



Louisiana Housing Finance Agency

**Full Meeting Minutes
Board of Commissioners
Louisiana Housing Finance Agency**

**Wednesday, June 10, 2009
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
12:00pm**

Commissioners Present

Wayne E. Woods
Allison A. Jones
John Kennedy
Guy T. Williams
Michael L. Airhart
Mayson H. Foster
Katie Anderson
Jerome Boykin, Sr.
Joseph Scontrino, III
Tyrone A. Wilson
Walter O. Guillory
Susan W. Sonnier

Commissioners Absent

John Kennedy
J. Mark Madderra

Legal Counsel Present

Wayne Neveu, Foley & Judell
Terri Porche Ricks
Edselle Keith Cunningham, Jr.
Christine Bratkowski
Leslie C. Strahan

Staff Present

Barry E. Brooks
Milton Bailey
Charlette Minor
Loretta Wallace
Brenda Evans

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Jeff DeGraff
Jatis Harrington
Darleen Okammor
Carolyn McQuairter
Terina Stripling
Terry Holden
Taryn Miceli
Juon Wilson
Denise Ackoury
LaTosha Overton
Mary Antoon
Robert McNeese
Danny Veal
Calvin Humble

Others Present

See Sign-In Sheet Attachment

CALL TO ORDER

Chairman Wayne E. Woods called the meeting to order at 12:25pm; Board Coordinator Barry Brooks did the roll call; a quorum was established. Next there was an introduction of guests.

APPROVAL OF MINUTES

On a motion by Vice-Chair Allison A. Jones and seconded by Commissioner Katie Anderson, the minutes of the Full Board Meeting held May 13, 2009, were approved. There being no further discussions or oppositions, the motion passed unanimously.

CHAIRMAN'S REPORT

Chairman Woods advised the Board that the VP Employment Agreement had been prepared for new LHFA VP Alesia Wilkins-Braxton and thereof need BOC approval. He noted it was the previously BOC negotiated instrument.

On a motion by Commissioner Tyrone Wilson and seconded by Commissioner Katie Anderson, the LHFA Vice President's Employment Agreement was approved; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Next item discussed was changing the makeup of the WAP Max Special Committee. Chairman Woods began by thanking Commissioners Katie Anderson and Mayson Foster for exemplary manner in which they have been handling the program and progression of the SC. He advised the BOC that the need to change the member composition of the SC is reasoned by the number of LHFA staff members currently serving and that each time there is a discussion with staff and any other SC member it would constitute a quorum thereof. It was therefore suggested that LHFA Energy Program Administrator Charlette Minor be removed off the SC and a Commissioner from the Energy Assistance Committee be selected thereof.

WAP Max SC Chairperson Katie Anderson furthered by concurring with Chairman Woods' aforementioned statement and she also stressed the continued need for transparency of the SC, and that she approves said change in the SC member composition.

On a motion by Commissioner Katie Anderson and seconded by Vice-Chair Jones, the Board approved the resolution changing the makeup of the WAP Max Special Committee, and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

PRESIDENT'S REPORT

LHFA President Milton Bailey advised the BOC of the successful Homeownership Fairs held 5/30 in New Orleans and 6/6 in Shreveport. He noted that on June 20th from 10a-2p there would be a HF in Baton Rouge at LHFA with 20+ exhibitors and that the Agency would also be recognizing 6 CHDO's with grant funds.

Mr. Bailey also noted that the 2009A Single Family Issue will be released as soon as the market conditions allow; that the Agency had submitted its Application for the TCAP; and that there had been recently several media articles dealing with housing issues that included him and/or the Agency.

Vice-Chair Jones also applauded Mr. Bailey for his continued efforts on the tax exchange initiative, and noted the recent support from the NCSHA.

LEGAL COMMITTEE

Legal Committee Chair Allison Jones advised everyone that the Committee had met and went into Executive Session to discuss pending Agency litigation matters, but there was no Board action needed therefore.

Next item discussed was the extension for three (3) years the legal services contract with Phelps Dunbar L.L.P. and the Long Law Firm L.L.P. LC Chair Jones noted her support thereof.

On a motion by Vice-Chair Allison Jones and seconded by Commissioner Tyrone Wilson, the Board approved to extend for an additional three (3) years the legal services contracts for Phelps Dunbar L.L.P. and the Long Law Firm L.L.P. with payment in accordance with the Louisiana State Attorney General's fee guidelines; and providing for all matter in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

HUMAN RESOURCES COMMITTEE

HR Committee Chair Tyrone Wilson advised the Board that the LHFA President's Evaluation forms must be completed and offered a motion that they are sent to HR Director Terry Holden and that thereafter the BOC Chair and Vice-Chair would sit down with Mr. Bailey and go over the evaluation with all results being made available to the BOC afterwards. He requested the forms be completed and returned within two weeks (by June 24th).

