

Louisiana Housing Finance Agency



Administration Department

May 2, 2007

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May 4, 2007

FULL BOARD

Notice is hereby given of a regular meeting of the LHFA Board of Commissioners to be held on **Wednesday, May 9, 2007 at 11:00 A.M.**, Louisiana Housing Finance Agency, V. Jean Butler Boardroom, located at 2415 Quail Drive, Baton Rouge, LA by order of the Chairman.

Preliminary Agenda

1. Call to order, roll call and introduction of guests
2. Approval of the Minutes of the April 18, 2007 Full Board Meeting
3. Chairman's Report
4. President's Report
 - Update on Gaslight and Willowbrook by Michael Holley
 - Strategic Plan
5. Finance Committee Report
 - Approval of and recommendation to Full Board for adoption of the Fiscal 2007-2008 Budget
 - Other Business
6. Multifamily Committee Report
 - Multifamily Bond Finance Update
 - A resolution accepting the proposal of Morgan Keegan & Company, Inc. for the purchase of not exceeding Twelve Million Dollars (\$12,000,000) of Louisiana Housing Finance Agency Multifamily Housing Bonds (Autum Chase Apartments Project) in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing.

- A resolution accepting the proposal of Oppenheimer for the purchase of not exceeding Seven Million Twenty Thousand Dollars (\$7,020,000) of Louisiana Housing Finance Agency Multifamily Housing Bonds (Bacmonila Garden Apartments Project) in one or more series; fixing the terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing.
- A resolution accepting the proposal of Citizens Bank or its designated affiliate for the purchase of not exceeding Two Million Dollars (\$2,000,000) of Louisiana Housing Finance Agency Multifamily Housing Bonds (Pine Terrace Apartments Project) in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing.
- A resolution accepting the proposal of Morgan Keegan & Company, Inc. for the purchase of not exceeding Nine Million Two Hundred Fifty Thousand Dollars (\$9,250,000) of Louisiana Housing Finance Agency Multifamily Housing Bonds (Spanish Arms Apartments Project) in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing.
- A resolution of intention to issue Multifamily Housing Revenue Bonds to finance the acquisition, rehabilitation and equipping of a multifamily housing project; authorizing not exceeding \$1,389,000 Multifamily Housing Revenue Bonds (Breux Bridge Broussard Phase II Project) in one or more series; and providing for other matters in connection therewith.
- A resolution of intention to issue Multifamily Housing Revenue Bonds to finance the acquisition, rehabilitation and equipping of a multifamily housing project; authorizing not exceeding \$1,128,638 Multifamily Housing Revenue Bonds (Candlewood Estates Phase II Project) in one or more series; and providing for other matters in connection therewith.
- A resolution of intention to issue Multifamily Housing Revenue Bonds to finance the acquisition, rehabilitation and equipping of a multifamily housing project; authorizing not exceeding \$1,414,800 Multifamily Housing Revenue Bonds (Oakwood Estates Phase II Project) in one or more series; and providing for other matters in connection therewith.

- Ratification for a actions by Czars:
 - Renaissance Place –Extension to meet carryover June 15, 2007.
 - Hideaway / St. Landry Renaissance Place – Extension to meet carryover for June 15, 2007.
 - Providence Community Housing Properties- Extension to meet carryover.
 - St. Martin Manor #06(2)-150
 - St. John Berchman Manor #06(2)-151
 - Delille Inn #06(2)-152
 - Nazareth Inn I #06(2)-153
 - Annunciation Inn #06(2)-155
 - All Saints Apartments #07/08(FA)-32
 - Nativity Apartments #07/08(FA)-33
 - Nazareth Inn II #07/08(FA)-34

- 7. Special Programs/HOME Committee Report
 - HOME reconciliation update
 - Review and approval of the 2008 HOME portion of the Action Plan
Estimated Allocation of HOME Dollars by Activity

- 8. Legal Committee Report
 - Update on Katrina Cottages Cooperative Endeavor Agreement and FEMA AHPP Agreement
 - Report on Willowbrook and Gaslight Litigation
 - Discussion of Year 15 Policy and Procedures (Qualified Contracts) IRS Code Section 42(h)(6)(E)(i)(II)

- 9. Single Family Committee Report
 - Updates on the 2007A, 2006D, 2006C, 2006BR, 2006B, 2006AR, 2006A Issues and Whole Loan Report

- 10. Other Business
 - Ethics Training Presentation

- 11. Adjournment

Milton J. Bailey, President

If you require special services, please contact Barry Brooks at (225) 763 8700 no later than Monday, May 7, 2007.

