

Partnerships That Build Community



Louisiana Housing
Corporation

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Agenda

Welcome

State of LHC

Resources for the Homeowner/Tenant

LHC's Response to Development Challenges

Forthcoming Initiatives

Adjudicated Properties

Capacity Building for Emerging Developers

USDA Programs That Impact Urban Communities

QAP Discussion

About Louisiana Housing Corporation

The Mission of the Louisiana Housing Corporation is to ensure that every Louisiana resident is granted an opportunity to obtain safe, affordable, energy efficient housing.



The Executive Vision

- Integrity
- Transparency
- Consistency
- Efficiency
- Client-Centric Approach
- Identifying and leveraging the power of partnership
- Expand Our Reach



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Strategic Plan

- Increase partnership with local government and rural communities
- Develop greater synergy with the development community and non-profits
- Bolster homeownership efforts
- Create opportunities for small and minority developers
- Create housing that increases economic development, jobs and builds community
- Remove barriers to revitalization of aging housing stock
- Embrace resiliency that creates sustainability in housing and impacted sectors



The Work of LHC



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Financing & Development of Housing

Multi-Family Housing

- **LOW-INCOME HOUSING TAX CREDIT (LIHTC) PROGRAM**

The LIHTC Program is a tax incentive intended to increase the availability of low-income rental housing. The tax credit is a credit against regular tax liability for investments in affordable housing properties constructed, acquired and rehabilitated after 1986.

- **MULTIFAMILY REVENUE BONDS**

The Louisiana Housing Corporation, through the issuance of Multifamily Revenue Bonds, provides financing to developers to acquire, construct and/or rehabilitate affordable housing for low to moderate-income families and individuals.

Multi-family Housing

- HOME

The Rental Housing Development (Multifamily) HOME Rental Housing Program provides loans to affordable housing developers to build, buy or rehabilitate affordable housing and provides direct rental assistance to low-income individuals. LHC serves as the administrator for HOME funds for the state of Louisiana and distributes them through a Notice of Funding Availability.

- HOUSING TRUST FUND

The LHC offers the National Housing Trust Fund (NHTF), a new federal affordable housing production program that will complement existing federal, state, and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low and very low-income households, including homeless families and individuals.

Single Family Housing

- MRB HOME AND ASSISTED PROGRAMS

These programs are designed to help prospective homebuyers meet down payment and closing costs on their new home.

- MARKET RATE GNMA PROGRAM

This program helps increase opportunities for Louisiana citizens to purchase a home by offering 30-year, fixed-rate FHA, VA or USDA Rural Development mortgages at favorable interest rates.

- DELTA 100 PROGRAM

This parish-specific program is available to some low to moderate income, first-time homebuyers in the Delta parishes who may lack traditional credit.

Single Family Housing



- KEYS FOR SERVICE:

This program is for our first responders, our way of saying thank you.

- MORTGAGE REVENUE BOND:

This program helps first time homebuyers.

LHC will provide 5-9% down payment and closing cost assistance depending on loan amount.

Single Family Housing

- HOMEBUYER COUNSELORS

Our Homeownership Education Counseling Programs can help homeowners understand the rights, privileges, and responsibilities of homeownership.

- MORTGAGE CREDIT CERTIFICATE PROGRAM

This program is available to first-time homebuyers, veterans and buyers purchasing a home in designated areas who are low to moderate income.

Community and Non-Profit Based Development

- NOAH

The LHC offers the Nonprofit Open Cycle Affordable Housing Program (NOAH). Under this program, the LHC distributes HOME Investment Partnership Program Funds (HOME Funds) to experienced nonprofit housing development organizations on an open noncompetitive basis.

- COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)

A Community Housing Development Organization (CHDO) is a private nonprofit, community-based service organization that has obtained or intends to obtain staff with the capacity to develop affordable housing for the community it serves.

- CHAAP

The LHC offers the CHDO Annual Awards Program (CHAAP) for awarding funds for CHDO set-aside activities and Operating Cost Assistance. Under this program, the LHC will reserve 25% (but not less than \$2,000,000) of its HOME allocation for use in funding eligible projects proposed by state-certified CHDOs on an annual basis.

