
Louisiana Housing Finance Agency



Multifamily Rental Housing Program

Brenda Evans, Program Administrator
Loretta Wallace, Program Administrator
Marjorianna Willman, Program Manager

February 9, 2011

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MEMORANDUM

To: Chairman Guy T. Williams
Commissioner Donald B. Vallee
Commissioner Adena R. Boris
Commissioner Mayson H. Foster
Commissioner Katie Anderson
Commissioner Neal P. Miller

From: Loretta Wallace, Program Administrator
Brenda Evans, Program Administrator

Date: February 1, 2011

Re: Multifamily Rental Housing Program Committee

There will be a Multifamily Rental Housing Program Committee meeting, Wednesday, February 9, 2011 at 11:00 A.M. at the Louisiana Housing Finance Agency, V. Jean Butler Board Room, located at 2415 Quail Drive, Baton Rouge, LA 70808.

The following Resolutions will be presented to the Board:

- A resolution of intention to issue not exceeding \$9,000,000 Multifamily Housing Revenue Bonds **The Elysian, LLC Project (North 13th Street & Spanish Town Road, Baton Rouge)** in one or more series to finance the acquisition, rehabilitation and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith.
- A resolution of intention to issue not exceeding \$7,350,000 Multifamily Housing Revenue Bonds **Garden Oaks Towers Project (3200 Garden Oaks Drive, New Orleans)** in one or more series to finance the acquisition, rehabilitation and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith.
- A resolution of intention to issue not exceeding \$22,000,000 Multifamily Housing Revenue Bonds **1501 Canal Apartments Project (1501 Canal Street, New Orleans)** in one or more series to finance the acquisition, rehabilitation and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith.
- A resolution establishing the maximum qualified basis not exceeding **\$390,000** with the allocation of an additional Seventeen Thousand, Nineteen Dollars (**\$17,019.00**) low-income housing credits to **GCHP-MLK #09-09BF (1931 Martin Luther King Jr. Blvd, New**

Orleans, LA 70113); authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate 4% Low Income Housing Tax Credits to such facilities; and providing for other matters in connection therewith.

- Discussion and Resolution regarding **TCAP Expenditure Requirements**; and providing for other matters in connection therewith.
- Discussion and Resolution regarding **Notice of Future Point Reduction for Failure to Utilize Agency Resources**; and providing for other matters in connection therewith.
- Discussion of 2011 Low Income Housing Tax Credit Timeline.

Other Business

January 28, 2011

MULTIFAMILY RENTAL HOUSING COMMITTEE MEETING

Notice is hereby given of a regular meeting of the Multifamily Rental Housing Program Committee will be held on **Wednesday, February 9, 2011 at 11:00 A.M.**, at Louisiana Housing Finance Agency, **V. Jean Butler Board Room**, located at 2415 Quail Drive, Baton Rouge, LA by order of the Chairman.

AGENDA

1. Call to order, roll call and introduction of guests.
2. Approval of the January 19, 2011 Multi-Family Committee meeting minutes.
3. Multifamily Update
 - A resolution of intention to issue not exceeding \$9,000,000 Multifamily Housing Revenue Bonds **The Elysian, LLC Project (North 13th Street & Spanish Town Road, Baton Rouge)** in one or more series to finance the acquisition, rehabilitation and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith.
 - A resolution of intention to issue not exceeding \$7,350,000 Multifamily Housing Revenue Bonds **Garden Oaks Towers Project (3200 Garden Oaks Drive, New Orleans)** in one or more series to finance the acquisition, rehabilitation and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith.
 - A resolution of intention to issue not exceeding \$22,000,000 Multifamily Housing Revenue Bonds **1501 Canal Apartments Project (1501 Canal Street, New Orleans)** in one or more series to finance the acquisition, rehabilitation and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith.
 - A resolution establishing the maximum qualified basis not exceeding **\$390,000** with the allocation of an additional Seventeen Thousand, Nineteen Dollars (**\$17,019.00**) low-income housing credits to **GCHP-MLK #09-09BF (1931 Martin Luther King Jr. Blvd, New Orleans, LA 70113)**; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate 4% Low Income Housing Tax Credits to such facilities; and providing for other matters in connection therewith.
 - Discussion and Resolution regarding **TCAP Expenditure Requirements**; and providing for other matters in connection therewith.

- Discussion and Resolution regarding **Notice of Future Point Reduction for Failure to Utilize Agency Resources**; and providing for other matters in connection therewith.
- Discussion of 2011 Low Income Housing Tax Credit Timeline.

4. Adjournment

Milton J. Bailey, LHFA President

**If you require special services or accommodations, please contact Barry E. Brooks at
(225) 763-8773 or via email bbrooks@lhfa.state.la.us**

Pursuant to the provisions of LSA-R.S. 42:17, upon two-thirds vote of the members present, the Board of Commissioners of the Louisiana Housing Finance Agency may choose to enter executive session, and by this notice, the Agency reserves its right to go into executive session as provided by Law.

**Louisiana Housing Finance Agency
Multifamily/Tax Credit Meeting Minutes
Wednesday, January 19, 2011
2415 Quail Drive
Baton Rouge, LA 70808
11:00 A.M.**

Commissioners Present

Chairman Guy T. Williams
Commissioner Donald B. Vallee
Commissioner Mayson H. Foster
Commissioner Katie Anderson

Commissioners Absent

Commissioner Neal Miller
Commissioner Adena Boris

Staff Present

Milton J. Bailey
Annie Robinson
Wendy Hall
Loretta Wallace
Leslie Strahan
Marjorianna Willman
LaTosha Overton
Louis Russell
Nicole Carter
MaKeisha Johnson-August
Annie Clark
Urshala Hamilton
Terri Ricks

Counsel Present

Wayne Neveu, Foley & Judell

Guests Present

Attached

Multifamily Chairman Guy Williams called the meeting to order at 11:00 a.m. The first item for approval by the Commissioners was the December 8, 2010 Multifamily Committee minutes. Commissioner Vallee moved approval of the minutes, which was seconded by Commissioner Foster and was unanimously approved.

Brenda Evans presented the following resolution to the Committee:

- A resolution establishing the maximum qualified basis and low-income housing credits to **Blue Plate Lofts Apartments #2010-01BF (1315 South Jefferson Davis Parkway, New Orleans, LA 70125)**; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate 4% Low Income Housing Tax Credits to such facilities; and providing for other matters in connection therewith.

Ms. Evans explained that the project had been presented before the committee for the approval of bonds and is now in need of approval for the 4% credits. The project has historic tax credits as well as state historic tax credits and CDBG funding. A motion to approve the resolution was made by Commissioner Vallee, which was seconded by Commissioner Foster and was unanimously approved for recommendation to the Full Board.

- A resolution regarding **Woodcrest Apartments, #08-08BF, (1900 Lobdell Ave., Baton Rouge, LA 70806)** request for a material change; and providing for other matters in connection therewith.

Ms. Evans explained that this project was seeking a reduction in the number of units. She continued to explain that after speaking with the developer and in addition to reducing the number of units, they are also reducing the amount of their request. She also mentioned that staff is recommending approval of the aforementioned request. Commissioner Vallee asked if the Office of Community Development's (OCD) change the amount of the CDBG funds being provided to the project because of the change in unit number, and Ms. Evans replied that correspondence from Tommy Latour of OCD had been received and that his office is still in support of the project. Commissioner Vallee asked if the funding amount would change and Ms. Evans replied that the funding amount would remain the same. There was no other discussion on the matter. Commissioner Vallee made a motion to approve the resolution, which was seconded by Commissioner Anderson and was unanimously approved for recommendation to the Full Board.

- A resolution regarding **Lapalco Court Apartments #2007-13BF (2300 Lapalco Blvd., Harvey, LA 70058)** request for additional 4% Low Income Housing Tax Credits; and providing for other matters in connection therewith.

Ms. Evans mentioned that the project had presented before the Committee in 2007, that the final cost certifications had been received by staff and that the developer was now requesting a small increase in 4% credits. There was no further discussion on this resolution. Commissioner Vallee made a motion to approve the resolution, which was seconded by Commissioner Anderson, and was unanimously approved for recommendation to the Full Board.

- Discussion and Resolution regarding the continuation of the **2010 GO Zone Allocation**; and providing for other matters in connection therewith.

Ms. Evans explained that this resolution would allow staff to go through the list of unfunded projects that qualify for GO Zone credits and that could meet the placed in service date of December 31, 2011. Commissioner Vallee asked if the developers who might possibly qualify had been contacted; Ms. Evans responded that staff had started working down the list. She also stated that currently staff was working on the GO Zone projects from the previous round and that staff had received information from at least two (2) or three (3) interested developers. Commissioner Vallee then asked if the timeline is the same as was previously issued. Ms. Evans replied that the participants would have to provide proof of their timelines, such as projects schedules, in order to show that they can place in service by December 31, 2011. There was no further discussion on this resolution. Commissioner Vallee made a motion to approve the resolution, which was seconded by Commissioner Anderson and was unanimously approved for recommendation to the Full Board.

- Update regarding the 2010 Funding Round.

Ms. Evans reported that three (3) additional projects were able to be funded as a result of the Board's previous resolution: Renewal Homes II, Bridgestone I & II, and Arbor Hill Senior Apartments. Commissioner Vallee requested Ms. Evans to provide him with the report that included the information related to the additional funding.

- Update regarding the 2011 Funding Timeline.

With the regard to this item, Commissioner Vallee suggested comments made by developers and the market should be considered when drafting the timeline for the 2011 QAP. Commissioner Vallee also suggested that staff look at a three (3) year plan based upon all the funds that will be coming forth and the knowledge that it will take the developers a year to develop what can be done. Commissioner Vallee also stated that the effects of what the Agency had already approved had not yet been seen. He mentioned that waiting would stabilize the development community and the marketplace if staff could say that there will be "x" number of dollars coming in over the next three (3) years and that those monies would be allocated to certain types of developments. He further explained that the amount could be adjusted annually so that the parameters are published, the details of the QAP are published, and in this way, the Agency wouldn't have to keep arguing about the fine points of the process. He also noted that on the draft timeline, February 16, 2011 was listed as a date to meet with stakeholders to discuss the QAP. Regarding this he stated that he felt such was too quick a turn-around. He mentioned he would prefer two (2) forums in order to hear the development community's input. He asked that some of the development community come forward in the meeting to discuss what options they would like to see.

Mark Turrentine with Standard Enterprises came forward and stated that the developers would welcome the opportunity to offer input. He asked the committee to consider the expiring flat 9% credit percentage. He stated that if it expires it will have a huge impact on the feasibility of the projects that the equity would suffer if the rate lowers on those tax credit dollars. He further mentioned that the community is hoping the 2011 credits are forward committed and 2012 credits also be forward committed this year. Mr. Turrentine stated that most of the development

community would like the changes to the QAP to remain minimal so that they can plan and be prepared to compete.

Wayne Neveu of Foley and Judell, special tax counsel for the LIHTC Program, explained that the credits are not devalued, but that the percentage of the qualified basis that generates the credits is being reduced when they are dropped from a fixed 9% credit to the 7% credit value that fluctuates every month. He then stated that the expiring 9% will have a large impact on the developments. Historically, Mr. Neveu mentioned, that the 2012 QAP would be discussed; the Agency delayed the consideration of future QAPs to determine how the projects that received large credit amounts filtered through the system and to see how the demand changed in the market. He explained that Katrina changed the way the Agency dealt with credit distribution.

Chairman Williams asked the community what type of forum they felt would be most helpful; would they prefer to send written comments or get consolidated comments from Louisiana Association of Affordable Housing Providers (LAAHP) or have public hearings? Mr. Neveu stated that the QAP has not really changed dramatically in a number of years. He mentioned that in the past staff has proposed the changes, but that it might not be a bad idea to have LAAHP take a look at the QAP and suggest changes.

Commissioner Vallee mentioned that he liked the idea of working groups to provide an exchange of information because it was a more streamlined process. Mr. Neveu then stated that LAAHP could review and refine the information from different sources and submit it to the Agency. Commissioner Vallee mentioned that information would be received not just from LAAHP but from municipalities, city government and community leaders to better develop a program the suits the community needs.

Commissioner Vallee then mentioned that in speaking to council people that some deals funded by the LHFA are sitting vacant and boarded up and not being utilized in the community. He mentioned that he had been speaking with Ricky Patterson (staff) in the compliance department of the Agency and everything in the marketplace needed to be reviewed to make sure they fit into the niches the communities need. President Bailey further inquired about Commissioner Vallee's statement, and stated that if projects are boarded, perhaps is because they are disaster projects that have not received an allocation of credits or maybe blighted projects. Commissioner Vallee looked into the audience and asked Mr. Patterson about projects in Central City that have been built and are boarded up. President Bailey asked that him to step forward. Mr. Patterson explained that the properties referenced by Commissioner Vallee are in the construction phase and have been boarded up because they are not finished. President Bailey asked Mr. Patterson to look into who the developer of the projects were and to ask the developer to cut the grass so that the project doesn't look deserted.

Charlotte Bourgeois of Louisiana Association of Affordable Housing Providers (LAAHP) came forward and stated that her organization has already begun collecting comments regarding the QAP and are working on the superior design feedback as well.

Greg Gachassin with the Cartesian Company voiced his agreement with Mr. Turrentine requesting consideration to forward allocate 2012 credits. He requested clarification of the 2011 process, if the Agency was planning to forward allocate the credits to those on the waiting list. He asked if priority would be given as in the past to projects that need additional credits. Ms. Evans stated that the Agency currently has \$2.899 million in GO Zone credits

Jack Tolson with IDIC came forward and made the suggestion that a separate pool be used for superior design points that would included only rural projects. He also requested that all requirements for this category be published beforehand.

Chairman Williams discussed briefly what was happening in Washington and stated his hopefulness that Congress would approve the two (2) year extension for PIS. Commissioner Vallee stated that he was aware of correspondence sent to Washington from staff that reflected a one (1) year position for the placed in service date. He stated that perhaps because it seemed the Agency had changed its position from two years to one year that Congress may not support us.

