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WEEK 3  
Saturday  
October 26,  
2024

# 11<sup>TH</sup> GENERATION CREATING SUSTAINABLE NEIGHBORHOOD DEVELOPERS' PROGRAM: *Virtual*

- 9:00 AM: ***Welcome!!***  
Dr. Donald Andrews – Dean, College of Business,  
Southern University and A&M College
- 9:05 AM: ***Course Review***  
Eric L. Porter  
Co-Creator of CSND/ComNet LLC
- 9:10 AM: ***Curriculum Direction***  
Dr. Sung No,  
Co-Director, SU EDA University Center
- 9:15 AM: ***Goals and Objectives Introduction:***  
Eric L. Porter
- 9:20 AM: ***“Where Are They Now?”***  
Zuleika Moore (Certified CSND)  
Quest 4 Success Community Development – Monroe, LA
- 9:40 AM: ***”Acquisition II: Adjudicated Properties”***  
Victoria Hines, Circular Consulting
- 10:20 AM: *Break*
- 10:30 AM: ***“Community Banking”***  
Kimberly Burbank,  
The First Bank
- 11:10 AM: ***“Developers Insurance”***  
Agnes Andrews, Agnes Andrews & Associates
- 12:00 PM: ***“Multi-family Funding Programs”***  
Louis Russell, Director  
Louisiana Housing Corporation
- 12:55 PM: ***Closing***

# Zuleika Moore



**Our mission is to improve the quality of life for low to moderate income residents one safe, stable, affordable housing development at a time.**

# A TO Z PROPERTIES

2003



## The ❄️ BRRRR ❄️ Method

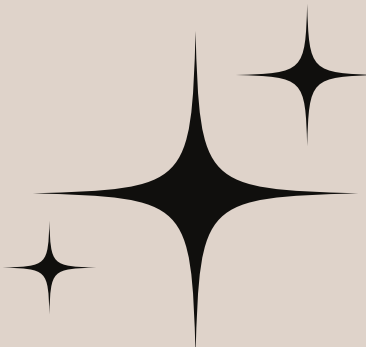
- BUY** Used Home Equity Line of Credit → **Purchase home below value**
- REHAB** → **Renovate to increase value**
- RENT** → **Rent the property**
- REFINANCE** Cash Out → **Refinance up to market value**
- REPEAT** → **Find another property & do it all over again!**

THE REAL ESTATE Invest *her*

2004





 2024

**Developed 2 Duplexes and 1 Single Family in  
Monroe, LA with \$725K LHC Neighborhood  
Landlord Rental Program Grant Assistance**



**2002 Total Sq Ft**



**7 Months to Complete**



**2BR 1.5 Bath**



**Developed 2 Duplexes and 1 Single Family in  
Monroe, LA with \$725K LHC Neighborhood  
Landlord Rental Program Grant Assistance**

