



Louisiana Housing Finance Agency

**Louisiana Housing Finance Agency
Full Board Meeting Minutes
Wednesday, December 12, 2007
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
11:00 A.M.**

Commissioners Present

Wayne E. Woods
Allison A. Jones
Alice Washington obo John Kennedy
Bob Austin
Dr. Adell Brown, Jr.
Danette O'Neal
Merriell Lawson
Lisa Woodruff-White
Larry J. Broussard
Guy T. Williams

Commissioners Absent

Mark Madderra
Kevin J. Brown
Carolyn Burris

Legal Counsel Present

Wayne Neveu, Foley & Judell

Staff Present

Milton Bailey
Barry Brooks
Louis Russell
Annie Robinson
Keith Cunningham
J C Caesar
Brenda Evans
Christine Bratkowski
Leslie Strahan
Jayne Snyder
Jeff DeGraff

Urshala Hamilton
Mary Antoon
Sheila Duplechain

Others Present

See Sign-In Sheet Attachment

Chairman Woods called the meeting to order at 11:20AM. He then asked that the roll be called. Barry Brooks did the roll call and thereafter a quorum was reached. Next there was an introduction of guests in the audience - see attached Sign-In Sheet.

On a motion by Vice-Chair Allison Jones and seconded by Commissioner Dr. Adell Brown, Jr., the minutes of the September 26, 2007 Special Full Board meeting were approved. There being no further discussions or oppositions, the matter was unanimously passed.

On a motion by Vice-Chair Allison Jones and seconded by Commissioner Danette O'Neal, the minutes of the November 14, 2007 Full Board meeting were approved. There being no further discussions or oppositions, the matter was unanimously passed.

CHAIRMAN'S REPORT

Chairman Wayne Woods began the meeting by thanking everyone for attending and he wished everyone Season's Greetings and a prosperous Holiday Season.

PRESIDENT'S REPORT

Mr. Bailey reminded everyone to attend the LHFA 2nd Annual Community Service Awards Ceremony being held on Saturday, December 15 from 7PM-11PM at the Lyceum Dean Ballroom in Baton Rouge.

MULTIFAMILY RENTAL HOUSING COMMITTEE REPORT

Loretta Wallace went over the specifics for the NHP Foundation Project \$11M Revenue Bonds Resolution, noting that the matter has been discussed in committee and the staff recommended approval thereof.

On a motion by Commissioner Robert Austin and seconded by Commissioner Guy Williams, the resolution accepting the proposal of RBC Capital Markets, for the purchase of not exceeding Eleven Million Dollars (\$11,000,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (The NHP Foundation Projects) in one or more

series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Ms. Wallace thereafter went over the specifics of the Ambassador Pointe Apartments Project's \$33.5M request for Revenue Bonds.

On a motion by Commissioner Larry Broussard and seconded by Commissioner Allison Jones, the resolution of intent for the issuance of not exceeding Thirty Three Million Five Hundred Thousand Dollars (\$33,500,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Ambassador Pointe Apartments Project) in one or more series; to finance the acquisition, construction, and equipping of a multifamily housing project; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Louis Russell thereafter went over the Decision Briefs on the various matters that were discussed and resolved by the Czars.

The first item was the request by Timberlane Apartments and Cambridge Square Apartments to extend their carryover dates to and/or beyond December 12, 2007. Louis Russell noted that at the previous Board Meeting, the entities had been given until December 12, 2007 to meet carryover. Tim Smith of LHCDL informed the Board that they were \$400K short in meeting the December 12, 2007 carryover deadline. Vice-Chair Jones inquired as to whether the issue before the Board was the same issue as presented at the previous Board meeting. Chairman Woods advised the Board that the current resolution would extend the carryover until December 31, 2007.

Vice-Chair Jones requested assurances from Mr. Smith that he would be able to meet the December 31st deadline, to which he responded "...I hope so." And, he furthered "...I mean, yes."

On a motion by Vice-Chair Jones and seconded by Commissioner Larry Broussard, the carryover date for Timberlane Apartments was extended to December 12, 2007, and the carryover date for Cambridge Square Apartments was extended to December 31, 2007; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Next item discussed was the Macadoo SRO credit reservation award of \$417,000. Louis Russell informed the Board that the project had been previously erroneously omitted from the list by LHFA staff and that the matter needed to be corrected accordingly.