Michael Gross of LDG Development came forward and asked that the GO Zone allocation parameters be published quickly as the TCAP funds expiration date is quickly approaching. He asked that staff determine how the money would be spent instead of returning it to the government.

There were no other issues to be heard the meeting was and Chairman Williams moved for the meeting to be adjourned which was seconded by Commissioner Foster at 11:32 a.m.



LOUISIANA HOUSING FINANCE AGENCY

MULTIFAMILY RENTAL COMMITTEE

WEDNESDAY, JANUARY 19, 2011 @ 11:00 A.M.

Guest Sign-In Sheet

GUEST NAME	FIRM
------------	------

PLEASE, PLEASE PRINT

- | | |
|-------------------|--------------------------|
| 1. JACK TOLSON | IDIC |
| 2. Harry Boss | our plan B |
| 3. Michael Gross | LDG MultiFamily |
| 4. Mattye Jones | Coats Rose |
| 5. Kelly Longacre | Coats Rose |
| 6. Dale Lancaster | Arrington Developers |
| 7. MICHAEL VALES | MIRABEAU LEARNING CENTER |
| 8. Cathy Labadie | GCHP |

MFRC
PLEASE PRINT CLEARLY

	GUEST NAME	FIRM
9.	Charlotte Bourgeois	LA AHP
10.	Robt Wulfsberg	Triple R / Resource
11.	Gyuanne Emerson	USDA - RD
12.	TARA HERNANDEZ	JCH DEVELOPMENT
13.	JAMES FREEMAN	STANDARD Enterprises
14.	LATOSHA OVERTON	Staff
15.	RICKY CHOPPIN	EBRPHA
16.	TY CARLOS	BNY MELLON
17.	M Wulman	Staff
18.	Dan Hammond	Eskins, LLC
19.	Ben Guider	Coats Rose
20.	Michelle Whetten	Enterprise
21.	Morise Duffin	PEP c/o EBRP Housing Authority

MFRC
PLEASE PRINT CLEARLY

	GUEST NAME	FIRM
22.	Vincent Jones	ACCU-Builders Inc.
23.	MIKE ROSENBERG	Hornum & Kline Properties
24.	CHAD BANTA	Park Cos.
25.	Ronald Burrough	Staff
26.	Nicole Carter	LHFA
27.	James Russell	LHFA
28.	Urshala Hamilton	LHFA
29.		
30.		
31.		
32.		
33.		
34.		
35.		

DECISION BRIEF:

The issuance of \$9,000,000 in Multifamily Housing Revenue Bonds for The Elysian, LLC located in Baton Rouge, Louisiana in East Baton Rouge Parish

Issue

The Elysian LLC, 1610A Oretha Castle Haley Blvd., New Orleans, LA is requesting the Louisiana Housing Finance Agency to issue Multifamily Revenue Bonds in an amount not to exceed \$9,000,000 for the construction of a one-hundred (100) unit multifamily residential complex located at North 13th Street & Spanish Town Road, Baton Rouge, East Baton Rouge Parish, Louisiana. Ten (10) of the units will be set aside for 50% or less AMI; sixty (60) of the units will be set aside for 60% or less AMI and thirty (30) of the units will be non-low income units.

In addition to the Bond Proceeds, other sources of funding to be utilized in this development will be \$3,137,680 from Equity Contribution; \$4,000,000 from CDBG; \$1,000,000 from EBRRA; \$2,000,000 from the City of Baton Rouge and \$801,730 from Owner loan.

The proposal consists of fifteen (15) one-bedroom units; forty-five (45) two-bedroom units and forty (40) three-bedroom units. Unit amenities include energy star washer and dryer, central heat and air, refrigerator, stove, dishwasher, private balcony and/or porch, walk-in-closet and full kitchen. Other amenities include secured resident storage and bike racks for at least 15% of the residents, fitness room, community gathering and club room, resident mail and business center, Wi-Fi courtyards, outdoor summer kitchen, commercially equipped playground and fire pit.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.
- The recommended action will enhance the housing stock for the citizens of Louisiana.

Cons: None

Recommendation:

Staff recommends approval of this request to issue Multifamily Revenue Bonds to further the mission of providing housing to the citizens of this state.

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by Commissioner _____ and seconded by Commissioner _____:

RESOLUTION

A resolution of intention to issue not exceeding Nine Million Dollars (\$9,000,000) Multifamily Housing Revenue Bonds (The Elysian, LLC Project) in one or more series to finance the acquisition, construction and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Finance Agency (the "**Agency**") is authorized by Chapter 3-A of Title 40 of the Louisiana Revised Statutes of 1950, as amended (the "**Act**"), and other constitutional and statutory authority supplemental thereto, to issue revenue bonds to provide financing for multifamily rental housing in the State of Louisiana (the "**State**"); and

WHEREAS, developer listed in Schedule I hereto, (the "**Developer**") has met with officials of the Agency and has advised the Agency of the Developer's interest in the acquisition, construction and equipping of a multifamily housing facility, more particularly described in Schedule I hereto (the "**Project**") within the State, subject to the willingness of the Agency to finance the Project by the issuance of revenue bonds pursuant to the Act; and

WHEREAS, the Agency deems it necessary and advisable that it take such action as may be required under applicable statutory provisions to authorize and issue revenue bonds in one or more series to finance the cost of the Project set forth in Schedule I hereto, together with costs incident to the authorization, issuance and sale of the bonds, the aggregate costs of the Project and costs of authorization, issuance and sale of the bonds being presently estimated to be the amount set forth in Schedule I hereto; and

WHEREAS, the Developer has stated its willingness to arrange for the acquisition, construction and equipping of the Project and to enter into contracts therefor; and

WHEREAS, the income tax regulations prescribed by the Internal Revenue Service require that the issuer of tax exempt bonds adopt a resolution with respect to such bonds or take the other similar "official action" towards the issuance of the bonds prior to the commencement of the acquisition, construction and equipping of an exempt facility bond project; and

WHEREAS, one purpose of this resolution is to satisfy the requirements of said income tax regulations with respect to the Project set forth in Schedule I hereto:

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Louisiana Housing Finance Agency, that:

SECTION 1. Pursuant to the authority of the Act, and other constitutional and statutory authority supplemental thereto, the Project is hereby approved and the financing of the acquisition, construction and equipping thereof through the issuance of revenue bonds of the Agency pursuant to the Act is hereby authorized in one or more series and in a sufficient principal amount presently estimated as set forth in Schedule I hereto. It is the intent of this resolution to induce the financing of the Project. This resolution is the affirmative official action of the Agency acting by and through its Board of Commissioners towards the issuance of its special, limited obligation revenue bonds in accordance with the Constitution and statutes of the State and the United States Treasury Department Regulations, Section 1.150-2. It is recognized and agreed that the Developer may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) the Developer itself; (ii) any "related person" as defined in Section 147(a)(2) of the Internal Revenue Code of 1986, as amended (the "Code"); or (iii) any legal successor thereto, respectively, subject to approval of the Agency's Bond Counsel, hereinafter employed.

SECTION 2. The costs of financing the Project will be paid out of the proceeds from the sale of the bonds, in one or more series, which shall be special, limited obligations of the Agency, payable solely out of the revenues derived by the Agency with respect to the Project for which financing is made available, and the bonds and the interest thereon shall never constitute the debt or indebtedness of the Agency, the State, or any political subdivision thereof within the meaning of any provision or limitation of the Constitution or statutes of the State, nor shall the same give rise to a pecuniary liability of the Agency or the State or any political subdivision

thereof or a charge against their general credit or taxing power, and such limitation shall be plainly stated on the face of the bonds.

SECTION 3. The issuance of not exceeding Nine Million Dollars (\$9,000,000) aggregate principal amount of Multifamily Housing Revenue Bonds (The Elysian, LLC Project) in one or more series (the "**Bonds**") of the Agency, pursuant to the Act, and other constitutional and statutory authority supplemental thereto, be and the same is hereby authorized and approved. In authorizing the issuance of the Bonds, the Agency will make no warranty, either express or implied, that the proceeds of the Bonds will be sufficient to pay the cost of the Project or that the Project will be suitable for the Developer's purposes or needs. The Bonds shall be sold by the Agency on such date as may be determined by the Chairman of the Board of Commissioners of the Agency, in accordance with the requirements of the Act, and pursuant to the provisions of the Notice of Intention to Sell at Private Sale attached hereto as Exhibit I.

By virtue of the Agency's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.", adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

SECTION 4. The operation of the Project, as well as the financing of the Project, will comply with all Federal, State and local laws and regulations and the Developer will obtain all necessary approvals and permits required thereunder.

SECTION 5. The Chairman of the Board of Commissioners and/or the President of the Agency are authorized and directed to call for a public hearing with respect to the Project and the proposed revenue bonds to finance same in accordance with the requirements of Section 147(f) of the Code, and cause to be published appropriate notice of each public hearing in accordance with the Code.

SECTION 6. The officers of this Board of Commissioners and the President of the Agency are authorized and empowered to take any and all further action and to sign any and all documents, instruments and writings as may be necessary to carry out the purposes of this resolution and to file, on behalf of the Agency, with any governmental board or entity having jurisdiction over the Project, such applications or requests for approval thereof as may be required by law, including an application to the State Bond Commission for approval of the financing (provided that the application shall be made only in conjunction with an approving letter from the President of the Agency).

SECTION 7. The Chairman of the Board of Commissioners and/or the President is authorized to execute the standard form of the Preliminary Agreement.

SECTION 8. All commitments by the Agency herein with respect to the Project are subject to the condition that on or before 36 months from the date of adoption hereof, the Agency and the Developer shall have agreed to mutually acceptable terms for the financing documents and the sale and delivery of the Bonds or other obligations.

SECTION 9. That it is recognized that a real necessity exists for the employment of bond counsel in connection with the issuance of the Bonds and accordingly Foley & Judell, L.L.P., Bond Counsel, New Orleans, Louisiana, be and they are hereby employed as bond counsel to the Agency to do and to perform comprehensive, legal and coordinate professional work with respect thereto. The fee to be paid Bond Counsel shall be an amount based on the Attorney General's then current Bond Counsel Fee Schedule and other guidelines for comprehensive, legal and coordinate professional work in the issuance of revenue bonds applied to the actual aggregate principal amount issued, sold, delivered and paid for at the time the Bonds are delivered, together with reimbursement of out-of-pocket expenses incurred and advanced in connection with the issuance of the Bonds, subject to the Attorney General's written approval of said employment and fee.

SECTION 10. The Developer will comply with all rules, regulations and reviews of the Agency in effect or undertaken from time to time.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 9th day of February, 2011.

Chairman

Secretary

SCHEDULE I

DEVELOPER: Gulf Coast Housing Partnership, LLC and
Elysian Development Partners LLC

INITIAL OWNER/OPERATOR: The Elysian, LLC

BOND AMOUNT: Not exceeding \$9,000,000

PROJECT NAME	LOCATION	ESTIMATED NUMBER OF UNITS	ESTIMATED TOTAL COST
The Elysian	Spanishtown Road and North 13 th Street Baton Rouge, East Baton Rouge Parish, LA 70802	100	Approximately \$15,983,997

I, as authorized representative of the Developer, have reviewed the information above
and hereby certify this Schedule I to be accurate and complete as of this date.

GULF COAST HOUSING PARTNERSHIP, LLC
ELYSIAN DEVELOPMENT PARTNERS LLC

By: _____

By: _____
Name: _____

Date: _____

EXHIBIT I

NOTICE OF INTENTION TO SELL AT PRIVATE SALE

LOUISIANA HOUSING FINANCE AGENCY MULTIFAMILY HOUSING REVENUE BONDS (THE ELYSIAN PROJECT) IN ONE OR MORE SERIES

NOTICE IS HEREBY GIVEN in compliance with the provisions of Chapter 3-A of Title 40 of the Louisiana Revised Statutes of 1950, as amended (the "**Act**"), that the Louisiana Housing Finance Agency (the "**Agency**"), proposes to sell its Multifamily Housing Revenue Bonds (The Elysian Project) Series 2011 (the "**Bonds**") in aggregate principal amount of Nine Million Dollars (\$9,000,000) in one or more series at a rate or rates not exceeding twelve percentum (12%) per annum. The Bonds are to be sold to a purchaser to be designated by the initial owner/operator of the Project hereinafter defined to finance the acquisition, construction and equipping The Elysian, located in Baton Rouge, East Baton Rouge Parish, Louisiana (the "**Project**") at a meeting of the Board of Commissioners of the Agency scheduled for Wednesday, March 16, 2011, at ten (10:00) o'clock a.m., Louisiana time, at the offices of the Louisiana Housing Finance Agency, 2415 Quail Drive, Baton Rouge, Louisiana 70808. The Agency reserves the right to postpone the date, hour and place set forth above for the sale of the Bonds (without any further publication of notice of the change in the sale date, time and/or location). In the event the sale is postponed as provided above, anyone desiring written notice of the subsequent date and time which said sale is to be accomplished must request such notice from the President of the Agency. The Bonds will be sold pursuant to the terms of a resolution to be adopted by the Agency and a Trust Indenture (the "**Indenture**") to be executed by and between the Agency and a trustee bank.

The Bonds are being issued pursuant to the Act and the Indenture for the purpose of financing the acquisition, construction and equipping of a multifamily housing project and (ii) paying the costs of issuance associated with the Bonds. The Bonds are limited obligations of the Agency and will be payable solely out of the income, revenues and receipts derived from the funds and accounts held under and pursuant to the Indenture and pledged therefor. As provided in the Act and the Indenture, the Bonds do not constitute an obligation, either general or special, of the State of Louisiana, any municipality or any other political subdivision thereof.

The principal of and interest on the Bonds will be payable at the principal office of the paying agent or agents selected by the Agency in accordance with the provisions of the Indenture.

The Bonds will be dated as provided in the Indenture, will bear interest at such rate or rates established at the time of sale of the Bonds, payable on such dates as set forth in the Indenture, and will mature no later than forty (40) years from date of issuance.

The Bonds will be issued in fully registered form in the denominations as provided in the Indenture. Bonds will be transferable as provided in the Indenture.

