

**LOUISIANA HOUSING FINANCE AGENCY  
NOTICE OF PUBLIC HEARING  
COMPETITIVE AWARDS OF TCAP FUNDS**

The Louisiana Housing Finance Agency (the "Agency") hereby gives notice that a public hearing on the Agency's strategy to implement provisions of the American Recovery and Reinvestment Act of 2009 (the "Recovery Act") by competitively distributing Tax Credit Assistance Program Funds ("TCAP Funds") will be held at 10:00 a.m. on Monday, June 29, 2009, at the Louisiana Housing Finance Agency, 2415 Quail Drive, Baton Rouge, Louisiana 70808.

The Agency has approved the 2009 Qualified Allocation Plan (the "2009 QAP") and an Amendment to the qualified Allocation Plan for 2007 and 2008 (the "2007/08 QAPs") that incorporate TCAP Funds as a gap filler to fund portions of a qualified low-income housing project's eligible basis. HUD Notice CPD-09-03 issued May 4, 2009 (the "TCAP Notice") requires the Agency to implement a number of procedural and substantive elements in addition to the reprocessing of qualified low-income housing projects under the 2007/08 QAP or the processing of additional qualified low-income housing projects under the 2009 QAP. A copy of the TCAP Notice may be obtained on the Written comments and review of the Agency's strategy of awarding TCAP Funds may be submitted in writing in advance of the June 29<sup>th</sup> Public Hearing. Oral comments not to exceed two (2) minutes per individual and not to exceed (five (5) minutes per organization will be permitted at the Public Hearing.

Competitive applications for TCAP Funds must be submitted on the official Agency approved application diskette for Tax Credits. The deadline for submitting tax credit reprocessing applications in connection with the Amendment of the 2007/08 QAPs is hereby extended to July 1, 2009. Applications that have been submitted prior to Wednesday, June 24, 2009 may, **but are not required to**, resubmit revised or updated applications by July 1, 2009. The deadline for submitting 2009 QAP applications has been extended to July 6, 2009.

- I. **COMPETITIVE SELECTION CRITERIA:** TCAP Funds will be awarded to projects receiving low-income housing credits under the 2009 QAP and the 2007/08 QAPs on a competitive basis to projects receiving the highest score in accordance with the following criteria:

A. 2007/08 QAP:

A. Readiness To Proceed <sup>(1)</sup>	50 Points
B. Rural Projects <sup>(2)</sup>	45 Points
C. Projects Not Closed <sup>(3)</sup>	40 Points
D. Special Need Project <sup>(4)</sup>	35 Points
E. Elderly Projects <sup>(5)</sup>	30 Points

<sup>(1)</sup>Readiness To Proceed – Projects that have building permits and for which public infrastructure is currently available at or adjacent to the site and whose Project Schedule commits to commencing construction within sixty (60) days of a TCAP Funds Award.

<sup>(2)</sup>Rural Projects – Any project for residential property located in a rural area (as defined in Section 520 of the Housing Act of 1949).

<sup>(3)</sup>Projects Not Closed – Projects receiving an allocation of low-income housing credits under the 2007/08 QAPs but which have not completed a financial or real estate closing and have not commenced construction.

<sup>(4)</sup>Special Need Project – A Project in which at least twenty-five percent (25%) of the units are set aside for Special Needs Household Types (as defined in the 2007/08 or 2009 QAPs).

<sup>(5)</sup>Elderly Projects – A project in which all units are occupied by Elderly Households and in which no unit contains more than two bedrooms and which satisfies the requirements of the Fair Housing Act.

B. 2009 QAP:

With the exception of criteria C-“Projects Not Closed”, the competitive criteria specified above for award of TCAP Funds under the 2007/08 QAPs will also apply to the award of TCAP Funds under the 2009 QAP.

C. AWARD OF TAX CREDITS AND TCAP FUNDS

An “award” of Tax Credits or TCAP Funds will be made pursuant to a resolution adopted by the Board of Commissioners of the Agency that will identify all Projects competing for TCAP Funds and the amount of TCAP Funds recommended in the Agency’s underwriting gap analysis. The award of TCAP Funds will be (a) based upon the gap analysis contained in the feasibility/viability underwriting of a qualified low-income housing project and (b) to the highest ranked Projects evidenced in the schedule of projects ranked in accordance with the competitive selection criteria. The schedule of Projects in rank order will be attached to the resolution to be adopted by the Board of Commissioners of the Agency and will be available on the Agency’s website. The Board resolution will acknowledge and approve the following with respect to each Project competing for a competitive award of Tax Credits and/or TCAP Funds:

