

i. the LHC will conduct on-site inspections of all buildings in the project by the end of the second calendar year following the year the last building in the project is placed in service and, for a selected sample of the project's low-income units, inspect the units and review the low-income certifications, the documentation supporting the certifications, and the rent records for the tenants in those units; and

ii. at least once every three (3) years, the LHC will conduct on-site inspections of all buildings in the project and, for a selected sample of the project's low income units, inspect the units and review the low-income certifications, the documentation supporting the certifications, and the rent records for the tenants in those units. These inspections and reviews will be conducted based on policies and procedures set forth in the "*Louisiana Housing Corporation LIHTC Compliance Manual"*.

iii. The LHC will randomly select low-income units and tenant records to be inspected and reviewed.

3. *Frequency and Form of Certification*

The certifications and reviews of paragraphs B.1 and B.2 of this section will be made annually covering each year of the fifteen (15) year compliance period under Section 42(i)(1). The owner certifications will be made under penalty of perjury.

C. RECORDKEEPING AND RECORD RETENTION

1. *Recordkeeping*

Owners must keep records for each qualified low-income building in the project that show for each year in the compliance period

a. the total number of residential rental units in the building (including the number of bedrooms and the size in square feet of each residential rental unit);

b. the percentage of residential rental units in the building that are low-income units;

c. the rent charged on each residential rental unit in the building (including any utility allowances);

d. the number of occupants in each low-income unit, but only if rent is determined by the number of occupants in each unit under Section 42(g)(2);

e. the low-income unit vacancies in the building and information that shows when, and to whom, the next available units were rented;

f. the annual income certification of each low-income tenant per unit (for an exception to this requirement), see Section 42(g)(8)(B));

g. documentation to support each low-income tenant's income certification (other than as covered by the special rule for a 100 percent low-income building) as determined under Section 8 or by a public housing authority;

h. the eligible basis and qualified basis of the building at the end of the first year of the credit period; and

i. the character and use of the nonresidential portion of the building included in the building's eligible basis under Section 42(d).

2. *Record Retention*

Owners must retain the records described in paragraph C.1 of this section for at least six (6) years after the due date (with extensions) for filing the federal income tax return for that year. The records for the first year of the credit period, however, must be retained for at least six (6) years beyond the due date (with extensions) for filing the federal income tax return for the last year of the compliance period of the building.

3. *Inspection Record Retention*

Owners must retain the original local health, safety, or building code violation reports or notices that were issued by the State or local government unit (as described in Section B.1.f.) for the LHC's inspection under paragraph E. Retention of the original violation reports or notices is not required once the LHC reviews the violation reports or notices and completes its inspection, unless the violation remains uncorrected.

D. 15 YEAR COMPLIANCE PERIOD / 15 YEAR EXTENDED USE PERIOD

1. *Compliance and Extended Use Periods*

LIHTC project owners agree to comply with the program's affordability requirements throughout the compliance period for the project. Owners receiving a commitment of LIHTCs in 1990 or subsequent years execute an extended use agreement for the project which establishes a 15-year low-income occupancy extended use period and a 15-year low-income occupancy compliance period. A project's regulatory and extended use agreement is a deed restriction (entitled "Tax Credit Regulatory Agreement of the Louisiana Housing Corporation") that project owners must sign and record in the local parish's clerk of court records at the time that the LIHTC project is placed in service. The agreement establishes the occupancy and affordability requirements, called special conditions, for the property, as well as the owner's obligations to LHC. The owner agrees to the restrictions on the use of the property set forth in the regulatory agreement.

The regulatory agreement binds the project owner and all succeeding owners for the full term of the agreement, regardless of whether the regulatory agreement is formally re-executed by the purchaser at the time of sale, assignment or assumption.

E. INSPECTIONS

1. *Uniform Physical Condition Standards or other HUD REAC approved inspection standards.*

The LHC has the right to perform an on-site inspection of any tax credit project through the end of the extended use period.

For on-site inspections of buildings and low-income units required by paragraph B.2.b. of this section, the LHC will review any local health, safety, or building code violations reports or notices retained by the owner under paragraph C.3. in order to determine whether:

a. the buildings and units are suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards); or

b. the buildings and units satisfy, as determined by the LHC, the Uniform Physical Condition Standards for public housing established by HUD (24 CFR 5.703) or other approved inspection standards by HUD REAC.

