



Louisiana Housing Finance Agency

Full Board Meeting Minutes
Wednesday, May 22, 2008
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
11:30 A.M.

Commissioners Present

Wayne E. Woods
Allison A. Jones
John Kennedy (via Alice Washington)
Bob Austin
Mark Madderra
Merriell F. Lawson
Lisa Woodruff-White
Maureen Clary

Commissioners Absent

Kevin J. Brown
Danette O'Neal
Carolyn B. Burris
Guy T. Williams

Legal Counsel Present

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

Staff Present

Milton J. Bailey
Barry E. Brooks
Louis Russell
Annie Robinson
Brenda Evans
Jeff DeGraff
Jatis Harrington
Loretta Wallace
Curtis Ferrara
Alvin Johnson
Kip Anderson
Patricia Hampton
Amy York

Others Present

See Sign-In Sheet Attachment

Chairman Woods called the meeting to order at 12:30PM. Barry Brooks did the roll call, and thereafter a quorum was established. Next there was an introduction of guests in the audience. See attached Sign-In Sheet.

Chairman Woods acknowledged Calvin Parker who had recently resigned his position of Manager of OCD. He thanked Mr. Parker for all of his past support and cooperation with the Board and LHFA, and wished him good luck in his future endeavors on his return back to New York.

Commissioner Lisa Woodward-white reiterated her thanks likewise for Mr. Parker's involvement in various homeless housing projects with the Department of Social Services.

On a motion by Vice-Chair Allison Jones and seconded by Commissioner Merriell Lawson, the minutes of the April 9, 2008, 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 advising the Board that Commissioner Dr. Adell Brown, Jr. was no longer on the Board. He then introduced Maureen Clary as the newest member to the LHFA Board of Commissioners.

Chairman Woods then administered the Oath of Office to Ms. Clary.

Commissioner Clary introduced herself to the Board, noting that she was a native of New Orleans; had over 25 years of career experience in commercial and multifamily property development and management; had previously worked with both for-profit and non-profit entities including the University of New Orleans; that she was instrumental in the development of the UNO Research and Technology Park; that she was currently employed as President and CEO of Habitat for Humanity St. Tammany Parish West. She also acknowledged her appreciation to Senator Joel Chaisson for her appointment to the LHFA Board.

PRESIDENT'S REPORT

Milton Bailey began by echoing the remarks of Chairman Woods, noting his thanks to Calvin Parker for his dedication and invaluable input to the Agency's tax credit program.

Thereafter, Mr. Parker expressed his heartbreak at leaving and thanked everyone for their nice comments.

President Bailey also expressed acknowledgement to LHFA staff members Charlette Minor, Leslie Strahan, Robert McNeese, Jason St. Romain, and Desiree Armstead for the hard work in getting out the HOME awards. Also, that the Agency has been selected as a regional finalist for the Innovations Award by the Council of State Governments.

Additionally, that the Abundance Square Treasure Village development has been selected to receive the 14th Annual Charles L. Edison Tax Credit Excellence Award in the category of GO Zone Housing by the Affordable Housing Tax Credit Coalition. The winner received a \$5,000 grant to provide additional services.

There was a May 2nd ribbon cutting to the LHF-owned Willowbrook Apartment Complex in New Orleans.

There was also a reminder of the LHFA Annual Homeowner's Fair taking place on Saturday June 7th.

MULTIFAMILY RENTAL HOUSING COMMITTEE REPORT

Committee Chair Mark Madderra noted that the first item on the Agenda was The Reserve at Jefferson Crossing Apartments Project. He advised the Board that the matter basically related to a substitution of lenders. He noted that the matter has been discussed by the Committee, and they were recommending approval thereof.