2022 Statewide Impact Snapshot

Homeownership: \$109 million in new loans / 600 new homeowners

Low-Income Housing Developments: \$48.5 million in low-income housing tax credits / 3,000 new units in commerce

Rural Housing: invested \$14.3 million in rural communities of Louisiana / 16 housing developments

Energy Assistance: \$78.8 million / 95,000 households assisted

Homelessness: 144 Housing Vouchers / assisted over 2,000 find emergency shelters / 900+ households provided rental assistance

Disaster Recovery: \$149 million of CDBG Disaster Recovery Funds released for parishes impacted by Hurricanes Laura and Delta increased to \$260 million (26 projects) due to the amount of stellar applications received.



Resident Sustainability and Assistance

Low Income Home Energy Assistance Program (LIHEAP)

Mission: To assist low-income households, particularly those with the lowest incomes that pay a high proportion of household income for home energy, in meeting their residential heating and/or cooling energy costs.

- Each federal grant has a two-year award period with grants overlapping.
- Funding is allocated by Parish and based on the number of residents living below the Federal Poverty Level Census Data.
- Program assists with heating and cooling costs and is paid directly to the utility provider on the client's behalf.
- Assisted OVER 95,000 Households / \$78.8M in FFY2022



Louisiana LIHEAP Benefits

- ▶ The 2023 Cooling Season is going on now and the 2024 Heating Season will start November 15, 2023.
- ▶ Households are eligible to receive one **Heating benefit** and one **Cooling benefit once per season (2 per year)**. The Benefit amounts range from **\$250 - \$800 per benefit**.
- ▶ Households are also eligible to receive a **Crisis benefit** payment once every **12 months** to assist with disconnects and pending disconnects. The maximum benefit amount is **\$1000**.

Weatherization Assistance Program (WAP)

Mission: To reduce energy costs for low-income families, particularly for the elderly, people with disabilities, and families with children, through the installation of energy efficiency measures, while ensuring their health and safety.

- Grant funds are awarded annually following DOE approval of an annual State Plan.
- Funding is allocated by Parish and based on the number of residents living below the Federal Poverty Level Census Data.
- Weatherized **392 units / 319 Seniors assisted** in 2022
- State will receive \$30.9 million over the next 4-5 years to weatherize over 2000 homes.

Public Housing Assistance

- LHC serves as the state Section 8 Project Based Contract Administrator for the US Department of Housing and Urban Development.
- Our portfolio consists of 178 contracts representing 15,132 units statewide.
- We conduct the following duties related to Section 8 properties:
- Monitoring compliance with Section 8 project owners in their obligation to provide decent, safe, and sanitary housing to assisted residents.
- Paying Section 8 project owners accurately and timely.
- Submitting required documents accurately and timely to HUD.
- Ensuring compliance with HUD regulations and requirements, both current and as amended in the future, governing the administration of Section 8 HAP contracts.
- Respond to Tenant Health, Safety, and Maintenance Issues

Rental and Homelessness Assistance

- **Project-Based Vouchers**

Under the project-based voucher program, a PHA enters into an assistance contract with the owner for specified units and for a specified term. The PHA refers families from its waiting list to the project owner to fill vacancies

- **Tenant Based Rental Assistance**

- **Permanent Supportive Housing**

The Louisiana Permanent Supportive Housing model combines deeply affordable rental housing with voluntary, flexible and individualized community-based services to assist people with the most severe and complex disabilities to live successfully in the community. The program assists in addressing chronic homelessness; reducing the unnecessary confinement of people with serious disabilities in nursing homes and other high-cost restrictive settings and improving the state's fragile behavioral health system through the implementation of evidence-based models of housing and services.

- **Balance of State Continuum of Care**

The Louisiana Balance of State Continuum of Care (LA BOSCO) is a self-governing coalition of organizations and people dedicated to ending homelessness in Louisiana. It covers more than half of Louisiana's geography, including the cities of Baton Rouge, Houma-Terrebonne, and Lake Charles.

The LA BOSCO is also the single largest funder of homeless housing and services in its geography through HUD's Continuum of Care (CoC) Program. The CoC Program primarily funds permanent housing with attached case management and wraparound services.

Recovery and Resiliency

Disaster Efforts

LHC serves as the lead agency for Recovery Support Function 4 for the State of Louisiana.

In that role, we coordinate multiple state and federal agencies to provide strategy, resources and implementation of recovery housing after a disaster.

Through our work with the State Office of Community Development, LHC deploys CDBG-DR funds related to every catastrophic storm and the housing needs that occur as a result.