**Louisiana Housing Finance Agency
Full Board Meeting Minutes
Wednesday, April 18, 2007
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
11:45 A.M.**

Commissioners Present

Wayne E. Woods
Lisa Woodruff-White
Alice Washington on behalf of John Kennedy
Phillip Miller
Bob Austin
Mark Madderra
Dr. Adell Brown, Jr.
Greg Gachassin
Danette O'Neal
Merriell F. Lawson
Kevin J. Brown
Allison A. Jones
Carolyn B. Burris
Larry J. Broussard
Guy T. Williams

Commissioners Absent

John Kennedy
Kevin J. Brown

Legal Counsel Present

Wayne Neveu, Foley & Judell

Staff Present

Barry Brooks
Lourie Brown
Brenda Evans
Tina Powell
Tim Shackelford
Anne Fulton
Louis Russell

Others Present

See Sign-In Sheet Attachment

Chairman Woods called the meeting to order at 1:05PM. He then asked that the roll be called. Lourie Brown did the roll call and thereafter a quorum was reached. Note there was no introduction of guests per Chairman Woods because of time constraints (see attached Sign-In Sheet). He then requested the minutes of the March 21, 2007 Full Board Meeting be approved by his fellow Commissioners.

On a motion by Commissioner Jones and seconded by Commissioner Adell Brown, Jr., the minutes of the March 21, 2007 Full Board meeting were approved.

CHAIRMAN'S REPORT

The Chairman's Report was tabled per Chairman Woods' request pending the final outcome of the Board Election of Officers and the LHFA President-Secretary and Vice President. He accordingly thereafter recused himself from conducting the meeting and passed the floor to Commissioner Austin for further handling.

Commissioner Austin opened the floor for elections of Board Chairman, Board Vice-Chairman and for LHFA President-Secretary and LHFA Vice President for 2007-2008. The floor was then opened for nominations of the four vacancies. Commissioner Greg Gachassin proposed the following slate of candidates: Wayne Woods for Board Chairman, Allison Jones for Board Vice-Chair, Milton Bailey for Agency President-Secretary, and James Gilmore for Agency Vice-President.

Commissioner Austin confirmed the nomination of the slate of officers which was seconded by Commissioner Larry Broussard. Mr. Austin then requested acknowledgement of any other nominations or alterations to the current pending nominations motion.

Commissioner Carolyn Burris nominated a separate slate of officers as follows: Mark Madderra as Board Chairman, Allison Jones for Board Vice-Chair, Milton Bailey for Agency President-Secretary, and James Gilmore for Agency Vice-President. Commissioner Austin requested clarification from Ms. Burris that the only nomination change would be Mark Madderra instead of Wayne Woods as Chairman with the nominations remaining the same as earlier prescribed. Ms. Burris concurred. Accordingly, Mr. Austin requested a set-aside for election of the Board Chair for later resolve and to proceed with the other three nominations.

Commissioner Mark Madderra respectively declined the nomination for Board Chairman. Commissioner Austin summarized that since Commissioner Madderra had declined the nomination for Board Chairman, the issue becomes improper and the original slate of officers would stand as well as the acclamation. Commissioner Austin opened the floor for any comments or questions from the Board Members. There were none.

The motion for acclamation was voted on with one dissention vote from Commissioner Burris. That being so, the motion passed and was approved for Commissioner Gachassin's slate of officer nominations.

Elected Officers are:

- Wayne Woods for Board Chairman**
- Allison Jones for Board Vice-Chair**
- Milton Bailey for Agency President-Secretary**
- James Gilmore for Agency Vice-President**

Commissioner Austin thereafter reverted the floor back to Chairman Woods.

Chairman Woods expressed his thanks and gratitude to everyone for their vote of confidence. He also acknowledged the past year's struggles and the applauded the healing of relationships thereafter. He also noted the good work efforts of the Board, himself, and gave additional accolades to Milton Bailey and James Gilmore. .

Commissioner Austin requested a review of the previous passed motion to ensure that the matter did incorporate that the LHFA President serves also as Board Secretary. Commissioner Gachassin stated this issue was indeed included in his original motion. Commissioner Austin thereafter concurred.

PRESIDENT'S REPORT

Commissioner Woods passed the floor on to President Bailey for the President's Report. President Bailey began by thanking the Board for their support of his continuation as LHFA President. He then gave jubilant thanks to the developers, the Board of Directors, advocates of affordable housing, and others who are instruments of support in the continued success of LHFA in the achievement of it's goals and mission of affordable housing. He also extended accolades to the LHFA staff for their hard work.