Chair Woods and Vice-Chair expressed concern that an employee of the Agency would be doing the initial tabulations of the results prior to any BOC involvements thereof. Vice-Chair Jones then offered a friendly amendment that the HR Chair do the tabulations and collect the forms.

On a motion by Vice-Chair Allison A. Jones and seconded by Commissioner Jerome Boykin, Sr., the Board directed the HRC Chair to accept the President's Evaluation forms from the BOC and to handle the tabulations thereof; and providing for all matter in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

Chairman Woods recognized the presence of Commissioner Susan Sonnier's arrival at 12:40pm.

BUDGET AND FINANCE COMMITTEE

BFC Chair Mayson Foster advised the Board that Commissioner John Kennedy had informed him that of his initial budget inquiries had been answered and resolved thereof.

BFC Chair Mayson Foster advised the Board that the Committee had meet earlier and discussed the FY 2010 Budget.

Agency CFO Rene Landry went over the FY 2010 Budget and gave a brief analysis of the revenues and expenses outlined thereof.

Chairman Woods inquired on the item dealing with the Willowbrook Apartments revenues and inquired as to why the revenues had increased so substantially. Mr. Landry noted that when the budget was originally done that the property manager was Barron Builders and subsequently the

new property managers figures were based thereupon more valid costs instead of on historical rental data versus current rent analysis.

Chairman Woods inquired if revenues were based on 100% occupancy. Mr. Landry noted revenues were based on projected revenues. There was further discussion between Mr. Landry and Chairman Woods on actuals versus projections.

Thereafter, Mr. Landry advised the BOC that he would send a recap of the figures and ascertain the correctness thereof.

On a motion by Commissioner Mayson H. Foster and seconded by Commissioner Katie Anderson, the Board approved the adoption of the Louisiana Housing Finance Agency Operating Budget for the Fiscal Year Ending June 30, 2010; and providing for all matters in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

ENERGY ASSISTANCE COMMITTEE

EA Chair Katie Anderson advised the BOC that the EAC had meet earlier but had no items any actions thereof.

She also noted that both the EAC and the WAP Max SC had been doing a lot of activity in the respective programs lately. She advised the BOC that a report had been given earlier in the EAC on all the Energy Assistance programs administered; in particular, that LIHEAP and WAP are flowing smoothly and serving many households.

EA Chair Anderson advised the Board that the WAP Max SC has met twice – on May 21st and June 8th. She noted the SC has a lot of challenges but is progressively moving forward.

She continued noting that the 1st meeting held on May 21st was an introductory meeting to bring the LWC and DNR SC members up to date on the program. She advised the BOC that the SC members included herself as Chair, Milton Bailey, Charlette Minor, Robert Benoit, and Johnny Riley.

She continued noting that the 2nd meeting held on June 8th allowed for public participation and input/comments on the program. Additionally, there was one decision made by the SC dealing with the number of units to be weatherized and the subgrantees selected thereof. She advised the BOC that notice was given to the BOC on Monday June 8th and that BOC had 24-hours therewith to challenge SC decision. And, given no challenges had been received the SC decision on said aforementioned matter would stand as submitted.

EA Chair Anderson concluded by noting that plans were in the works for the next meeting wherein the bid process parameters would be discussed along with the training aspects of the program. She encouraged the participating and attendance of any one on the BOC to attend thereof.

Vice-Chair Jones inquired as to when the next SC meeting would be. Ms. Anderson noted that the meeting would most likely be scheduled within the next two weeks or so in order to meet the program objective, deadlines, and the busy schedules of the SC members.

Commissioner Foster commended the SC for their hard work. He requested that the parameters for evaluating performance in the program be put on the agenda for the 3rd meeting, as well as timeline criteria and notice that if timelines are not adhered to there would be no appeal process thereof.

Vice-Chair Jones concurred, adding that she'd like the timeline benchmarks clear and that there are penalties for not meeting the benchmarks thereof.

Ms. Anderson concurred, noting the EAC has discussed said items and that they would be discussed at the next SC meeting.

SINGLE FAMILY COMMITTEE

SF Committee Chair Michael L. Airhart advised the BOC that given current bond market conditions there may be possible issue in July.

Brenda Evans next informed that BOC that it had allowed at the May 2009 BOCM a resolution for the 2008B extension; however given new information thereof it was not longer a feasible option.

