



BOARD OF DIRECTORS

Agenda Item 11

Barry Brooks, Secretary

October 10, 2012

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RESOLUTION SUMMARY:

CARRYOVER EXTENSION REQUEST

OCTOBER 2012

OVERVIEW

The 2011/2012 Qualified Allocation Plan provided for carryover allocation documentation to be submitted no later than December 21th 2011 for projects allocated credits from the 2011 housing credit ceiling and not later than January 15, 2012 for projects forward allocated credits from the 2012 housing credit ceiling. Projects not meeting the 10% expenditure test were required to submit to the Corporation carryover documentation evidencing that expenditures of at least ten percent (10%) of a project's cost had been incurred on or before June 15, 2012.

The LHC Board of Directors, at the June 13, 2012 meeting granted an extension of submission of carryover documentation until November 15, 2012. Staff has since received a request from the taxpayer/owner of Mansfield Estates to allow an extension of the submission of carryover documentation to February 15, 2013 due to the award of tax credits occurring after the December 2011 awards.

STAFF RECOMMENDATION

Staff recommends extending the deadline for submission of carryover documentation for Mansfield Estates due to the project being awarded returned credits in April 2012 after being placed on the funding round's waiting list. Staff has confirmed with counsel that there are no legal issues related to extending the deadline to February 15, 2013 under the aforementioned circumstances.

MANSFIELD ESTATES

PROJECT DEVELOPMENT SUMMARY

Mansfield Estates is located at the intersection of Stadium Drive and King Street, Grambling, LA, Lincoln Parish, Louisiana was awarded from the 2011/2012 funding round waiting list \$740,000 in 2012 credits in April 2011. The project is expected to close in November 2012.

The new construction project will consist of thirty-four (34) buildings and one (1) community building. There are 34 residential units. The unit mix consists of six (6) two-bedroom units and twenty-one (12) three-bedroom units; and seven four-bedroom units. Twenty-eight (28) units will be set-aside for tenants with an income equal to or less than 60% Area Median Income (AMI) and four (4) units will serve tenants with incomes equal to or below 30% AMI.

DEVELOPMENT GROUP AND FINANCIAL PARTNERS

The taxpayer contact and representative at the Board of Directors meeting for the project is James Freeman, Standard Enterprises. The projects development team consists of the following:

Developer	John Steed, Stogan Development
Syndicator	Josh Levy, Centerline Capital Group
Construction Mortgage	Taylor Cagle, Community Trust Bank
Management Company	Bert Loe, Standard Enterprise
Builder/Contractor	Walker Glenn, Equity Construction of Monroe

FINANCIAL ANALYSIS

Funding Sources:

Permanent First Mortgage	\$815,000
Gross Tax Credit Equity	\$5,771,422
Deferred Developer Fee	\$10,286.50

Project Costs:

Total Development Cost:	\$6,529,122
Total Units:	34
Total Cost/Unit:	\$184,680
Total Square Feet:	40,901
Total Cost/SF:	\$153.52

Construction Costs:

Rehabilitation Hard Costs:	N/A
Construction Hard Costs:	\$5,105,736
Total Soft Costs	\$1,263,386
Land Costs:	\$160,000

LOUISIANA HOUSING CORPORATION

The following resolution was offered by Director _____ and approved by Director _____:

RESOLUTION

A resolution authorizing an extension of submission of Carryover Allocation Documentation as stipulated in the 2011/2012 QAP by Louisiana Housing Corporation (the "Corporation") with respect to a certain project awarded under such QAP; and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Corporation (the "Corporation" or "LHC") has been ordered and directed to act on behalf of the State of Louisiana (the "State") in applying for, implementing, allocating, and administering programs, grants and/or resources made available pursuant to Section 42 of the Internal Revenue Code (the Low Income Housing Tax Credit Program); and

WHEREAS, the LHC Board of Directors, at the June 8, 2011 meeting, adopted a resolution approving the 2011/2012 Qualified Allocation Plan (QAP), and providing for other matters in connection therewith, and

WHEREAS, the 2011/2012 QAP provided for carryover allocation documentation to be submitted no later than December 21th 2011 for projects allocated credits from the 2011 housing credit ceiling and not later than January 15, 2012 for projects forward allocated credits from the 2012 housing credit ceiling. Projects not meeting the 10% expenditure test were required to submit to the Corporation carryover documentation evidencing that expenditures of at least ten percent (10%) of a project's cost had been incurred on or before June 15, 2012, and

WHEREAS, the LHC Board of Directors, at the June 13, 2012 meeting granted an extension of submission of carryover documentation until November 15, 2012; and,

WHEREAS, staff received a request from the Taxpayer/Owner of Mansfield Estates (the "Project") to allow for an extension of the submission of carryover documentation (attached); and based on the request, staff recommends approving an extension that would allow the aforementioned Taxpayer/Owner to submit to the Corporation all carryover documentation evidencing that expenditures of at least ten percent (10%) of a project's cost has been incurred, including an appropriate attorney or CPA opinion in the format prescribed by the Corporation, by no later than February 15, 2012 for the Project; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Louisiana Housing Corporation, that:

SECTION 1. The carryover dates previously stipulated shall be extended for Mansfield Estates to **February 15, 2012.**

SECTION 2. All taxpayers are hereby put on notice that failure to meet the carryover allocation by the extended deadline shall result in the automatic rescission of all tax credits reserved to the taxpayer for the project failing to meet the 10% carryover certification.

SECTION 3. The Corporation 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 4. The Chairman, Interim Executive Director of the Corporation, and/or Secretary of the Corporation 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 Corporation, the terms of which are to be consistent with the provisions of this resolution as approved by 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:

ABSTAIN:

ABSENT:

And the resolution was declared adopted on this, the 10th day of October, 2012.

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Directors of the Louisiana Housing Corporation (the "Corporation"), 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 October 10, 2012, entitled, "A resolution authorizing an extension of the submission of Carryover Allocation Documentation as stipulated in the 2011/2012 QAP by Louisiana Housing Corporation (the "Corporation") with respect to a certain project awarded under such QAP; and providing for other matters in connection therewith."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Corporation on this, the 10th day of October, 2012.

Secretary

(SEAL)

September 13, 2012

Ms. Brenda Evans
Program Administrator
Louisiana Housing Finance Agency
2415 Quail Dr.
Baton Rouge, LA 70808

Re: Mansfield Estates #1112-16

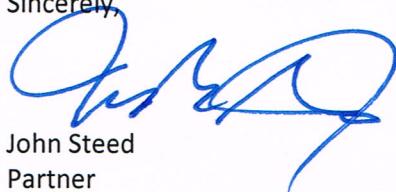
Dear Brenda-

Please accept this letter as our official request to extend the carryover deadline for Mansfield Estates. As you know Mansfield did not receive an allocation of LIHTC's until April 2012. Mansfield currently has a financing commitment from Community Trust Bank and has a commitment from Hudson Housing Capital to purchase the credits.

Plans and specifications are complete and the project expects to close and start construction in November. Since the project was late receiving an allocation of tax credits it has pushed closing back accordingly. The current 10% carryover deadline is set for November 15, 2012. If Mansfield is required to adhere to this deadline it will create unnecessary cost for the development in the way of pre-purchased material and other items needed to evidence 10% expenditure.

We hereby request an extension of 10% carryover until February 15, 2013 to allow the project time to close and start construction. Since this project is allocated 2012 credits there should not be a problem extending carryover beyond December 31, 2012. Please place this item on the October BOC agenda for consideration.

Sincerely,



John Steed
Partner
Mansfield Estates, ALPIC