The HUD physical condition standards do not supersede or preempt local health, safety, and building codes. A tax credit project under Section 42 must continue to satisfy these codes. The LHC will report any violation of these codes to the IRS.

F. NOTIFICATION OF NONCOMPLIANCE

In General the LHC will give the notice described in paragraph F.1 of this section to the owner of a tax credit project and the notice described in paragraph F.2 of this section to the Service.

1. *Notice to Owner*

The LHC will provide prompt written notice to the owner of a tax credit project if the LHC does not receive the certification described in paragraph B.1. of this section, or does not receive or is not permitted to inspect the tenant income certifications, supporting documentation, and rent records described in paragraph B.2.a. of this section, or discovers by inspection, review, or in some other manner, that the project is not in compliance with the provisions of Section 42.

2. *Notice to Internal Revenue Service*

The LHC will file Form 8823, "Low-Income Housing Credit Agencies Report of Noncompliance," with the Service no later than 45 days after the end of the correction period (as described in paragraph H. of this section, including extensions permitted under that paragraph) and no earlier than the end of the correction period, whether or not the noncompliance or failure to certify is corrected. The LHC will explain on Form 8823 the nature of the noncompliance or failure to certify and indicate whether the owner has corrected the noncompliance or failure to

certify. Any change in either the applicable fraction or eligible basis under paragraph B.1.b. and g. of this section, respectively, that results in a decrease in the qualified basis of the project under Section 42(c)(1)(A) is noncompliance that will be reported to the Service under this paragraph F.2. If the noncompliance or failure to certify is corrected within three (3) years after the end of the correction period, the LHC will file Form 8823 with the Service reporting the correction of the noncompliance or failure to certify.

G. LHC RETENTION OF RECORDS

The LHC will retain records of noncompliance or failure to certify for six (6) years beyond the LHC's filing of the respective Form 8823. In all other cases, the LHC will retain the certifications and records described in paragraph C. of this section for three (3) years from the end of the calendar year the LHC receives the certifications and records.

H. CORRECTION PERIOD

The correction period shall be that period specified in the monitoring procedure during which an owner must supply any missing certifications and bring the project into compliance with the provisions of Section 42. The correction period is not to exceed ninety (90) days from the date of the notice to the owner described in paragraph F.1 of this section. The LHC may extend the correction period for up to six (6) months for good cause.

I. RESALE REQUIREMENTS

After an initial compliance period of 15 years, owners may sell a project only to a qualified buyer that agrees to maintain the low-income occupancy of the project if a qualified contract is presented to the owner by the housing credit agency within prescribed periods. Owners acquiring LIHTC projects must do so, subject to the restriction of the regulatory agreement. Owners of pre-1989 projects that have low-income occupancy compliance periods of only 15 years may sell the property to any buyer once their commitment has been fulfilled.

J. MIXED INCOME PROPERTIES

Mixed income properties require special tracking to comply with the 140% rule, next available unit rule, and the vacant unit rule.

K. ADDITIONAL REQUIREMENTS

Additional requirements may apply, based on the state Qualified Allocation Plan for the year a development's housing credits were allocated, usually listed as special conditions.

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L. LIHTC RECAPTURE PROVISIONS

If a project's qualified basis for a given tax year has decreased from the previous year, the IRS will recapture some of or the entire accelerated portion of the project's credits claimed in previous years plus interest. A drop in the project's low-income occupancy reduces its qualified basis and triggers a recapture of LIHTCs. (Note: The accelerated portion refers to the additional amount of credits that the owner has been allowed to claim as a result of the program's use of a 10-year credit period rather than a 15-year credit period. Generally, the accelerated portion is equal to one-third of the credits claimed).

The determination of the amount to be recaptured is made by the IRS based on information reported by the owner and LHC, as well as data gathered by the IRS. The IRS will recapture the credits by increasing the owner's tax liability to cover the credit recapture amount with interest. IRS Form 8611 and its instructions explain how the recapture amount and any interest charged are calculated.