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**3BR 2 Bath**



**1570 Total Sq ft**



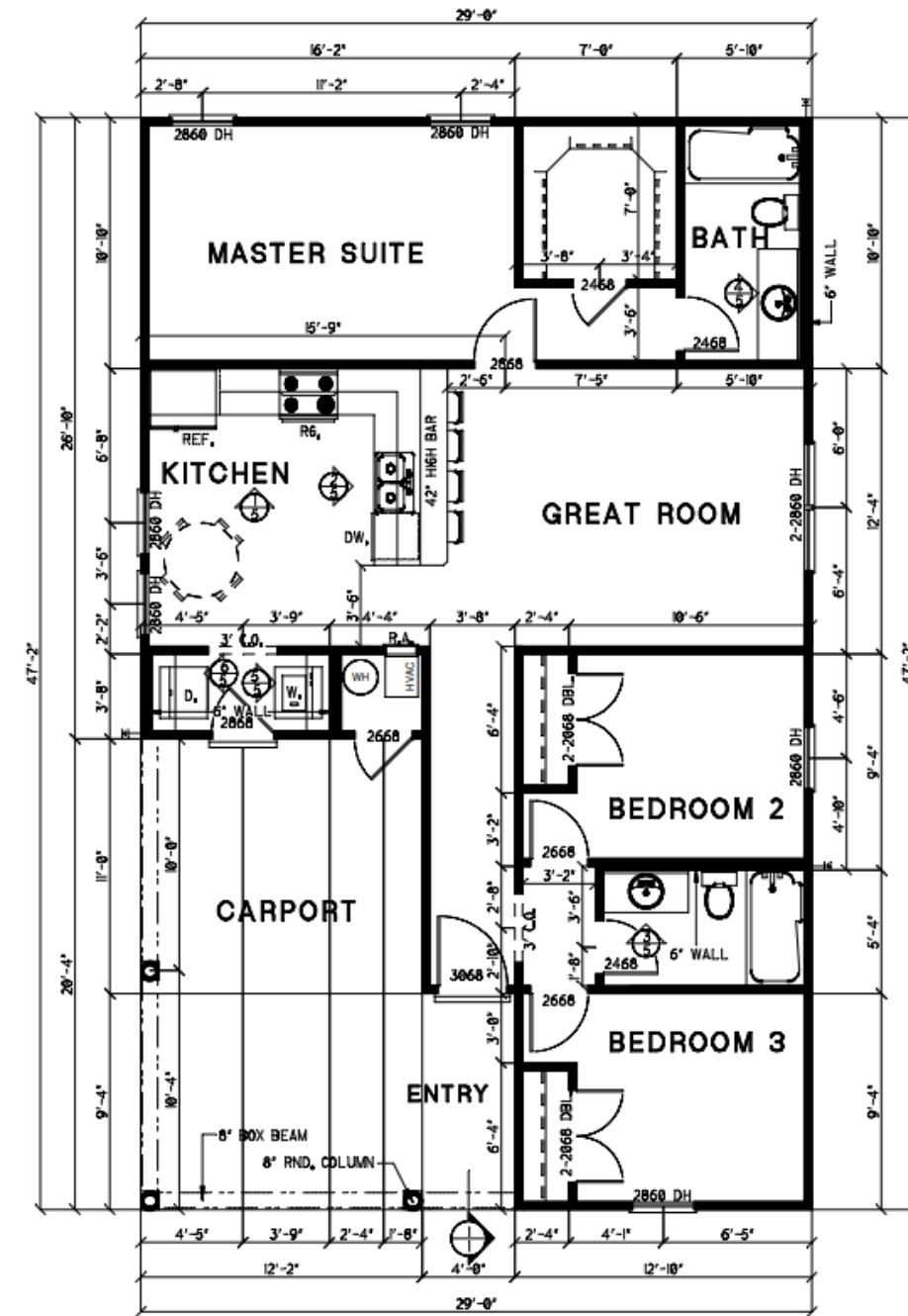


# 2025

Will develop 4 Single Family Homes with \$700K  
LHC Neighborhood Landlord Rental Program  
Grant and \$100K Gap funds from City of Monroe



1367 sq ft





# Things I Have Learned

## Sustainable Neighborhood Developers Program

- Get to know the project city councilman, planning & zoning dept., etc.
- Pre-Development Tasks
- Meet like-minded Developers
- Eric is only an email/text away
- Network
- Began to attend workshops, meeting, conferences etc.

## Louisiana Housing Corporation

- Patience, Persistence, Prayer
- Keep Receipts
- Had to adjust to having someone to answer too for site, construction costs, tenant approval etc.
- Extra Construction Requirements: Energy Star Certified, Fortified Roof, HUD Section 3 etc.
- Jump on Grant Opportunities when published

## FUNDING \$\$

- Banker relationships Matter
- LHC Grants are reimbursed funds
- Good credit score opens doors
- Build up your Savings
- Real Estate Equity is as good as Cash
- Get a Business Credit Card
- Appraisals are very important

## AS A DEVELOPER

- Hire a GC that you can openly communicate with and speaks your language
- Hire a third-party contractor to inspect behind your GC: dirt work, before concrete poured, before and after insulation.
- Inspections take time, plan accordingly
- Double check on required permits and zoning requirements
- Have the funds to cover Soft Costs

# 11<sup>th</sup> Generation Creating Sustainable Neighborhood Developers' Program: *Virtual*

“Acquisition II: Adjudicated  
Properties”