This Notice of Sale of Bonds is being published in accordance with the requirements of the Louisiana Constitution and the Act. For a period of thirty (30) days from the date of publication hereof, any person or persons in interest shall have the right to contest the legality of this notice, the resolution, any provision of the Bonds to be issued pursuant to it, the provisions securing the Bonds, and the validity of all other provisions and proceedings relating to the authorization and issuance of the Bonds. If no action or proceeding is instituted within the thirty (30) days, no person may contest the validity of the Bonds, the provisions of the resolution pursuant to which the Bonds were issued, the security of the Bonds, or the validity of any other provisions or proceedings relating to their authorization and issuance, and the Bonds shall be presumed conclusively to be legal. Thereafter no court shall have authority to inquire into such matters.

For further information relative to the Bonds and not contained in this Notice, address Foley & Judell, L.L.P., Bond Counsel, One Canal Place, Suite 2600, 365 Canal Street, New Orleans, LA 70130.

BY ORDER OF THE BOARD OF COMMISSIONERS, acting as the governing authority of the Agency.

LOUISIANA HOUSING FINANCE AGENCY

Chairman

Secretary

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency, do hereby certify that the foregoing _____ (___) pages constitute a true and correct copy of the resolution adopted by said Board of Commissioners on February 9, 2011, entitled: “A resolution of intention to issue not exceeding Nine Million Dollars (\$9,000,000) Multifamily Housing Revenue Bonds (The Elysian, LLC Project) in one or more series to finance the acquisition, construction and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith.”

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 9th day of February 2011.

Secretary

(SEAL)

Phone: (504) 525-2505

Elysian Development Partners, LLC
10606 Coursey Blvd
Baton Rouge, LA 70816
Contact: Donnie Jarreau
Phone: (225) 753-3573

Architect: Looney Ricks Kiss LLC
5615 Corporate Blvd
Baton Rouge Louisiana 70808
Contact: Michael Sullivan
Phone: (225) 928-4905

General Contractor: TBD
Contact: _____
Phone: _____

Attorney: Coats/Rose
One Canal Place
365 Canal Street, Suite 800
New Orleans, LA 70130
Contact: Kelly Longwell
Phone: (504) 299-3075

Lending Institution
to Originate Mortgage
Loan (if known): _____
Contact: _____
Phone: _____

Provider of Credit
Enhancement on Mortgage
Loan (if known): _____
Contact: _____
Phone: _____

Investment Banker for
Bonds Publicly Offered
(if known): _____
Contact: _____
Phone: _____

Purchaser of Bonds
for Bonds Privately
Placed (if known): _____
Contact: _____
Phone: _____

(7) **ZONING:** Lots 1, 2, 3, 4 & 5 of Elysian Fields Subdivision are zoned C2 (Heavy Commercial District) and Lots 6, 7, 8, 9 & 10 of Elysian Fields Subdivision and Lots A & B of Old Spanish Town Subdivision are zoned A4 (General Residential District). Both zoning classifications support the proposed development.

(8) **UTILITIES:** Electric power, water and sewer services are available to the project. Electric power is available through Entergy, water service is provided by Baton Rouge Water Company and sewer service is available from Department of Public Works. Availability of utility letters have been obtained for this project from each provider.

(9) **FAIR MARKET VALUE** \$ _____
OF PROJECT PROPERTY: Specify date of most recent appraisal: N/A

(10) **FINANCIAL INFORMATION:** Amount

A. **SOURCES OF FUNDS:**

Bond Proceeds \$9,000,000 (const only) 36% Dev. Cost

Other Sources (list)

<u>Equity Contribution</u>	\$3,137,680	<u>13%</u> Dev. Cost
<u>CDBG</u>	\$4,000,000	<u>16%</u> Dev. Cost
<u>EBRRA</u>	\$1,000,000	<u>4%</u> Dev. Cost
<u>City of Baton Rouge</u>	\$2,000,000	<u>8%</u> Dev. Cost
<u>Owner Loan</u>	\$801,730	<u>3%</u> Dev. Cost

TOTAL SOURCES
OF FUNDS \$19,939,410

B. **USES OF FUNDS:**

(1) LAND COSTS \$750,000 \$_____ per sq. ft.

(2) BUILDING ACQUISITION COSTS
(less Land costs) \$N/A \$N/A per D/U

(3) CONSTRUCTION \$11,739,628 \$117,396 per D/U
(or Rehabilitation Costs)

(4) PROFESSIONAL FEES:
Amount % of Total Funds

Architectural	\$250,000	.01%
Engineering	\$41,000	.002%

Legal:

Counsel to Issuer	\$ _____	_____ %
Bond Counsel	\$27,645	.001%

Special Tax Counsel (specify firm name)	\$ _____	_____ %
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Other Legal (specify
firm & purpose)

Bank Counsel	\$18,077	.0009%
Trustee Counsel	\$2,559	.0001%
Lender Legal	\$60,000	.003%

_____	\$ _____	_____ %
_____	\$ _____	_____ %
_____	\$ _____	_____ %

Total Professional Fees	<u>\$399,281</u>	.02%
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(5) UNDERWRITING:

Management Fee	\$ _____
Sales Commission	\$ _____
Underwriter's Counsel	\$10,234

Net to Underwriters Expenses (list)	\$ _____
-------------------------------------	----------

	\$ _____
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Total Underwriting Fee:	<u>\$10,324</u>
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(6) COSTS OF ISSUANCE:

Printing	\$768
Publishing/Advertising/Recording	\$1,535
Rating Expense	\$10,234
Letter of Credit Fees and other credit expenses	\$93,385
Consultants	\$ _____
Insurance	\$ _____
Issuer's Financing Fees	\$5,117
Trustee Bank's initial fee and expenses	\$2,559
Other:	
Bond Commission Fees	\$7,419
Accountant Verification	\$ _____
Total Cost of Issuance Fee:	<u>\$121,017</u>

(7) OTHER:

Interest during construction	\$400,000
Taxes during construction	\$50,000
Title and Recording	\$120,000
Org and Audit costs	\$50,000
Property Reports/Surveys	\$100,000
Financing Fees	\$101,000
Insurance	\$90,000
Marketing	\$35,000
Permits/Fees	\$60,000

Misc	\$20,468	
Pay down construction loan	\$9,000,000	
Developer Fee	\$1,750,000	
Operating Reserve	\$187,369	
TOTAL USES OF FUNDS	\$24,983,997	
Amount of Permanent Mortgage Requested	<u>\$5,044,587</u>	20% of Total Costs

(11) **UNIT TYPES:**

<u>All (100%) Units</u>			<u>Low Income Units</u>			
Unit			No. of Unit Types Set Aside for 50%		No. of Unit Types Set Aside for 60%	
<u>Type</u>	<u>No.</u>	<u>Total Sq. Ft.</u>	<u>or less Area Median Income</u>	<u>Total Sq. Ft.</u>	<u>or less Area Median Income</u>	<u>Total Sq. Ft.</u>
Eff.	_____	_____	_____	_____	_____	_____
1 BR	<u>15</u>	<u>9,000</u>	<u>0</u>	<u>6,000</u>	<u>10</u>	<u>6,000</u>
2 BR	<u>45</u>	<u>33,750</u>	<u>10</u>	<u>7,500</u>	<u>20</u>	<u>22,500</u>
3 BR	<u>40</u>	<u>36,000</u>	<u>0</u>	_____	<u>30</u>	<u>27,500</u>
Other	_____	_____	_____	_____	_____	_____
Total	<u>100</u>	<u>78,750</u>	<u>10</u>	<u>13,500</u>	<u>60</u>	<u>56,000</u>

Estimate Market Rents For Non-Low Income Units:

<u>Unit Type</u>	<u>Total Units</u>	<u>Total Monthly Rent Per Non-LIU</u>	<u>Total Annual Rent of Non-LIU's</u>
1 BR	<u>5 @ 80%AMI</u>	<u>682*</u>	<u>8,184</u>
2 BR	<u>15 @ 120%AMI</u>	<u>819*</u>	<u>9,828</u>
3 BR	<u>10 @ 120%AMI</u>	<u>945*</u>	<u>11,340</u>
Other	<u>—</u>	<u>—</u>	<u>—</u>
Total	<u>30</u>	<u>2,446</u>	<u>29,352</u>

*The amounts listed are the rent amounts in the project proforma. These rents are lower than current market rents according to a current market study.

(12) **CURRENT RENTAL COSTS AND RELOCATION PLAN:**
(For Acquisition and/or Rehabilitation Projects Only)

<u>Unit Type</u>	<u>Monthly</u>	<u>Present Rent</u> <u>Annual</u>	<u>Sq. Ft./Month</u>
Eff.	_____	_____	_____
1 BR	_____	_____	_____
2 BR	_____	_____	_____
3 BR	_____	_____	_____
Other	_____	_____	_____
TOTAL	_____	_____	_____

Have interior and exterior photographs of Project been attached?

Yes _____ No _____

Will any of the present tenants be displaced because of higher rents due to rehabilitation?

Yes _____ No _____

If yes, approximately how many? _____

Is there a relocation plan? Yes _____ No _____

Please briefly describe relocation plan (Submit detailed relocation plan when completed)

(13) **VACANCY RATE:** The present vacancy rate in the general market area is 2.1%.

(14) **AREA MEDIAN INCOME:** Median income in area according to HUD is \$60,600.

(15) **ELECTION OF THE MINIMUM SET-ASIDE REQUIREMENT:**

The owner irrevocably elects one of the Minimum Set-Aside Requirements (Check one only):

_____ At least 20% of the rental residential units in this development are rent restricted and to be occupied by individuals whose income is 50% or less of area median gross income.

X At least 40% of the rental residential units in this development are rent restricted and to be occupied by individuals whose income is 60% or less of the area median gross income.

(16) **OPTIONAL ELECTION:**

The owner elects to occupy 15% or more of all low-income units by tenants with income of 40% or less of area median income and the average rent charged to tenants in residential market rent units is at least 300% of the average rent charged to low-income tenants:

Yes _____ No X _____

(17) **EQUAL OPPORTUNITY:**

Do you agree to provide equal opportunity to members of minority groups and to employ such groups in the Project's development in the roles of, including but not limited to, contractor, subcontractor, employee, laborer, agent, appraiser, or supplier?

Yes X _____ No _____

(18) **STATE BOND COMMISSION TENANT BENEFIT PROGRAM REQUIREMENTS:**

State Bond Commission Rule No. HS2-1993 "Rule Relative to State Bond Commission Multifamily Housing Applicants" provides as follows with respect to applications submitted to the State Bond Commission for new construction, acquisition and/or rehabilitation, or refunding of multifamily housing projects:

Multifamily housing applications must include defined tenant benefit programs for those units set aside for very low, low and/or moderate income families. Those applications that do not include such programs will not be docketed for consideration.

The staff of the State Bond Commission shall use the following criteria when evaluating defined tenant benefit programs.

A. Nonspecial Needs Multifamily Housing.

A developer shall select at a minimum two of the seven options listed below for the set-aside units.

1. Material Rent Differentials.

In order to be deemed material, a rent differential must satisfy the federal tax credit guidelines which specify that rent for set-aside unit should not exceed 30 percent of the imputed income limit for the set-aside unit.

2. Deposit Waivers and/or Application Fee Waivers.

Deposit or application fee waivers may be applied to either an application fee, a security deposit, or both.

3. Rent Cap.

Rent caps may be applied which limit the dollar and/or percentage of increase in rent upon renewal of a lease. Such rent caps must be equal to or less than one-half the scheduled rent increase for such lease renewal.

4. Rent Deferral.
Rent deferral programs would apply to those tenants which become unemployed during the term of their lease. Rent deferral programs can reschedule rent payments at reduced amounts or have a 100 percent deferral either until six months after the resident is no longer receiving unemployment compensation. This program may be funded with a reserve set aside for this specific purpose and clearly delineated in the bond documents.
5. Educational Programs or Other Socialization Programs.
These programs may include literacy or tutorial programs, re-education assistance for the unemployed or other such assistance which would increase opportunities for the targeted income class.
6. Day-care Related Programs.
These programs may either be located on site or subsidized off site day care centers. Programs may include after school care and/or supervision for the children of working parents.
7. Other such benefit programs as may be proposed by the developer, such as:
 - a. tenant security programs;
 - b. energy conservation programs.

B. Special Needs Multifamily Housing.

The commission recognizes the development of special needs housing for the elderly, disabled, homeless, etc., is essential to the welfare of the citizens of the State. Therefore, the criteria for the defined tenant benefit program shall be based on the total package to be offered to the special needs group, including, but not limited to the following:

1. Meals Programs.
Depending upon the special needs group targeted, this benefit can include one or more meals provided in a central dining area or some other meal program included as part of the total benefit package.
2. Transportation Assistance.
3. On-site Health Services.
4. Housekeeping.
5. Social Activities.
6. Trained and Certified Staff.
7. Rent Differentials.

C. Multifamily Housing in Qualified Redevelopment Areas.

The commission recognizes the importance of encouraging the redevelopment and/or revitalization of urban and inner city areas. Therefore, additional consideration will be given to the following:

1. A Qualified Redevelopment Area.

A qualified redevelopment area shall be defined by the governing authority of the local jurisdiction and as approved by the State Bond Commission.

2. Project Plan.

The project plan must include whether it is new construction or a redevelopment of an existing property. The plan must also include a defined tenant benefit package if the project targets a special income class. If the project requires the relocation of current residents, the plan must show how the relocation will be addressed.

Please include as Exhibit I a description of the Applicant's defined tenant benefit program. For your consideration, State Bond Commission Rule No. HS1-1993 provides the following definitions of income classes:

Very Low Income--households whose incomes do not exceed 50 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Low Income--households whose incomes do not exceed 80 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Moderate Income--households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Middle Income--households whose income are between 96 percent and 120 percent of the median income for the area, as determined and adjusted from time to time by HUD.

The schedule of income levels as published periodically by HUD will be used for purposes of this rule to determine income levels for particular areas of the state.

I certify that the information contained in this Project Summary and Application Package is true and accurate to the best of my knowledge.