Additionally, LHC has created a dedicated disaster unit that will have staff specifically dedicated to response and recovery after disasters.

Our funds associated with disasters often are leveraged with other funding mechanisms to help create, rebuild and rehab housing statewide.

Coming Soon

Adjudicated Properties Program

Emerging and Disadvantaged
Developers Capacity Building



Adjudicated Properties Program

- Partnering with cities or parishes that hold adjudicated title to property to create / rehab single-family, high-quality, affordable, resilient, energy-efficient homes to be sold to low- and moderate-income individuals
- Local investment
- Wealth building in disinvested areas targeted by local government



Emerging and Disadvantaged Developers: Training/Engagement

- Creating opportunity for small and emerging developers/local entrepreneurs
- Mentorship and Professional Support
- Education and training related to:
 - Construction
 - Financing
 - Legal
 - Project management
 - State and federal regulations





Developer Assistance Plan

We all know that there is instability in economy that we are feeling in our daily lives.

The development community is experiencing similar issues but on a much larger scale: increased costs of supplies, labor shortages and high insurance premiums and deductibles.

In response to these issues on June 15, the LHC hosted a stakeholders meeting to discuss the specific financial issues facing the development community and to determine how LHC can help.



LHC has rolled out a Developer Assistance Plan to help provide immediate relief to developers in order to eliminate the threat of exacerbating the existing affordable housing shortage and prevent further displacement of households currently occupying affordable housing units.



The plan is a two-part plan, with the right support Part I allows developers the ability to tap into excess reserves that can help offset increased insurance premiums and other increased operating costs.



Part II of the plan, makes available HOME Investment Partnership funds and Housing Trust Funds to developers with projects under construction that have experienced increased costs between being awarded and placed in service.



Support documents are also required, and cost reasonableness is assessed prior to approval.



The Developer Assistance Plan is an open plan that will be updated and modified as additional assistance becomes available.



This is also a good time for local governments to help. There may be an opportunity to waive/reduce permitting fees and award available local funds to affordable housing developments.



QAP Discussion

Multi-Family Housing Production Department

New Construction - Rehabilitation - Historic Preservation

- Multifamily Rental
 - Low-Income Housing Tax Credit Program

Low-Income Housing Tax Credit Program

- Governed by Section 42 of the Tax Code.
- The LIHTC program represents the largest federal housing program in existence in terms of the number of units developed each year.

Qualified Allocation Plan (QAP)

- Projects are awarded LIHTCs annually pursuant to allocation guidelines and the state's Qualified Allocation Plan (QAP).
- The QAP sets forth allocation priorities based upon agency's goals and in conjunction with input received from stakeholders such as municipalities, developers, investors, non-profit organizations and potential tenants.
- Allows for Private Investor Equity. – Purchase price per credit dollar
- Public/Private Partnership

Qualified Allocation Plan (QAP)

- QAP provides information on the calendar year program
 - minimum project requirements (Sq. footage, design standards, etc.)
 - competitive scoring criteria (amenities, resiliency, location, diversity)
 - Long term affordability
- Developments must include a minimum percentage of rent-restricted units to be set aside for eligible tenants.

Qualified Allocation Plan (QAP)

Current Considerations:

- Green Building
- Resiliency Standards
 - FORTIFIED Roof and wind-rated doors and windows

Allocation Breakdown

- Non-Profit Set-Aside
- Rural Rehab Sub-Pool
- Rural New Construction Sub-Pool
- Urban Rehab Sub-Pool
- Urban New Construction Sub-Pool



Qualified Allocation Plan (QAP)

2024 Tentative Timeline

August/September 2022

- Affordable Housing Tour
- Round Table Discussions (Specific Topics)
 - Syndicator/Lender and Insurance Provider Round Table
 - Stakeholder, State Entities, Developers and

October 2022

- Draft 2024 QAP Board Presentation
- Statewide QAP Hearing Notice & Written Comment Period

November 2022

- Adoption of the 2024 QAP

Qualified Allocation Plan (QAP)

2024 Tentative Timeline cont.

February 2023

- QAP Workshop & Frequently Asked Questions
- Notice of Intent to Apply and Submission of Market Study Fees

March 2023

- Application Deadline and Application Fees

June 2023

- Final Ranking and Scoring Presented for Board Approval





Questions?



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