



Louisiana Housing Finance Agency

**Full Board Meeting Minutes
Wednesday, August 13, 2008
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
12:00 P.M.**

Commissioners Present

Wayne E. Woods
Allison A. Jones
John Kennedy (and Alice Washington)
Lisa Woodruff-White
J. Mark Madderra
Maureen Clary
Michael L. Airhart
Mayson H. Foster
Walter O. Guillory
Joseph Scontrino, III
Tyrone A. Wilson

Commissioners Absent

Guy T. Williams
Roy W. Lester
Robert Pernell

Legal Counsel Present

Wayne Neveu, Foley & Judell
Keith Cunningham
Christine Bratkowski
Leslie Strahan

Staff Present

Milton J. Bailey
Barry E. Brooks
Melanie Brocato
Louis Russell
Urshala Hamilton
Robert McNeese
Curtis Ferrara
Tonika Jackson
Darlene Okammor
Alissa Jordan

Brenda Evans
Loretta Wallace
Jeff DeGraff
Eva Martinez
Ricky Patterson
Jatis Harrington
Alvin Johnson, Jr.
Kevin Harvey
Jason St. Romain
Calvin Parker
Sterling Colomb, Jr.
Collette Mathis
Lourie Brown
Demetria Farve
Nicole Carter
Wendy Hall
LaTosha Overton
Rene Landry
Amy York
Mary Antoon
Joe Durnin
Ruth Wesley
Danny Veals

Others Present

See Sign-In Sheet Attachment

Chairman Woods called the meeting to order at 1:00 PM. Barry Brooks did the roll call, and thereafter a quorum was established. Due to time constraints there was no introduction of guests in the audience. See Sign-In Sheet.

Chairman Woods noted that the July 9, 2008, Board Meeting Minutes was being deferred until the September 2008 Board Meeting.

On a motion by Commissioner Mayson Foster and seconded by Commissioner Tyrone Williams, approval of the July 9, 2008 Board Meeting Minutes was deferred until the September 2008 Board Meeting. There being no further discussions or oppositions, the matter was unanimously passed.

Commissioner Foster requested that all in attendance adhere to the no cell phones being used during the Board Meeting rule.

CHAIRMAN'S REPORT

Chairman Woods expressed condolences to Commissioner Robert Pernell in his absence due to the recent death of his brother.

Chairman Woods next read for everyone a letter received from Modular Homes applauding the Agency and its advancement of affordable housing endeavors.

He also reminded everyone of the Village de Jardin LHFA elderly housing development in New Orleans East. He noted that the project had the support of the area's state senator, city council and FEMA. The unveiling of the plans will be held on Friday August 15 at 9:30am. He also requested that those who would be attending the event also visit the Willowbrook Complex. He visited the site during the recent Night Out Against Crime event and advised the Board pool furniture purchase was pending, the playground wood chips were unstable, and that the clubhouse need furniture also.

Last item to be discussed was the Malta Square and Bethany Homes Note Sale to LHFA from HUD matter. Chairman Woods expressed the need to the need for homeless housing and that the purchase of the aforementioned properties would be used for such; that the properties were being purchased from HUD; and that the LHFA would sell the properties to Common Ground and Gulf Coast Housing Partnership.

Kathy Laborde from Gulf Coast Housing Partnership and Abby Johnson with Unity addressed the Board. They gave a historical perspective on Malta Square and Bethany Homes, noting that Bethany is currently a nursing home but would become a 42-unit dwelling and that Malta was going through a rehabilitation phase.

Commissioner Lisa Woodruff-White spoke on the need to further address homelessness in Louisiana, especially post-Katrina/Rita.

Chairman Woods reiterated Commissioner Woodruff-White's comment and expressed his gratitude for the Agency's partnership with Common Ground and Unity.

Thereafter, Ms. Laborde advised the Board that she wanted to disclose that the President's wife was an employee of Unity and for the record that Unity would have no involvement in the project so as to avoid any conflict of interest concerns.