The Elysian, LLC
PROJECT OWNER

By: [Signature]
Authorized Representative

Dated: 1-28-11

DECISION BRIEF:

The issuance of \$7,350,000 in Multifamily Housing Revenue Bonds for Garden Oaks Tower Apartments f/k/a NAPFE Towers located in New Orleans, Louisiana in Orleans Parish

Issue

Summit Garden Oaks, Ltd., 105 Tallapoosa Street, Suite 300, Montgomery, AL is requesting the Louisiana Housing Finance Agency to issue Multifamily Revenue Bonds in an amount not to exceed Seven Million Three Hundred Fifty Thousand Dollars (\$7,350,000) for the acquisition and rehabilitation of a Ninety-nine (99) unit multifamily elderly residential preservation complex located at 3200 Garden Oaks Drive, New Orleans, Orleans Parish, Louisiana that has been vacant since Hurricane Katrina in 2005. All of the units will be set aside for 60% or less AMI.

In addition to the Bond Proceeds, other sources of funding to be utilized in the rehabilitation of this development will be \$3,529,968 from Federal Low-Income Housing Tax Credit Equity; \$2,000,000 from LHFA HOME funds; and \$103,475 from Deferred Development fee.

The proposal consists of one seven-story mid-rise building. The property will operate as an elderly complex, with the residents being low-income qualified residents. Ninety-Eight (98) one-bedroom senior housing residential units will be covered by a Housing Assistance Payment (HAP) contract. The other remaining 1 bedroom units will be utilized as an on-site staff unit.

Unit amenities include energy star rated refrigerator, energy star oven and range top, cable hook-up, and intercom system. Other amenities include laundry room, community meeting space, two (2) elevators, gated entrance and covered outside patio.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.
- The recommended action will enhance the housing stock for the citizens of Louisiana.

Cons: None

Recommendation:

Staff recommends approval of this request to issue Multifamily Revenue Bonds to further the mission of providing housing to the citizens of this state.

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by Commissioner _____ and seconded by Commissioner _____:

RESOLUTION

A resolution of intention to issue not exceeding Seven Million Three Hundred Fifty Thousand Dollars (\$7,350,000) Multifamily Housing Revenue Bonds (Garden Oaks Tower Project) in one or more series to finance the acquisition, rehabilitation and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Finance Agency (the "**Agency**") is authorized by Chapter 3-A of Title 40 of the Louisiana Revised Statutes of 1950, as amended (the "**Act**"), and other constitutional and statutory authority supplemental thereto, to issue revenue bonds to provide financing for multifamily rental housing in the State of Louisiana (the "**State**"); and

WHEREAS, developer listed in Schedule I hereto, (the "**Developer**") has met with officials of the Agency and has advised the Agency of the Developer's interest in the acquisition, rehabilitation and equipping of a multifamily housing facility, more particularly described in Schedule I hereto (the "**Project**") within the State, subject to the willingness of the Agency to finance the Project by the issuance of revenue bonds pursuant to the Act; and

WHEREAS, the Agency deems it necessary and advisable that it takes such action as may be required under applicable statutory provisions to authorize and issue revenue bonds in one or more series to finance the cost of the Project set forth in Schedule I hereto, together with costs incident to the authorization, issuance and sale of the bonds, the aggregate costs of the Project and costs of authorization, issuance and sale of the bonds being presently estimated to be the amount set forth in Schedule I hereto; and

WHEREAS, the Developer has stated its willingness to arrange for the acquisition, rehabilitation and equipping of the Project and to enter into contracts therefor; and

WHEREAS, the income tax regulations prescribed by the Internal Revenue Service require that the issuer of tax exempt bonds adopt a resolution with respect to such bonds or take the other similar "official action" towards the issuance of the bonds prior to the commencement of the acquisition, rehabilitation and equipping of an exempt facility bond project; and

WHEREAS, one purpose of this resolution is to satisfy the requirements of said income tax regulations with respect to the Project set forth in Schedule I hereto:

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Louisiana Housing Finance Agency, that:

SECTION 1. Pursuant to the authority of the Act, and other constitutional and statutory authority supplemental thereto, the Project is hereby approved and the financing of the acquisition, rehabilitation and equipping thereof through the issuance of revenue bonds of the Agency pursuant to the Act is hereby authorized in one or more series and in a sufficient principal amount presently estimated as set forth in Schedule I hereto. It is the intent of this resolution to induce the financing of the Project. This resolution is the affirmative official action of the Agency acting by and through its Board of Commissioners towards the issuance of its special, limited obligation revenue bonds in accordance with the Constitution and statutes of the State and the United States Treasury Department Regulations, Section 1.150-2. It is recognized and agreed that the Developer may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) the Developer itself; (ii) any "related person" as defined in Section 147(a)(2) of the Internal Revenue Code of 1986, as amended (the "Code"); or (iii) any legal successor thereto, respectively, subject to approval of the Agency's Bond Counsel, hereinafter employed.

SECTION 2. The costs of financing the Project will be paid out of the proceeds from the sale of the bonds, in one or more series, which shall be special, limited obligations of the Agency, payable solely out of the revenues derived by the Agency with respect to the Project for which financing is made available, and the bonds and the interest thereon shall never constitute the debt or indebtedness of the Agency, the State, or any political subdivision thereof within the meaning of any provision or limitation of the Constitution or statutes of the State, nor shall the same give rise to a pecuniary liability of the Agency or the State or any political subdivision

thereof or a charge against their general credit or taxing power, and such limitation shall be plainly stated on the face of the bonds.

SECTION 3. The issuance of not exceeding Seven Million Three Hundred Fifty Thousand Dollars (\$7,350,000) aggregate principal amount of Multifamily Housing Revenue Bonds (Garden Oaks Tower Project) in one or more series (the "**Bonds**") of the Agency, pursuant to the Act, and other constitutional and statutory authority supplemental thereto, be and the same is hereby authorized and approved. In authorizing the issuance of the Bonds, the Agency will make no warranty, either expressed or implied, that the proceeds of the Bonds will be sufficient to pay the cost of the Project or that the Project will be suitable for the Developer's purposes or needs. The Bonds shall be sold by the Agency on such date as may be determined by the Chairman of the Board of Commissioners of the Agency, in accordance with the requirements of the Act, and pursuant to the provisions of the Notice of Intention to Sell at Private Sale attached hereto as Exhibit I.

By virtue of the Agency's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.", adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

SECTION 4. The operation of the Project, as well as the financing of the Project, will comply with all Federal, State and local laws and regulations and the Developer will obtain all necessary approvals and permits required thereunder.

SECTION 5. The Chairman of the Board of Commissioners and/or the President of the Agency are authorized and directed to call for a public hearing with respect to the Project and the proposed revenue bonds to finance same in accordance with the requirements of Section 147(f) of the Code, and cause to be published appropriate notice of each public hearing in accordance with the Code.

SECTION 6. The officers of this Board of Commissioners and the President of the Agency are authorized and empowered to take any and all further action and to sign any and all documents, instruments and writings as may be necessary to carry out the purposes of this resolution and to file, on behalf of the Agency, with any governmental board or entity having jurisdiction over the Project, such applications or requests for approval thereof as may be required by law, including an application to the State Bond Commission for approval of the financing (provided that the application shall be made only in conjunction with an approving letter from the President of the Agency).

SECTION 7. The Chairman of the Board of Commissioners and/or the President is authorized to execute the standard form of the Preliminary Agreement.

SECTION 8. All commitments by the Agency herein with respect to the Project are subject to the condition that on or before 36 months from the date of adoption hereof, the Agency and the Developer shall have agreed to mutually acceptable terms for the financing documents and the sale and delivery of the Bonds or other obligations.

SECTION 9. That it is recognized that a real necessity exists for the employment of bond counsel in connection with the issuance of the Bonds and accordingly Foley & Judell, L.L.P., Bond Counsel, New Orleans, Louisiana, be and they are hereby employed as bond counsel to the Agency to do and to perform comprehensive, legal and coordinate professional work with respect thereto. The fee to be paid Bond Counsel shall be an amount based on the Attorney General's then current Bond Counsel Fee Schedule and other guidelines for comprehensive, legal and coordinate professional work in the issuance of revenue bonds applied to the actual aggregate principal amount issued, sold, delivered and paid for at the time the Bonds are delivered, together with reimbursement of out-of-pocket expenses incurred and advanced in connection with the issuance of the Bonds, subject to the Attorney General's written approval of said employment and fee.

SECTION 10. The Developer will comply with all rules, regulations and reviews of the Agency in effect or undertaken from time to time.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 9th day of February 2011.

Chairman

Secretary

SCHEDULE I

DEVELOPER: Summit Housing Partners Management, L.L.C.

INITIAL OWNER/OPERATOR: Summit Garden Oaks, Ltd.

BOND AMOUNT: Not exceeding \$7,350,000

PROJECT NAME	LOCATION	ESTIMATED NUMBER OF UNITS	ESTIMATED TOTAL COST
Garden Oaks Tower	3200 Garden Oaks Drive New Orleans, Orleans Parish, LA 70114	99	Approximately \$12,983,000

I, as authorized representative of the Developer, have reviewed the information above and hereby certify this Schedule I to be accurate and complete as of this date.

SUMMIT HOUSING PARTNERS MANAGEMENT, L.L.C.

By: _____

By: _____
Name: _____

Date: February 9, 2011

EXHIBIT I

NOTICE OF INTENTION TO SELL AT PRIVATE SALE

LOUISIANA HOUSING FINANCE AGENCY MULTIFAMILY HOUSING REVENUE BONDS (GARDEN OAKS TOWER PROJECT) IN ONE OR MORE SERIES

NOTICE IS HEREBY GIVEN in compliance with the provisions of Chapter 3-A of Title 40 of the Louisiana Revised Statutes of 1950, as amended (the "**Act**"), that the Louisiana Housing Finance Agency (the "**Agency**"), proposes to sell its Multifamily Housing Revenue Bonds (Garden Oaks Tower Project) Series 2011 (the "**Bonds**") in aggregate principal amount of Seven Million Three Hundred Fifty Thousand Dollars (\$7,350,000) in one or more series at a rate or rates not exceeding twelve percentum (12%) per annum. The Bonds are to be sold to Merchant Capital, L.L.C. to finance the acquisition, rehabilitation and equipping of the Garden Oaks Tower, located in New Orleans, Orleans Parish, Louisiana (the "**Project**") at a meeting of the Board of Commissioners of the Agency scheduled for Wednesday, March 16, 2011, at ten (10:00) o'clock a.m., Louisiana time, at the offices of the Louisiana Housing Finance Agency, 2415 Quail Drive, Baton Rouge, Louisiana 70808. The Agency reserves the right to postpone the date, hour and place set forth above for the sale of the Bonds (without any further publication of notice of the change in the sale date, time and/or location). In the event the sale is postponed as provided above, anyone desiring written notice of the subsequent date and time which said sale is to be accomplished must request such notice from the President of the Agency. The Bonds will be sold pursuant to the terms of a resolution to be adopted by the Agency and a Trust Indenture (the "**Indenture**") to be executed by and between the Agency and a trustee bank.

The Bonds are being issued pursuant to the Act and the Indenture for the purpose of financing the acquisition, rehabilitation and equipping of a multifamily housing project and (ii) paying the costs of issuance associated with the Bonds. The Bonds are limited obligations of the Agency and will be payable solely out of the income, revenues and receipts derived from the funds and accounts held under and pursuant to the Indenture and pledged therefor. As provided in the Act and the Indenture, the Bonds do not constitute an obligation, either general or special, of the State of Louisiana, any municipality or any other political subdivision thereof.

The principal of and interest on the Bonds will be payable at the principal office of the paying agent or agents selected by the Agency in accordance with the provisions of the Indenture.

The Bonds will be dated as provided in the Indenture, will bear interest at such rate or rates established at the time of sale of the Bonds, payable on such dates as set forth in the Indenture, and will mature no later than forty (40) years from date of issuance.

The Bonds will be issued in fully registered form in the denominations as provided in the Indenture. Bonds will be transferable as provided in the Indenture.

This Notice of Sale of Bonds is being published in accordance with the requirements of the Louisiana Constitution and the Act. For a period of thirty (30) days from the date of publication hereof, any person or persons in interest shall have the right to contest the legality of this notice, the resolution, any provision of the Bonds to be issued pursuant to it, the provisions securing the Bonds, and the validity of all other provisions and proceedings relating to the authorization and issuance of the Bonds. If no action or proceeding is instituted within the thirty (30) days, no person may contest the validity of the Bonds, the provisions of the resolution pursuant to which the Bonds were issued, the security of the Bonds, or the validity of any other provisions or proceedings relating to their authorization and issuance, and the Bonds shall be presumed conclusively to be legal. Thereafter no court shall have authority to inquire into such matters.

For further information relative to the Bonds and not contained in this Notice, address Foley & Judell, L.L.P., Bond Counsel, One Canal Place, Suite 2600, 365 Canal Street, New Orleans, LA 70130.

BY ORDER OF THE BOARD OF COMMISSIONERS, acting as the governing authority of the Agency.

LOUISIANA HOUSING FINANCE AGENCY

Chairman

Secretary

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency, do hereby certify that the foregoing _____ (___) pages constitute a true and correct copy of the resolution adopted by said Board of Commissioners on February 9, 2011, entitled: "A resolution of intention to issue not exceeding Seven Million Three Hundred Fifty Thousand Dollars (\$7,350,000) Multifamily Housing Revenue Bonds (Garden Oaks Tower Project) in one or more series to finance the acquisition, rehabilitation and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 9th day of February 2011.