Jeanie Yarborough with CSG Advisors addressed the Board and went over the parameters of the 2008B extension and noted the extension was not being advised in lieu of calling the bonds. She recommended foregoing the administrative free and calling the bonds instead. Additionally, she recommended continuation of the assisted loans. She concluded that no costs would be associated with calling the bonds.

SF Chair Airhart briefly went over the parameters of the 2009A Bond Issue. He noted the specifics were in the binders and he also discussed the various costs components and computation of takedown components. He noted the resolution has been revised to capture the cost of issuance to meet the SBC deadline for agenda inclusion.

On a motion by Commissioner Michael L. Airhart and seconded by Vice-Chair Allison A. Jones, the resolution was adopted approving and authorizing the issuance of not exceeding Twenty Five Million Dollars (\$25,000,000) of Louisiana Housing Finance Agency Single Family Mortgage Revenue Bonds, Series 2009A in one or more series or subseries; approving the forms of the Series Supplemental Trust Indentures in connection with the

aforesaid Bonds; approving the cost of issuance and providing for all matters in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

Next SF Chair Airhart noted that the minimum FICO Score of 620 matters has been discussed in Committee and no action from the BOC was needed.

He then discussed the Homebuyer Tax Credit Program, noting there is an \$8K tax credit for 1st time homebuyers and suggested that it be used for down payment and closing costs; and that reviews of other states programs have been examined.

Commissioner Foster requested clarification of the program parameters and inquired as to whether there would be a potential for Agency loss and/or liability. Vice-Chair noted that Texas gives an assignment to the tax credit. Guy Yandel noted that that the Treasury does not allow assignment of tax credit which conflicts with HUD rules and that Texas had suspended its program until said conflicting issues are resolved.

Chair Woods inquired if the item could be deferred. Vice-Chair Jones noted since the program is only for one (1) year it could not be deferred.

Commissioner Young noted her concern of the funds not being paid back.

Commissioner Scontrino noted his concern that historically the program had not performed well.

Ms. Evans noted the need to continue working with the Finance Team so as to put together a product that will answer the needs of the homebuyers and the concerns of the Agency.

On a motion by Commissioner Michael L. Airhart and seconded by Vice-Chair Jones, the resolution was adopted to authorize the Louisiana Housing Finance Agency (the "Agency") to develop and implement a Homebuyer Tax Credit Program to provide for down payment and closing cost assistance to eligible borrowers; and providing for all matters in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

Ms Evans next briefly went over the Homeownership Affordability and Stability Plan, noting the specifics thereof was in the binders on SF55. Further specifics were noted by SF Chair Airhart.

On a motion by Commissioner Michael L. Airhart and seconded by Commissioner Elsenia Young, the resolution was adopted authorizing the Louisiana Housing Finance Agency ("Agency"), US Bank, and Standard Mortgage to allow loans currently serviced by US Bank and Standard Mortgage to participate in the Homeowner Affordability & Stability Plan and other related matters; and providing for all matters in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

SPECIAL PROGRAMS HOME COMMITTEE

SPHC Chair Walter Guillory and LHFA Program Administrator Loretta Wallace went over the specifics for the resolution dealing with extending the deadline for submission of Closing Documents until August 6, 2009 for certain Housing Trust Fund projects. It was noted that the matter had been discussed during the SPHC and approval thereof was being recommended.

Commissioner Foster requested that the record reflect that no one had been excluded from the list thereof.

On a motion by Commissioner Walter O. Guillory and seconded by Vice-Chair Allison A. Jones, the resolution was adopted extending the deadline for submission of Closing Documents until August 7, 2009 for certain Housing Trust Fund Projects, and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Charles Tate addressed the Board briefly requesting assistance in the James Herald matter (inaudible).

Chair Woods noted that item was note on the Agenda and requested that staff be allowed more time to further review Mr. Tate's inquiry. Mr. Tate requested an additional 30 days thereof. Mr. Bailey advised Mr. Tate that staff needed further time to review his inquiry and thereof he was in opposition to any amendment requests to the previous resolution.

Next, LHFA Program Administrator Charlette Minor went over the Home Reconciliation Update, noting the info was in the binders on SP14.

Ms. Minor noted that next item, which had previously been deferred by Commissioner Guy Williams for further review, was the resolution for the Owner Rehab Rural Area Project.

Commissioner Williams noted his recommendation for approval of said matter.

On a motion by Commissioner Guy T. Williams and seconded by Vice-Chair Allison A. Jones, the resolution was adopted to approve the award for the St. Bernard Project as listed on the Louisiana Housing Finance Agency Owner Rehab Rural Area Project Recommended Awards; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Next item discussed was the \$5M CDBG fund for the LHFA Non-Profit Rebuilding Pilot Program.