Chairman Woods explained that the only action needed from the Board was concurrence that the previous list of reservations should have included Macadoo SRO, as opposed instead to a simple approval via Czars action; and that his suggestion would be to amend the list that was previously approved by the Board.

On a motion by Vice-Chair Jones and seconded by Commissioner Merriell Lawson, the Board approved the recommendation that the reservation per capita list previously approved by the Board include the Macadoo SRO Project; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Next item discussed was the request for a reduction of units for the Belvedeer Estates and Broadmoor Village projects. Mr. Russell advised the Board that due to recent developments in both matters that the item be withdrawn. Chairman Woods concurred and as such there was no further discussion on the matter.

Chairman Woods introduced the next agenda item which was the resolution establishing the maximum qualified basis and low-income housing credits for Emerald Point Apartments.

Louis Russell advised the Board that the Decision Brief was in their binders on page 39 with the resolution following on page 40, and that they were requesting an allocation of \$108,522 and 4% LIHTC; and that the staff was recommending the Board approve the request thereof.

On a motion by Commissioner Larry Broussard and seconded by Commissioner Robert Austin, the resolution establishing the maximum qualified basis and low-income housing credits to Emerald Point Apartments; authorizing the LHFA staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocated forms of such documents and agreements as may be necessary to allocate 4% LIHTC to such facilities; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Next item was a resolution authorizing eight (8) projects represented by Providence Community Housing for additional extension of submission of Carryover Allocation Documentation.

Louis Russell advised the Board that the resolution was on page 43 of their binders and on page 44 was a detailed chart on each project and the specifics thereof.

Vice-Chair Jones inquired as to "...why so long?", and specifically why it would take nine (9) months.

Brenda Evans advised the Vice-Chair that in the audience was a representative from Providence who would be able to update the Board on the referenced projects.

President Bailey also noted that Providence has been very helpful in moving the issue forward; and that one of the main delays was due to problems with HUD and the restructuring of storm-damaged 202 properties

Vice-Chair Jones noted for the record that she would like clear justifications for every extension requested and approved accordingly by the Board.

Mr. Jim Kelly with Providence gave an analysis of the need for the extension request, noting they were doing due diligence on the properties and will come back to the Board in 30-45 days if they are unable to proceed and return the credits back to LHFA.

Chairman Woods noted that Commissioner Mark Madderra, in his capacity as chair of the Multifamily Committee, recommends the approval of the Providence resolution in his absence.

On a motion by Commissioner Larry Broussard and seconded by Vice-Chair Allison Jones, the resolution authorizing eight (8) projects represented by Providence Community Housing (St. John Berchman, St. Martin Manor, Delille Inn, Nazareth Inn I and II, Annunciation Inn, Villa Additions, and Villa St. Maurice Apartments) an additional extension of submission of Carryover Allocation Documentation requirements as stipulated in the 2007/2008 forward allocation GO Zone QAP by LHFA as reflected in the project schedules attached as Exhibit I; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Vice Chair Jones reminded Mr. Kelly that if he finds he is unable to proceed on the projects, that he must promptly inform the Agency and return the credits accordingly. Mr. Kelly answered affirmatively.

Next item introduced by Chairman Woods was the Passman Plaza III, The Terraces, and Renaissance Place resolution requests regarding design features.

Louis Russell advised the Board that the specifics were in their binders on page 57. He noted that Passman Plaza requested that their application requirement be amended from the 30 year roof to a 20 year roof; and that the exterior go from 75% brick and stucco exterior to an all vinyl siding exterior; and to replace the HVAC units with CR13 instead of CR14. That Renaissance Place was making a request to waive the requirement that washers and dryers be installed in each unit since the project is a 307 unit complex that would need 31 washers and dryers – the developer would like to have approval to have only 10 washers and dryers instead.

Vice-Chair Jones inquired as to why the Board should entertain such requests, and accordingly she moved for a denial of the requests which was subsequently seconded by Commissioner Guy Williams.

Mr. Todd Little addressed the Board noting that he was a CPA and had done work for Passman Plaza III previously, and attempted to briefly explain the reasoning behind the requests and circumstances thereof.

President Bailey inquired as to whether there were any structural changes being made to the project. Mr. Little responded "...No...."

Commissioner Robert Austin inquired as to the cost differentials between and as to the durability of vinyl siding. Mr. Little stated that they were trying to stay consistent with their other developments in the use of vinyl siding.