October 26, 2024





# What We Will Cover:

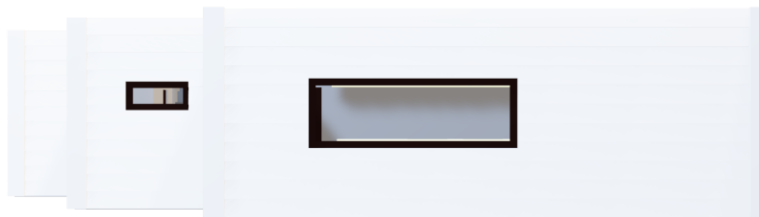
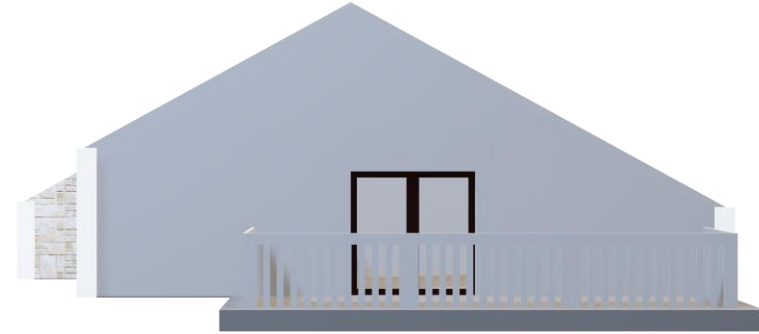
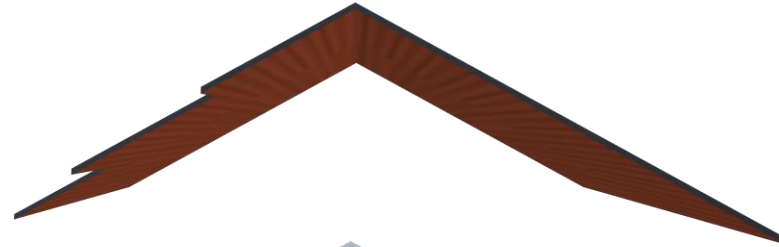
1. Adjudicated Properties and the Tax Sale/ Process
  - a. Notice
  - b. Tax Sale Certificate
  - c. Redemption
2. How to Quiet Tax Title
  - a. Petition to Quiet Tax Title
  - b. Acquisitive Prescription
3. Other Title Issues
  - a. Types
  - b. Process and Impact

# WHAT IS AN ADJUDICATED PROPERTY?

- "Adjudicated property" means property of which tax sale title is acquired by a political subdivision pursuant to Louisiana Revised Statutes (La.R.S.) 47:2196. While the property is adjudicated to a political subdivision, the tax debtor (original owner) is still liable for the property.
- Once a property is adjudicated, the political subdivision (usually a City/Parish) has three options: 1) quiet tax title; 2) DOAP (Donation of Adjudicated Property- La.R.S.47:2205); or SOAP (Sale of Adjudicated Property- La.R.S.47:2202); both usually include restrictions such as: build/renovate the property within a specific period of time.
- If DOAP is selected, the transfer must be for a public purpose.



# TAX SALE PROCESS



## NOTICE:

The city must send notice to the tax debtor prior to placing property in tax sale

## TAX DEBTOR:

As of the date of determination, the person listed on the tax roll in accordance with R.S. 47:2126.

## TAX SALE CERTIFICATE:

Document recorded by taxing authority; verifies tax sale interest acquired by tax sale purchaser

## TAX SALE REDEMPTION:

Tax debtor has three (3) years from the recordation of tax sale certificate to redeem (get property back); reduced to 18 mths if there is a blight judgment



# TAX SALE CERTIFICATE



STATE OF LOUISIANA, PARISH OF ORLEANS, CITY OF NEW ORLEANS

v.  
[REDACTED]

**BE IT KNOWN AND REMEMBERED**, that, I, Beverly Gariepy, Director of Finance and ex-officio Tax Collector in and for the City of New Orleans, in the name of the City of New Orleans, and by virtue of the authority vested in me by the constitution and laws of the State of Louisiana and in pursuance of the requirements of those laws, having mailed and published the notice required by law and having strictly complied with each and every requirement of the laws relating to delinquent taxes and tax debtors and to seizures, advertisements, and sale of tax sale title to the property in full, did in the manner prescribed by law, advertise and list in the Times-Picayune the property to be sold for delinquent property taxes with interest and costs for the year(s) 2016 and prior in the City of New Orleans on the 3rd day of March, 2017 and the 7th day of April, 2017, giving notice in the issues of the newspaper and in the list as advertised the following described immovable property appearing in the name of:

[REDACTED] C/O [REDACTED]

To Wit:

Tax Bill Number: [REDACTED]

Property Description: SQ [REDACTED] LOT [REDACTED] 2005 TAX SALE C/O [REDACTED]