On a motion by Commissioner Mark Madderra and seconded by Vice-Chair Allison Jones, the resolution adopted by the LHFA on July 11, 2007, was amended to designate the purchase of not exceeding Nine Million Five Hundred Thousand Dollars (\$9,500,000) Multifamily Housing Refunding Bonds (The Reserve at Jefferson Crossing Apartments Project, Baton Rouge, East Baton Rouge Parish, Louisiana) in one or more series as PNC Multifamily Capital; 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 to be discussed was the Woodcrest Apartments Project. Mr. Madderra advised the Board that it was a new project in Baton Rouge, and that the Committee was recommending approval of the resolution.

On a motion by Commissioner Mark Madderra and seconded by Commissioner Merriell Lawson, the resolution of intention to issue Multifamily Housing Revenue Bonds to finance the acquisition, construction and equipping of a multifamily housing project; authorizing not exceeding Seven Million Eight Hundred Seventy Two Thousand Dollars (\$7,872,000) Multifamily Housing Revenue Bonds (Woodcrest Apartments Project, 1900 Lobdell Avenue, Baton Rouge, East Baton Rouge Parish, Louisiana) in one or more series; 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 advised the Board that the resolutions being presented to the Board had been reviewed by Multifamily Committee Chairman Mark Madderra and that in his absence he advised and recommended their approvals thereof.

Next item on the Agenda was Felicity-Harmony/Preservation Homes Project. Commissioner Madderra advised the Board that the matter was actually being deferred.

Next item on the Agenda was the disposal unit waiver requests. Commissioner Madderra advised the Board that the matters had been discussed during previously and that the Committee was recommending approvals thereof. It was also noted by Brenda Evans that Georgetown III needed to be added to the requests.

On a motion by Commissioner Mark Madderra and seconded by Vice-Chair Allison Jones, the resolution accepting the waiver request of garbage disposals for Filmore Park I #06(2)-77, Filmore Parc II #06(2)-78 (1954 Filmore Avenue, New Orleans, Orleans Parish, LA 70122), McCaleb Supportive Housing #07/08(FA)-14 (1200 block of Freret Street, New Orleans, Orleans Parish, LA, 701113, and Georgetown II; 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 recapture/reallocation of credits matter regarding St. Louis Pointe #05-14 (11324 Stan Avenue, Baton Rouge, East Baton Rouge Parish, LA 70815). This matter was deferred pending Agency receipt of additional information on the request.

Next item was the resolution for the recapture/reallocation of credits regarding Southern Breeze #06-34 (1100 Nile Street, Eunice, St. Landry Parish, LA 70535). Commissioner Madderra advised the Board that Southern Breeze wanted to recapture its 2006 credits and have them substituted to 2008 due to timetable completion concerns. He noted that the syndicator and lender are prepared to close but have some concerns about when they can actually get the projects built. As such, the matter had been reviewed by the Committee, and they were recommending approval thereof.

On a motion by Commissioner Madderra and seconded by Vice-Chair Allison Jones, the resolution for the recapture/reallocation of credits regarding Southern Breeze #06-34 (1100 Nile Street, Eunice, St. Landry Parish, LA 70353); 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 to be discussed was Ratification of Czar Actions and Extension Carryovers requirement for projects represented by Providence Community Housing. Commissioner Madderra advised the Board that the matters were all 202 Properties with over \$25M Agency exposure. He also noted that he, staff, Chairman Woods, and President Bailey had met and discussed the matter with the developers and were recommending approvals thereof.

On a motion by Commissioner Madderra and seconded by Commissioner Lisa Woodruff-White, the Ratification of Czar Actions and Extension to Carryover requirement for the Providence Community Housing projects including St. John Berchman #06(2)151 (3400 St. Anthony Avenue, New Orleans, LA 70122) and Delille Inn #06(2)-152 (6824 Chef Menteur Highway, New Orleans, Orleans parish, LA 70126); 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 and Resolution concerning efficiency, leveraging, and pricing on the 2007-2008 GO Zone rates. Commissioner Madderra noted that the matter was a technical nature but that staff felt it needed Board approval. The Resolution thereof was available for all to review in their binders on page MF-74. It was also noted that the matter did not involve rescoring.