President Bailey then gave an update on the progress of the Strategic Plan for the immediate housing needs of the State. He noted GCR had been contracted to do a Pre- and Post-Katrina assessment to assist in the development of the Agency's Strategic Plan endeavors. He advised that the report is readily available for anyone wishing to review it. A statement analysis of the findings was discussed detailing various statistics, GO Zone and Per Capita tax credit matters, crisis management criteria, revenue bond funds, home funds, etc., in relation to the objectives of affordable housing in the State. He also stressed that even after 17,000 housing units are available and go online, this only encompasses 10% of the total needs assessed with there consequently still being 110,000 affordable housing units needing to be built or reconstructed in the GO Zone. This conclusionary statement is the main basis for the 10-year Strategic Plan which calls for a "philosophical umbrella" under which to establish housing unit production goals.

President Bailey requested concurrence from the Board on placing the Strategic Plan in the public domain to give the public an opportunity to review the Plan, understand the mission, and time to comment within ten days. Additionally, he requested permission to put the Plan on the LHFA website in order to receive input from the community.

He then noted the Objectives were to continue building the internal capacity of the Agency programs - including Administration, Tax Credits, HOME, and Energy. Also establishing internal buy-ins and coalitions with developers, communities, advocates, and other stakeholders in raising the visibility of the LHFA while also raising the quality of life in the developments that are financed by the Agency likewise. He also stressed the need to further the various Community Outreach programs and aspects to educate the populace, council persons, state legislators, and others in fully grasping the empowering benefit of establishing affordable housing. Additional positive education should be in noting that mixed-income affordable housing is nothing to be feared; but in fact, should be supported and encouraged. President Bailey also touched briefly on the aspects of the NIMBY (Not In My Back Yard) philosophy as it takes root within some areas of the State, in particular Jefferson, Slidell, and East New Orleans. He then requested that Vice President James Gilmore read a letter into the record dealing with a public records request and the initiation of market study analyses that was received from Senator Ann Duplessis.

Thereafter, Mr. Gilmore took the floor and proceeded to read the letter verbatim for the record.

Milton Bailey continued his discussion of the Strategic Plan that deals with creating networks between stakeholders by working with various federal, state, local, private, and public entities to create links with legislators and local advisory groups towards getting a consensus on the appropriate means to reach affordable housing objectives of the State and LHFA.

The third aspect President Bailey discussed from the Strategic Plan was to improve the LHFA from within. He did note the progress in so far as the development of staffing capacity was concerned. Aspects of internal capacity enhancements were also discussed, in addition to fiduciary position enhancements and reserve growth, and the need for encouraging the awareness of disadvantaged groups and the need for their participation in the overall development of affordable housing in the local communities.

The fourth primary focus, to which President Bailey is giving his personal attention, involves returning back to Congress to get additional funding resources, continuing to build the Agency's internal program capacities, as well as building external awareness of the programs and the benefits derived from affordable housing. He will continue to work with various entities including the residents, council members, state legislature, and the media to dispel the myths and misnomers currently affecting the progression of affordable housing.

President Bailey's final aspect dealt with enhancing partnerships with stakeholders.

The Chair recognized Commissioner Lisa Woodruff-White who inquired as to whether the items referenced earlier in the letter received from Senator Duplessis had in fact been acted upon. President Bailey referred her inquiry to Vice-President Gilmore for comment. VP Gilmore confirmed the information requested by Senator Duplessis had been sent. He detailed the delivery date of each item accordingly, noting the initial request date of March 21, 2007 with a 2nd request received on April 4, 2007. He also stated that items #1 and #2 as referenced in the April 4 letter that dealt with market studies and the documents respectively thereof were submitted to the Senator on April 5. Item #3 that dealt with securing a market study of Eastern New Orleans is being worked on but is pending further analysis due to geographical specifics of the request. Item #4 requesting that Gaslight Square and Willow Brook apartment complexes not be developed was not feasible as the complexes are state-owned by LHFA, are in their final stages of redevelopment and will proceed accordingly.

Chairman Woods presented clarification that the redevelopment of Gaslight Square and Willow Brook apartment complexes are not in the control of the Agency at this point and that every effort is being made to ensure that the previous tenants are given preference in returning back to their respective complexes in conjunction with the Agency's mission of providing affordable housing.