Secretary

(SEAL)

LOUISIANA HOUSING FINANCE AGENCY
MULTI-FAMILY PROJECT SUMMARY

Date: January 27, 2011

- (1) **PROJECT NAME:** Garden Oaks Tower
- (2) **AMOUNT OF BOND
ISSUE REQUESTED
(NOT TO EXCEED):** \$7,350,000
- (3) **PROJECT DESCRIPTION:**
- 1) Number of Units 99
 - 2) Total Land Area 1 acres
 - 3) Density: _____ # of Units per Acre
Low Rise _____ High Rise 1 building – 7 stories
 - 4) New Construction: _____
Rehabilitation: X
 - 5) Land Control: Current Legal Owner of Land:
U.S. Department of Housing and Urban Development
- Contract to Acquire Land by February 7, 2011
(date)
- or
- Option to Acquire Land by _____
(date)
- 6) Number of Parking Spaces Per Unit 2 (estimate pending final survey)
 - 7) Census tract where Project located 22071000613
 - 8) State Representative District District 102
Name of Representative Jeffery Arnold
 - 9) State Senatorial District District 7
Name of Senator David Heitmeier
- (4) **LOCATION:
(STREET ADDRESS OR
LEGAL DESCRIPTION OF
LAND AND PARISH):** 3200 Garden Oaks Drive
New Orleans, Orleans Parish
Louisiana 70114
- (5) **CONTACT PERSON
FOR PROJECT:** Kea Calame
105 Tallapoosa Street, Suite 300, Montg., AL 36104
Phone: 334/954-4458

PS-1

(6) DEVELOPMENT TEAM:

Developer:

Summit Housing Partners Management, L.L.C.
Montgomery, AL Contact: Kea Calame
Phone: 334/954-4458

Architect:

Garrity + Accardo Architects
Gretna, Louisiana Contact: Brady P. Garrity, AIA
Phone: 504/366-4475

General Contractor:

Empire Construction
Knoxville, TN Contact: Rick Cheverton
Phone: 865/251-4835

Attorney:

Crawford & Lewis, P.L.L.C.
Baton Rouge, LA Contact: Donald Cunningham, Esq.
Phone: 225/215-3033

Lending Institution
to Originate Mortgage
Loan (if known):

Prudential Huntoon Paige
Birmingham, AL Contact: Jennifer R. Doran
Phone: 205/874-7830

Provider of Credit
Enhancement on Mortgage
Loan (if known):

Prudential Huntoon Paige (Ginnie Mae)
Birmingham, AL Contact: Jennifer R. Doran
Phone: 205/874-7830

Investment Banker for
Bonds Publicly Offered
(if known):

Merchant Capital, L.L.C.
Montgomery, AL Contact: John Rucker
Phone: 334/834-5100

Purchaser of Bonds
for Bonds Privately
Placed (if known):

N/A
Contact: _____
Phone: _____

(7) ZONING:

RM-4 (Multi-Family Residential)

(8) UTILITIES:

On-Site – Heating (Electric), Cooking (Electric)
Central Air Conditioning (Electric), Hot Water (Electric)

**(9) FAIR MARKET VALUE OF
PROJECT PROPERTY:**

\$800,000 as-is
Specify date of most recent appraisal: Currently being performed

(10) **FINANCIAL INFORMATION:**

Amount

SOURCES OF FUNDS:

Bond Proceeds	<u>\$7,350,000</u>	<u>0.57</u> % Dev. Cost
Other Sources (list)		
Federal LIHTC Equity	<u>\$3,529,968</u>	<u>0.27</u> % Dev. Cost
LHFA HOME Funds	<u>\$ 2,000,000</u>	<u>0.15</u> % Dev. Cost
Deferred Developer Fee	<u>\$ 103,475</u>	<u>0.01</u> % Dev. Cost

TOTAL SOURCES OF FUNDS \$12,983,443

LAND COSTS \$ 377,500 (est.) \$ _____ per sq. ft (acres)

BUILDING ACQUISITION COSTS
(less Land costs) \$377,500 \$ 3,813.13 per D/U

CONSTRUCTION (or Rehabilitation Costs) \$8,036,000 \$ 81,171.73 per D/U

PROFESSIONAL FEES:

Amount

% of Total Funds

Architectural	<u>\$150,000</u>	<u>.01</u> %
Engineering / Construction Mgr.	<u>\$401,800</u>	<u>.03</u> %

Legal:

Counsel to Issuer	<u>\$ _____</u>	<u>_____</u> %
Bond Counsel	<u>\$45,000</u>	<u>.003</u> %
Special Tax Counsel	<u>\$ _____</u>	<u>_____</u> %
(specify firm name)		
<u>Balch & Bingham</u>	<u>\$30,000</u>	<u>.002</u> %
Other Legal (specify		
firm & purpose)		
<u>Krooth & Altman</u>	<u>\$40,000</u>	<u>.003</u> %
<u>(Lender counsel)</u>	<u>\$ _____</u>	<u>_____</u> %
<u>Crawford & Lewis</u>	<u>\$5,000</u>	<u>.0004</u> %
<u>(Developer counsel)</u>	<u>\$ _____</u>	<u>_____</u> %

Total Professional Fees \$671,800 .05 %

UNDERWRITING:

Management Fee	<u>\$ _____</u>
Sales Commission	<u>\$105,938 (underwriters fee)</u>
Underwriter's Counsel	<u>\$25,000</u>

Net to Underwriters \$ 130,938
 Expenses (list)
Phase I Environmental Assessment
Property Condition Report
Title Insurance / Survey/Recording
Appraisal / Market Study
Contingency/FF&E
Developer Fees
Tax Credit Fees
Accounting/Cost Certification Fees
FHA Lender Origination Fee
Syndication Fee
Operating Reserve
Bridge Loan Interest
Real Estate Taxes and Insurance \$3,331,355

Total Underwriting
 Fee/Costs: \$3,462,293

COSTS OF ISSUANCE:

Printing \$ _____
 Publishing/Advertising/
 Recording \$ _____
 Rating Expense \$15,000
 Letter of Credit Fees and
 other credit expenses \$15,000
 Insurance \$ _____
 Issuer's Financing
 Fees \$7,350
 Trustee Bank's initial fee
 and expenses \$11,000
 Other:
 Bond Commission Fees \$10,000(including application fee and closing fee)
 Accountant Verification \$ _____

Total Costs of Issuance \$58,350 \$ 589.39 per D/U

OTHER

Pay Down Construction Loan N/A

Amount of Mortgage Requested \$7,350,000 % 57
 of Total Costs

(11) UNIT TYPES:

99 Units

Low Income Units

Unit Type	No.	Total Sq. Ft.	No. of Unit Types Set Aside for 50% or less Area Median Income	Total Sq. Ft.	No. of Unit Types Set Aside for 60% or less Area Median Income	Total Sq. Ft.
Eff.						
1 BR	82	550			82	45,100
2 BR						
3 BR						
Other	16	550			11	6,050
(HOME Units—also 1 bedroom units)						
TOTAL	98	54,450				54,450

Estimate Market Rents For Non-Low Income Units: N/A

<u>Unit Type</u>	<u>Total Units</u>	<u>Monthly Rent Per Non-LIU</u>	<u>Annual Rent of Non-LIU's</u>
Eff.	_____	_____	_____
1 BR	_____ 1 (staff unit)	_____	_____
2 BR	_____	_____	_____
3 BR	_____	_____	_____
Other	_____	_____	_____
Total	_____	_____	_____

(12) **CURRENT RENTAL COSTS AND RELOCATION PLAN:**
(For Rehabilitation Projects Only)

<u>Unit Type</u>	<u>Monthly</u>	<u>Present Rent Annual</u>	<u>Sq. Ft./Month</u>
Eff.	_____	_____	_____
1 BR	_____	_____	_____
2 BR	_____	_____	_____
3 BR	_____	_____	_____
Other	_____	_____	_____
TOTAL	_____	_____	_____

Have interior and exterior photographs of Project been attached?

Yes X No _____

Will any of the present tenants be displaced because of higher rents due to rehabilitation?

Yes _____ No X

If yes, approximately how many? Not Applicable

Is there a relocation plan? Yes _____ No X

Please briefly describe relocation plan (Submit detailed relocation plan when completed)

The Project has been vacant since Hurricane Katrina. The project is currently unoccupied and uninhabitable. The rehabilitation plan is extensive and consists of a new building exterior and completely rehabing the interiors. Given that the property is vacant, no relocation is necessary.

(13) **VACANCY RATE:** The present vacancy rate in the general market area is 4 to 5 %.

(14) **AREA MEDIAN INCOME:** Median income in area according to HUD is 61,200 (4 person).

(15) **ELECTION OF THE MINIMUM SET-ASIDE REQUIREMENT:**

The owner irrevocably elects one of the Minimum Set-Aside Requirements (Check one only):

_____ At least 20% of the rental residential units in this development are rent restricted and to be occupied by individuals whose income is 50% or less of area median gross income.

X_____ At least 40% of the rental residential units in this development are rent restricted and to be occupied by individuals whose income is 60% or less of the area median gross income.

(16) **OPTIONAL ELECTION:**

The owner elects to occupy 15% or more of all low-income units by tenants with income of 40% or less of area median income and the average rent charged to tenants in residential market rent units is at least 300% of the average rent charged to low-income tenants: _____ Yes X No

(17) **EQUAL OPPORTUNITY:**

Do you agree to provide equal opportunity to members of minority groups and to employ such groups in the Project's development in the roles of, including but not limited to, contractor, subcontractor, employee, laborer, agent, appraiser, or supplier?

Yes X No _____

(18) **STATE BOND COMMISSION TENANT BENEFIT PROGRAM REQUIREMENTS:**

State Bond Commission Rule No. HS2-1992 provides as follows with respect to applications submitted to the State Bond Commission for new construction, acquisition and/or rehabilitation, or refunding of multifamily housing projects:

Multifamily housing applications must include defined tenant benefit programs for those units set aside for very low, low and/or moderate income families. Those applications that do not include such programs will not be docketed for consideration. Such programs may include rent differentials, special assistance programs or other specific benefit packages for the target income class.

Please include as Exhibit I a description of the Applicant's defined tenant benefit program. For your consideration, State Bond Commission Rule No. HS1-1993 provides the following definitions of income classes:

Very Low Income--households whose incomes do not exceed 50 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Low Income--households whose incomes do not exceed 80 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Moderate Income--households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Middle Income--households whose income are between 96 percent and 120 percent of the median income for the area, as determined and adjusted from time to time by HUD.

The schedule of income levels as published periodically by HUD will be used for purposes of this rule to determine income levels for particular areas of the state.

(19) OPERTAING INFORMATION:

	Year 1	Year 2	Year 3
A. Income			
(1) Assisted Gross Potential Rent (GPR)	\$1,165,056	1,194,182	1,224,037
(2) Unassisted Gross Potential Rent (GPR)	\$0	0	0
(3) Commercial Income	\$0	0	0
(4) Other Income Sources	\$8435	8,464	8,862
(5) Apartment Vacancy	(\$58,253)	(59,709)	(61202)
(6) Commercial Vacancy	\$0	0	0
(7) Other Vacancy	\$0	0	0
(8) Apartment Bad Debt	\$0	0	0
(9) Commercial Bad Debt	\$0	0	0
B. Effective Gross Income (EGI)	\$1,115,238	1,143,119	1,171,697
C. Expenses			
(1) Real Estate Taxes	\$51,336	52,619	53,935
(2) Insurance	\$39,200	40,180	41,185
(3) Utilities and Garbage Removal	\$95,784	98,179	100,633
(4) Management Fees	\$44,021	45,122	46,250
(5) Salaries and Benefits	\$136,786	140,206	143,711
(6) Other Admin	\$26,500	27,163	27,842
(7) Section 8 Admin	\$0	0	0
(8) Oper./Repairs & Maintenance	\$40,050	41,051	42,078
(9) Security	\$32,000	32,800	33,620
(10) Elderly/Disabled Services	\$0	0	0
(11) Neighborhood Network	\$0	0	0
D. Total Expenses	\$465,677	477,319	489,252
E. Net Operating Income	\$649,561	665,800	682,445
Replacement Reserves Contribution	\$29,400	29,400	29,400
F. Adjusted Net Operating Income	\$620,161	636,400	653,045
G. Cash Flow Distributions			
(1) 1 st Mortgage Payment	\$410,798	410,798	410,798
(2) 1 st Mortgage MIP	\$33,075	33,075	33,075
(3) 2 nd Mortgage Payment	\$0	0	0
(4) 3 rd Mortgage Payment	\$0	0	0
(5) Owner's Distribution	\$176,288	192,527	209,172
H. Debt Service Coverage Rations			
(1) 1 st Mortgage DSCR	1.51x	1.55x	1.59x
(2) 1 st & 2 nd Mortgage DSCR	1.51x	1.55x	1.59x
(3) 1sr, 2 nd , & 3 rd Mortgage DSCR	1.51x	1.55x	1.59x

I certify that the information contained in this Project Summary and Application Package is true and accurate to the best of my knowledge.

Summit Garden Oaks, Ltd.

PROJECT OWNER

By: 
Authorized Representative

Dated: January 27, 2011

DECISION BRIEF:

The issuance of \$22,000,000 in Multifamily Housing Revenue Bonds for 1501 Canal Apartments located in New Orleans, Louisiana in Orleans Parish

Issue

1501 Properties, L.L.C., 1205 St. Charles Ave., New Orleans, LA is requesting the Louisiana Housing Finance Agency to issue Multifamily Revenue Bonds in an amount not to exceed \$22,000,000 for the acquisition and rehabilitation of a 111 unit multifamily residential complex located at 1501 Canal Street, New Orleans, Orleans, Parish, Louisiana. All of the units will be set aside for 60% or less AMI.

In addition to the Bond Proceeds, other sources of funding to be utilized in the rehabilitation of this development will be \$10,861,865 from State and Federal Historic Tax Credit Equity; \$8,100,080 from Low-Income Housing Tax Credit Equity; \$1,074,717 from Owner Contributed Equity; and \$4,294,925 from Owner Equity/Deferred Development fee.

The proposal consists of 111 one-bedroom senior housing residential units. Unit amenities include energy-efficient appliances (including a range/oven, refrigerator, dishwasher, and microwave oven), modern window coverings included, central heating and air conditioning, common laundry facility in addition to washer/dryer hookups, and high-quality, modern finishes. Other amenities include professionally-designed fitness center, on-site management, common rooftop patio with breathtaking views, spacious lobby with contemporary furniture, original art, music, wireless internet, lounge/community room with large flat-screen TVs and seating, business center with computers and printers, personal storage units available for additional fee, and gated surface parking lot with direct access to building for additional fee.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.
- The recommended action will enhance the housing stock for the citizens of Louisiana.