PRESIDENT'S REPORT

Milton Bailey advised the Board of the recent groundbreakings the Agency had been involved recently in two groundbreaking events, a housing fair at the O'Brien House for single mothers, ACORN, and at LSU. He also noted that the LHFA had been speakers at the recent Louisiana Affordable Housing Managers Association in New Orleans. He also advised everyone that there

was now a Spanish version of the LHFA website available. He concluded by noting the success of the recent Syndicators Symposium held at LHFA.

LEGAL COMMITTEE

Vice-Chair Allison Jones advised the Board that the Legal Committee had met earlier and discussed the AAMAGIN Property Group litigation matter and also review and were recommending Board approval of the resolution granting extensions of the closing date for several properties until September 15, 2008.

LHFA Staff Attorney Keith Cunningham advised that the AAMAGIN Property Group litigation matter had been Dismissed Without Prejudice in the 19th JDC.

Commissioner Kennedy inquired as to the reason for the dismissal. Mr. Cunningham noted that the Board at its meeting on July 24th had remedied the issues involved thereof.

Additionally, Commissioner Mark Madderra noted that a letter would be forthcoming to the Board suggesting changes to the Gap Financing Policy from the litigant's Will Belton.

On a motion by Vice-Chair Allison Jones and seconded by Commissioner Mark Madderra, the resolution authorizing the Agency to grant the following assets an extension of their closing date until September 15, 2008; Monet Acres Estates I, #06(2)-274, Renoir Acres Estates I, #06(2)-276, NCBA, formerly NAPFE Towers, #06(2)-284, Skyview Terrace Apartments, #06(2)-80, Bayou Garden Apartments, #07(GO)-09(R), Brickwood Apartments, #06(2)-330, River Apartments, #06(2)-328, Cypress Estates, #06(R)-481, Southern Breeze, #06-34, St. Landry Crossing II, #07/08(PC)-039, Serenity Place Elderly Community, #07/08(PC)-040, Hideaway Crossing III; #07/08(PC)-041; authorizing staff to notify subject developers, that their projects are subject to recapture if the extended closing deadline is not met; further authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary and providing for other matters in connection therewith, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

MULTIFAMILY RENTAL HOUSING COMMITTEE REPORT

Commissioner Madderra advised the Board that the first item under the Agenda has subsequently been resolved in the Legal Committee.

Next item was the resolution regarding requests by the developers of Springhill Senior Housing. He advised that the requests involved a reduction in age waiver and an increase in income. He noted that the Committee was not conducive to the increase in income but were recommending the age reduction waiver request.

On a motion by Commissioner Mark Madderra and seconded by Vice-Chair Allison Jones, the resolution regarding requests made by the developers of Springhill #06-13 (Morgan & Church St., Springhill, LA 71075) to (a) change the project's age limitations on an elderly project, was approved; and (b) increase income limits, was not approved; further authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary and providing for other matters in connection therewith, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Next Item was a request for an extension with regards to the Muses located at 1731 Polymnia Street in New Orleans. Commissioner Madderra noted that the matter has been discussed in Committee and they were recommending Board approval thereof.

On a motion by Commissioner Mark Madderra and seconded by Vice-Chair Allison Jones, the resolution approving a request for an extension to close made by the developers of The Muses #07/08(FA)-08 (1731 Polymnia Street, New Orleans, LA 70113); and providing for other matters in connection therewith, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Next item to be discussed was the St. Martin Manor matter. Commissioner Madderra advised the Board that the project was as 202 Project with many benefits and was supported by the Agency and HUD. And, that the Committee was recommending Board approval thereof.

On a motion by Commissioner Mark Madderra and seconded by Vice-Chair Allison Jones, the resolution approving the extension to submit carryover documents for St. Martin Manor #06(2)-150 (1501 North Johnson Street, New Orleans, LA 70116); and providing for other matters in connection therewith, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Next there was a brief discussion on the potential timeline with respect to a new Per Capita round beginning in 2009.

