



LOUISIANA
HOUSING
CORPORATION
2016 ANNUAL REPORT

LOUISIANA HOUSING CORPORATION

Chairman's Report


In April of 2016, the Governor and Legislature appointed a new board of directors and executive leadership at the Louisiana Housing Corporation (LHC). The new board is truly representative of the people we serve, and our goal is to foster growth and collaboration in the affordable housing industry.

One of the first steps we took as a new leadership team was turning to our development and non-profit partners to gather input about how we can better work together to provide safe, sanitary and affordable housing. As a result, we've implemented several suggestions and will continue to make improvements to the LHC's operations.

We've opened up the Qualified Allocation Plan (QAP) process so that more people can learn and provide input about housing tax credits. We've extended the QAP timeline and will provide multiple opportunities for the public to comment on the plan's development. We've also been instrumental in chairing the Louisiana Disaster Housing Task Force, following the flood events of March and August.

Our next initiative will be the development of a new strategic plan that shapes the overall policy direction of the corporation. It will be critical for Community Housing Development Organization (CHDOs) and other organizations we serve to use this plan to guide them as they develop affordable housing programs across the state.

The new LHC board and leadership team is committed to the public we serve and to the mission of expanding safe, sanitary, and affordable housing across Louisiana. It's an honor to work alongside my fellow board members to achieve this mission.



Lloyd "Buddy" Spillers, Chairman


Executive Director's Message

The Louisiana Housing Corporation (LHC) began in 1980 as the Louisiana Housing Finance Agency, but we have grown into so much more. In addition to being responsible for issuing housing credits and bonds to build affordable housing, we provide down payment assistance to homeowners; serve the homeless; and lead disaster housing recovery efforts. But even if you stripped away every program we operate, our core mission is to work toward accessibility, affordability, safety, and decency.

Most of the work we do is targeted toward families whose income is 80 percent AMI (Area Median Income) and below. Out of a population of 4,400,000, there are roughly 861,000 Louisiana households that fall into this category, and 619,000 households that live in substandard conditions. Louisiana has a unique set of challenges when it comes to providing affordable housing for these families. The damaging effects from hurricanes and floods exacerbated an already stressed housing system.

One of the biggest hurdles we face moving forward is rent-stress. This is when a family pays more than half of their income on rent and utilities. There are 8 Louisiana parishes where 60 percent of the population is rent burdened. Even though we develop hundreds of units of affordable properties each year, we're barely scratching the surface on the rental housing needs in our state. This is especially true as properties fall out of their affordability period or begin to decline in quality.

Our goals in the coming year will be to look at areas of the state where we have never funded projects but there is a high concentration of rent burden and rent stress. We will also look at different populations we haven't been able to serve before, such as the 55 percent of elderly residents who are low income and need accessible and safe housing. The LHC does a good job of serving the people we can reach, but we have much more work to do. Going forward, we will be strategic as we develop funding opportunities, programs and plans to release federal dollars. We will continue to leverage our resources and partner with other groups to use funding from different federal programs in new ways. Our core mission will continue to be providing accessibility, making housing affordable, and ensuring that Louisiana homes are decent and safe.



E. Keith Cunningham, Jr.

Who we are...

As the state's **housing finance agency**, Louisiana Housing Corporation (LHC) is a **quasi-governmental agency** that is **self supporting**, and invests in affordable housing solutions for Louisiana residents.



We are a government-created entity that was established to meet the state's unique affordable housing needs through the use of housing bonds, housing credits, and other federal resources.



We were created by the Legislature in 1980 and reorganized as an independent corporation in 2011. We operate under a board of directors appointed by the Governor, House Speaker, and Senate President. The Treasurer is an ex-officio member of our board.



We receive no state general funds and pay corporation expenses with income from mortgage and bond programs and administrative fees from federal government programs.

...we are a self supporting, quasi-governmental, housing finance agency.

What we do...

The LHC partners with state and federal agencies to administer programs that assist low and moderate-income families; the homeless, disabled, and elderly; and others who need housing with supportive services. We finance affordable homeownership opportunities, affordable rental homes, and provide energy assistance.

...we create affordable housing.

\$447.8 Million In Housing Investments

Homeowners



Affordable mortgages, down payment assistance, energy efficiency, and housing counseling