Cons: None

Recommendation:

Staff recommends approval of this request to issue Multifamily Revenue Bonds to further the mission of providing housing to the citizens of this state.

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by Commissioner _____ and seconded by Commissioner _____:

RESOLUTION

A resolution of intention to issue not exceeding Twenty-Two Million Dollars (\$22,000,000) Multifamily Housing Revenue Bonds (1501 Canal Apartments Project) in one or more series to finance the acquisition, rehabilitation and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Finance Agency (the "**Agency**") is authorized by Chapter 3-A of Title 40 of the Louisiana Revised Statutes of 1950, as amended (the "**Act**"), and other constitutional and statutory authority supplemental thereto, to issue revenue bonds to provide financing for multifamily rental housing in the State of Louisiana (the "**State**"); and

WHEREAS, developer listed in Schedule I hereto, (the "**Developer**") has met with officials of the Agency and has advised the Agency of the Developer's interest in the acquisition, rehabilitation/conversion and equipping of a multifamily housing facility, more particularly described in Schedule I hereto (the "**Project**") within the State, subject to the willingness of the Agency to finance the Project by the issuance of revenue bonds pursuant to the Act; and

WHEREAS, the Agency deems it necessary and advisable that it takes such action as may be required under applicable statutory provisions to authorize and issue revenue bonds in accordance with Section 142(d) of the Internal Revenue Code of 1986, as amended (the "**Code**"), in one or more series to finance the cost of the Project set forth in Schedule I hereto, together with costs incident to the authorization, issuance and sale of the bonds, the aggregate costs of the Project and costs of authorization, issuance and sale of the bonds being presently estimated to be the amount set forth in Schedule I hereto; and

WHEREAS, the Developer has stated its willingness to arrange for the acquisition, rehabilitation and equipping of the Project and to enter into contracts therefor; and

WHEREAS, the income tax regulations prescribed by the Internal Revenue Service require that the issuer of tax exempt bonds adopt a resolution with respect to such bonds or take the other similar "official action" towards the issuance of the bonds prior to the commencement of the acquisition, rehabilitation and equipping of an exempt facility bond project; and

WHEREAS, one purpose of this resolution is to satisfy the requirements of said income tax regulations with respect to the Project set forth in Schedule I hereto.

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Louisiana Housing Finance Agency, that:

SECTION 1. Pursuant to the authority of the Act, and other constitutional and statutory authority supplemental thereto, the Project is hereby approved and the financing of the acquisition, rehabilitation and equipping thereof through the issuance of revenue bonds of the Agency pursuant to the Act is hereby authorized in one or more series and in a sufficient principal amount presently estimated as set forth in Schedule I hereto. It is the intent of this resolution to induce the financing of the Project. This resolution is the affirmative official action of the Agency acting by and through its Board of Commissioners towards the issuance of its special, limited obligation revenue bonds in accordance with the Constitution and statutes of the State and the United States Treasury Department Regulations, Section 1.150-2. It is recognized and agreed that the Developer may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) the Developer itself; (ii) any "related person" as defined in Section 147(a)(2) of the Internal Revenue Code of 1986, as amended (the "Code"); or (iii) any legal successor thereto, respectively, subject to approval of the Agency's Bond Counsel, hereinafter employed.

SECTION 2. The costs of financing the Project will be paid out of the proceeds from the sale of the bonds, in one or more series, which shall be special, limited obligations of the Agency, payable solely out of the revenues derived by the Agency with respect to the Project for which financing is made available, and the bonds and the interest thereon shall never constitute the debt or indebtedness of the Agency, the State, or any political subdivision thereof within the meaning of any provision or limitation of the Constitution or statutes of the State, nor shall the same give rise to a pecuniary liability of the Agency or the State or any political subdivision

thereof or a charge against their general credit or taxing power, and such limitation shall be plainly stated on the face of the bonds.

SECTION 3. The issuance of not exceeding Twenty-Two Million Dollars (\$22,000,000) aggregate principal amount of Multifamily Housing Revenue Bonds (1501 Canal Apartments Project) in one or more series (the "**Bonds**") of the Agency, pursuant to the Act, and other constitutional and statutory authority supplemental thereto, be and the same is hereby authorized and approved. In authorizing the issuance of the Bonds, the Agency will make no warranty, either expressed or implied, that the proceeds of the Bonds will be sufficient to pay the cost of the Project or that the Project will be suitable for the Developer's purposes or needs. The Bonds shall be sold by the Agency on such date as may be determined by the Chairman of the Board of Commissioners of the Agency, in accordance with the requirements of the Act, and pursuant to the provisions of the Notice of Intention to Sell at Private Sale attached hereto as Exhibit I.

By virtue of Agency's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.", adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

SECTION 4. The operation of the Project, as well as the financing of the Project, will comply with all Federal, State and local laws and regulations and the Developer will obtain all necessary approvals and permits required thereunder.

SECTION 5. The Chairman of the Board of Commissioners and/or the President of the Agency are authorized and directed to call for a public hearing with respect to the Project and the proposed revenue bonds to finance same in accordance with the requirements of Section 147(f) of the Code, and cause to be published appropriate notice of each public hearing in accordance with the Code.

SECTION 6. The officers of this Board of Commissioners and the President of the Agency are authorized and empowered to take any and all further action and to sign any and all documents, instruments and writings as may be necessary to carry out the purposes of this resolution and to file, on behalf of the Agency, with any governmental board of entity having jurisdiction over the Project, such applications or requests for approval thereof as may be required by law, including an application to the State Bond Commission for approval of the financing (provided that the application shall be made only in conjunction with an approving letter from the President of the Agency).

SECTION 7. The Chairman of the Board of Commissioners and/or the President is authorized to execute the standard form of the Preliminary Agreement.

SECTION 8. All commitments by the Agency herein with respect to the Project are subject to the condition that on or before thirty-six (36) months from the date of adoption hereof, the Agency and the Developer shall have agreed to mutually acceptable terms for the financing documents and the sale and delivery of the Bonds or other obligations.

SECTION 9. That it is recognized that a real necessity exists for the employment of bond counsel in connection with the issuance of the Bonds and accordingly Foley & Judell, L.L.P., Bond Counsel, New Orleans, Louisiana, be and they are hereby employed as bond counsel to the Agency to do and to perform comprehensive, legal and coordinate professional work with respect thereto. The fee to be paid Bond Counsel shall be an amount based on the Attorney General's then current Bond Counsel Fee Schedule and other guidelines for comprehensive, legal and coordinate professional work in the issuance of revenue bonds applied to the actual aggregate principal amount issued, sold, delivered and paid for at the time the Bonds are delivered, together with reimbursement of out-of-pocket expenses incurred and advanced in connection with the issuance of the Bonds, subject to the Attorney General's written approval of said employment and fee.

SECTION 10. The Developer will comply with all rules, regulations and reviews of the Agency in effect or undertaken from time to time.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 9th day of February 2011.

Chairman

Secretary

SCHEDULE I

DEVELOPER: 1501 Canal Developer, L.L.C.

INITIAL OWNER/OPERATOR: 1501 Properties, L.L.C.

BOND AMOUNT: Not exceeding \$22,000,000

PROJECT NAME	LOCATION	ESTIMATED NUMBER OF UNITS	ESTIMATED TOTAL COST
1501 Canal Apartments	1501 Canal Street New Orleans, Orleans Parish, LA 70112	111	Approximately \$27,929,550

I, as authorized representative of the Developer, have reviewed the information above and hereby certify this Schedule I to be accurate and complete as of this date.

1501 CANAL DEVELOPER, L.L.C.

By: _____

Name: Elie V. Khoury

Its: Managing Member

Date: _____

EXHIBIT I

NOTICE OF INTENTION TO SELL AT PRIVATE SALE

LOUISIANA HOUSING FINANCE AGENCY MULTIFAMILY HOUSING REVENUE BONDS (1501 CANAL APARTMENTS PROJECT) IN ONE OR MORE SERIES

NOTICE IS HEREBY GIVEN in compliance with the provisions of Chapter 3-A of Title 40 of the Louisiana Revised Statutes of 1950, as amended (the "**Act**"), that the Louisiana Housing Finance Agency (the "**Agency**"), proposes to sell its Multifamily Housing Revenue Bonds (1501 Canal Apartments Project) Series 2011 (the "**Bonds**") in aggregate principal amount of Twenty-Two Million Dollars (\$22,000,000) in one or more series at a rate or rates not exceeding twelve percentum (12%) per annum. The Bonds are to be sold to Bank of America, N.A. to finance the acquisition, rehabilitation and equipping of the 1501 Canal Apartments located in New Orleans, Orleans Parish, Louisiana (the "**Project**") at a meeting of the Board of Commissioners of the Agency scheduled for Wednesday, March 16, 2011, at ten (10:00) o'clock a.m., Louisiana time, at the offices of the Louisiana Housing Finance Agency, 2415 Quail Drive, Baton Rouge, Louisiana 70808. The Agency reserves the right to postpone the date, hour and place set forth above for the sale of the Bonds (without any further publication of notice of the change in the sale date, time and/or location). In the event the sale is postponed as provided above, anyone desiring written notice of the subsequent date and time which said sale is to be accomplished must request such notice from the President of the Agency. The Bonds will be sold pursuant to the terms of a resolution to be adopted by the Agency and a Trust Indenture (the "**Indenture**") to be executed by and between the Agency and a trustee bank.

The Bonds are being issued pursuant to the Act and the Indenture for the purpose of financing the acquisition, rehabilitation and equipping of a multifamily housing project and (ii) paying the costs of issuance associated with the Bonds. The Bonds are limited obligations of the Agency and will be payable solely out of the income, revenues and receipts derived from the funds and accounts held under and pursuant to the Indenture and pledged therefor. As provided in the Act and the Indenture, the Bonds do not constitute an obligation, either general or special, of the State of Louisiana, any municipality or any other political subdivision thereof.

The principal of and interest on the Bonds will be payable at the principal office of the paying agent or agents selected by the Agency in accordance with the provisions of the Indenture.

The Bonds will be dated as provided in the Indenture, will bear interest at such rate or rates established at the time of sale of the Bonds, payable on such dates as set forth in the Indenture, and will mature no later than forty (40) years from date of issuance.

The Bonds will be issued in fully registered form in the denominations as provided in the Indenture. Bonds will be transferable as provided in the Indenture.

This Notice of Sale of Bonds is being published in accordance with the requirements of the Louisiana Constitution and the Act. For a period of thirty (30) days from the date of publication hereof, any person or persons in interest shall have the right to contest the legality of this notice, the resolution, any provision of the Bonds to be issued pursuant to it, the provisions securing the Bonds, and the validity of all other provisions and proceedings relating to the authorization and issuance of the Bonds. If no action or proceeding is instituted within the thirty (30) days, no person may contest the validity of the Bonds, the provisions of the resolution pursuant to which the Bonds were issued, the security of the

Bonds, or the validity of any other provisions or proceedings relating to their authorization and issuance, and the Bonds shall be presumed conclusively to be legal. Thereafter no court shall have authority to inquire into such matters.

For further information relative to the Bonds and not contained in this Notice, address Foley & Judell, L.L.P., Bond Counsel, One Canal Place, Suite 2600, 365 Canal Street, New Orleans, LA 70130.

BY ORDER OF THE BOARD OF COMMISSIONERS, acting as the governing authority of the Agency.

LOUISIANA HOUSING FINANCE AGENCY

Chairman

Secretary

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency, do hereby certify that the foregoing _____ (__) pages constitute a true and correct copy of the resolution adopted by said Board of Commissioners on February 9, 2011, entitled: "A resolution of intention to issue not exceeding Twenty-Two Million Dollars (\$22,000,000) Multifamily Housing Revenue Bonds (1501 Canal Apartments Project) in one or more series to finance the acquisition, rehabilitation and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 9th day of February 2011.