On a motion offered by Commissioner Mark Madderra and seconded by Vice-Chair Allison Jones, the resolution providing for an amendment to the State's 2006/2007/2008 GO Zone and Per Capita Qualified Allocation 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.

Next item to be discussed was the 2009 Per Capital QAP and Timeline. Commissioner Madderra advised the Board that delays to the QAP were due to additional work being done on the Gap Financing Initiative. More descriptive info is available on page MF 78 in the board binders, noting an anticipated delay of 45 days. He also advised that Board that in recent discussions with developers they had indicated that their projects were moving in a more favorable direction for completion now.

Next item to be discussed was the Lafitte Redevelopment Plan. The Board was advised the specifics thereof were in their board binders on page MF-80.

On a motion by Commissioner Mark Madderra and seconded by Commissioner Lisa Woodruff-White, the resolution approving submission of reprocessing application made by the developers of Lafitte Redevelopment (multiple address – Esplanade Avenue, New Orleans, Orleans Parish, LA 70112); 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 to be on the Agenda was the discussion regarding Operating Reserves/Developer Fee (HRI Properties). Commissioner Madderra requested deferral of the matter since it specifically dealt with the manor in which the Agency runs feasibility analyses at Foley Judell. And due to Wayne Neveu's inability to sit down with staff and discuss the matter, it was resolved the matter be deferred until the June 2008 meeting.

Last item to under the Multifamily Rental Housing Committee was the Gap Financing Initiative. Brenda Evans briefed that Board. She noted that the agency had received 53 applications, 8 needed additional funds or CDBG funds only, 10 were requested additional time only, 35 were requesting both, and 29 were non-responses. She advised the Board that staff were reviewing the submissions and would have recommendation thereof at the July 2009 meeting.

On a motion by Commissioner Madderra and seconded by Commissioner Lisa Woodruff-White, the Rules were Suspended to add to the Agenda the Constant Lofts matter.

Louis Russell briefed the Board, noting that the project was set to close, had received additional funds from OCD, had a positive F&V analysis, and that staff was recommending approvals there.

On a motion by Commissioner Mark Madderra and seconded by Vice-Chair Allison Jones, it the resolution to approve the changes and allow for the closing for the Constant Lofts; 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 Bob Austin advised the Board that the updated on the 2007 Program, A, B, and C, and the 2006D Issues and the Whole Loan Report were in the Board binders.

Next item to be discussed was a resolution on the 2007C Low Rate Program. Commissioner Bob Austin advised the Board that there was currently \$4.3M in the program and he was requesting an adjustment to the LRP basis points.

On a motion by Commissioner Bob Austin and seconded by Commissioner Alice Washington sitting in on behalf of Commissioner John Kennedy, the resolution authorizing the Agency to adjust the Agency's fee on the 2007C Low Rate Program from the current .10 basis points to .29 and allowing for a rate adjustment of .35 basis points bringing the original rate of 5.95% to 6.3% and adding 4% Assistance AND to provide for an infusion of cash from the Agency's general fund in the amount not to exceed \$200K to fund the cost of Assistance being offered on the 07C Assisted Program; 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 to be discussed was the 2008 Bond Issue matter. Commissioner Austin advised the Board that the Agency's underwriters were recommending that an issue not be done at the present. He furthered noting that the Agency still has good assets. He did request a commitment from the General Fund an amount not to exceed \$5M if needed prior to open market bond participation.

There was extensive discussion between Board members on the specifics of his request and parameters thereof.

CFO Rene Landry concurred in the comments thereof by Commissioner Austin. Commissioner Woodruff-White requested that the record reflect the concurrence of both the CFO and the Financial Committee. Commissioner Austin responded affirmatively.