Special Populations



Supportive services, homelessness prevention, and short-term housing assistance

Renters

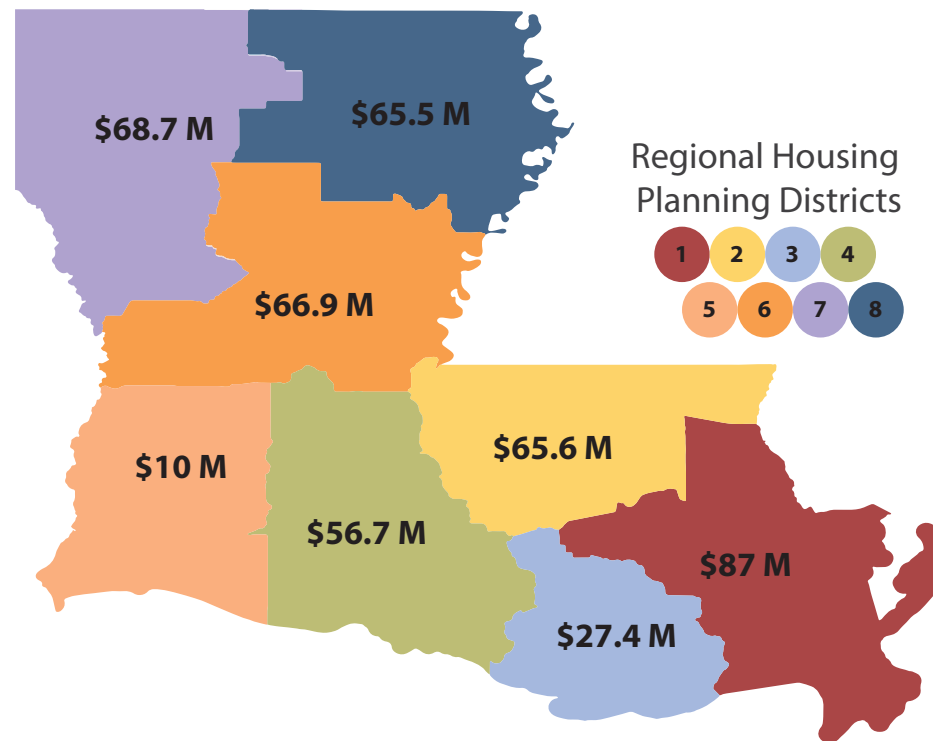


Rental assistance and construction/rehab of safe, sanitary, and affordable apartments

Disaster Recovery



Rebuilding and repairing housing damaged by hurricanes and severe storms



The LHC helps homebuyers achieve the dream of owning their own homes by providing low, fixed-rate financing, and grants for down payment and closing cost assistance. Our mortgage products are available for first-time homebuyers and for those who have purchased and owned homes before. An LHC loan means a new home for hundreds of low-to-moderate-income Louisianans.

We help homeowners every step of the way from budget to purchase through maintenance. We offer education workshops for new homebuyers to take the mystery out of buying and maintaining a home. We provide utility payment assistance for low and moderate-income homeowners struggling with increased heating and cooling costs. We even make improvements to make homes more energy efficient, with a priority focus on helping elderly, and disabled Louisianans.

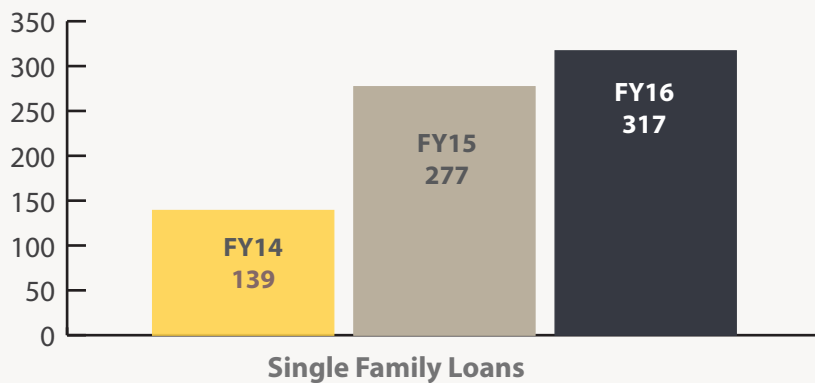


\$30
Million

In Energy Assistance
helped

94,721

families keep the lights on



Weatherization
Assistance Program

\$4.3 Million

797 weatherized
homes statewide



\$45
Million

In Single Family
Loans


*...we create affordable
housing opportunities.*



*Zena Washington, Homeowner
HOME & CHDO Programs*

Building communities. One of the newest residents to call an LHC development home is Ms. Zena Washington, who lives in SugarHouse Phase III in Alexandria. Ms. Washington, who was formerly homeless, is now a proud homeowner. She was a Hurricane Katrina evacuee who struggled for years with substance abuse, but with case management support, she learned life skills to live independently.

The SugarHouse Phase III development consisted of \$2,000,000 in HOME funds and \$320,754 in Community Housing Development Organization (CHDO) funds. It is another example of how non-profits, community-based organizations, private partners, and public agencies collaborate to address housing and community development needs in the state.



The LHC provides affordable rental opportunities through partnerships with property owners, who receive housing credits for housing low-income families and developers who use housing credits to build affordable rental homes.

Housing credits are attractive to developers and are a flexible financing mechanism that can be used to build new rental homes or apartments; preserve or rehabilitate older complexes; and ultimately sustain rental housing in Louisiana communities. The LHC has used housing credits to invest \$22,300,000 to build and preserve rental housing in Louisiana.