(SEAL)

Secretary

LHFA Project No. _____
(For Agency Use)

**LOUISIANA HOUSING FINANCE AGENCY
MULTI-FAMILY PROJECT SUMMARY**

Date: January 11, 2011

- (1) **PROJECT NAME:** 1501 Canal Apartments
- (2) **AMOUNT OF BOND
ISSUE REQUESTED
(NOT TO EXCEED):** \$ 22,000,000
- (3) **PROJECT DESCRIPTION:**
- 1) Number of Units 111
 - 2) Total Land Area _____
 - 3) Density: 111 # of Units per Acre Low
Rise _____ High Rise x
 - 4) New Construction: no
Rehabilitation: yes
 - 5) Land Control: Current Legal Owner of Land:
Contract to Acquire Land by already owns
(date) _____
or
Option to Acquire Land by _____
(date) _____
 - 6) Number of Parking Spaces Per Unit _____
 - 7) Census tract where Project located 58
 - 8) State Representative District 93
Name of Representative Helena Moreno
 - 9) State Senatorial District 4
Name of Senator Edwin R. Murray
- (4) **LOCATION:
(STREET ADDRESS OR
LEGAL DESCRIPTION OF
LAND AND PARISH):** 1501 Canal Street
New Orleans, La 70112
- (5) **CONTACT PERSON
FOR PROJECT:** Elie V. Khoury
Phone: 504-585-1535
- (6) **DEVELOPMENT TEAM:**
- Developer: KFK Group
Contact: Elie V. Khoury
Phone: 504-585-1535
- Architect: Mathes Brierre Architects
Contact: Lawrence Adams
Phone: 504-586-9303

- General Contractor: Landis Construction
Contact: Jim Lewis
Phone: 504-833-6070
- Attorney: Elkins PLC
Contact: Pam Hammond
Phone: 504-529-3600
- Lending Institution
to Originate Mortgage
Loan (if known): Bank of America
Contact: Ellen Rogers
Phone: 980-386-9401
- Provider of Credit
Enhancement on Mortgage
Loan (if known): Bank of America
Contact: Ellen Rogers
Phone: 980-386-9401
- Investment Banker for
Bonds Publicly Offered
(if known): Contact: _____
Phone: _____
- Purchaser of Bonds
for Bonds Privately
Placed (if known): Bank of America
Contact: Ellen Rogers
Phone: 980-386-9401
- (7) **ZONING:** Currently Zoned
CBD-2 District
- (8) **UTILITIES:** all utilities are available as this is an existing
project
- (9) **FAIR MARKET VALUE** \$2,000,000
OF PROJECT PROPERTY: Specify date of most recent appraisal: 1/29/2010
- (10) **FINANCIAL INFORMATION:** Amount
- SOURCES OF FUNDS:
- | | | |
|--------------------------------------|--------------------------|--------------------------|
| Bond Proceeds | \$ <u>3,597,963</u> | 12.88 % Dev. Cost |
| Other Sources (list) | | |
| <u>Historic Tax Credits</u> | \$ <u>10,861,865</u> | 38.89 % Dev. Cost |
| <u>LIHTC</u> | \$ <u>8,100,080</u> | 29 % Dev. Cost |
| Owner <u>Equity/Deferred Dev Fee</u> | \$ <u>5,369,641</u> | 19.23 % Dev. Cost |
|
TOTAL FUNDS |
\$ <u>27,929,550</u> | |
|
LAND COSTS |
\$ _____ |
\$ _____ per sq. ft. |

BUILDING ACQUISITION COSTS
(less Land costs)

\$ 1,925,000

\$ 17,342 per D/U

CONSTRUCTION
(or Rehabilitation Costs)

\$ 19,085,000

\$ 171,937 per D/U

PROFESSIONAL FEES:

	<u>Amount</u>	<u>% of Total Funds</u>
Architectural	\$ <u>250,000</u>	<u>0.9</u> %
Engineering	\$ <u>incl. in arch</u>	<u> </u> %
Legal:		
Counsel to Issuer	\$ <u> </u>	<u> </u> %
Bond Counsel	\$ <u>63,400</u>	<u>0.23</u> %
Special Tax Counsel (specify firm name)		
<u>Elkins PLC</u>	\$ <u>55,000</u>	<u>0.20</u> %
Other Legal (specify firm & purpose)		
<u>Other Legal</u>	\$ <u>62,500</u>	
<u>Interest</u>	\$ <u>1,000,000</u>	
<u>Construction Managment</u>	\$ <u>424,625</u>	
Title, Taxes, <u>Insurance, 3rd party reports</u>	\$ <u>265,000</u>	
<u>Furnishings & Contingency</u>	\$ <u>385,000</u>	<u>1.38</u> %
<u>Developer Fee/Closing C</u>	\$ <u>4,349,075</u>	<u>15.57</u> %
Total Professional Fees	\$ <u>6,854,600</u>	<u>24.54</u> %

UNDERWRITING:

Management Fee	\$ <u> </u>
Sales Commission	\$ <u> </u>
Underwriter's Counsel	\$ <u> </u>
Net to Underwriters	\$ <u> </u>
Expenses (list)	
<u> </u>	
<u> </u>	
<u> </u>	
<u> </u>	\$ <u> </u>
Total Underwriting Fee:	\$ <u> </u>

COSTS OF ISSUANCE:

Printing	\$ <u> </u>
Publishing/Advertising/ Recording	\$ <u> </u>

Rating Expense	\$ _____
Letter of Credit Fees and other credit expenses	\$ _____
Consultants	\$ 10,000
Insurance	\$ 10,000
Issuer's Financing Fees	\$ _____
Trustee Bank's initial fee and expenses	\$ _____
Other:	
Bond Commission Fees	\$ 24,950
Accountant Verification	\$ 20,000

Total Costs of Insurance	\$ 64,950	\$ 585.14 per D/U
Amount of Mortgage Requested	\$ 3,597,963	% _____

Amount of Construction Loan Requested \$22,000,000

of Total Costs

(11) **UNIT TYPES:**

All (100%) Units

Low Income Units

Unit Type	No.	Total Sq. Ft.	No. of Unit Types Set Aside for 50% or less Area Median Income	Total Sq. Ft.	No. of Unit Types Set Aside for 60% or less Area Median Income	Total Sq. Ft.
Eff.	0	_____	0	0	0	0
1 BR	111	67,710	0	0	111	67,710
2 BR	0	_____	0	0	0	0
3 BR	0	_____	0	0	0	0
Other	_____	_____	0	0	0	0
Total	111	67,710	0	0	111	67,710

Estimate Market Rents For
Non-Low Income Units:

Unit Type	Total Units	Total Monthly Rent Per Non-LIU	Total Annual Rent of Non-LIU's
Eff.	0	_____	_____
1 BR	0	_____	_____
2 BR	0	_____	_____
3 BR	0	_____	_____
Other	0	_____	_____
Total	0	_____	_____

(12) **CURRENT RENTAL COSTS AND RELOCATION PLAN:**
(For Acquisition and/or Rehabilitation Projects Only)

<u>Unit Type</u>	<u>Monthly</u>	<u>Present Rent</u> <u>Annual</u>	<u>Sq. Ft./Month</u>
Eff.	_____	_____	_____
1 BR	_____	_____	_____
2 BR	_____	_____	_____
3 BR	_____	_____	_____
Other	_____	_____	_____
TOTAL	_____	_____	_____

Have interior and exterior photographs of Project been attached?

Yes _____ No _____

Will any of the present tenants be displaced because of higher rents due to rehabilitation?

Yes _____ No x _____

If yes, approximately how many? n/a _____

Is there a relocation plan? Yes _____ No x _____

Please briefly describe relocation plan (Submit detailed relocation plan when completed)

The building is currently vacant.

(13) **VACANCY RATE:** The present vacancy rate in the general market area is 5 %.

(14) **AREA MEDIAN INCOME:** Median income in area according to HUD is \$61,200 .

(15) **ELECTION OF THE MINIMUM SET-ASIDE REQUIREMENT:**

The owner irrevocably elects one of the Minimum Set-Aside Requirements (Check one only):

_____ At least 20% of the rental residential units in this development are rent restricted and to be occupied by individuals whose income is 50% or less of area median gross income.

x At least 40% of the rental residential units in this development are rent restricted and to be occupied by individuals whose income is 60% or less of the area median gross income.

(16) **OPTIONAL ELECTION:**

The owner elects to occupy 15% or more of all low-income units by tenants with income of 40% or less of area median income and the average rent charged to tenants in residential market rent units is at least 300% of the average rent charged to low-income tenants:

Yes _____ No x _____

(17) **EQUAL OPPORTUNITY:**

Do you agree to provide equal opportunity to members of minority groups and to employ such groups in the Project's development in the roles of, including but not limited to, contractor, subcontractor, employee, laborer, agent, appraiser, or supplier?

Yes x _____ No _____

(18) **STATE BOND COMMISSION TENANT BENEFIT PROGRAM REQUIREMENTS:**

State Bond Commission Rule No. HS2-1993 "Rule Relative to State Bond Commission Multifamily Housing Applicants" provides as follows with respect to applications submitted to the State Bond Commission for new construction, acquisition and/or rehabilitation, or refunding of multifamily housing projects:

Multifamily housing applications must include defined tenant benefit programs for those units set aside for very low, low and/or moderate income families. Those applications that do not include such programs will not be docketed for consideration.

The staff of the State Bond Commission shall use the following criteria when evaluating defined tenant benefit programs.

A. **Nonspecial Needs Multifamily Housing.**

A developer shall select at a minimum two of the seven options listed below for the set-aside units.

1. **Material Rent Differentials.**

In order to be deemed material, a rent differential must satisfy the federal tax credit guidelines which specify that rent for set-aside unit should not exceed 30 percent of the imputed income limit for the set-aside unit.

2. **Deposit Waivers and/or Application Fee Waivers.**

Deposit or application fee waivers may be applied to either an application fee, a security deposit, or both.

3. **Rent Cap.**

Rent caps may be applied which limit the dollar and/or percentage of increase in rent upon renewal of a lease. Such rent caps must be equal to or less than one-half the scheduled rent increase for such lease renewal.

4. Rent Deferral.
Rent deferral programs would apply to those tenants which become unemployed during the term of their lease. Rent deferral programs can reschedule rent payments at reduced amounts or have a 100 percent deferral either until six months after the resident is no longer receiving unemployment compensation. This program may be funded with a reserve set aside for this specific purpose and clearly delineated in the bond documents.
5. Educational Programs or Other Socialization Programs.
These programs may include literacy or tutorial programs, re-education assistance for the unemployed or other such assistance which would increase opportunities for the targeted income class.
6. Day-care Related Programs.
These programs may either be located on site or subsidized off site day care centers. Programs may include after school care and/or supervision for the children of working parents.
7. Other such benefit programs as may be proposed by the developer, such as:
 - a. tenant security programs;
 - b. energy conservation programs.

B. Special Needs Multifamily Housing.

The commission recognizes the development of special needs housing for the elderly, disabled, homeless, etc., is essential to the welfare of the citizens of the State. Therefore, the criteria for the defined tenant benefit program shall be based on the total package to be offered to the special needs group, including, but not limited to the following:

1. Meals Programs.
Depending upon the special needs group targeted, this benefit can include one or more meals provided in a central dining area or some other meal program included as part of the total benefit package.
2. Transportation Assistance.
3. On-site Health Services.
4. Housekeeping.
5. Social Activities.
6. Trained and Certified Staff.
7. Rent Differentials.

C. Multifamily Housing in Qualified Redevelopment Areas.

The commission recognizes the importance of encouraging the redevelopment and/or revitalization of urban and inner city areas. Therefore, additional consideration will be given to the following:

1. A Qualified Redevelopment Area.
A qualified redevelopment area shall be defined by the governing authority of the local jurisdiction and as approved by the State Bond Commission.
2. Project Plan.
The project plan must include whether it is new construction or a redevelopment of an existing property. The plan must also include a defined tenant benefit package if the project targets a special income class. If the project requires the relocation of current residents, the plan must show how the relocation will be addressed.

Please include as Exhibit I a description of the Applicant's defined tenant benefit program. For your consideration, State Bond Commission Rule No. HS1-1993 provides the following definitions of income classes:

Very Low Income--households whose incomes do not exceed 50 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Low Income--households whose incomes do not exceed 80 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Moderate Income--households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined and adjusted from time to time by HUD.

Middle Income--households whose income are between 96 percent and 120 percent of the median income for the area, as determined and adjusted from time to time by HUD.

The schedule of income levels as published periodically by HUD will be used for purposes of this rule to determine income levels for particular areas of the state.

1501 Canal Apartments

Assumptions

Revenue:

Unit Type	SF	# of Units	Rent/SF	Rent/Unit	Total SF	Monthly Rent	Annual Rent
Studio	0	0	0	\$0	0	\$0	\$0
1BD/1BA	610	111	\$0.97	\$593	67,710	\$65,823	\$789,876
2BD/2BA	0	0	\$0.00	\$0	0	\$0	\$0
Penthouse	0	0	\$0.00	\$0	0	\$0	\$0
Total	610	111	\$0.97	\$593	67,710	\$65,823	\$789,876

Storage Income	0 spaces	\$0.00 per month	\$0	\$0
Retail Income	3,698 SF	\$15.00 NNN	\$4,623	\$55,470

Potential Gross Income	\$70,446	\$845,346
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Operating Expenses:

Fixed Expenses	Monthly	Annual
Property Taxes	\$3,000	\$36,000
Insurance	\$8,100	\$97,200
Replacement Reserves	\$2,750	\$33,000

Variable Expenses	Monthly	Annual
G&A	\$2,610	\$31,320
Management Fee 4.0%	\$2,818	\$33,814
Utilities	\$6,930	\$83,160
Repairs and Maintenance	\$2,700	\$32,400
Advertising	\$1,800	\$21,600
Salaries and Benefits	\$4,167	\$50,000
Security	\$3,600	\$43,200
Miscellaneous	\$900	\$10,800
Retail Operating Expenses	\$1,146	\$13,750

Total Operating Expenses	(\$40,520)	(\$486,244)
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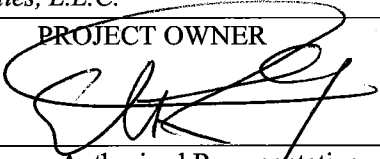
Net Operating Income	\$359,102
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1501 Canal Apartments Pro Forma Analysis

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Residential Potential Gross Income	\$789,876	\$809,623	\$809,623	\$809,623	\$809,623	\$809,623	\$809,623	\$809,623	\$809,623	\$809,623	\$809,623	\$809,623	\$809,623	\$809,623	\$809,623	\$809,623	\$809,623
Less: Vacancy/Rent Loss	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
Commercial Potential Gross Income	\$55,470	\$56,857	\$58,278	\$59,735	\$61,229	\$62,759	\$64,328	\$65,936	\$67,585	\$69,274	\$71,006	\$72,781	\$74,601	\$76,466	\$78,378	\$80,337	\$82,346
Less: Vacancy/Rent Loss	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
Effective Gross Income	\$786,172	\$805,826	\$807,148	\$808,503	\$809,892	\$811,315	\$812,775	\$814,270	\$815,803	\$817,375	\$818,985	\$820,636	\$822,328	\$824,063	\$825,841	\$827,663	\$829,531
Less: Operating Expenses	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
	(\$486,244)	(\$498,400)	(\$498,400)	(\$498,400)	(\$498,400)	(\$498,400)	(\$498,400)	(\$498,400)	(\$498,400)	(\$498,400)	(\$498,400)	(\$498,400)	(\$498,400)	(\$498,400)	(\$498,400)	(\$498,400)	(\$498,400)
Net Operating Income	\$299,928	\$307,426	\$308,748	\$310,103	\$311,492	\$312,915	\$314,375	\$315,870	\$317,403	\$318,975	\$320,585	\$322,236	\$323,928	\$325,663	\$327,441	\$329,263	\$331,131
Less: Debt Service	(\$260,847)	(\$261,020)	(\$261,020)	(\$261,020)	(\$261,020)	(\$261,020)	(\$261,020)	(\$261,020)	(\$261,020)	(\$261,020)	(\$261,020)	(\$261,020)	(\$261,020)	(\$261,020)	(\$261,020)	(\$261,020)	(\$261,020)
Cash Flow before Preferred Return	\$39,081	\$46,406	\$47,728	\$49,083	\$50,472	\$51,895	\$53,355	\$54,850	\$56,383	\$57,955	\$59,565	\$61,216	\$62,908	\$64,643	\$66,421	\$68,243	\$70,111
Less: Preferred Return on Historic Credits	0.0%	\$0	\$0	\$0	\$0	\$0	-	-	-	-	1	2	3	4	5	6	7
Cash Flow after Preferred Return	\$39,081	\$46,406	\$47,728	\$49,083	\$50,472	\$51,895	\$53,355	\$54,850	\$56,383	\$57,955	\$59,566	\$61,218	\$62,911	\$64,647	\$66,426	\$68,249	\$70,118
Key Metrics:																	
Debt Service Coverage Ratio	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	1.15	1.18	1.18	1.19	1.19	1.20	1.20	1.21	1.22	1.22	1.23	1.23	1.24	1.25	1.25	1.26	1.27

I certify that the information contained in this Project Summary and Application Package is true and accurate to the best of my knowledge.