There were additional conversations between the Board and Mr. Little.

Also giving viewpoints on the requests were Hunter Vasin with the National Equity Fund and Paul Bonte with Housing Systems, Inc.

Mr. Bonte spoke on behalf of the requests for the Renaissance Place matter. He noted that based on historical data by their vendor Coin Mac, they were advised that they don't have the capacity

nor need for 31 washers and dryers in the complex and that it would also require the building of a separate facility since the washers and dryers are not housed in each unit.

Louis Russell advised the Board that the QAP mandates that there be one washer and dryer per every ten (10) units in a complex; and that the project has in excess of 300 units accordingly.

Chairman Woods noted that he was not conducive to the requests as submitted; and that the Board must adhere to the application submittals, guidelines, and protocol thereof.

There were additional conversations between the Board and the guests.

Chairman Woods requested Board concurrence on the various motions that had been presented on the matter, noting the current motion on the floor was to defer the request of the Passman Plaza III from Vice-Chair Jones; to deny the Terraces; and to defer until January 2008 Renaissance Plaza Place. There were additional motions, clarifications, substitutions, and amendments thereafter.

On a motion by Vice-Chair Allison Jones and seconded by Commissioner Robert Austin the request by The Terraces was denied; the request by Passman was deferred for 30 days; and the request by Renaissance was deferred until the January 16, 2008 Board meeting; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Next item was the Decision Brief resolution regarding approval and extension of the Placed-In-Service Date for projects with GO Zone reservations beyond December 31, 2008.

Louis Russell gave a briefing to the Board on the matter, noting that the staff recommends approval for extensions as requested.

Brenda Evans also noted that the resolution had been reviewed by counsel and that safeguards were in place in the event the threshold requirements thereof are not met accordingly.

Commissioner Robert Austin inquired as to how the time extensions had been developed.

LHFA Bond Counsel Wayne Neveu went over the legalities of the matter and over the statutory authority limitation parameters involved.

Commissioner Guy Williams inquired as to why the resolution was presented in an across the board mode instead of having each item reviewed on a case-by-case basis.

Commissioner Lisa Woodruff-White noted her concern that delays are causing continued housing shortage since each time there is a delay it causes additional strain on the systems that are serving everyone including the homeless coalitions and others who don't necessarily have the funding to serve them currently. She stressed the need for the Board to do the minimum in terms of delaying the production of housing. Vice-Chair Jones concurred with Commissioner Woodruff-White's comments thereof.

Commissioner Robert Austin advised the Board that he was not conducive to the 12-month extension proposal and would prefer a quarterly or 6-month timetable instead.

Mark Turrentine addressed the Board and gave a historical aspect of the GO Zone parameters and the development of the QAP; also noting that he had previously addressed the Board and expressed

his timing issue concerns and that he now would like to have until 2010 to get his deals done accordingly.

Vice-Chair Jones advised Mr. Turrentine that the goal of the Board is to move the process along. Commissioner Robert Austin furthered by advising Mr. Turrentine that the Board would review his requests but was not willing to grant blanket requests to everyone.

Additionally, Kelly Longwell with Coates Rose addressed the Board. She advised the Board that the syndicators are all requesting the year extension. She also suggested that the Board delegate to the LHFA staff to issues notices instead of waiting on the Czars to act.

Wayne Neveu thereafter gave a brief history of the QAP timetable parameters.

Commissioner Austin reissued his stance against a one-year blanket extension – preferring a 3-6 month minimum extension criteria instead.

Vice-Chair Jones suggested a 3-month extension and having the staff present to the Board at its January 2008 meeting a mechanism by which to determine the requests on a case-by-case basis.

Mr. Neveu advised the Board that at some point everyone needs to have certainty that the timetables are approved and that all should be mindful of that and target a specific deadline for approving the masses of the timetables.

There was continued discussion on the matter of the timetables.

There was a motion by Vice-Chair Allison Jones and seconded by Commissioner Lisa Woodruff-White, that staff be given the authority to modify timelines with respect to Placed-In-Service Dates for all projects that close on or before January 31, 2008; and that staff set a deadline for all other developers to submit revised timelines to come back before the Board for approval on a case-by-case basis.

There was some additional discussion by Chairman Woods as to how Placed-In-Service would be determined. Mr. Neveu responded that the legal deadline of 24-month would make the PIS December 2009 (inaudible discussions)

Chairman Woods thereafter requested that the staff develop a consistent approval process.

