

LOCD

LIHTC Leverage & Experience



Louisiana Division of Administration

**Office of Community Development –
Disaster Recovery**

Kelvin Hill

Assistant Executive Director

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About us



Mission statement

We create a safer and stronger Louisiana by leading the state's disaster recovery and long-term community resilience planning efforts through innovation, partnerships, and best practices.

Core values

- Team Work
- Urgency
- Efficiency
- Community driven recovery
- Adaptability
- Knowledge sharing

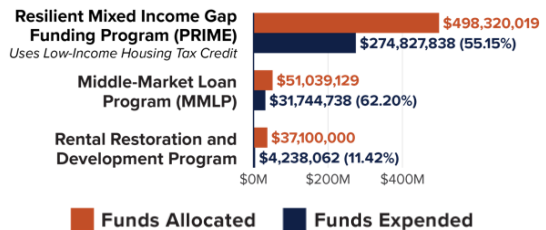
Program Integration



Resilient Mixed Income Gap Funding Program - PRIME

- Only CDBG-DR Program that leverages LIHTC.
 - Nearly \$500 Million allocated
- Incorporate disaster resilience measures.
 - Built to IBSH Fortified Standards
- “Piggyback” onto Low Income Housing Tax Credit developments by providing gap financing loan assistance:
 - Loan repayments from Surplus Cash
 - 20-to-30-year Affordability Period.
- Notice of Funding Availability – Competitive Process governed by:
 - HUD’s Federal Notice Requirements
 - Louisiana’s Qualified Allocation Plan (QAP)

HOUSING (MULTI-FAMILY):



Key Learnings



Resilient Mixed Income Gap Funding Program - PRIME

- Don't "Flood" the Market.
 - Don't exceed your bonding capacity
 - Multiple awards in small area can dilute the bond equity
- Align Program Deadlines
 - Financial closing deadlines should match up with bond issuance expiration dates.
- Have "clarity" on scoring criteria
 - Not all awarded projects will close.
 - Program policy should clarify how you intend to award funding past initial scoring.
- Develop a good "asset management" practices
 - Surplus Cash tracking
 - Reserve draw down requests
 - Affordability retention



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Common Pitfalls



Resilient Mixed Income Gap Funding Program - PRIME

- Misalignment with the Qualified Allocation Plan.
 - Potential "conflicts" and dual "requirements"
- Resilience Measures.
 - Anchor to HUD's Green and Resilient Building Standards
- Adequate Reserves
 - Rising Insurance rates
 - Costly capital improvements
- Protect your "lien" position
 - 10-year Resyndication
 - Multiple funding sources
 - Ownership Transfers



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Questions & Answers

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Kelvin Hill

Contact us at
225.219.9600

Thank you!

617 N. Third Street
Baton Rouge, LA 70802

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