M. KEEPING SUFFICIENT LIHTC UNITS

To retain the full tax benefits from an LIHTC project, the minimum qualified basis established at the time the owner began claiming credits must be maintained throughout the compliance period. More specifically, owners/managers must make sure that (i) the applicable fraction of TC units for the project does not drop below the fraction established in the first year of the credit period and (ii) that the owners/managers avoid subsequent actions which affect eligible basis to avoid a drop in qualified basis.

If the qualified basis of any project falls below the qualified basis reported for the preceding year, the owner may not be able to claim the full amount of the project's credits for that year and the IRS may recapture a portion of the project's tax credits claimed in previous years. If the low-income occupancy of the project falls below the applicable minimum set-aside, the owner cannot claim any of the project's credits for that year and the IRS will take action to recapture credits claimed in previous years (see LIHTC Recapture Provisions above).

N. PROJECTS RECEIVING ASSISTANCE THROUGH OTHER PROGRAMS

1. *Addressing Overlapping Requirements*

LIHTC projects may be receiving assistance from other federal or state housing programs. Other programs include but are not limited to:

a. HOME Program (HUD)

b. Affordable Housing Disposition Program (FDIC)

i. Historic Tax Credits Program

ii. CDBG Grants/Loans (See Local Program Requirements)

iii. Rental Rehabilitation

iv. Affordable Housing Program (Federal HOME Loan Bank)

c. RD 515 Program (USDA)

d. Section 8 Program (HUD)

i. Piggy Back (OCD Funding)

ii. Permanent Supportive Housing Developments (PSH)

2. In cases where LIHTC requirements differ from those of other programs, owners/managers should follow the most restrictive requirement, except in cases where occupancy/tenancy protections differ from HUD regulations. In the specific case of HUD-assisted households, LITHC owners may only terminate tenancy in the circumstances as prescribed by HUD regulations and by the lease, and must follow HUD and state/local procedures. Terminations for reasons other than those permitted by HUD are prohibited. In all other instances where LIHTC requirements may differ from those of other programs, including but not limited to: construction standards, environmental requirements, etc., owners/managers should follow the most restrictive requirement. Taking this approach will ensure owners/managers meet LIHTC requirements and their responsibilities under other applicable programs. For example, the Federal Deposit Insurance Corporations Affordable Housing Disposition Program (AHDP) requires that the dwelling lease for designated qualifying units include specific provisions. If an LIHTC project was purchased through AHDP, the leases of TC units that are also counted as qualifying units under AHDP must contain the required provisions.

O. Program Compliance Manual

1. The LHC LIHTC Program Compliance Manual ("Manual") is a supplement to this agreement and this agreement requires ongoing compliance with the Manual.

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Appendix D - Asset Management

Projects receiving federal funds that originated from HUD or any LHC resources in the form of soft funds will undergo an asset management oversight. Asset management oversight will require completion of a Lien Payment Priority Spreadsheet, an application model identified and acceptable to LHC, and an electronic requisition form to process requisitions of Corporation funding advances during the construction through construction completion and final audited cost certification. Once a project is placed in service and is occupied, LHC's asset management oversight will be on an annual basis throughout the project's affordability period to confirm the project's ability to remain viable throughout the affordability period. The application model identified and acceptable to LHC will serve as the basis for comparing the actual performance of an asset to the performance originally projected in the application model at the project's placement in service. The asset management assessment or oversight is intended to reduce the risk of the recapture of federal funding, or loss of affordable housing units. The annual costs for such a review will be based on the number of project units and is listed below:

1 to 4 units	$250.00
5 to 10 units	$500.00
11 to 20 units	$1,000.00
21 to 50 units	$2,000.00
51 to 100 units	$2,500.00
Over 101 units	$3,000.00

*The fees listed above are separate from the Compliance Monitoring Fee.

During the period of affordability and/or the extended use period of a Project, LHC will examine at least annually the financial condition of Projects assisted with LHC soft funds or federal funds to determine the continued financial viability of the Project. Federal regulations require LHC to take actions to correct problems in Projects financed with federal funds, to the extent feasible.

