



Louisiana Housing Corporation

Summary of the changes made to the 2025 Draft QAP as of 12/05/24

1. Section I Introduction

Added key policy focus areas:

1. Robust Cost Containment Policy for all tax credit projects.
2. Increased housing opportunities for seniors and single parent households.
3. Enhanced focus on assistance for victims of domestic violence.

2. Section II.A – Division of Available LIHTCs

1. Added the 2026 Credit Ceiling for an estimated total allocation of \$26 million dollars.
2. Increased all pools and set asides to account for the 2 year ceiling.
 - Pool Allocation Amounts:
 - Nonprofit/CHDO: \$3 million
 - Rural Areas: \$4.5 million Rehab Pool \$4.5 million New Construction Pool
 - Urban Areas: \$4 million Rehab Pool \$4 million New Construction Pool
 - Choice Neighborhood Initiative: \$6 million
3. Increased Elderly Housing Set-Aside: to At least four applications for Elderly Properties will be funded, two in Rural Areas and two in urban areas, provided that qualifying applications are received.
4. Increased the Choice Neighborhood (CNI) pool from \$1,500,000 to \$6,000,000.

3. Section III.C. Tax Exempt Bond Financing and 4 Percent Housing Credit

1. All 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. The Cost Containment Template will be submitted to the State Bond Commission for all projects financed with tax-exempt bonds.
2. **Removed** - The limitation of LIHTCs per project and per Developer as well as the Total Development Cost (TDC) limits shall not apply to bond financed projects if a public hearing is held in a local forum proximate to where the project is located.

4. Section III.D. Non-Refundable Fee Schedule

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

5. Section IV. Project Threshold Requirements

1. All 4% Applications must be accompanied by the Cost Containment Template.
2. All Applications requesting LHC soft funds are required to submit a Lien Payment Priority Spreadsheet.
3. Removed - Universal Design Requirement for new construction projects.
4. Energy Efficiency Requirements –
 - Ceiling Insulation R49 may be blown in or can use R38 spray foam.
 - Vinyl siding is not an acceptable material within 6' of finished grade (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.
 - All new construction project must obtain certification by IBHS for "Fortified Silver".
5. **Appraisal:** 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 aft the property is constructed or rehabilitated is not acceptable unless the appraisal includes "as is" valuation.
6. **Property Management Experience:** One staff person with a record of domestic violence or abuse training.
7. **Underwriting Guidelines:**
 - a. **Cost Estimates and Cost Containment Summary:**

All applicants, including those submitting bond applications, must provide a detailed cost estimate prepared by the development team's architect (using the required template available on LHC's website). Applicants for 4% LIHTCs must also complete the LHC Cost Containment Template to demonstrate compliance with threshold requirements and address additional costs related to subordinate lender conditions and complex layered financing, ensuring the production of moderately designed housing.
 - b. **Payment Priorities and Sources and Uses Summary:**

Applications, including bond applications, must include a detailed Accounting Statement of Sources and Uses of Funds
 - c. **LHC Subordinate Loan Financing Summary:**

Projects receiving LHC subordinate loan financing must complete the Lien Payment Priority Financing Spreadsheet, distinguishing financing during the construction term from permanent term financing.

- d. **Cash Flow Analysis Summary:**
All applications must include a 20-year pro forma cash flow that is subject to review by LHC's Program Underwriter, who may reduce LIHTCs or the maximum amount of LHC subordinate loans if the annual cash flow exceeds **10% of total operating expenses**, ensuring the project's feasibility and viability.

- e. **Maximum Return on Capital for Projects with Soft Funds Summary:**
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.

- f. **No Distribution of Surplus Cash Without LHC Approval Summary:**
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.

- g. **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.

- h. **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.

- i. **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

- j. **Developer Fees:** All LHC projects developed with LIHTCs allocated from the competitive state housing credit ceiling or allowed from tax exempt bonds are

subject to developer fee limits of \$2,000,000 for projects located in Rural parishes and \$2,500,000 for projected located in Urban parishes.

k. **Maximum Unit Development Cost:**

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)

l. **Staff Approvals following Cost Containment:**

Staff may approve cost increases up to 30% above the per unit maximum Total Development Costs following completion of the Cost Containment Template; provided that staff approved extra costs must be associated with Extraordinary Site Costs, Threshold Mandate, Costs, and/or Complex Layered Financing Costs. The LHC Board approval is required for costs greater than 30% above the per unit maximum total development costs. For projects exceeding HUD TDC limits as reflected in the QAP, 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.

m. **SRO Projects, Projects Reallocated Credits Based on Housing Discrimination and CNI Projects** are subject to the cost limits in the QAP.

n. **Placed in Service Requirements:**

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.

o. **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.

