



# **Board of Directors**

## **Agenda Item**

**Resolution regarding additional 4% credits to  
Gabriel Villa Preservation Rehab Apartments**

**February 9, 2017**

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## LOUISIANA HOUSING CORPORATION

The following resolution was offered by Director \_\_\_\_\_ and seconded by Director \_\_\_\_\_:

### **RESOLUTION**

**A resolution authorizing and approving the issuance of an addition of fifty-three thousand, four hundred fifty-two dollars (\$53,452.00) for a total reservation of two hundred thirty-two thousand, seven hundred and fifty-four dollars (\$232,754.00) in 4% non-competitive Low Income Housing Tax Credits to Gabriel Villa, (806 N. Latour Street, Ville Platte, Evangeline Parish, Louisiana); and providing for other matters in connection therewith.**

**WHEREAS**, the Louisiana Housing Corporation (the "Corporation") 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"); and

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

**WHEREAS**, Taxpayer/Owners of Gabriel Villa, a tax-exempt bond financed project, submitted an original request for one hundred seventy-nine thousand, three hundred two dollars (\$179,302.00) in 4% Low-Income Housing Tax Credits and was approved at the April 2016 Board of Directors' Meeting; and has subsequently submitted a request for an additional fifty-three thousand, four hundred fifty-two dollars (\$53,452.00) in 4% credits; and

**WHEREAS**, staff has reviewed and recommends the request for an additional fifty-three thousand, four hundred fifty-two dollars (\$53,452.00) for a total reservation of two hundred thirty-two thousand, seven hundred and fifty-four dollars (\$232,754.00).

**NOW THEREFORE BE IT RESOLVED** by the Board of Directors (the "Board") of the Louisiana Housing Corporation, acting as the governing authority of said Corporation:

**SECTION 1.** The reservation and/or allocation of additional 4% credits in the amount of fifty-three thousand, four hundred fifty-two dollars (\$53,452.00) is hereby made to the project Gabriel Villa in the amounts specified above.

**SECTION 2.** The Corporation'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, and Executive Director of the Corporation 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 Corporation, the terms of which are to be consistent with the provisions of this resolution as approved by the Corporation's Counsel and LIHTC Program Counsel.

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

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Chairperson

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Secretary

**STATE OF LOUISIANA**

**PARISH OF EAST BATON ROUGE**

I, the undersigned Secretary of the Board of Directors of the Louisiana Housing Corporation, do hereby certify that the foregoing two (2) pages constitute a true and correct copy of the resolution adopted by said Board of Directors on February 09, 2017, entitled: “A resolution authorizing the addition of fifty-three thousand, four hundred fifty-two dollars (\$53,452.00) for a total reservation of two hundred thirty-two thousand, seven hundred and fifty-four dollars (\$232,754.00) in 4% Low Income Housing Tax Credits to Gabriel Villa, (806 N. Latour Street, Ville Platte, Evangeline 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 Corporation on this, the 9<sup>th</sup> day of February 2017.

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Secretary

(SEAL)

## GABRIEL VILLA PRESERVATION REHAB APARTMENTS VILLE PLATTE, LOUISIANA

### Reason for Requested Reprocessing

The request for additional credits is due to increased costs associated with the development of the project.

**Requesting approval of:**

- \$53,452.00 increase in 4% credits for a total of \$232,754.00 in Low Income Housing Tax Credits.

### Project History and Previous Board Action

The project was approved in April 2016 for:

- \$1,500,000.00 in HOME Funds
- \$4,500,000.00 in Multi-Family Mortgage Revenue Bonds
- \$179,302.00 in Low Income Housing Tax Credits

**Development Team** – Gulf Coast Housing Partnership – Kathy Laborde, Regions Bank; James Hunter Law Firm; Kennedy Management Company; Architect – Ardoin Architecture; and Builder- Hesnor Contractors

### Reprocessing Involves the Following Changes

	Approved	Reprocessing	Increase/(Decrease)
1.) Total Development Cost	\$5,368,637.00	\$6,736,608.00	\$1,367,971.00
2.) Increase 4% Credits	\$179,302.00	\$232,754.00	\$53,452.00

### Project Specifics

#### Construction Costs

Construction Hard Costs	\$6,598,831.00
Soft Costs	\$1,923,508.45
Land Only	\$100,000.00

#### Unit Mix

1 Bedroom Units	8
2 Bedroom Units	32
3 Bedroom Units	24
4 Bedroom Units	
<b>Total Units</b>	<b>64</b>

#### Development Costs:

	Approved	Reprocessing	Net Change
<b>Total Development Cost</b>	<b>\$5,368,637.00</b>	<b>\$6,736,608.45</b>	<b>\$1,367,971.00</b>
Total Cost/Unit	\$83,884.95	\$105,259.50	\$21,374.55
Total Square Feet	59,828	58,008	(1,820)
<b>Total Cost/SF</b>	<b>\$89.73</b>	<b>\$116.13</b>	<b>\$26.40</b>
Permanent First Mortgage	\$422,496.00	\$1,300,000.00	877,504
Second Mortgage (USDA Loan)	\$825,000.00	\$780,850.25	(\$44,149.75)
Gross Tax Credit Equity	\$1,633,083.00	\$2,385,256.00	\$752,173.00
HOME Funds	\$1,500,000.00	\$1,500,000.00	\$0.00
Deferred Developer Fee & loan	\$300,000.00	\$0.00	\$0.00
Other - Seller Financing	\$1,033,507.00	\$2,597,371.67	\$1,563,864.67
Reserves	(\$345,449.00)	(\$265,168.97)	(\$80,280.03)
<b>Total</b>	<b>\$5,368,637.00</b>	<b>\$6,736,608.00</b>	<b>\$1,667,971.45</b>

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## GABRIEL VILLA PRESERVATION REHAB APARTMENTS VILLE PLATTE, LOUISIANA

### Estimated Economic Impact\*

*\*Estimated using the National Association of Home Builders (NAHB) economic model*

	During Construction (One-Year Impact)	Post-Construction (Annual Impact)
Local Employment Income	\$5,056,000.00	\$1,536,000.00
Local Employment Taxes	\$529,280.00	\$282,240.00
Local Jobs	79	20
LHC Application/Reprocessing Fees	\$1,250.00	\$0.00
Compliance Monitoring Fees	\$2,112.00	\$2,112.00

### Area Demographic Profile

*Source: U.S. Census Bureau, American Fact Finder*

Evangeline Parish	
	2007-2011
Median Household Income	\$30,323.00
People living in poverty	26%
People living at or above poverty	74%
Workers earning \$1,250/mo or less	24%
Workers earning \$1,251 - \$3,333/mo	42%

### Occupancy Profile

*Source Citation: U.S. Department of Housing and Urban Development (HUD) AMI Limits*

No. of Units	AMI	Annual Qualifying Income Limit
64	100% PBRA	\$15,161.50-\$18,193.80

### Examples of Occupations in New Orleans in the 50-60% AMI Category

*Source Citation: Louisiana Workforce Commission*

Construction	Bus Drivers	Hotel Clerks	Medical Assistants
Industrial/Manufacturing	Office Clerks	Management	Firefighters
Retail Sales	Teacher Assistants	Bank Tellers	Para-professionals
Wholesale Trade	Childcare Workers	Security Guards	Administrative Assistants

### Projected Major Area Employers

Service Sector	Professional Services
Private Industry	Local Government