Implementation of financial oversight of a Project will commence and proceed as follows:

1. Construction Period Development Budget: As a general rule, LHC will require that federal funds be released on a pari passu basis with other development funds to assure that the Sources and Uses in the Development Budget remain in balance through completion and cost certification. An electronic requisition form tied to the application model identified and acceptable by LHC includes a change order tab to assure the Sources and Uses in the Development Budget remain in balance.

2. Operating Period Pro Forma: The initial Operating Budget of a Project must be received on or prior to a financial closing in a format prescribed by LHC. Annual Project Operating Budgets for each fiscal year must be submitted to LHC not later than 45 days prior to the end of the prior fiscal year.

3. On-site Inspections: All Projects will be subject to on-sight physical inspections by LHC's Compliance staff upon construction completion and at least once every three years thereafter.

v.

Annual Audits or Annual Financial Certifications: Taxpayer/ Owners must submit annual audited financial statements to the Corporation, in the format prescribed in the Corporation's audit instructions, the year following the placed in service date of a project. The financial statements must include supplementary information and a schedule of income and expenses using the HUD Chart of Accounts. All cash distributions and withdrawals from operating reserves and/or reserves for replacement must be explained in footnotes to the audit and all payments to related Persons and contractors with an identity of interests to the Taxpayer/Owner must be identified. Annual budgets approved by the Taxpayer and Management Company must be received at least thirty (30) days in advance of the fiscal year. Annual audits must be received within one hundred and twenty days (120) after the end of each fiscal year. All updated models and audits must be submitted to: LIHTCAnnualAudits@lhc.la.gov

Notwithstanding the foregoing, LHC is requiring financials compiled consistently with the requirements of the Louisiana Legislative Auditor as follows:

Amount of revenues and other sources/local and state assistance received	Type of report provided	CPA or self –prepared
$500,000 and over	Audit	Independent CPA
$200,000 - $499,999	Review/attestation	Independent CPA
$75,001 - $199,999	Compilation	CPA
$75,000 and under	Sworn financial statements	Self-prepared; or the local auditee may choose to have CPA prepare report

1. Physical Needs Assessments: Projects with more than twenty (20) units must submit at the end of each five year period an updated physical needs assessment to determine if additional funds are required to be deposited to the reserves for capital repairs and replacement.

Compliance Monitoring Fees: The Corporation shall charge an annual compliance-monitoring fee of $40 per unit, for all units in the project. Compliance monitoring fees are due annually throughout the affordability period, beginning in the first year of the Compliance Period. The fee must be submitted to the Corporation by February 15th of each year for the preceding calendar year.

Annual Owners Certification: Under the certification provision, owners of low-income housing properties must certify at least annually to the Corporation that, for the preceding 12-month period -

a. the project met the requirements of the 20-50 test under Section 42(g)(1)(A), the 40-60 test under Section 42(g)(1)(B),or the Average income Test whichever is applicable to the project;

b. there was no change in the applicable fraction (as defined in Section 42(c)(1)(B)) of any building in the project, or that there was a change, and a description of the change;

c. the owner has received an annual income certification from each low-income tenant, and documentation to support that certification consistent with paragraph B.1.vii. of this section;

d. each low-income unit in the project was rent-restricted under Section 42(g)(2);

e. all units in the project were for use by the general public, including the requirement that no finding of discrimination under the Fair Housing Act occurred for the project (meaning an adverse final decision by HUD, a substantially equivalent state or local fair housing agency or federal court);

f. the buildings and low-income units in the project were suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards), and the State or local government unit responsible for making local health, safety, or building code inspections did not issue a violation report for any building or low-income unit in the project (owners must attach any violation report or notice to its annual certification and state whether the violation has been corrected);

g. there was no change in the eligible basis (as defined in Section 42(d)) of any building in the project, or if there was a change, the nature of the change;

h. all tenant facilities included in the eligible basis under Section 42(d) of any building in the project were provided on a comparable basis without charge to all tenants in the building;

i. if a low-income unit in the building became vacant during the year, that reasonable attempts were or are being made to rent that unit or the next available unit of comparable or smaller size to tenants having a qualifying income before any units in the project were or will be rented to tenants not having a qualifying income;

j. if the income of tenants of a low-income unit in the project increased above the limit allowed in Section 42(g)(2)(D)(ii), the next available unit of comparable or smaller size in the project was or will be rented to tenants having a qualifying income; and

k. an extended low-income housing commitment as described in Section 42(h)(6) was in effect, including the requirement under Section 42(h)(6)(B)(iv) that an owner cannot refuse to lease a unit in the project to an applicant because the applicant holds a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937;

l. all low-income units in the project were used on a non-transient basis (except for transitional housing for the homeless provided under Section 42(i)(3)(B)(iii) or single room-occupancy units rented on a month-by-month basis under Section 42(i)(3)(B)(iv));