6. Appendix A – Selection Criteria –

1. I.A.(ii) Geographic Diversity - Reduced income percentages down from:
 - (a) 115% to 100%
 - (b) 120% to 110%
 - (c) 125% to 120%

2. II. Targeted Population Type
Added Victims of Domestic Violence as a Special Needs Household

3. V.B. Optional Amenities:
 - a. Added requirement that only 2 selections allowed for Optional Amenities and reduced points from 2 points to 1 point for the following items:
 - Washers and Dryers
 - Development Wi-Fi
 - Universal Design
 - b. Removed option for Green Building Advanced selection

4. V.F. Resiliency Standards:
 - a. Fortified Silver: threshold requirement for all new construction projects.
 - b. Reduced Fortified Gold points from 7 points to 5 points.

TENTATIVE Revised QAP 2025 Program Schedule

Date	Applicant	LHC
December 11, 2024		Update of Draft QAP to Board of Directors
December 17, 2024		2025 Draft QAP Posted on LHC website
December 17 –23, 2024	Written Comments	Statewide Publication of Revised Draft for Public Comment and Public Hearing Notice & Public
January 6, 2025		Public Hearing for QAP
January 8, 2025		Presentation of Staff Recommendations, Adoption of Final QAP and Submission to the Governor for Signature
January 10 th -17 th , 2025	Written FAQs	FAQ period
January 24, 2025		FAQ Responses Posted
January 27, 2025		QAP Workshop
February 10, 2025	Pre-submission Packet and Market Study Fees along with location characteristics	
April 9, 2025	Submission of the Application Fees, Analysis Fees, Underwriting Application, Financial Commitments, & Evidentiary Materials to support the Appendixes and the Selection Criteria	FAQ Responses Posted
May 14, 2025		Proposed Projects for Underwriting presented to the Board of Directors
July 25, 2025		Score Reconciliations Provided to Developers
July 31, 2024	Deadline to Submit Written Request for Appeal of Reconciled Score	
August 13, 2025		Approval of Final Rank, Scoring and Reservation of LIHTCs

2024 UNIT TOTAL DEVELOPMENT COST (TDC) LIMITS

Number of Bedrooms

	0		1		2		3		4		5		6	
	HCC	TDC	HCC	TDC	HCC	TDC	HCC	TDC	HCC	TDC	HCC	TDC	HCC	TDC

Region VI - Midsouth

ARKANSAS

TEXARKANA

Detached/Semi-Detached	102,809	179,915	133,308	233,289	159,775	279,607	190,971	334,199	225,215	394,127	246,995	432,241	266,675	466,681
Row House	89,204	156,108	117,063	204,860	142,491	249,359	175,129	306,476	208,494	364,864	230,330	403,077	250,353	438,117
Walkup	80,965	141,688	110,117	192,704	139,192	243,585	183,194	320,589	226,747	396,807	255,284	446,746	283,421	495,987
Elevator	90,716	145,145	127,002	203,203	163,288	261,261	217,718	348,348	272,147	435,435	308,433	493,493	344,719	551,551

WEST MEMPHIS

Detached/Semi-Detached	108,592	190,036	140,932	246,632	168,997	295,744	202,118	353,706	238,468	417,319	261,576	457,758	282,536	494,439
Row House	93,692	163,961	123,140	215,496	150,066	262,616	184,767	323,342	220,154	385,270	243,295	425,767	264,568	462,994
Walkup	84,427	147,747	114,655	200,647	144,800	253,400	190,444	333,276	235,595	412,292	265,150	464,013	294,268	514,968
Elevator	95,805	153,289	134,128	214,604	172,450	275,920	229,933	367,893	287,416	459,866	325,738	521,182	364,061	582,497

LOUISIANA

ALEXANDRIA

Detached/Semi-Detached	108,541	189,946	140,829	246,451	168,849	295,485	201,904	353,332	238,185	416,823	261,252	457,190	282,151	493,765
Row House	93,803	164,154	123,230	215,653	150,124	262,716	184,742	323,299	220,070	385,122	243,178	425,561	264,404	462,707
Walkup	84,706	148,235	115,085	201,398	145,380	254,416	191,246	334,680	236,625	414,094	266,337	466,090	295,617	517,330
Elevator	95,764	153,222	134,070	214,511	172,375	275,800	229,834	367,734	287,292	459,667	325,598	520,956	363,903	582,245

BATON ROUGE

Detached/Semi-Detached	110,280	192,990	142,992	250,235	171,379	299,913	204,837	358,464	241,564	422,736	264,923	463,615	286,027	500,548
Row House	95,704	167,482	125,586	219,776	152,860	267,505	187,863	328,760	223,648	391,384	247,068	432,370	268,542	469,949
Walkup	86,883	152,046	118,172	206,801	149,378	261,412	196,605	344,058	243,350	425,863	273,979	479,464	304,181	532,316
Elevator	97,309	155,694	136,232	217,971	175,156	280,249	233,541	373,665	291,926	467,081	330,849	529,359	369,773	591,637