Next item discussed was the Operating Reserves/Developer fee issue. Commissioner Madderra advised the Board that the Committee ha developed a resolution for approval at the September Board Meeting that would act as a modification to the QAP and would recognize the fact that reasonable operating reserves should not reduce the developer fee.

On a motion by Vice-Chair Allison Jones and seconded by Commissioner Mark Madderra, the Agency counsel and staff were directed to develop and present a resolution at the September Board Meeting advising the best resolve on reasonable operating reserves and developer fee reduction parameters; and providing for other matters in connection therewith, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Next item was a discussion of an adjustment of the timeline for the Lightning Round. Commissioner Madderra advised the Board that documents thereof were in their binders on MF-59. He advised that Board that the extension was due to a requested from President Bailey after discussions held during the recent Syndicators Symposium.

President Bailey concurred, noting that several syndicators had indicated to the Agency that they needed seven (7) more days to process their applications.

Commissioner Madderra advised the Board that the Committee was recommending approval thereof.

On a motion by Commissioner Mark Madderra and seconded by Commissioner Maureen Clary, the resolution revising the Lightning Round Timetable; and providing for other matters in connection therewith, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Next item discussed was a brief updated on the Closed Projects as of June 30, 2008. Ms. Evans advised the Board that staff had contacted all the developments there were scheduled to closed by June 30th and that with the exception of one they all had produced their closing documents as required.

On a motion by Commissioner Mark Madderra and seconded by Vice-Chair Allison Jones, the Rules were Suspended to add to the Agenda "Extension Requests". There being no further discussions or oppositions, the matter was unanimously passed.

Commissioner Madderra advised the Board the Agency was in receipt of three (3) requests and aware of more from those projects extended from June 30th to August 30th that were in need of additional time for formal closing of the deals. He noted that the Committee has reviewed the requests and was recommending approvals thereof.

On a motion by Commissioner Mark Madderra and seconded by Vice-Chair Jones, the resolution extending all projects which had been previously extended through August 30, 2008, for a closing are to be extended until September 30, 2008; and providing for other matters in connection therewith, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

On a motion by Commissioner Mark Madderra and seconded by Commissioner Mayson Foster, the request to extend the carryover date for Southern Place until August 30, 2008; and providing for other matters in connection therewith, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

On a motion by Commissioner Lisa Woodruff-White and seconded by Vice-Chair Allison Jones, the Rules were Suspended to add to the Agenda "Reconsideration of Request from Foley Development". There being no further discussions or oppositions the matter was unanimously passed.

Ms. Verlyn Foley of Foley Development addressed the Board noting that River and Brickwood Apartments were requesting reconsideration of the previous denial by the Board for a site change. She noted that Brickwood Apartments was moving within a mile of the original location for several reasons but primarily due to the adjacent railroad stations. Also that River Apartments was actually in St. Tammany and she was requesting a site change to Jefferson Parish.

Ms. Foley advised the Board that the reason for the St. Tammany to Jefferson move was due to a wetlands situation and issues of NIMBYism.

Commissioner Woodruff-White inquired as to how much money had already been expended. Ms. Foley responded that amount was roughly \$500K and that the deals were ready to timely close.

On a motion by Vice-Chair Allison Jones and seconded by Alice Washington obo Commissioner Kennedy, Board approval for the requests for site changes by Foley Development was recommended.

Thereafter, there was extension discussion by the Board and Ms. Foley on the matter.

Additionally, there was comment by Mattye Jones of Coates Rose who advised the Board she had meet with LHFA staff and told to seek Board reconsideration; and that she had documentations of similar site change requests having been approved.

Ms. Evans, after inquiry from Commissioner Clary, advised the Board that she could not at the moment without further review note if the original scoring would have been affected by the new site change parameters, but that she was aware of similar request by the Agency wherein the site change was designated a public benefit.