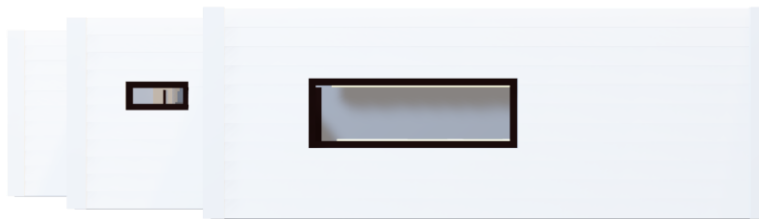
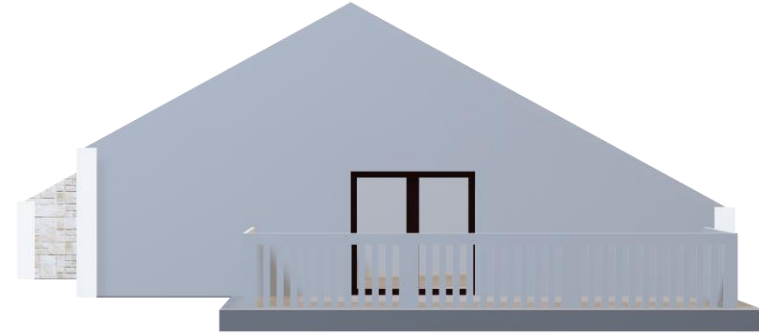
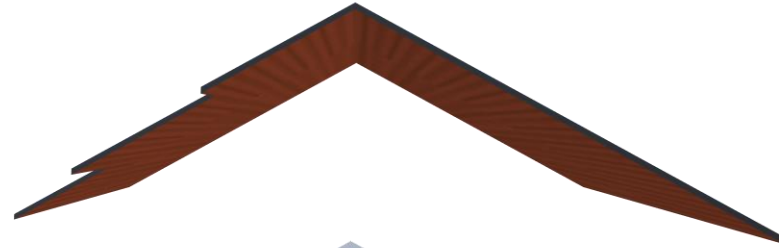
| Year:         | Type:                 | Balance:          | Interest:       | Penalty:      | Collection:     | Total:            |
|---------------|-----------------------|-------------------|-----------------|---------------|-----------------|-------------------|
| 2016          | Code Enforcement Lien | \$4,155.00        | \$0.00          | \$0.00        | \$0.00          | \$4,155.00        |
| 2016          | Real Estate           | \$1,441.94        | \$216.29        | \$0.00        | \$0.00          | \$1,658.23        |
| 2016          | Tax Sale Costs        | \$0.00            | \$0.00          | \$0.00        | \$300.00        | \$300.00          |
| 2017          | Tax Sale Costs        | \$0.00            | \$0.00          | \$0.00        | \$186.00        | \$186.00          |
| <b>Total:</b> |                       | <b>\$5,596.94</b> | <b>\$216.29</b> | <b>\$0.00</b> | <b>\$486.00</b> | <b>\$6,299.23</b> |

And on said 11th day of April, 2017, after beginning but not completing said list, I continued the same within legal hours each succeeding legal day offering tax sale title to said property for sale at public auction in the manner required by said laws and the whole or the undivided interest of the tax debtor therein being the smallest amount of said property that any bidder would buy and pay the taxes and costs, and [REDACTED] being the bidder, and having complied with the terms of sale, became the purchaser of tax sale title to 99% of the whole of the property or the undivided interest of the tax debtor therein.

**NOW, THEREFORE**, all the formalities of the law having been complied with, I, Beverly Gariepy, Director of Finance and ex-officio Tax Collector for said City of New Orleans, by virtue of the authority vested in me by the laws of the State of Louisiana do by these presents sell and transfer unto [REDACTED] of [REDACTED], tax sale title to 99% of the whole of the property or the undivided interest of the tax debtor therein last above described with all the improvements thereon. The tax debtor or any person interested personally or as heir, legatee, creditor or otherwise, shall have the right to redeem the property for the period of three years from the date of filing of this tax sale certificate. All redemption payments shall be made through the tax collector of the appropriate political subdivision. Payment shall include all statutory impositions accruing before the date of redemption payment with a five percent penalty and simple interest accruing at one percent per month.



# POST- TAX SALE PROCESS



## NOTICE:

When a property is sold at tax sale, the city is required to send tax debtor notice of the sale at 30 and 90 day intervals. La.R.S.47:2156 (B)

## TAX SALE PURCHASER:

“May” (not required at this point) send notice to all possible tax sale parties of his/her intention to terminate their interest if not timely redeemed. La.R.S.47:2156 (A)

## TAXES:

Tax sale purchaser responsible for taxes until redeemed. La.R.S.47:2161 (A)

## IMPROVEMENTS:

Tax sale purchaser may seek reimbursement. La.R.S.47:2161 (B)

# HOW TO QUIET TAX TITLE

**Petition to Quiet Tax Title-** Filing a lawsuit with the Court

**Acquisitive Prescription-** Physical Ownership

# Petition to Quiet Tax Title

Once the redemptive period (3 years; 18 months if blighted), tax sale purchaser can proceed with quieting tax sale title:

- Must file a “Petition to Quiet Tax Title” in the court of the parish where property located- **CONSULT WITH AN ATTORNEY**
- Tax debtor and all other tax sale parties (who may have an interest) must be included as parties in the lawsuit and served
- If the tax sale purchaser waits 5 years from the date the tax sale certificate is recorded to file the suit, the tax sale purchaser may ask the Court for an immediate judgment quiet tax title; if 5 years have not lapsed, the Court will give the tax debtor or other interested parties 6 months to challenge the suit
- Once tax sale purchaser has a judgment confirming/quieting tax title, he/she may proceed with steps to redevelop the property