LAFAYETTE

Detached/Semi-Detached	111,577	195,259	144,709	253,241	173,461	303,557	207,361	362,882	244,572	428,000	268,235	469,411	289,638	506,866
Row House	96,677	169,184	126,917	222,105	154,531	270,429	190,010	332,518	226,258	395,951	249,976	437,457	271,738	475,541
Walkup	87,591	153,284	119,085	208,399	150,495	263,367	198,037	346,565	245,088	428,903	275,908	482,839	306,291	536,009
Elevator	98,449	157,518	137,828	220,526	177,208	283,533	236,277	378,044	295,347	472,555	334,726	535,562	374,106	598,569

2024 UNIT TOTAL DEVELOPMENT COST (TDC) LIMITS

Number of Bedrooms

	0 500 sqft		1 700 sqft		2 900 sqft		3 1200 sqft		4 1500 sqft		5 1700 sqft		6 1900 sqft	
	HCC	TDC	HCC	TDC	HCC	TDC	HCC	TDC	HCC	TDC	HCC	TDC	HCC	TDC

Region VI - Midsouth

LOUISIANA

LAKE CHARLES

Detached/Semi-Detached	110,280	192,990	142,992	250,235	171,379	299,913	204,837	358,464	241,564	422,736	264,923	463,615	286,027	500,548
Row House	95,704	167,482	125,586	219,776	152,860	267,505	187,863	328,760	223,648	391,384	247,068	432,370	288,542	469,949
Walkup	86,883	152,046	118,172	206,801	149,378	261,412	196,605	344,058	243,350	425,863	273,979	479,464	304,181	532,316
Elevator	97,309	155,694	136,232	217,971	175,156	280,249	233,541	373,665	291,926	467,081	330,849	529,359	369,773	591,637

MONROE

Detached/Semi-Detached	109,889	192,305	142,650	249,637	171,079	299,388	204,642	358,124	241,476	422,583	264,888	463,555	286,147	500,757
Row House	94,665	165,663	124,471	217,824	151,737	265,539	186,914	327,100	222,764	389,837	246,203	430,855	267,763	468,586
Walkup	85,134	148,985	115,569	202,245	145,917	255,355	191,876	335,784	237,333	415,332	267,079	467,388	296,378	518,661
Elevator	96,946	155,113	135,724	217,158	174,502	279,204	232,670	372,271	290,837	465,339	329,615	527,385	368,394	589,430

NEW ORLEANS

Detached/Semi-Detached	114,067	199,618	147,937	258,890	177,329	310,326	211,983	370,970	250,021	437,537	274,211	479,869	296,088	518,155
Row House	98,843	172,976	129,758	227,077	157,987	276,477	194,255	339,946	231,309	404,791	255,555	447,222	277,801	486,151
Walkup	89,564	156,737	121,770	213,098	153,891	269,309	202,508	354,388	250,622	438,588	282,140	493,745	313,211	548,119
Elevator	100,647	161,035	140,905	225,448	181,164	289,862	241,552	386,483	301,940	483,104	342,198	547,517	382,457	611,931

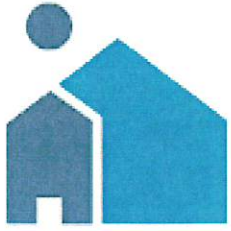
SHREVEPORT

Detached/Semi-Detached	109,735	192,036	142,340	249,094	170,634	298,610	204,002	357,003	240,626	421,096	263,915	461,852	284,992	498,736
Row House	94,996	166,244	124,741	218,297	151,909	265,842	186,839	326,969	222,511	389,395	245,850	430,237	267,272	467,726
Walkup	85,972	150,450	116,857	204,499	147,659	258,403	194,284	339,996	240,422	420,738	270,640	473,621	300,426	525,746
Elevator	96,821	154,914	135,550	216,880	174,278	278,846	232,371	371,794	290,464	464,743	329,193	526,708	367,921	588,674

NEW MEXICO

ALBUQUERQUE

Detached/Semi-Detached	109,138	190,991	141,584	247,773	169,741	297,047	202,953	355,168	239,405	418,959	262,583	459,521	283,572	496,250
Row House	94,399	165,199	123,986	216,975	151,017	264,279	185,791	325,134	221,291	387,259	244,514	427,899	265,838	465,217
Walkup	85,339	149,343	115,971	202,949	146,520	256,409	192,765	337,338	238,524	417,416	268,489	469,855	298,022	521,538
Elevator	96,293	154,068	134,810	215,696	173,327	277,323	231,102	369,764	288,878	462,205	327,395	523,832	365,912	585,460



Louisiana Housing
Corporation

2025-2026 QUALIFIED ALLOCATION PLAN

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