



Louisiana Housing Corporation

LHC Board of Directors

Board Meeting Minutes

Wednesday, June 12, 2013

**2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
12:00 P.M.**

Board Members Present

Michael L. Airhart
Larry Ferdinand
Mayson H. Foster
Treasurer John N. Kennedy
Matthew P. Ritchie
Guy T. Williams, Jr.
Malcolm Young
Willie Spears

Board Members Absent

Dr. Daryl V. Burckel
Ellen M. Lee

Staff Present

Don J. Hutchinson
Bradley Sweazy
Barry E. Brooks
Brenda Evans
Charlette Minor
Rene' Landry
Danny Veals
Terry Holden
Todd Folse
Edselle Keith Cunningham, Jr.

Leslie C. Strahan
Jessica Guinn
Victoria Hilton
Collette Mathis
Marjorianna Willman

Others Present

Sec Guest Sign-In Sheet

CALL TO ORDER

LHC Board Chairman Michael L. Airhart called the meeting to order at 12:05 p.m. Board Secretary Barry E. Brooks called the roll; there was a quorum.

APPROVAL OF MINUTES

On a motion by Board Member Malcolm Young and seconded by Board Member Larry Ferdinand, the Minutes of the May 8, 2013 LHC Board of Directors meeting were approved unanimously.

LHC BOARD CHAIRMAN'S REPORT

Board Chairman Michael L. Airhart noted that the LHC would be conducting a series of events called "Breaking Barriers to Homeownership": June 13 in Shreveport, June 20 in Alexandria, and June 25 and June 27 in Baton Rouge.

Chairman Airhart took a moment to also acknowledge and thank out-going Interim Executive Director Don J. Hutchinson for his contribution of leadership and community commitment, having served 18 months at LHC and nearly 28 years of total State service.

LHC INTERIM EXECUTIVE DIRECTOR'S REPORT

IED Don J. Hutchinson reported on the following items: that there had been a QAP Public Hearing recently in Baton Rouge as well as in New Orleans, that he had met with new Board Member Larry Ferdinand and gave him a brief overview of LHC, and that the 2013-14 budget had been finalized.

Don also noted that his time at LHC has been the most rewarding and definitely most memorable.

MULTIFAMILY COMMITTEE REPORT

MC Chairman Guy T. Williams, Jr. noted that the Committee had met earlier and recommended approval of the resolution approving the State's 2014 Special Interim Qualified Allocation Plan and Timeline.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Vice-Chairman Mayson H. Foster, the resolution providing for approval of the State's 2014 Special Interim Qualified Allocation Plan; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

The next item discussed was the resolution regarding the RFP for Market Analyst. Ms. Evans went over the specifics of the matter, noting the RFP would be issued on June 13, that responses are due by July 11, and that a list of applicants would be noted at the August 14 Board Meeting, and that staff was recommending approval thereof. MC Chairman Williams noted that the Committee was likewise recommending approval of the resolution.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Member Larry Ferdinand, the resolution regarding the RFP for Market Analysts; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

MC Chair Williams advised that at their earlier meeting the Committee had received updates on Non-Closed Projects, as well as HOME and NSP Updates.

ADMINISTRATIVE COMMITTEE

AC Chairman Malcolm Young noted that the Committee met earlier and had discussed and reviewed the LHC Fiscal Year 2014 Operating Budget, and was recommending approval thereof.

On a motion by Board Member Malcolm Young and seconded by Board Member Guy T. Williams, Jr., the resolution adopting the Louisiana Housing Corporation Operating Budget for the Fiscal Year Ending June 30, 2014 (labeled as Exhibit A, entitled "Louisiana Housing Corporation Fiscal Year Ending June 30, 2014 Operating Budget and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

The next item discussed was a resolution to appoint two (2) members to the Housing and Transportation Planning and Coordinating Commission/Louisiana Interagency Council on Homelessness. AC Chair Young noted that the Committee had discussed the matter earlier, and was recommending approval thereof; with a substitution resolution to only appoint one (1) of the two (2) members currently.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Member Larry Ferdinand, the resolution appointing Martha Kegel of UNITY of Greater New Orleans to serve on the Housing and Transportation Planning and Coordinating Commission as one (1) of the two (2) appointees made by the Louisiana Housing Corporation from a nonprofit housing development organization; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

Next item briefly discussed by Chair Young was the resolution approving amendments to the Cooperative Endeavor Agreements for the Non-Profit Rebuilding Profit Pilot Program and Plaquemines Parish Non-Profit Rebuilding Pilot Program.