# Acquisitive Prescription

- Louisiana Law provides for a 10-year acquisitive prescription of immovable property.
- Acquisitive prescription is a method of acquiring ownership of something over a period of time. La. Civil Code Article 3446.
- Four requirements:
  1. **Good Faith** on the part of the possessor;
  2. A title proving ownership;
  3. Possession during the requisite period of time; and
  4. An object that may be acquired by prescription

# OTHER TITLE ISSUES

- **What:** In addition to tax sales, other title issues can exist when purchasing property that “cloud” your ownership.
- **Common types:** title issues include but are not limited to: Bond for Deed, Open Mortgages, Exceptions, Name Variations, Surveys, Successions, and Trusts.
- **Impact:** can cause unclear title; possibly nullify ownership rights; can be costly and time consuming to correct, *if at all*.
- One of the best ways to avoid title issues down the line is to obtain an abstract prior to going to sale.

# Questions ?

Let's Talk About It



THANK YOU!

**Contact:**

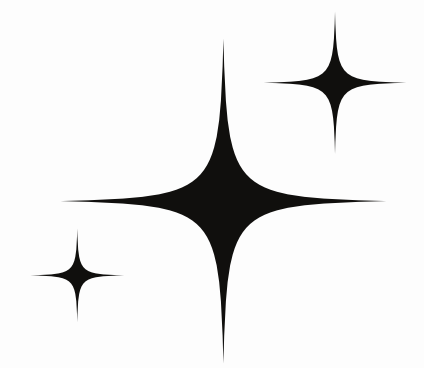
Victoria Hines, Esq.

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[www.circularconsultingllc.com](http://www.circularconsultingllc.com)





**QUEST 4 SUCCESS**  
COMMUNITY DEVELOPMENT

# Zuleika Moore Executive Director

[info@quest4success.org](mailto:info@quest4success.org)

[www.quest4success.org](http://www.quest4success.org)

**Our mission is to improve the quality of life for low to moderate income residents one safe, stable, affordable housing development at a time.**



**CONTACT:**

**Kimberly Burbank,**

**LA Community Development Officer**

**504-261-5067**

**Kimberly.Burbank@thefirstbank.com**

Under the Community Reinvestment Act,  
banks are required to give loans, time  
and money to their communities.



LENDING

INVESTMENT

SERVICES



# TheFirst

**AWARDED OVER \$70 MILLION  
IN COMMUNITY INVESTMENTS  
SINCE 2010 TO SUPPORT THE ECONOMY  
AND ECONOMICALLY DISTRESSED AREAS WITH**