Brenda Evans advised Chairman Woods that her staff was trying to resolve the PIS and Carryover policy and procedures issues; and that staff had made a good faith effort to put a policy in place to address all of the issues given the limited amount of responses received for the project schedules.

On a motion by Vice-Chair Allison Jones and seconded by Commissioner Lisa Woodruff-White, staff was given the authority to modify timelines with respect to Placed-In-Service Dates for all projects that close on or before January 31, 2008; and that staff was directed to set a deadline for all other developers to submit revised timelines to come back before the Board for approval on a case-by-case basis; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

SINGLE FAMILY COMMITTEE REPORT

Commissioner Robert Austin noted that the Updates on the 2007C, 2007B, 2007A, 2006D Issues and Whole Loan Report were in the Board's binders for their review.

LHFA staff member Mary Antoon and Richard Wolcott from Standard Mortgage then discussed the request from Standard Mortgage to increase the fees to broker transactions by \$175.00. She also noted that per the Board's previous meeting request she had performed a fee structure study as requested. She discovered that Standard Mortgage has initially proposed fees of \$561.50; U.S. Bank had a graduated scale of \$343 the first year, \$628 the 2nd year, and \$955 the third year; Countrywide's proposed scale as arranged between \$600 and \$900. Accordingly, adding in the proposed fee increase would bring Standard Mortgage to \$736.50. The staff recommended the fee increase be denied, but that it be included in future RFP's for Master Service.

Commissioner Austin advised the Board that based on the information as presented, that no action was required by the Board thereof. However, he did request that staff and/or Wayne Neveu send a letter to the Governor requesting that any returns on reallocation caps be given to LHFA.

ENERGY ASSISTANCE COMMITTEE

Commissioner Larry Broussard informed the Board that the Energy Committee did not have a prior meeting and that updates to the LIHEAP, WAP, and Katrina/Rita Crisis Assistance matters were in their binders.

SPECIAL PROGRAMS

Commissioner Larry Broussard introduced LHFA staff attorney Christine Bratkowski to bring the Board up-to-date on the HOME Loan Subordination.

Ms. Bratkowski advised the Board that the resolution before them was a request to give the staff the ability to subordinate the HOME loan certification.

Commissioner Larry Broussard informed the Board that he recommends the approval of the resolution.

On a motion by Vice-Chair Allison Jones and seconded by Commissioner Larry Broussard, the Board approved authorizing the Agency staff and outside counsel to seek certifications of property and related insurance losses incurred, submitted, processed, and paid relative to the Annunciation Inn Property and, based on the certifications and information gathered, to agree on behalf of the Agency to the sale and refinancing of the Annunciation

Inn Property, with a subordination of the LHFA's HOME Program Loan, either by a release of the LHFA's claims in the lawsuit described, or by an appropriate reservation of rights related to such claims, as determined by LHFA staff, and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Thereafter, Kelly Longwood approached the Board and requested delegation for Nazareth Inn I and Nazareth Inn II closing approval.

On a motion by Vice-Chair Allison Jones and seconded by Commissioner Dr. Adell Brown, Jr., the Board approved authorizing the delegation to approve the terms of the Nazareth Inn I and Nazareth Inn II proposed settlement and release of reserves to the Chair of the Legal Committee, the Chair of Special Programs, and the Chair of the Board; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Chairman Woods then requested the Board take up the issue on the Defaulted 202 agenda item with regards to the utility bills for St. John Berchman, Nazareth Inn I, and Nazareth Inn II, and that was previously discussed in the Legal Committee meeting. He noted that everyone's concern was the knowledge that Entergy was threatening to turn off the utilities and there was the potential of deterioration to the building.

Vice-Chair Jones recommended the Board proceed with authorization of payment to Entergy, but that all measures are taken to certify the bill amount and try to get the bill reduced if at all possible.

On a motion by Vice-Chair Allison Jones and seconded by Commissioner Dr. Adell Brown, Jr., the Board approved authorizing the payment of the Entergy utility bills for St. John Berchman, Nazareth Inn I, and Nazareth Inn II; all being subject to certifications of the insurance proceeds and after attempts have been made to negotiate the bill amount pending thereof; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Thereafter, Commissioner Larry Broussard requested the new LHFA program manager Mr. Jason St. Romain address the Board. He noted that a report had been compiled detailing the activity of the HOME Program. Mr. St. Romain advised the Board of minor changes on page 6 of the report noting a negative amount may in fact be a positive amount, but that further review and analysis of the figures was still pending. Mr. St. Romain also noted that the Board would be provided with similar reports monthly.