There was continued discussion between the Board, Ms. Foley, and staff on the matter.

Commissioner Madderra advised the Board that he was not conducive to approval the requested site changes without a full and complete review by staff and the entire Board. And, that he felt the compelling issue was whether the request had a substantial public interest. He requested that the Board defer the matter until the Board and staff have had time to review the requests and make a recommendation thereof.

Vice-Chair countered, noting that she felt the idea of affordable housing in Jefferson Parish a compelling public interest component, and that she was in full support of the site change request accordingly.

Commissioner Scontrino inquired as to why Jefferson Parish was being given an exception.

Commissioner Woodruff-White and Vice-Chair Jones reiterated their support for the requests.

Commissioner Clary noted that not only Jefferson Parish but that the original site of St. Tammany needed affordable housing likewise.

Commissioner Tyrone Wilson requested that the Board take no action and allow the staff enough time to review the matter, but that he also did not to do anything to stall the projects' progress.

Chairman Woods stressed the need to preserve the integrity of the QAP parameters and wants Board actions to be consistent so as to not award some requests as the detriment of others.

Vice-Chair inquired if the Board granted them until September 11th could they meet the deadlines thereof. Ms. Mattye Jones responded it would give them time to revisit with staff and answer any pending questions in an attempt to amicably resolve the any issues.

Ms. Foley thereafter requested the Board take action today as she could not technically move forward on the project.

Commissioner Madderra requested a Roll Call Vote.

Chairman Woods advised the Board that the motion as pending was to allow the site change for Brickwood Apartments and River Apartments

Roll Call Vote: YES 4 (Woodruff-White, Washington obo Kennedy, Jones, Guillory), NO 6 (Madderra, Clary, Airhart, Foster, Scontrino, Wilson) –Motion FAILED.

SINGLE FAMILY COMMITTEE REPORT

Commissioner Airhart advised the Board that the Update on the 2008A Issue matter was being deferred.

Next Ms. Evans advised the Board that the update info on the 2007C Issue was in the binders on page SF-7, on page SF-17 was the summaries for the 2007B Issues, and on page SF-22 was the summaries for the 2007A Issues, and Whole Loan Reports summaries began on page SF-29 (38 months totaling \$855K.

Commissioner Michael Airhart advised the Board that the 2007A is what the industry has been waiting for and ready to go with since HERA2008 legislation. He also noted that the \$5M

already tied to the 2008A is anticipated to go extremely quick due to anticipated high demand in the industry and most likely would only last 30-45 days.

On a motion by Commissioner Michael Airhart and seconded by Vice-Chair Allison Jones, the resolution accepting the parameter term proposal for the purchase of not exceeding Seventy-five Million Dollars (\$75,000,000) of Louisiana Housing Finance Agency Single Family Mortgage Revenue Bonds, Series 2008B in one or more sub-series and providing for other matters in connection therewith; 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 briefly discussed by Brenda Evans noting that an additional \$10M was needed for the 2008A Issue.

On a motion by Commissioner Michael Airhart and seconded by Commissioner Tyrone Wilson, the resolution authorizing the Agency to take \$10M of loan reservations at a rate of 6.625% to include a charge of 100 basis points passed to the borrower for the delivery fee charged by FHLMC; 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 discussion of the need for software that would be consistent with other industry standards for system streamlining.

Commissioner Woodruff-White inquired as to how the vendor would be selected. Ms. Evans advised that recommendations from the LHFA IT and the Single Family Chairman would be sent to the Board for review and approval.

Chairman Woods requested that the software be user-friendly. He also requested an analysis be done of what systems are currently being utilized and/or not used efficiently for review by the Board at the September Board Meeting. He also directed staff to solicit bids on how to streamline the Single Family Issue parameters.

Commissioner Airhart advised the Board that the resolution was two-fold with one aspect being to allocating the funds and thereafter getting the task done with the next thirty (30) days.