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m. no tenants in low-income units were evicted or had their tenancies terminated other than for good cause and no tenants had an increase in the gross rent with respect to a low income unit not otherwise permitted under Section 42;

n. the ownership entity meets the requirements of the nonprofit set-aside if the project was allocated as such; and

o. no unauthorized changes in ownership or management agent(s) have occurred.

Certification must be submitted to the Corporation by February 15th of each year for the preceding calendar year.

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Appendix E – Market Studies

Market Studies will be ordered by LHC from approved disinterested market analysts. If there is conflicting information in studies supplied in the same area, a supplemental study may be required by an approved market analyst of the Corporation's choosing. Applicants may request a second market study in writing if they have cause to disagree with the market analyst's findings. The applicant(s) requiring the supplemental study will be responsible for the cost of the supplemental study.

All market analysts must consider the Corporation's Housing Needs Assessment in preparing individual market studies.

The Corporation has the right to request additional or further analysis commissioned at the developer's expense.

The Corporation will not allow a project to restructure (e.g., change the bedroom configuration, rent structure, elderly to family, etc.) during the competitive cycle once the application has been submitted.

Market studies current for a period of 6 months from date of completion.

The Corporation will limit the number of projects awarded in the same application round to those that it determines can be supported in the market. The Corporation is not bound by the conclusions or recommendations of the market analysts(s) and will use its discretion in evaluating the criteria listed in this subsection.

Project Evaluation and Market Study Information

Market studies must establish the housing needs of low-income individuals in the area to be served by a project.

Projects may not give preferences to potential tenants based upon: 1) residing in the jurisdiction of a particular government, 2) having a particular disability or 3) being a part of a specific occupational group.

The following five (5) criteria are **threshold requirements** for inclusion in all market studies:

1. The project's capture rate,
2. The project's absorption rate each month following certificate of occupancy,
3. The vacancy rate at comparable properties (what qualifies as a comparable will vary based on the circumstances), and
4. The project's effect on existing or awarded properties with 9% LIHTCs or other LHC funding.

The project's ability to meet housing demand established in the Corporation's Housing Needs Assessment
The Corporation is not bound by the conclusions or recommendations of the market analyst(s) and will use its discretion in evaluating the analysis.

Content of Market Study

In addition to threshold requirements, the Market Study must provide information under noted captions with tabs and an index to locate the following within the Market Study. Information contained in the report must adhere to standard FHA/HUD Guide on Market Studies.

1. **Executive Summary:** A statement summarizing the findings of the market study.
2. **Credentials:** Statement of experience and competence of the market analyst.
3. **Independence and No Identity of Interest:** A certification that the market analyst is independent and has no identity of interest with the developer of the proposed or existing project and that the market analyst was retained to perform the market study without conditions, including compensation based upon finding market need.