On a motion by Commissioner Bob Austin and seconded by Vice-Chair Allison Jones, that based on the advice of Agency financial advisors and concurrence of the Agency CFO and Finance Committee, that the Agency would do it own in-house \$5M bond issue, firstly with \$4.2M currently available, and secondly by fallout from various other 07A and 08A program issues, and thirdly from the Agency's General Fund; and providing for other matters in

connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Last item to be discussed was an updated on the Request for Proposals for the Second Mortgage Loan Servicing. Commissioner Austin advised the Board that there had been two (2) replies to the RFP, and that staff was reviewing them and would have a recommendation thereof at the June meeting.

ENERGY ASSISTANCE COMMITTEE

Chairman Woods informed the Board that updates to the LIHEAP, WAP, and Katrina/Rita Crisis Assistance matters were in their binders.

SPECIAL PROGRAMS – HOME COMMITTEE

First item to be discussed was the HOME Reconciliation Update PR-27. The Board was advised that the item was in their board binders for review.

Next item was the resolution to accept four (4) CHDO 2007 Initiative Applications. Chairman Woods briefed the Board, noting that the Agency has a CHDO 2007 Initiative wherein CHDO's were asked to submit applications for the \$2.5M that was in reserve for their use. After the applications were received they were reviewed and scored by staff. The four(4) CHDO's to receive funds are Family Resources for Boutte Estates (\$500K), Macon Ridge Community Development Corporation on Ferriday (\$500K), Zydeco Community Housing Development Organization of Opelousas (\$500K), and Urban Restoration Enhancement Corporation of Baton Rouge (\$1M).

On a motion by Commissioner Merriell Lawson and seconded by Commissioner Lisa Woodruff-White, the resolution authorizing the Agency to prepare and enter into documents to obligate the 2007 CHDO Initiative funds to four (4) Louisiana Certified Housing Development Corporations to include: Family Resources for Boutte Estates (\$500K), Macon Ridge Community Development Corporation on Ferriday (\$500K), Zydeco Community Housing Development Organization of Opelousas (\$500K), and Urban Restoration Enhancement Corporation of Baton Rouge (\$1M) for the purposes of developing and providing affordable housing to low-income Louisiana residents; 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 to be discussed was the resolution for CHDO Certification and Re-Designation of June 1-30, 2008. Chairman Woods noted that the matter was a simple housekeeping measure advising the various CHDO's of the time period for certification and re-designation. He also noted that matter was discussed by the Committee and they were recommending Board approval.

On a motion by Commissioner Merriell Lawson and seconded by Commissioner Lisa Woodruff-White, the resolution authorizing the Agency to prepare and enter into documents to designate June 1 – June 30, 2008, as the time period for certification and re-designation of nonprofits to become or continue as a Certified Housing Development Organization; 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 to be discussed was the Housing Trust Fund Guidelines matter.

Chairman Woods expressed his thanks to the Special Programs Committee, staff, and the HTF Advisory Council for all the work done on the Guidelines.

Program Administrator Loretta Wallace and Staff Attorney Leslie Strahan briefed the Board advising that the most amended language would be in the areas of assisted living and adult residential care facilities. She noted that the Guidelines previously had an inferred exclusion of all projects that had to be licensed through DHH and DSS. Input had been received from DHH and DSS so as to not exclude any projects thereof. Additional changes had been done to clarify language dealing with development costs subsidies, and added the definition for substantial rehabilitation – which now mirrors the tax credit definition.

HTF Advisory Committee Member Christine Robertson advised the Board they were in concurrence with current guideline changes.

Commissioner Lisa Woodruff-White reiterated the need for prompt communications with Senator Lydia Jackson on the HTF advancements.

Commissioner Maureen Clary requested the Agency perform test runs on the application because she had received several calls that the cells on the spreadsheet were not calculating correctly. Leslie Strahan responded the Agency was aware of the previous problems and would do test runs on the new application.