\$**63.25 M** in

**HOUSING
CREDITS**

+

**HOME
FUNDS**

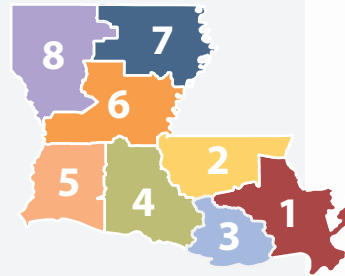
Funded
the start of

▶▶▶▶▶
▶▶▶ **2,211**
Rental Units

Regions

Affordable
Units

Housing
Credits + HOME
Dollars



507

\$12.1M

297

\$5M

103

\$750,000

346

\$30.4M

6

\$3.4M

218

\$2.5M

348

\$4.1M

386

\$5M

**Project Based
Vouchers** ▶▶▶▶▶▶▶▶

Assisted ▶▶▶

15,132
Households

The Louisiana Housing Authority (LHA) is a subsidiary of the LHC and assists homeless individuals who are typically very low-income, have serious long-term disabilities, or have substance abuse/chronic health conditions. The LHA provides funding for rental assistance, supportive services, shelter operations, homeless prevention, and rapid re-housing assistance. It also helps locate housing for foster children who are aging out of the system.

The LHA works to improve the quality of emergency shelters and transitional housing for the homeless; make additional shelters available; and help meet the costs of operating shelters. The LHA provides subsidized permanent rental housing for very low-income people and essential social services to transition homeless individuals into permanent housing.

The nationally recognized work of the LHA has been crucial following natural disasters such as hurricanes and the 2016 flooding. The LHA will continue to expand its efforts to increase the supply of affordable housing and fund supportive services that successfully prevent homelessness, re-house homeless individuals and families, and house homeless people with disabilities.



\$6.7M

Shelter + Care

**Assisted
1,284**




Statewide

\$2.1M

Emergency Shelter Grants

Disaster Housing Recovery



The LHC began to administer a portion of the state's disaster housing recovery programs and deliver housing initiatives in hurricane- and storm-impacted parishes in 2012. The LHC's Disaster Recovery Team oversees programs that focus on rebuilding and repairing homes damaged by storms and leads the Louisiana Disaster Recovery Housing Task Force. LHC's Disaster Recovery team is one of the most experienced in the nation, having worked on some of the largest home rebuilding efforts in American history.

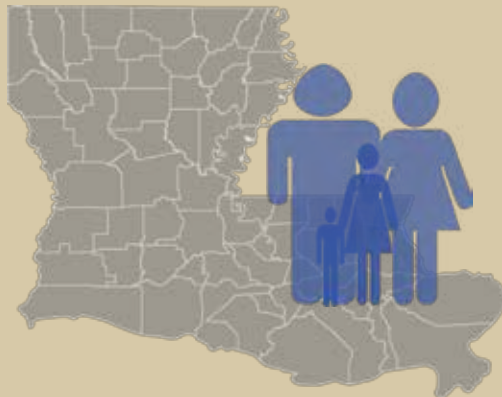
Over 10,000 units were recovered through the Disaster Housing Recovery programs.

Katrina/Rita

\$**436 M**

created
affordable
homes for

7,758

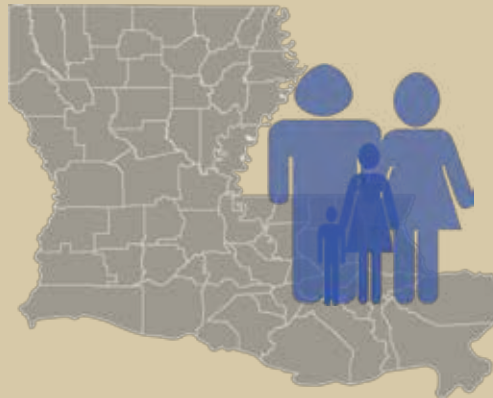


Gustav/Ike

\$**107.6 M**

created
affordable
homes for

2,223



Isaac

\$**3.3 M**

elevated
homes



In Livingston,
Terrebonne,
and Tangipahoa Parishes

Construction
started on **58**
properties

*Disaster housing recovery is cumulative.

Economic Impact



Economy

The LHC's investment in affordable housing in Louisiana has direct effects on the economy and helps to create and sustain a variety of jobs.



Jobs

The economic multiplier effect:

Funding for affordable housing means dollars for construction and jobs in various industries such as leasing, finance, and other services. After construction 1,301 jobs are supported by LHC's housing investment.



Employment

The employment multiplier:

When the LHC invests in housing, the employment impact is felt throughout the community and state. During construction 4,761 jobs were created to support the development of real estate.

LHC's Asset Management Department collected \$243,570 in monitoring fees during fiscal year 2016.