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4. **Property Site:** A description of the proposed property site along with a site map identifying area of the Project. Color photographs of the site and neighborhood, a map clearly identifying the location of the project and the closest transportation linkages, shopping, schools, medical services, public transportation, places of worship and other services such as libraries, community centers, banks, etc.
5. **Demographic Analysis:** Analysis of the Income Qualified Renter Demand in the market area.
6. **Market Area:** Geographic definition and analysis of the primary and secondary market area which Project serves including a discussion of the Local/community perspective of rental housing market and housing alternatives. The market study must include a narrative that explicitly describes what relevant factors led to the market area designations. The market study narrative may include a discussion of why the HUD fair market rents for the broader market area should not be applicable in the primary market to be served by the Project; however, such narrative must specifically reference a rent comparability analysis of other rental projects in the primary market area serving income qualified households where the market analyst certifies that the market rents for such income qualified households exceed the HUD fair market rents.
7. **Operations and Development Comparisons:** A description of comparable developments in the market area served by Project, including the following information or analysis, labeled accordingly:
    a. Subsidy: whether or not each comparable development is subsidized.
    b. Rent Levels and Vacancy: a description of rent levels and vacancy rates of comparable properties, including subsidized and non-subsidized developments in market area served by Project.
    c. Operating Comparisons: analysis of operating expenses using data from comparable properties in the market area served by Project, if available, or, if not available, using IREM of ULI data.
    d. Project Operating Statement: projected operating funds and expenses of the subject Project.
    e. Public Housing: a summary of (i) the number and quality of units in developments owned or developed under HUD's Rental Assistance Demand (RAD) initiative by the local public housing authority and a statement concerning vacancy rates and waiting lists and (ii) the number of vouchers administered by the local public housing authority and the estimate of the households on the waiting list for vouchers.
8. **Federal Housing Agency Coordination:** The Independent Qualified Housing Consultant must identify all multifamily housing developments in the primary market area of the proposed project, which are financed by HUD, RD and the LHC or the Corporation. The consultant must provide a table evidencing the following information for each such project:
    a. Name of Project
    b. Number of Units in Project
    c. Type of Federal loan or credit enhancement, e.g., 515 loan, 202, 221(d)(4), etc.
    d. Average vacancy rate in comparable projects in prior twelve-month period.
9. **Pipeline Analysis:** Certification of the number of building and demolition permits (or its equivalent) for multifamily housing units issued over the preceding twenty-four (24) months by the local jurisdiction within which the project is located and that any planned or construction in progress will not adversely affect the market's absorption of the units in the project.
10. **Certification of Demand:** A Certification of Demand for New Units and Conversion executed by the Qualified Housing Consultant.
11. **Location Characteristics:** Each Market Study must evidences whether the Project satisfies the positive points listed in the Selection Criteria **AND** the proximity of the project site to any of the negative neighborhood features listed in the Project Threshold. Notwithstanding any language contained herein to the contrary, **the decision of the market analyst on location characteristics (neighborhood features) will be final.**

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Appendix F – Returned/Reallocated LIHTCs

Reallocation of Recaptured Tax Credits Based Upon Housing Discrimination

Tax Credits which are recaptured from a Taxpayer will be reserved automatically to a project in an amount approved in a reprocessing of the Project Application upon receipt of all of the following:

1. Evidence that HUD or the Department of Justice has determined to proceed to process a complaint of housing discrimination because such a complaint has merit based upon evidence contained or certified in such complaint;

2. A revised application;

3. An opinion of tax counsel to the Taxpayer that the project remains qualified for a Tax Credit reservation;

4. A report that the project remains feasible and viable at the time of the reallocation; and

5. If additional credits are available, and additional soft costs have been incurred in the defense of housing discrimination, these costs may be included in the feasibility/ viability analysis in an amount not to exceed the actual cost and the amount that the Corporation has currently available and subject to underwriter and Corporation review.

Return/ Reallocation Protocol

Every request for a voluntary credit return/reallocation must be formally submitted in writing. Each voluntary credit return/reallocation request will be evaluated by staff. If the request involves any material changes, approval for the material change will be included in the package.

Analysis

1. Circumstances requiring the return/reallocation: Identify the circumstances requiring the request such as third party involvement, material changes to the project, delays in the project schedule or benchmark dates;

2. Foreseeable circumstances: Identify any measures the developer has taken to prevent or resolve the circumstances, determine whether circumstances resulted from force majeure or circumstances beyond the control of the developer/owner; and

3. Consequences of disapproval: Identify what effects, if any would occur if the request for return/reallocation is not approved, determine what other options are available to the project.

Procedure

1. Staff alerts the Program Administrator of the receipt of any request to voluntarily return a prior year credit in exchange for an allocation from the current housing credit ceiling;

2. If a reprocessing or material change is involved, required application with back-up documents are forwarded to the underwriter;

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3. Staff reviews formal requests using the aforementioned factors and provides a project summary to LHC Administration that includes a recommendation to approve or disapprove the voluntary return/reallocation;

4. Outcome of any such request documented in the project file and on the non-closed project report;

5. Taxpayer/owner provided written correspondence advising of the outcome of the request; and

6. Upon approval of a reallocation of credits developer/owners become subject to an award fee equivalent to 5% of the reallocated credits.