On a motion by Board Member Malcolm Young and seconded by Board Member Larry Ferdinand, the resolution authorizing the Louisiana Housing Corporation (the "Corporation") to execute amendments to the Cooperative Endeavor Agreements ("CEAs") entered into with the State of Louisiana Office of Community Development Disaster Recovery Unit ("OCD-DRU") for the Non-Profit Rebuilding Pilot Program ("NRPP") and Plaquemines Parish Non-Profit Rebuilding Pilot Program ("PNRPP"); and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

Next item briefly discussed by Chair Young was the resolution regarding a Shared Human Resource System with the Division of Administration, noting also that he supports the purpose of the endeavor.

Treasurer Kennedy inquired as to whether there would be any fees for DOA managing LHIC's HR functions. LHIC Executive Counsel Keith Cunningham advised that fees would mostly be required, but that the goal of the resolution was simply to explore the options to ascertain if such was in fact in the best interest of the Corporation.

Chairs Airhart and Young requested that a financial analysis of the cost savings be done before any final decisions on whether to embark on the project are made.

On a motion by Board Member Malcolm Young and seconded by Board Member Willie Spears, the resolution to provide for the exploration and implementation of a shared human resource system with the Division of Administration to provide access to a variety of employee information and services for employees of the Louisiana Housing Corporation

("LHC"); and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

INNOVATION COMMITTEE REPORT

IC Chairman Willic Spears noted that the Committee had met earlier, and discussed several items.

First item discussed dealt with Process Improvements to the LIIC Accounting and Information Technology Divisions. Chair Spears noted that the PI's would be in three (3) stages: assessment, recommendation, and implementation.

Next item discussed was that there would be a new LIIC website within the next four (4) months.

The final item discussed was the Mortgage Loan Product. Chair Spears noted that low and moderate clients are still facing hurdles so that the goal of the matter is to explore ways to more effectively reach those clients.

SINGLE FAMILY COMMITTEE REPORT

SF Chairman Matthew Ritchie noted that the Committee had met earlier and that there were no action items on their Agenda.

Chair Ritchie and Ms. Evans gave brief overviews of the various Single Family Program Updates.

ASSETS AND INVESTMENTS COMMITTEE

In the absence of AIC Chair Dr. Daryl V. Burekel it was noted by LHC Program Administrator Loretta Wallace that the Committee had not met earlier, and that updates were in the Board binders.

Chairman Airhart advised everyone that off-duty security had been hired and stationed at the Mid-City Gardens Apartments as of Monday June 10th.

SUSTAINABLE HOUSING COMMITTEE

In the absence of SHC Chair Ellen M. Lee, Chair Airhart noted that the Committee had not met earlier, and that Program Updates were in the Board binders.

Ms. Wallace noted that Willowbrook Apartments was at 97% occupancy (396 of 408 units); that Village de Jardin Apartments was at 94% occupancy (211 of 224 units); and that Mid-City Gardens Apartments was at 75% occupancy (45 of 60 units).

Ms. Wallace also noted that the Weatherization Assistance Program would be ending on June 30, 2013, and that an extension until June 2014 was pending with approval anticipated thereof. And, that a September 30th extension request was also pending for the ARRA Program.

OTHER BUSINESS

There was a discussion regarding administration of the Small Rental Property Program by the Shaw Group. Shaw Group representatives were Luke LeBas of CBI and Mark Myers of Myers Consulting Management Solutions

Board Member Williams inquired as to what Shaw's recent investigation revealed.

Mr. LeBas advised that his company had received a letter that revealed that Cap Fund had allegedly improperly billed, and that the matter was being further reviewed along with the policies and timekeeping procedures thereof as noted in a letter sent to LHC dated May 23rd.

There were further lengthy discussions between the two Shaw representatives and various Board members.

Chair Airhart requested that the final investigation report be provided to the Board.

Mr. Sweazy noted that the allegations transpired in 2012, and that LHC was currently withholding \$48K. Treasurer Kennedy requested that the funds be held until the investigation matters are resolved.

Treasurer Kennedy inquired as to when Cap Fund has been selected, the selection process and criteria, the names of the selectors, etc. Mr. LeBas advised that he was unable to answer said inquiries but that he'd be willing at a later date to come back to provide such.

Chair Airhart and Treasurer Kennedy requested representatives of the Shaw Group who would be able to appear before the Board in sixty (60) days and effectively answer the aforementioned questions.

ADJOURNMENT

There being no other matters to discuss, Board Member Matthew Ritchie offered a motion for adjournment that was seconded by Board Member Malcolm Young. There being no discussion or opposition, the matter was unanimously passed.

The Full Board meeting adjourned at 12:48P.M.



Chairman



Secretary