- (i) Project Name
- (ii) Project’s Competitive Score
- (iii) TCAP Funds Recommended by GAP Analysis
- (iv) Tax Credits Awarded by Agency’s Board
- (v) TCAP Funds Awarded by Agency’s Board
- (vi) Targeted/Environmental Clearance Date
- (vii) Targeted Project Start Date
- (viii) Projected Number of Jobs Created by Project
- (ix) Projected Number of Jobs Retained by Project
- (x) Project Description by Number of Buildings, Number of Units by Bedroom Size and Amenities (neighborhood network, recreation facilities, etc.)
- (xi) Targeted Project Completion Date/Certificate of Occupancy Date
- (xii) Targeted Date for Submission of Audited Cost Certification

The foregoing schedule for each project competing for TCAP Funds will be posted on the Agency’s website.

D. COMPLETION DATE:

**ALL PROJECTS AWARDED TCAP FUNDS MUST BE COMPLETED AND PLACED IN SERVICE (A) BY DECEMBER 31, 2010, IF TAX CREDITS ARE AWARDED UNDER THE 2007/08 QAP AND (B) BY DECEMBER 31, 2011 IF TAX CREDITS ARE AWARDED UNDER THE 2009 QAP. UNDER THE GUIDANCE OF CPD-09-03 ALL TCAP AWARDED PROJECTS MUST BE COMPLETED BY FEBRUARY 16, 2012.**

II. COMMITMENT AND EXPENDITURE DEADLINE:

(A) 2007/08 QAP:

TCAP Funds awarded to a Project under the 2007/08 QAP by September 30, 2009 must schedule a financial and real estate closing, including a closing of the TCAP Loan from the Agency, by not later than December 31, 2009.

(B) 2009 QAP:

TCAP Funds awarded to a Project under the 2009 QAP must schedule a financial/ real estate closing, including a closing of the TCA Loan from the Agency, by not later than March 31, 2010.

(C) TCAP DISBURSEMENT SCHEDULE:

Disbursements of TCAP Funds TO Capital Costs of a Qualified Low-Income Housing Project will be based upon the following schedule:

- |                          |   |
|--------------------------|---|
| - Closing <sup>(1)</sup> | - Not in excess of 25% of TCAP Fund Award |
| - 25% Completion         | - Not in excess of 50% of TCAP Fund Award |
| - 50% Completion         | - Not in excess of 75% of TCAP Fund Award |
| - 75% Completion         | - Not to exceed 100% of TCAP Fund Award   |

<sup>(1)</sup>Closing must occur not later than 90 days following award of TCAP Funds

(D) CONSTRUCTION MONITORING AND REDISTRIBUTION OF TCAP FUNDS BASED REVIEW PROJECT SCHEDULE DEFAULT:

Projects awarded TCAP Funds will be required to submit monthly construction progress reports with each monthly requisition for TCAP Funds. TCAP Funds will be withdrawn from Projects failing to close within 30 days of their scheduled closing date. Absent extraordinary circumstances beyond the control of the taxpayer/owner, a Project with more than a 90-day variance in its Project Schedule is at risk of having the balance of TCAP Funds recaptured, withheld and/or re-allocated. TCAP Funds withheld or recaptured will be awarded to other unfunded Projects on the Agency's waiting list of TCAP Eligible Projects as posted on the Agency's website based upon their rank order score in the competitive selection process. TCAP Eligible Project receiving a re-allocation of recaptured or withheld TCAP Funds must be able to close within sixty (60) days of an award and must be completed by not later than December 31, 2011.

(E) ASSET MANAGEMENT:

The Recovery Act requires the Agency to perform asset management functions or contract for these services at the owner's expense. Each Project awarded TCAP Funds must budget not less than \$5,000 each year for such costs. Additional amounts may be required to be paid by an owner to cover the costs of independent third party physical needs reports required by the Agency over the course of a Project's Extended Use Period.

III. **FEDERAL GRANT REQUIREMENTS**: TCAP Funds are federal financial assistance and must comply with a number of federal requirements described in the TCAP Notice CDP 09-03. Applicants are advised that these federal requirements will be incorporated into a legally binding written agreement between the Agency and each Project owner and successors to the owner following completion of environmental clearance for a Project and the approval of the Request For Release of Funds (RROF) for the Project

Written comments may be received by the Agency at or in advance of the public hearing. Oral statements at the public hearing will be limited to no more than two minutes per individual and not more than five minutes per association representing a housing constituency. Any questions in advance of the public hearing may be addressed to the following individuals at the Agency:

- (1) Mr. Milton J. Bailey, President
- (2) Ms. Brenda Evans, Program Director

LOUISIANA HOUSING FINANCE AGENCY

By:                   /s/ Milton J. Bailey                    
                                President