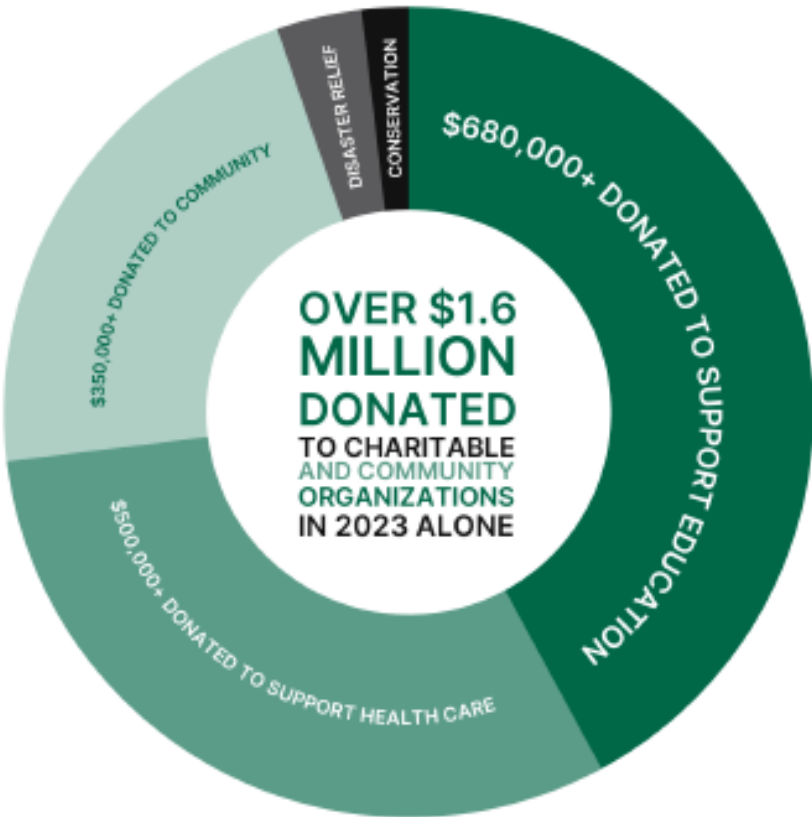
**ECONOMIC  
GROWTH**



**JOB  
CREATION**



**HOUSING  
PROJECTS**



COMMUNITY IMPACT



# COMMUNITY IMPACT

BETWEEN 2019 AND 2022, THE FIRST LEVERAGED MORE THAN \$3.8 MILLION IN DISASTER RECOVERY ASSISTANCE FUNDS TO HELP COMMUNITIES RECOVER



IN 2023 ALONE, THE BANK DONATED MORE THAN 3,500 EMPLOYEE VOLUNTEER HOURS TO OVER 700 ORGANIZATIONS



DURING 2023, THE FIRST UTILIZED \$291,805 OF GRANT FUNDING FROM THE FEDERAL HOME LOAN BANK OF DALLAS TO ASSIST 25 FIRST-TIME HOMEBUYERS



IN 2023 ALONE, THE BANK UTILIZED \$144,800 OF GRANT FUNDING FROM THE RENAISSANCE COMMUNITY LOAN FUND TO ASSIST 18 FIRST-TIME HOMEBUYERS



DURING 2023, THE FIRST UTILIZED \$49,968 FROM THE SPECIAL NEEDS REHABILITATION ASSISTANCE PROGRAM TO ASSIST 7 SPECIAL NEEDS HOMEOWNERS



IN 2023, THE BANK PROVIDED \$741,546 FROM DISASTER REBUILDING ASSISTANCE TO ASSIST 70 HOMEOWNERS WITH NEEDED HOME REPAIRS FOLLOWING A DISASTER




DURING 2023, THE BANK'S HERITAGE COMMUNITY FOUNDATION DISTRIBUTED \$41,000 IN CHARITABLE GRANT FUNDS TO 14 NONPROFIT ORGANIZATIONS





# Risk Management and Insurance Presentation Focus on Business Needs



October 26, 2024

Agnes S. Andrews  
Allstate Insurance  
214 South Acadian Thruway  
Baton Rouge, Louisiana  
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# History of Insurance: Titanic

## Shipwrecked at Bottom of the Sea



# History of Insurance

The main principle of insurance — trading the burden of risk for money — was slowly developing into a global phenomenon as commerce was expanding.

China, 3000 BC: that's the date on insurance's birth certificate. The proud parents were Chinese merchants who, tired of losing valuable goods in shipwrecks, proposed what is now recognized as the oldest predecessor to modern insurance. Merchants divided their goods evenly among the ships, meaning that each boat carried a mix of cargo, not just one merchant's.

Thus, a shipwreck meant a slight loss for all instead of a crippling loss for one — safety in numbers, a time-tested principle that your insurer practices to this day.

Source: esurance History of Insurance

# Reasons for Insurance

Why is it important to have insurance? **Risk Management Strategy for Loss Recovery**

- Life and Health
- Property
- Liability Exposure (Lawsuits)
- Legal and regulatory requirements
- Business continuity – recovery from disasters, systems continuations, maintains cash flow
- Protection from errors





# Assuming Risk is Part of Doing Business

Going outside is a risk, but so is staying inside.

Going out may require boots, coat, or an umbrella for protection, but staying in can result in missed opportunities.

Business insurance eases the burden of risks, so owners can “go out” to...

focus on business  
development and growth.



# Insurance for a Small Business

Review examples of work-specific insurance which are required by certain licenses.

Here are a few to begin:

- **Construction company – general contractor's liability**
- Auto repair shop – business general liability
- Trucking – Commercial Auto
- Restaurant – food business insurance



# Insurance Your Business May Require State and Local Requirements

- Always check with federal, state, county and local governments
- Workers Compensation with specific coverage may be required for employees
- Automotive insurance coverage for vehicles used in connection with the business





# How to Attract Employees to Your Business

- ▶ Compensation Package
  - ▶ Time Based (Fixed Salary)
  - ▶ Performance Based (Commission)
  - ▶ Deferred Compensation
  - ▶ Opportunity for Growth and Development (Ex. Old Sears Model)
- ▶ Employee Benefits Package

# Here are the top 10 employee benefits worldwide:

- **Private Health Care Plan (Medical, Dental & Vision)**
- **Retirement / Pension plans**
- **Training and Development**
- **Stock option plans**
- **Work From Home and/or flexible hours**
- **Food and snacks**
- **Life insurance**
- **Extended leave (Vacation, Sick)**
- **Bonuses / Awards / Gifts**
- **Company equipment (including vehicles, laptops, phones)**

# Worker's Compensation Insurance

Protects against illnesses, injuries at work.