Commissioner Woodruff-White requested the resolution be amended to reflect the project to be completed by September 12, 2008, and the maximum amount to complete the project not exceeds \$10K.

On a motion by Commissioner Woodruff-White and seconded by Vice-Chair Jones, the resolution authorizing the Louisiana Housing Finance Agency ("Agency") the ability to contract with an independent IT contractor services to be completed by no later than September 12, 2008, and that the maximum amount to complete the project will not exceed Ten Thousand Dollars (\$10K); and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

SPECIAL PROGRAMS COMMITTEE

LHFA Program Administrator Charlette Minor addressed the Board and briefly discussed the IDIS database. .

Next item was discussed by LHFA Program Administrator Loretta Wallace dealing with the Developers Application Scores for the Housing Trust Fund. She noted that out of sixty (60) applications received that only two (2) met all the threshold requirements thereof.

Commissioner Woodruff-White inquired as to why only 2 had met the requirements. Ms. Wallace responded the issue may be due to the early deadlines and/or the lack of the applicants fully reading the application parameters.

Commissioner Woodruff-White also inquired as to whether Senator Lydia Jackson was being kept informed of the HTF Program. Ms. Wallace advised that she had recently met with the Senator and brought her up-to-date on the progress of the Program.

ENERGY ASSISTANCE COMMITTEE

Commissioner Mayson Foster advised that he had chaired the Committee due to Commissioner Robert Pernell's absence. He advised the Board that the Quarter Report was in the binders for review but required not action thereof.

He next discuss the Draft of the 2009 LIHEAP State Plan, noting it was pretty much the same plan as for 2008 with the exception of minor changes in actual percentages, income guidelines, and dates for uses of the funds. He thereafter recommended Board approval of the Plan.

On a motion by Commissioner Mayson Foster and seconded by Commissioner Lisa Woodruff-White, the Board approved the Draft of the 2009 LIHEAP State Plan; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

AUDIT COMMITTEE

Commissioner Foster advised the Board that the Agency audit had to be completed by August 29 for the fiscal year ending June 30. He also recommended Board approval of the Louisiana Audit Compliance Questionnaire for Audit Engagements of Governmental Entities.

Agency CFO Rene Landry explained that the LACQAEGE was a formality and simply ensured to the auditors that the Agency was covered under ethics and other applications laws and regulations.

On a motion by Commissioner Mayson Foster and seconded by Vice-Chair Allison Jones, the Board approved the Louisiana Audit Compliance Questionnaire for Audit Engagements of Governmental Entities; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

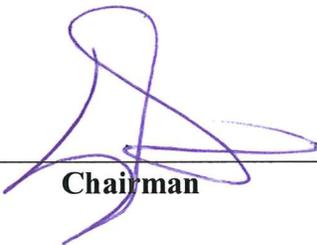
OTHER BUSINESS

Audience Member Mike Grober briefly addressed the Board and recommended the need for additional credits for those projects currently under construction with hardships and significant cost overruns.

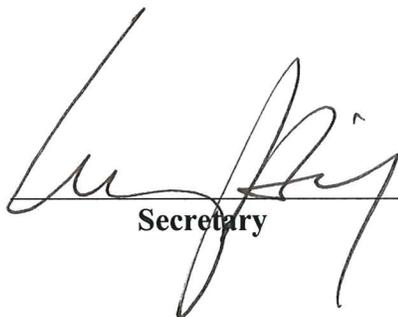
Lastly, Commissioner Foster commended President Bailey for his directive to Agency staff to promptly return phone calls with a 24-hour timeframe.

ADJOURNMENT

There being no other matters to discuss, Vice-Chair Allison Jones offered a motion for adjournment that was seconded by Commissioner Tyrone Wilson. There being no further discussions or oppositions, the matter was unanimously passed. **The Full Board meeting adjourned at 2:36 PM.**



Chairman



Secretary