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Appendix G – Fair Housing Principles and Requirements

FAIR HOUSING PRINCIPLES AND REQUIREMENTS

The mission of the Louisiana Housing Corporation is to foster housing choice and provide opportunities for all residents of the State of Louisiana, regardless of their race, color, national origin, religion, sex, familial status or disability. In keeping with this mission, the LHC seeks to encourage the development of projects with characteristics that are consistent with fair housing principles that expand opportunities to classes of persons protected under fair housing laws and persons who are underserved in the communities in which the project is to be located.

It is the goal of the LHC to ensure that new and ongoing programs and policies are designed to Affirmatively Further Fair Housing, promote equity and equality, and provide the utmost opportunity for choice. In order to achieve this goal, the LHC shall be guided by the following principles:

- Direct resources to those projects that promote ideals and principles to Affirmatively Further Fair Housing.
- Increase diversity among residents to create housing environments that fosters the bridging inclusion and integration regardless of a persons' race, color, national origin, religion, sex, familial status or disability.
- Support public and private proposals for housing and community investments around a proposed development that promote economic, recreational, and educational opportunities for all residents of the State of Louisiana.
- Develop quality affordable housing opportunities that are accessible to all residents of the State of Louisiana, both in geographical and with respect to applicable accessibility standards for persons with disabilities.
- Encourage residents to make informed housing choices and to recognize the broad range of housing opportunities available to them by targeting Racially and Ethnically Concentrated Areas of poverty provide information and assistance with respect to the availability of homeownership and rental opportunities and how to access them.
- Promote communities that will improve the quality of life for existing residents, decrease population displacement and attract new residents to promote more inclusive, positive and desirable communities for people to live in, regardless of household income level.
- Produce and preserve affordable housing options by encouraging the rehabilitation of existing affordable housing while ensuring that investment in new developments to further fair housing objectives.
- Ensure that the allocation of resources is commensurate to the need for housing as addressed by the LHC's Housing Needs Assessment and as identified by community stakeholders.
- Thoroughly enforce fair housing and anti-discrimination laws and policies by directing resources to projects that conform to the spirit, intent, and aims of all applicable fair housing laws, civil rights laws, and architectural accessibility laws.
- Ensure that current owners or managers of LHC funded developments comply with LHC's Fair Housing and Tenant Selection Policy with regard to Criminal Record Screening as noted in the LHC Compliance Manual.

The LHC reserves the right to deny applications for projects determined to have a discriminatory impact in violation of the Fair Housing Act. Furthermore, the LHC reserves the right to waive any provision or requirement of the QAP in order to Affirmatively Further Fair Housing.

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ARCHITECT'S CERTIFICATION OF COMPLIANCE WITH DESIGN REQUIREMENTS FOR ACCESSIBLE HOUSING

PROJECT NAME: _____

Check As Applicable:

____New Construction ____Substantial Rehabilitation
____Moderate Rehabilitation ____Single Family Homes
____Townhouse ____Elevator
____Walkup Apartments ____Non-Elevator

____Multi-Family _____Special Needs _____Elderly _____Handicapped

To the best of my knowledge and belief I certify that I have designed the referenced project in conformity with the following rules and regulations as they apply to this project and as amended by Federal, State, and local authorities:

CHECK ALL THAT APPLY	**APPLICABLE**
The Fair Housing Act of 1968	_____
Uniform Federal Accessibility Standards	_____
Section 504 of the Rehabilitation Act of 1973	_____
Americans with Disabilities Act Accessibility Guidelines	_____
Any other state or local code or regulation pertaining to design	_____

In reference to the above project, I hereby further certify as follows:
The project contains a total of _____ rental housing units.
Of this total, _____ units have been designed and will be equipped for the mobility impaired.
Of this total, _____ units have been designed and will be constructed to include features for individuals with hearing or vision impairment.