On a motion by Commissioner Lisa Woodruff-White and seconded by Vice-Chair Allison A. Jones, the resolution approving the amendments to the Louisiana Housing Trust Fund Guidelines and allowing the Notice of Funds Availability to be amended to change the deadline for submission of applications from May 30, 2008, to June 30, 2008; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

LEGAL

Vice-Chair Jones noted that there had been no Committee meeting because the Commissioners thereof were needed to fill quorums in other meetings. She advised the Board that the Legal staff would prepare a synopsis of the current legislative sessions.

First item to be on the Agenda was the Godfrey Contract. Since there was no Committee meeting, the matter was not brought before the Board for discussion.

Next item to be discussed was a request from Vice-Chair Jones that the Board approve an Ethics Opinion with respect to LHFA Commissioners in their capacity to recuse themselves and remain on the Board when there is a conflict of issue.

On a motion by Vice-Chair Jones and seconded by Commissioner Lisa Woodruff-White, it was resolved that a request would be made to the State Ethics Board with regards to recusal of Commissioner when there is a conflict of issue; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Commissioner Robert Austin requested that the historical creation of the LHFA be included in the ethics advisory opinion. Vice-Chair Jones noted that the language was already in the request.

Staff Attorney Keith Cunningham advised the Board that he would attend the next Ethics Board meeting currently scheduled for June 12, 2008.

OTHER BUSINESS

Commissioner Lisa Woodruff-White requested an update on what bills are affecting the LHFA.

Mr. Cunningham advised the Board that HB 886 from Rep. Morrell was not favorable to the LHFA as the bill requests public hearings before bonds are issued. He also noted that the bill is exclusive to LHFA. He has scheduled a meeting with Rep. Morrell to discuss the bill and amendments thereof.

HB 934 which deals with Blighted Property Reclamation Loan bill was also not a favorable LHFA matter. Mr. Cunningham noted that a request had been made to bill author Rep. Templet to make amendments thereof which had passed with the proposed amendment language. The bill currently alleviates the Agency from being a lien holder.

SB 590 which creates Foreclosure Mitigation with State funding and authored by Senator Broome, was favorable to LHFA.

HB 1156 which creates the Grants for Grads Program is favorable to LHFA. He also noted that all costs for the Program would come from State funding.

Commissioner Lisa Woodruff-White inquired as to whether the Board would write letters on those bills not favorable to the Agency.

Chairman Woods advised the Board that as Commissioners there you not able to individually lobby on behalf of the Board or the Agency; but acting as a force of support he foresaw no problem thereof.

On a motion by Commissioner Lisa Woodruff-White and seconded by Vice-Chair Allison Jones, it was resolved that the Board would send letter on HB 886 and HB 934 indicating the problems with passage of the aforementioned bills and the negative effects on LHFA; and providing for other matters in connection with the foregoing, 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, it was resolved that the Board was authorizing staff to draft the letter HB 934 indicating the problems with passage of the aforementioned bills and the negative effects on LHFA; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

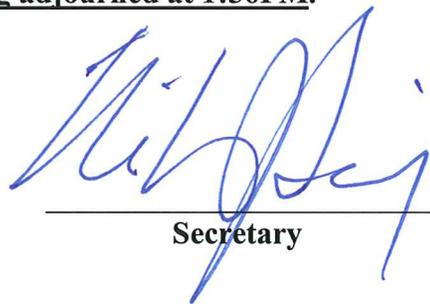
Commissioner Lisa Woodruff-White inquired on the bills having impacts on Boards and Commissions. Chairman Woods advised the Board that future legislation and ethics advisories would be forthcoming.

ADJOURNMENT

There being no other matters to discuss, Chairman Woods offered a motion for adjournment that was seconded by Vice-Chair Jones. There being no further discussions or oppositions, the matter was unanimously passed. **The Full Board meeting adjourned at 1:56PM.**



Chairman



Secretary