Ms. Minor gave a brief synopsis of the program. She noted that LHFA would RFP the program and would negotiation the administrative fees thereof, and that BOC approval was needed so that the Agency would formally accept the program.

On a motion by Vice-Chair Allison A. Jones and seconded by Commissioner Katie Anderson, the resolution was adopted to approve and authorize the Louisiana Housing Finance Agency (the "Agency" or "LHFA") the ability to administer on behalf of the Louisiana Recovery Authority (the "LRA") five million dollars (\$5,000,000.00) of Community Development Block Grant (the "CDBG") funds for the LHFA Non Profit Rebuilding Pilot Program; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Next item discussed was the \$20M competitive grant award under the Neighborhood Stabilization Program II.

Ms. Minor noted that the Agency currently administers NSP1 but that NSP2 is a competitive process program and accordingly there would be a RFI. She noted also that there would be a future stakeholders meeting also.

On a motion by Commissioner Walter O. Guillory and seconded by Vice-Chair Allison A. Jones, the resolution was adopted authorizing the Louisiana Housing Finance Agency ("Agency") to apply for a \$25,000,000 competitive grant award from HUD under the "Neighborhood Stabilization Program 2"; to authorize staff to develop and implement a proposal toward a concurrent Neighborhood Stabilization Program utilizing grant funds to augment and expand the current program into additional areas and tracts previously not identified for participation in the prior plan; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Finally, SPH Chair Guillory extended his thanks to Milton Bailey, Loretta Wallace, Charlette Minor, and Jeff DeGraff for their recent trip to Opelousas.

MULTIFAMILY RENTAL HOUSING COMMITTEE REPORT

MFC Interim Chair Guy T. Williams noted that during the earlier Committee meeting a presentation had been done by LoriAnn Girvan with Common Ground on the Bethany Homes and Malta Square projects and info thereof was in the binders. He extended his thanks for their informative presentation.

Additionally, he noted that the MFC has also met with representatives and officials from St. Bernard Parish and that he would be orchestrating an upcoming tour of the Parish.

Next, was the resolution for Spring Hill Senior Housing. MFC IC Williams went over the specifics thereof noting that area was suffering from closure of the GM plant and the change request was to convert the project from Senior to General Housing.

Commissioner Foster inquired as to whether the points originally awarded the project would be affected. Ms. Evans replied that the change would have no effect thereupon.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Mayson H. Foster, the resolution was adopted conditionally approving the conversion from Elderly Housing to Multifamily Housing project request made by the developers of Spring Hill Senior Housing project subject to the Developer's providing the Board letters of support from the mayor and a majority of the council members; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Chairman Woods requested to be **RECUSED** from the discussions of the next two items on the Agenda dealing with Lafitte Redevelopment as they involved HANO related matters, and thereafter excused himself from the room.

Vice-Chair Allison A. Jones took over the proceedings as Interim Chair.

IC Williams advised the BOC that the matters had been reviewed earlier by the MFC and they were recommending approvals thereof.

Commissioner Foster inquired as to whether the points originally awarded the project would be affected. Ms. Evans replied that the change would have no effect thereupon.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Katie Anderson, the resolution was adopted approving requested changes made by the developers of Lafitte Redevelopment Off-Site Rehabilitations Treme-Oak Place project; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter passed with one ABSTAIN vote from Chairman Wayne Woods.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Katie Anderson, the resolution was adopted approving requested changes made by the developers of Lafitte Redevelopment Blocks 1-3 project; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter passed with one ABSTAIN vote from Chairman Wayne Woods.

Next item discussed was the Grants for Low-Income Housing Projects. IC Williams advised the BOC that the matter had been reviewed earlier by the MFC and they were recommending approval thereof.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Joseph M. Scontrino, III, the resolution was adopted approving application of the Agency to participate in receiving Grants for Low-Income Housing Projects in Lieu of Low-Income Housing Credits for 2009 under the provisions of the American Recovery and Reinvestment Act of 2009 (the "Stimulus Bill"); and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

MFC IC Williams noted that the TCAP application was in the binders for the BOC to review.

Finally, IC Williams advised the Board that the QAP Site Selection matter previously listed on the Preliminary Agenda was being deferred for further review thereof.

OTHER BUSINESS

None

ADJOURNMENT

There being no other matters to discuss, Commissioner Katie Anderson offered a motion for adjournment that was seconded by Commissioner Joseph M. Scontrino, III. There being no further discussion or opposition, the matter was unanimously passed. **The Full Board meeting adjourned at 1:55 PM.**



Chairman



Secretary