



## Louisiana Housing Corporation

The following resolution was offered by Board Member Ellen M. Lee and seconded by Board Member Dr. Daryl V. Burckel:

### RESOLUTION

**A resolution approving the adoption of the Louisiana Housing Corporation (the "Corporation") Community Housing Development Organization (CHDO) Operating Assistance Strategy and Report Card (Exhibit A) and to provide a maximum amount of five percent (5%) of the 2012 HOME Fund Allocation of approximately four hundred thousand dollars (\$400,000) to approved CHDOs; and providing for other matters in connection therewith.**

**WHEREAS**, the Louisiana Housing Corporation has been ordered and directed to act on behalf of the State of Louisiana (State); and

**WHEREAS**, the Louisiana Housing Corporation, as authorized by the State of Louisiana, shall apply for, implement and administer programs, grants and or resources made available pursuant to the Cranston-Gonzales National Housing Act of 1990 (Housing Act).

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Louisiana Housing Corporation (the "Board"), acting as the governing authority of said Corporation that:

**SECTION 1.** A resolution is hereby approved that provides for the adoption of the Louisiana Housing Corporation Community Housing Development Organization Operating Assistance Strategy and Report Card (Exhibit A) and to provide a maximum amount of five percent (5%) of the 2012 HOME Fund Allocation of approximately four hundred thousand dollars (\$400,000) to approved CHDOs; and providing for other matters in connection therewith.

**SECTION 2.** The Corporation's staff and counsel are authorized and directed to prepare such documents and agreements as may be necessary to implement the Community Housing Development Organization Operating Assistance Strategy and Report Card.

**SECTION 3.** The Corporation is hereby authorized, empowered, and directed the ability to create, change, amend and revise any existing documents and/or commitments to implement Community Housing Development Organization Operating Assistance Strategy and Report Card.

**SECTION 4.** The Chairman, Vice Chairman, Interim Executive Director, Chief Operating Officer and/or Secretary of the Board, be hereby authorized, empowered and directed to execute any forms and/or documents required to be executed on behalf of and in the name of the Corporation, the terms of which are to be consistent with the provisions of this resolution as approved by the Corporation's counsel.

This resolution having been submitted to a vote, the vote thereon was as follows:

**YEAS:** Michael L. Airhart, Mayson H. Foster, Dr. Daryl V. Burckel, Larry Ferdinand, Alice Washington, Ellen M. Lee, Matthew P. Ritchie, Guy T. Williams, Jr., Malcolm Young

**NAYS:** None

**ABSENT:** Willie Spears

**ABSTAIN:** None

And the resolution was declared adopted on this, the 8<sup>th</sup> day of May 2013.



Chairman



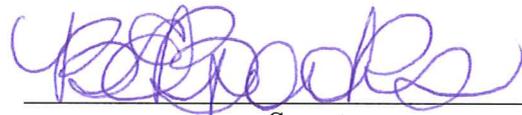
Secretary

**STATE OF LOUISIANA**

**PARISH OF EAST BATON ROUGE**

I, the undersigned Secretary of the Board of Directors of the Louisiana Housing Corporation, do hereby certify that the foregoing two (2) pages constitute a true and correct copy of a resolution adopted by the Louisiana Housing Corporation Board of Directors on May 8, 2013, entitled: "A resolution approving the adoption of the Louisiana Housing Corporation (the "Corporation") Community Housing Development Organization (CHDO) Operating Assistance Strategy and Report Card (Exhibit A) and to provide a maximum amount of five percent (5%) of the 2012 HOME Fund Allocation of approximately four hundred thousand dollars (\$400,000) to approved CHDOs; and providing for other matters in connection therewith."

**IN FAITH WHEREOF**, witness my official signature and the impress of the official seal of the Corporation on this, the 8<sup>th</sup> day of May 2013.



Secretary

(SEAL)



---

## CHDO Operating Assistance Strategy

The Louisiana Housing Corporation (the "LHC") would like to reward high performing CHDOs and encourage the growth of new CHDOs. It is proposed that this will be accomplished by providing more operating assistance to higher performing CHDOs and to more established CHDOs. To this end the LHC is considering several factors to determine which CHDOs have performed better than others over the course of the year.

These factors include:

1. Production – The CHDO has produced more units than other CHDOs.
2. Timeliness – The CHDO has utilized less time from award to final production of units.
3. Economy – The CHDO has used less HOME funds per HOME assisted unit than other CHDOs.
4. Consistency – The number and type of units proposed in the application were built by the CHDO.

There are fifteen scoring items that provide a maximum score of 162 points. **NOTE:** Items that have a top possible score of twelve are designed to provide bonus points to CHDOs that assist the LHC to score higher than the national average on the HUD report card.

1. Rewards new projects and penalizes projects that are prolonged or are taking too long to complete.
2. Rewards a CHDO for thoroughly thinking through a HOME fund request and asking for no more funding than that which is actually needed.
3. Rewards CHDO for seeking funding sources other than State Government for operating expenses.
4. Rewards new CHDOs and incentivizes older ones to seek other funding or leveraging opportunities.
5. Rewards CHDO for producing what was initially committed to i.e. not requesting changes in scope, design or number of units due to inadequate planning.
6. Rewards CHDOs for using other funding as originally disclosed in applications.
7. Rewards CHDO for using HOME as gap filler and not as the sole source of funds in a project.
8. Rewards production of affordable housing.