Architect: Owner:

_____ _____ _____ _____
Signature Date Signature Date

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Appendix H – Eviction Prevention

Starting with the 2024 Qualified Allocation Plan, the Louisiana Housing Corporation is introducing a new scoring category as an option for applicants committed to reducing the impact of eviction and implementing low-barrier tenant screening.

All applicants are obligated to develop an eviction prevention plan using the template Eviction Prevention Protocol. Property owners and managers shall retain the right to evict any tenant whose actions threaten the health and safety of the property, property owner (or personnel/agent – including third party contractors employed for maintenance and other property related purposes), and/or other tenants, but the plan must address how the property will implement management practices that utilize eviction only as a last resort and must describe strategies that will be taken with tenants on an individualized basis to attempt to prevent evictions when issues arise.

All applicants must develop a tenant selection plan (or include in an existing tenant selection plan) that will not allow screening out applicants for evictions occurring more than 12 months prior to the date the household applies for a new unit.

Required plans must be submitted for review at least one month prior to initial lease-up and will be reviewed as part of ongoing compliance monitoring to ensure that the approved practices remain in place and are being used.

Eviction prevention starts with a philosophy that everyone involved, including the owner, property manager, service providers and tenants, have the desire for tenants to be successful in their housing. Equally significant is recognizing that the legal eviction process is costly to the property owner involving legal, security, turnover of units, marketing and new tenant screening.

Applicants are encouraged to engage resource providers and stakeholders, including tenants, in dialogue to inform and design the eviction prevention philosophy and plan, develop resident engagement approaches, adopt practices that include trauma informed care, de-escalation techniques, strengths-based approaches. Good customer service is particularly useful in avoiding lease violations and practicing an eviction prevention approach.

Tenancy sustaining services are a key part of eviction prevention and include life skills, linkages to education and employment training, and connections to primary, mental, and behavioral health services.

Resources may include rental and utility expense assistance, housing counseling, legal representation, and landlord/tenant guides or handbooks.

A key component in eviction prevention strategies is to have clearly delineated roles between property management and services while simultaneously identifying how these two parties work together to mitigate or avoid evictions.

Applicants are encouraged to review the Housing Stability Program by Winn Companies, the largest operator of affordable housing in the United States, designed to cut eviction rates in half across the company's national portfolio. 60ca08d16340c670.pdf (entrata.com).

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EVICTION PREVENTION PROTOCOL

1. ***Currently*, how are lease violations communicated?**

2. ***Currently*, when continued tenancy is at risk, what steps does the housing program take to prevent evictions or negative exits?**

Problem	Action	Person(s) Responsible	Timeframe
Nonpayment of rent			.
Violating the peaceful enjoyment of others/noise			
Threatening behavior			

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3. ***Looking towards the future*, what are some of the tools your housing program can or will implement to prevent evictions or avoidable move-outs?**

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EVICTION PREVENTION PLAN

[Property Name]

Eviction Prevention Philosophy

In this section, please summarize the property's eviction prevention philosophy, or commitment to eviction prevention, in two or three sentences.

Eviction Prevention Protocol

The purpose of this plan is to establish a standardized framework through which [PROPERTY NAME] will address lease violations with the goal of mitigating harm to the tenant and property and employing eviction only as a last resort.

Roles and Responsibilities

- Property Management: [Description]
- Tenant: [Description]
- Service Provider or other Community Partners: [Description]
- Other: [Description]

Education and Prevention Practices

In this section, please describe any efforts or practices that will be implemented at the property to provide tenants with education or housing stability tools prior to any lease violations occurring.

Addressing Lease Violations

Describe the property's policies and procedures for addressing lease violations, including but not limited to:

- The process whereby the tenant is notified in writing of the lease violation and requested to complete a housing retention plan
- The period when and method by which the housing retention plan is introduced and any resulting follow-up or check-in meetings
- Strategies for addressing specific lease violations
- Description of any informal eviction processes that will be pursued if a tenant must leave the property (e.g., nonrenewal of lease, mediation, arbitration, etc.
- Description of formal eviction process, only to be used in very limited circumstances as a last resort
- Description of the role and composition of the Eviction Prevention Committee, if applicable
- Method by which tenants may appeal informal or formal eviction decisions prior to the decision being finalized.

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