Dated: 11/18/11

1501 Properties, L.L.C.
PROJECT OWNER

By: _____
Authorized Representative

DECISION BRIEF:

Request for an Additional \$17,019 in 4% Low Income Housing Credits for GCHP- MLK located in New Orleans, Louisiana in Orleans Parish

Issue

Sara Meadows Tolleson with GCHP-MLK, LLC, is requesting the Louisiana Housing Finance Agency to allocate an additional \$17,019 in 4% Low Income Housing Tax Credits for the development of a seventy (70) unit mixed-income residential complex located at 1931 Martin Luther King Blvd., New Orleans, Orleans, Parish, Louisiana. Seventeen (17) of the units will have project based vouchers; thirteen (13) of the units will be set aside for 40%-50% AMI; nineteen (19) of the units will be set aside for 60% or less AMI and twenty-one (21) of the units will be set aside for market rents.

In addition to the \$2,823,000 in Tax Credit Equity, other sources of funding to be utilized in this development will be \$8,101,036 in CDBG funds; \$1,723,937 in NSP funds from LHFA; \$1,700,000 in NSP funds from NORA; and \$7,500,000 in tax exempt bond financing (construction period only). The Total Development Cost of this project will be around \$13,689,210.

The mixed income, new construction, senior development includes seventy (70) residential units which will consist of thirty (30) one-bedroom units and forty (40) two-bedroom units.

The project was approved at the July 2009 Board of Commissioners' Meeting for \$372,981.00 in 4% Low Income Housing Tax Credits.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.
- The recommended action will enhance the housing stock for the citizens of Louisiana.

Cons: None

Recommendation:

Staff recommends approval of this request for additional 4% Low Income Housing Credits to further the mission of providing housing to the citizens of this state.

The following resolution was offered by _____ and seconded by _____:

RESOLUTION

A resolution authorizing the addition of seventeen thousand, nineteen dollars (\$17,019.00) in 4% Low Income Housing Tax Credits for a total reservation of three hundred, ninety thousand dollars (\$390,000.00) of 4% Low Income Housing Tax Credits to GCHP-MLK, #2009-09BF (1931 Martin Luther King Jr. Blvd., New Orleans, Orleans Parish, Louisiana); and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Finance Agency (the "Agency") has been ordered and directed to act on behalf of the State of Louisiana (the "State") in allocating and administering programs and/or resources made available pursuant to Section 42 of the Internal Revenue Code (the "Housing Tax Credit Program");

WHEREAS, the Agency approved the form of certain applications, documents, agreements and proceedings related to the Housing Tax Credit Program;

WHEREAS, Taxpayer/Owners of GCHP-MLK, a tax-exempt bond financed project, submitted an original request for three hundred seventy-two thousand, nine hundred eighty-one dollars (\$372,981.00) in 4% Low-Income Housing Tax Credits and was approved at the July 2009 Board of Commissioners' Meeting; and has subsequently submitted a request for an additional seventeen thousand, nineteen dollars (\$17,019.00) in 4% credits; and

WHEREAS, staff has reviewed and recommends the request for an additional seventeen thousand, nineteen dollars (\$17,019.00) in 4% credits for a total reservation of three hundred, ninety thousand dollars (\$390,000.00).

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Louisiana Housing Finance Agency (the "Board"), acting as the governing authority of said Agency:

SECTION 1. The reservation and/or allocation of additional 4% credits in the amount of seventeen thousand, nineteen dollars (\$17,019.00) is hereby made to the project GCHP-MLK in the amounts specified above.

SECTION 2. The Agency's staff and counsel are authorized and directed to prepare the forms of such documents and agreements as may be necessary to implement the Board's actions.

SECTION 3. The Chairman, Vice Chairman, President, Vice President and/or Secretary of the Agency be hereby authorized, empowered and directed to execute any forms and/or documents required to be executed on behalf of and in the name of the Agency, the terms of which are to be consistent with the provisions of this resolution as approved by the Agency's General Counsel and LIHTC Program Counsel, Foley & Judell, L.L.P.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 9th day of February, 2011.

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency, do hereby certify that the foregoing two (2) pages constitute a true and correct copy of the resolution adopted by said Board of Commissioners on February 9, 2011, entitled: “A resolution authorizing the addition of seventeen thousand, nineteen dollars (\$17,019.00) in 4% Low Income Housing Tax Credits for a total reservation of three hundred, ninety thousand dollars (\$390,000.00) of 4% Low Income Housing Tax Credits to GCHP-MLK, #2009-09BF (1931 Martin Luther King Jr. Blvd., New Orleans, Orleans Parish, Louisiana); and providing for other matters in connection therewith.”

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 9th day of February, 2011.

Secretary

(SEAL)

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by _____ and seconded by _____.

RESOLUTION

A resolution authorizing and directing staff to award tax credit assistance funds ("**TCAP Funds**") granted to the Louisiana Housing Finance Agency (the "**Agency**") that are returned and/or recaptured from prior awards; and providing for other matters in connection therewith.

WHEREAS, the Agency has been ordered and directed to act as the housing credit agency under Section 42 of the Internal Revenue Code of 1986, as amended (the "**Code**") on behalf of the State of Louisiana (the "**State**") in allocating and administering low-income housing credits ("**Tax Credits**") made available pursuant to the Section 42 of the Code (the "**LIHTC Program**"); and

WHEREAS, Title XII of Division A of the American Recovery and Reinvestment Act of 2009 (the Recovery Act") appropriated \$39 million of TCAP Funds to the Agency to facilitate the development of qualified low-income housing projects ("**LIHTC Projects**") that will be completed by February 16, 2012 in accordance with HUD Notice CPD-09-03 – REV issued May 4, 2009 but revised July 27, 2009 (the "**HUD TCAP Notice**"); and

WHEREAS, Agency has previously awarded all of such TCAP Funds to LIHTC Projects but has determined that several of such LIHTC Projects may not satisfy the federal statutory requirement of expending seventy-five percent (75%) of the TCAP Funds made available by February 16, 2011; and

WHEREAS, the HUD TCAP Notice requires the Agency to distribute TCAP Funds competitively under the Recovery Act and pursuant to the existing Qualified Allocation Plans ("**QAP**"), including a written description of all selection criteria and any weightings assigned to competitively award its TCAP Funds and how the Agency will redistribute TCAP Funds to more deserving Projects from projects which are not in compliance with deadlines established in the written agreement between the Agency and project owners; and

WHEREAS, to avoid the loss of TCAP Funds for failure to expend one hundred percent of TCAP Funds by February 16, 2012, the Board now desires to authorize and direct staff to award returned and/or recaptured TCAP Funds up to \$1.5M to LIHTC Projects awarded low-income housing tax credits under section 42(h) in fiscal years 2007, 2008 or 2009 with or without existing TCAP awards that (i) submit an application and AMEC model evidencing a funding gap and by no later than February 18, 2011; (ii) have completed an environmental review, (iii) projects that have expended 100% of prior TCAP Funds awarded and that can expend all TCAP Funds, including any additional TCAP Funds awarded by December 20, 2011 as verified by Foley and Judell (iv) that may be closed with such returned and/or recaptured

TCAP funds by no later than February 28th as verified by Foley and Judell and (v) that are request the least amount of TCAP Funds; and

WHEREAS, the Board of Commissioners of the Louisiana Housing Finance Agency now desires to authorize and approve the foregoing strategy;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Louisiana Housing Finance Agency (the "Board"), acting as the governing authority of said Agency that:

SECTION 1. TCAP Awards to Projects to avoid loss of TCAP Funds. The Agency staff and legal counsel are authorized and directed to prepare the forms of such notices, documents and/or agreements as may be necessary to award returned and/or recaptured TCAP Funds to projects, including bond-financed projects that (i) submit an application and AMEC model evidencing a funding gap by no later than February 18, 2011 (ii) have completed and environmental review, (iii) projects that have expended 100% of prior TCAP Funds awarded and that can expend all TCAP funds, including an additional TCAP Funds awarded by December 20, 2011 as verified by Foley and Judell (iv) that may be closed with such returned and/or recaptured TCAP funds by no later than February, 28, 2011 as verified by Foley and Judell and (v) that are requesting the least amount of TCAP Fund

SECTION 2. The Chairman, Vice Chairman, President, Vice President and/or Secretary of the Agency be and they are hereby authorized, empowered and directed to execute any forms and/or documents required to be executed on behalf of and in the name of the Agency, the terms of which are to be consistent with the provisions of this resolution as approved by the Agency's General Counsel and Tax Credit Counsel, Foley & Judell, L.L.P.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

ABSTAIN:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 9th day of February 2011.

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing two (2) pages constitute a true and correct copy of a resolution authorizing and directing staff to award the balance of tax credit assistance funds (“**TCAP Funds**”) granted to the Louisiana Housing Finance Agency (the "**Agency**") that are returned and/or recaptured from prior awards; and providing for other matters in connection therewith adopted by said Board of Commissioners on February 9, 2011.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 9th day of February 2011.

Secretary

(SEAL)

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by _____ and seconded by _____.

RESOLUTION

A resolution authorizing and directing staff to assess a ten (10) point reduction on all Low Income Housing Tax Credit applications for the next three (3) consecutive funding cycles that are submitted by developers that have been determined to have wasted Agency resources by 1) not voluntarily returning GO Zone credits by March 1st, 2011 via written certified mail to the Agency; and 2) their failure to accomplish a verifiable financial closing (as demonstrated by a draw/disbursement) by March 31, 2011; and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Finance Agency (the "Agency") has been ordered and directed to act on behalf of the State of Louisiana (the "State") in allocating and administering programs and/or resources made available pursuant to the Section 42 of the Internal Revenue Code (the LIHTC Program); and

WHEREAS, the Agency desires to authorize and direct staff and tax credit counsel to assess a ten (10) point reduction for three (3) consecutive funding cycles to developers of GO Zone projects that have wasted Agency resources, which is defined as not voluntarily returning GO Zone Credits by March 1, 2011, via written certified mail to the Agency, and failure to accomplish a verifiable financial closing, as demonstrated by a draw/disbursement, will result in a ten (10) point deduction from any Low Income Housing Tax Credit (LIHTC) application submitted by the developer during the next three (3) consecutive LIHTC Funding Rounds.

WHEREAS, wasted agency resources is defined as failure by the developer to return credits that cannot be utilized by the project by March 1, 2011 and failure of the project to meet the March 31, 2011 closing deadline.; and

WHEREAS, the Agency desires to authorize and direct staff and tax credit counsel to determine which projects are within the definition established for wasted agency resources and to notify such developers of being in the aforementioned category and allowing the developer five (5) days from date of notice to provide reason why the point reduction should not be assessed; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Louisiana Housing Finance Agency (the "Board"), acting as the governing authority of said Agency that:

SECTION 1. Staff may assess a ten (10) point reduction for the next three (3) consecutive LIHTC Funding Rounds on developers of GO Zone projects that have been determined by staff and tax counsel to have wasted Agency resources.

SECTION 2. The Agency staff and Tax Credit Counsel shall establish such procedures and documentation as may be necessary to notify developers of being identified as wasting Agency resources and the assessment of ten (10) points on the developer of such projects resulting in a ten (10) point deduction from any Low Income Housing Tax Credit (LIHTC) application submitted by the developer during the next three (3) consecutive LIHTC Funding Rounds.

SECTION 3. The Chairman, Vice Chairman, President, Vice President and/or Secretary of the Agency be and they are hereby authorized, empowered and directed to execute any forms and/or documents required to be executed on behalf of and in the name of the Agency, the terms of which are to be consistent with the provisions of this resolution.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

ABSTAIN:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 9th day of February 2011.

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing two (2) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on February 9, 2011, "A resolution authorizing and directing staff to assess a ten (10) point reduction on developers of GO Zone projects that have been determined to have wasted Agency resources; and providing for other matters in connection therewith." **IN FAITH WHEREOF**, witness my official signature and the impress of the official seal of the Agency on this, the 9th day of February 2011.

Secretary

(SEAL)

Timeline of 2011 LIHTC Reservations for Competitive Applications

January 19, 2011	Draft timeline submitted to the BOC for review.
March 25, 2011	Stakeholders meeting with developers, CHDO/Non-Profits, Local and National Investors, include potential tenants, representatives etc. (Location LHFA)
April 1, 2011	Deadline for receipt of additional written comments from stakeholders meeting
April 13, 2011	Draft QAP presented to the BOC
April 18, 2011	Statewide Publication of Draft QAP/Public Hearing Notice
May 2, 2011	Public Hearing on QAP (Location LHFA)
May 11, 2011	Board adopts Final QAP – Simultaneous submission to Governor and Joint Committee on Budget (JLCB)
May 25, 2011	Application Workshop (Subject to analysts development of app)
June 30, 2011	Application Deadline
August 10, 2011	Presentation of Preliminary ranking and scores presented to BOC
September 14, 2011	Board Approval of Final Rank and Reservation of Tax Credit Projects