9. Encourages development of new CHDOs.
10. Rewards timely expenditure of funds which likewise expedites the project's completion.
11. Rewards leverage ratios that aid LHC in its HUD Scorecard.
12. Rewards timely completion of all phases of a project including lease-up/sales over all not just one project.
13. Rewards leverage provided over time.
14. Rewards projects that exceed the new minimum federal standards of sale of homeownership units.
15. Rewards projects that exceed the new minimum federal standards of lease-up of rental projects

**CHDO Operating Funds Awarded as follows:**

Minimum award -- \$5,000. All CHDOs with a qualifying project receive this minimum award which is to be used to pay for annual audit.

Score :	Up To:
130-162	\$50,000
115-129	\$35,000
105-114	\$20,000
98-104	\$10,000
97 and below	Minimum

**CHDO OPERATING ASSISTANCE  
SCORING GUIDELINES**

- 
1. Length of time oldest qualifying project (i.e. CHDO Eligible Project) has been active:
 

New – 1 Year	12 points
1-2 Years	10 points
2+-3 Years	6 points
3+-4 Years	2 points
+4 Years	1 points
*Failure to list a project funded with LHFA/LHC funds	0 points
  
  2. Operating Funds Requested:
 

Less than \$10,000	10 points
\$10,001 - \$15,000	8 points
\$15,001 - \$20,000	6 points
\$20,001 - \$30,000	4 points
More than \$30,000	2 points
  
  3. CHDO Operating Expenses funding relative to Total CHDO Operating funds:
 

25% or less	10 points
26% - 50%	8 points
51% - 75%	6 points
75% - 90%	4 points
91% - 100%	2 points
  
  4. Operating Expenses previously authorized:
 

(a) Never authorized CHDO operating expenses	10 points
(b) Was not authorized CHDO operating expenses within the past 24 months	8 points
(c) Was not authorized CHDO operating expenses with the past 12 months	4 points
(d) Currently authorized and receiving operating expenses	2 points
  
  5. Final development of project units proposed vs. number of units constructed:
 

100% proposed units constructed	10 points
90% proposed units constructed	7 points
80% proposed units constructed	3 points
<80% proposed units constructed	0 points
  
  6. Leverage actually utilized vs. leveraged amount originally proposed:
 

100% proposed leverage utilized	10 points
90% proposed leverage utilized	7 points

	80% proposed leverage utilized	3 points
	<80% proposed leverage utilized	0 points
7.	HOME proportion of funding per eligible project:	
	90% - 100% HOME Funded Activity	0 points
	80% - 89% HOME Funded Activity	2 points
	70% - 79% HOME Funded Activity	4 points
	60% - 69% HOME Funded Activity	6 points
	50% - 59% HOME Funded Activity	8 points
	<50% HOME Funded Activity	10 points
8.	Average Annual HOME Units completed using Operating Assistance (Production):	
	Five (5) or more	10 points
	Four (4)	8 points
	Three (3)	6 points
	Two (2)	4 points
	One (1)	2 points
9.	How long has the CHDO been designated by the State?	
	New – 1 Year	10 points
	1+ - 2 Years	8 points
	2+ - 3 Years	6 points
	3+ - 4 Years	4 points
	4+ -5 Years	2 points
	5> Years	0 points
10.	Development Funding Authorized vs Expended:	
	90% - 100%	12 points
	85% - <90%	10 points
	75% - <85%	8 points
	65% - <75%	6 points
	<65%	0 points
11.	Leverage Ratio on Projects Completed Since 2008:	
	>5.0	12 points
	4.0 – 4.9	10 points
	3.0 – 3.9	8 points
	2.0 – 2.9	6 points

	1.0 – 1.9		4 points
	<1.0		0 points
12.	Average length of time (in months) to complete project (average of time from award to final completion in IDIS for projects awarded since 2008):		
	< 18 Months		12 points
	18 – 24 Months		10 points
	24 – 30 Months		5 points
	30 Months		0 points
13.	Average HOME cost per unit produced since 2008:		
	Rental	Homeowner	
	<\$32,000	<\$14,000	12 points
	\$32,000 – 40,000	\$14,001 - \$20,000	10 points
	\$40,001 - \$45,000	\$20,001 - \$25,000	5 points
	\$45,001 - \$50,000	\$25,001 - \$30,000	2 points
	>\$50,000	>\$30,000	0 points
14.	100% sale of homeownership units:		
	1 Month		10 points
	1+ - 2 Months		8 points
	2+ - 3 Months		6 points
	3+ - 4 Months		4 points
	4+ - 5 Months		2 points
	>5 Months		0 points
15.	100% lease up:		
	4 Months		12 points
	4+ - 6 Months		10 points
	6+ - 10 Months		8 points
	10+ - 12 Months		6 points
	>12 Months		0 points



LOUISIANA HOUSING CORPORATION  
 COMMUNITY HOUSING DEVELOPMENT ORGANIZATION  
 REPORT CARD

Category	CHDO	CHDO Average	CHDO Rank
<b>Program Progress:</b> Length Qualifying Project Has Been Active			
Units Completed while having operating assistance			
Sale of All Homebuyer Units			
Lease-Up of All Rental Units			
Average Length of Time Project Active			
<b>Efficiency :</b> Average Cost per HOME Rental Unit			
Average Cost Per HOME Homebuyer Unit			
Leverage Ratio (Actual) for Projects completed since 2008			
HOME Proportion of eligible project funding			
<b>Consistency :</b> Unit Proposed Vs Constructed			
Leverage Utilized Vs Proposed			
<b>CHDO Operating:</b> CHDO Operating As Proportion of Overall CHDO Administrative Funds			