- Pays for rehabilitation, retraining
- Addresses payments to beneficiaries and medical payout limits
- Required by most states, check state laws
- Private or state administered





# Unemployment Insurance



Benefits those who are unemployed through no fault of their own.

- To qualify must be willing and able to work and actively searching work to be considered unemployed
- Federally regulated, state administered
- Check with state and Federal Dept. of Labor



# Insurance for Liability Exposure



# General Liability Insurance

- ▶ General liability covers common risks
- ▶ From carpenters to general contractors, construction and contracting professionals face high risks. General liability insurance helps pay expenses related to **third-party injuries and property damage**.
- ▶ Example If a visitor is injured at your jobsite or property damage occurs during a renovation, for instance, general liability insurance can cover medical bills or the cost of repairs.
- ▶ This policy provides liability coverage related to:
  - ▶ Customer injury
  - ▶ Customer property damage
  - ▶ Libel and slander
- ▶ Source: <https://www.insureon.com/construction-contracting-business-insurance/general-liability>



# General Liability Insurance

- ▶ If you run a small construction or contracting business, you may be able to bundle general liability insurance with commercial property insurance in a business owner's policy (BOP).
- ▶ A **BOP** offers more complete coverage at a lower cost than purchasing each policy separately. Businesses that are eligible for a **BOP** typically:
  - ▶ Have fewer than 100 employees
  - ▶ Have a small office or workplace
  - ▶ Make less than \$1 million in annual revenue
  - ▶ Operate in a low-risk industry
- ▶ Need less than 12 months of business interruption insurance
- ▶ Talk to a licensed insurance agent to find out if your construction business is eligible.
- ▶

# General Liability Insurance

## Other policies to consider include:

- ▶ **Workers' compensation insurance**: Required in almost every state for construction businesses with employees, workers' comp can cover medical fees for work-related injuries.
- ▶ **Commercial auto insurance**: This policy covers vehicles owned by your construction or contracting business. It typically pays for accidents and damages related to theft, weather, and vandalism.
- ▶ **Contractor's tools and equipment insurance**: This policy helps pay for repair or replacement of a contractor's tools and equipment if they are lost, stolen, or damaged.
- ▶ **Builder's risk insurance**: Builder's risk insurance can pay for damage done to a structure still under construction, such as fire or vandalism at a construction site.
- ▶ **Professional liability insurance**: This policy covers professional mistakes and oversights, such as a contractor missing a deadline for a project.

# Other Liability Insurance

- Professional Liability Insurance
  - May be required for
    - Certain professional licenses
    - Certificates of business or professional business registrations
- Directors & officers

Liability laws change –

**Stay Informed**





# Other Types of Insurance to Consider

- Loss of income
- Life
- Disability
- Medical
- **Flood**



# Lender or Investor - Required Insurance

When financing, a lender or investor may require you show insurance protecting:

- ← Business assets (building, property)
- ← Cash flow – provision for interruption of business (e.g., reconstruction, repairs)
- ← In the event of owner's disability or death



# “Key Person” Policy

Think about and respond to these discussion points.



1. Do you have a list the names who could run your business or that you would trust to do so, if you were ill for an extended period of time?
2. List who would take over your business in the event of your death.
3. Do you have a plan for your business in the event of your death?
4. Is there a family member or trustee named to liquidate the assets?



# Surety Bonds

A surety bond is issued by a third party, known as a surety, as a guarantee the second party will fulfill its obligations or meet certain laws. If the second party fails to do this, the bond covers the damages.

- Required for some licenses or permits (e.g., car dealer, construction contractor)
- Protection for consumers and for government
- “Bid bond” may be required to submit a bid to the government



# Location-Related Considerations

Business location affects type of policy

- Home-based – Add-on to homeowner's or separate

**Warning: Your traditional homeowner's insurance may NOT cover damage caused by your home-based small business!**

- Retail – one or more locations, inventory theft, credit card theft, personal vehicle for deliveries
- Flood Insurance

# What Is Title Insurance?

## Do I Have to Buy It? Do I Want to Buy It?

- ▶ When you buy property (land or land with a building such as a home), the seller transfers the title to the property to you.
- ▶ **Title** to property means legal ownership of the property. Some problems with the title could prevent the seller from transferring the property title to a buyer or prevent a lender from issuing a mortgage loan.
- ▶ **Title insurance** helps to make sure the seller can transfer the title to you. It also may help protect you if a problem with the title comes up after you buy or refinance property.
- ▶ Source: Google Search [https://www.naic.org/documents/committees\\_c\\_cst\\_wg\\_related\\_la\\_spec...](https://www.naic.org/documents/committees_c_cst_wg_related_la_spec...)