LEGAL COMMITTEE REPORT

Vice-Chair Allison Jones began by noting the first item on the Legal Committee Agenda was a discussion of the Duany Plater-Zyberk Site Planner/Architectural Contract for AHPP. She noted that the Legal Committee had reviewed the contract and that there was a recommendation by the LHFA counsel to approve the contract thereof.

Commissioner Robert Austin requested clarification on the clause on page LC 12 in the contract dealing with architect scope of services and also page LC 17 dealing with the compensation for the services performed thereof.

LHFA Counsel Keith Cunningham advised the Board that DPZ would be responsible for the entire site planning of the project and all units and sites accordingly.

On a motion by Vice-Chair Jones and seconded by Commissioner Dr. Adell Brown, Jr., the Board approved the Duany Plater-Zyberk Site Planner/Architectural Contract for the AHPP. There being no further discussions, the matter was unanimously passed. NOTE: Commissioner Robert Austin ABSTAINED from voting.

There was next a discussion on the contract approval for the AHPP entering into a contract with the Louisiana Family Recovery Corps. Vice-Chair Jones advised the Board that this matter involved the social services portion of the AHPP and that the Legal Committee has reviewed said contract and based on recommendations from outside consultants, that the Committee was recommending Board approval thereof.

On a motion by Vice-Chair Jones and seconded by Commissioner Lisa Woodruff-White, the Board approved the Louisiana Family Recovery Corps Contract for the social services component of the AHPP. There being no further discussions, the matter was unanimously passed.

The third item discussed was the proposal to enter into a professional services contract with the law firm of DeCuir, Clark and Adams.

Vice-Chair Allison A. Jones advised the Board that it was not technically necessary that the Board approve the contract but that she wanted to make sure that everyone was informed with respect to the scope of services to be performed by the law firm. She stated that essentially the AHPP is burdening the in-house Agency legal counsel and assistance is needed from outside counsel with the review and approval of the many contracts involved in the AHPP. She recommended approval of the contract accordingly.

On a motion by Vice-Chair Jones and seconded by Commissioner Lisa Woodruff-White, the Board approved the professional services contract between LHFA and the Law Firm of DeCuir, Clark and Adams. There being no further discussions, the matter was unanimously passed.

The last item discussed was a request by Vice-Chair Jones that the Board consider the need to direct the staff to establish a standard procedure for professional services contracts.

OTHER BUSINESS

Commissioner Robert Austin requested that the Board move forward with the AHPP and its partnership with Cypress Group. He also stressed to everyone that the proposed sites, excluding Jackson Barracks which is two months, are months away from finalizations due to site selection criteria, environmental clearances, zoning requirements, etc.

Commissioner Larry Broussard requested that the Board be promptly informed of the progress of the AHPP.

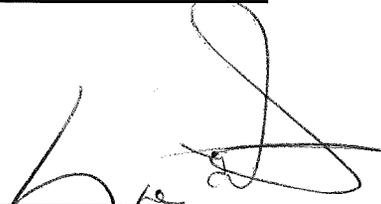
President Bailey advised Commissioner Broussard that it was the Board's responsibility to approve the site and the Agency and its staff had been diligently researching potential sites and the parameters thereof.

Commissioner Robert Austin noted that during previous conversations with the Governor he was informed that there may be some state properties that are available as potential sites.

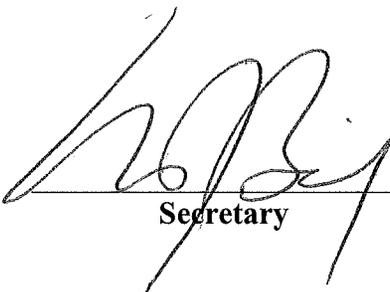
President Bailey informed the Board that he would compile the latest update on the sites and disseminate to them for review.

ADJOURNMENT

There being no other matters to discuss, Commissioner Larry Broussard offered a motion for adjournment that was seconded by Commissioner Robert Austin. There being no further discussions or oppositions, the matter was unanimously passed. **The Full Board meeting adjourned at 1:20PM.**



Chairman



Secretary