# Selecting a Policy

Weigh the costs to insure the risk

- Does it make sense? Could you cover it without insurance?
- Consider policy costs with deductibles and coverage limits
- Is the coverage sufficient?
- Does the policy provide for growth?
- Are there time constraints on modifying coverage?



# A Life Well Planned:

Being prepared can get you and your family through life's most difficult moments: Keeping Records Organized and up to Date is Important

- ▶ Documentation (Contacts, Legal Documents, Loans and Liabilities)
- ▶ Assets
  - ▶ Financial Records
  - ▶ Records of Property
- ▶ Online Access
  - ▶ Personal Account Information
  - ▶ Financial and Insurance Accounts
  - ▶ Credit Card Accounts
  - ▶ Automatic Payment Accounts
  - ▶ Business and Job-Related Accounts
- ▶ For Your Survivors
  - ▶ Final Arrangements
  - ▶ Importance of a Will

# Selecting a Company and an Agent

Compare quotes, coverage,  
deductibles and other details

- **Stable and accessible?**  
Check consumer and  
business reviews,  
network with others

Know what's **not** covered!



# What to Do After the Purchase

- Keep policies easily accessible
- Keep phone numbers readily available
- Maintain insurance-related procedures in business continuity plan
- Review policies periodically
- Meet with agent from time-to-time



Continued ...

# Key Points to Remember

- Insurance
  - Minimizes the impact risks can have on your ability to continue operations
  - Impacts continued financing
  - Helps retain employees
  - Provides protection from liabilities
- Your location, facilities, autos and type of business operations determines your insurance needs

# Don't End Up Shipwrecked without the Right Insurance Recovery Plan





# Insurance Presentation

Thank You

Agnes S. Andrews  
Allstate Insurance  
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Baton Rouge, Louisiana  
225.383.0877  
[agnesandrews@allstate.com](mailto:agnesandrews@allstate.com)



11TH GENERATION  
CREATING SUSTAINABLE NEIGHBORHOOD  
DEVELOPERS' PROGRAM:



Welcome / Introductions



Louisiana Housing  
Corporation

# — Goals and Objectives

- Increase partnership with local government and rural communities
- Develop greater synergy with the development community and non-profits
- Incentivize participation and access for small and minority developers
- Create housing that increases the states affordable housing stock for both rental and homeownership opportunities.
- Address the need for revitalization of aging housing stock
- Embrace resiliency that creates sustainability in housing and impacted sectors



# — Overview Of Available Funding Sources

## Public Funding Sources

- Federal funding sources such as Low Income Housing Tax Credits, Community Development Block Grants, HOME Investment Partnerships Program, Housing Trust Funds
- State funding sources including tax credits and grants
- Local funding sources such as city and parish bonds



# 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.





# Multi-family Housing

## HOME

- Block-grant, formula-funded program administered by the U.S. Department of Housing and Urban Development (HUD) – To expand the supply of decent, safe, affordable housing for low-income households

## Eligible Applicants:

1. Units of General Local Government
2. Nonprofit organizations
3. Public housing agencies
4. For-profit Entities




# Multi-family Housing

## HOME

Annual allocation approx. \$10 M - \$11 M

### Eligible Activities:

1. Homeowner Rehab
  2. Homebuyer
  3. Rental Rehab and New Construction
  4. Tenant-based Rental Assistance
- 



# 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



# Multi-family Housing

## HOUSING TRUST FUND

- The LHC offers the National Housing Trust Fund (NHTF), a federal affordable housing production program that will complement existing federal, state, and local efforts to increase affordable housing for extremely low and very low-income households, including homeless families and individuals. (30% AMI)
- HTF is a formula-based program for States and U.S. Territories. By law, each state is allocated a minimum of \$3 million.
- 2023 Expected allocation \$4, 515,321



## 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.

# Multi-Family Housing

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

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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.





# Low-Income Housing Tax Credit Program

**New Construction - Rehabilitation - Historic  
Preservation**

- Multifamily Rental



# 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)

## 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)

Current 9% LIHTC 2025/2026 credit cycle:

- Approx. 2024 Credit Ceiling - \$26,000,000
  - Application 2/25
  - Award 6/25
  - 50-60 applications



# Challenges

- **Limited Resources:** Funding for affordable housing is limited, and competition for funding is high.
- **Complex Process:** The financing process for affordable housing is complex and can be difficult to navigate.
- **Regulatory requirements:** Affordable housing projects are subject to a range of regulations and requirements, long-term compliance with rent and income limits and affordability period.



# CONTACT

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Questions?



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