President Milton Bailey requested a change in the Agenda to reflect that Walter Guillory of the Lafayette Housing Authority be allowed to present his 4-minute video presentation. He extended an invitation to Mr. Guillory to make any opening remarks and/or commentary prior to the showing of the video. Mr. Guillory thanked the Board and introduced himself as representing the Lafayette Housing Authority along with the Opelousas Housing Authority and the Louisiana Housing Council. He then gave a brief introduction of his groups' goals as that of providing programs that will help meet the needs of their residents so that they can become self-sufficient, and that the continued cycle of multi-generational public housing be substantially reduced via encouragement, mentoring, and educational programs. Thereafter, the video from Mr. Guillory was shown. It was followed by a post-discussion from Mr. Guillory reiterating the new goals of public housing authorities of transitioning everyone from public housing to home ownership. He thanked the Board for its continued support and also respectfully requested that PHA's receive 50 bonus points on their applications to allow them to continue to provide the services they are involved with as they've acquired additional lands in Lafayette and Opelousas and anticipate completing an additional 60 homes in both areas.

SINGLE FAMILY COMMITTEE REPORT

Chairman Woods then requested that in the interest of time the Commissioners review their packets for the 2007A, 2006D, 2006C, 2006BR, 2006B, 2006AR, 2006A Issued and Whole Loan Report update inserts, stating that the Mortgage Bond presentation by Larry Englande as presented earlier in the Single Family Committee meeting. He also noted the presentation was very informative and that there will be upcoming training sessions available for the Board and anyone interested.

The next item on the Agenda was a resolution approving and authorizing the issuance of not exceeding One Hundred Million Dollars (\$100,000,000) of Louisiana Housing Finance Agency Single Family Mortgage Revenue Bonds, Series 2007B in one or more subseries (the "Series 2007B Bonds"). He requested confirmation from Commissioner O'Neal that the matter was reported favorably from the Single Family Committee. Commissioner O'Neal responded affirmatively. Thereafter, the Chair requested adoption of the matter accordingly.

On a motion by Commissioner Brown and seconded by Commissioner Jones, the foregoing resolution was approved.

The next item on the Agenda was a resolution approving the delivery of not exceeding Fifty Million Dollars (\$50,000,000) of Louisiana Housing Finance Agency Single Family Mortgage Revenue Bonds, Series 2007B-1, as GO Zone Bonds (the "Series 2007B-1 Bonds" or "GO Zone Bonds") to finance mortgage loans for home buyers located in the GO Zone. The Chairman reiterated that this matter likewise was approved favorably by the Single Family Committee and a motion for adoption was issued.

On a motion by Commissioner Gachassin and seconded by Commissioner Lawson, the foregoing resolution was approved.

Commissioner Danette O'Neal reminded the Board that there will be a meeting of the Finance Team on Tuesday, May 1, 2007 at 1:00pm.

MULTIFAMILY COMMITTEE REPORT

Commissioner Madderra confirmed the resolutions were approved at the Multifamily Committee meeting. He noted items on the third page may require discussion.

The first item was a request for approval of a resolution for Autumn Chase Apartments Project. Chairman Woods entertained a motion to approve the resolution.

On a motion by Commissioner Madderra and seconded by Commissioner Jones, the foregoing resolution was approved.

The next item was a request for approval of a resolution for the Bacmonila Garden Apartment Project.

On a motion offered by Commissioner Madderra and seconded by Commissioner Jones, the foregoing resolution was approved.

Next to be discussed was a resolution accepting the proposal of Bank of America, N.A. for the purchase of not exceeding Eight Million Five Hundred Thousand Dollars (\$8,500,000) of Louisiana Housing Finance Agency Multifamily Housing Refunding Bonds (Legacy Heights Apartments Project) in one or more series; fixing the terms of said bonds and otherwise providing with respect to said bonds. Noting again the item reported favorably out of the Multifamily Committee, the Chair offered the matter for acceptance.

A motion was offered by Commissioner Lawson and seconded by Commissioner Madderra. There being no further discussions or oppositions, the matter was unanimously passed.

The fourth matter was a resolution of intention to issue Multifamily Housing Revenue Bonds to finance the acquisition, rehabilitation and equipping of a multifamily housing project; authorizing not exceeding \$2,000,000 Multifamily Housing Revenue Bonds (Pine Terrace Apartments Project) in one or more series.

On a motion offered by Commissioner Lawson and seconded by Commissioner Madderra, the foregoing resolution was approved.

The fifth matter was a resolution of intention to issue Multifamily Housing Revenue Bonds to finance the acquisition, rehabilitation and equipping of a multifamily housing project; authorizing not exceeding \$9,250,000 Multifamily Housing Revenue Bonds (Spanish Arms Apartments Project) in one or more series.

A motion was offered by Commissioner Madderra and seconded by Commissioner Burris. There being no further discussions or oppositions, the matter was unanimously passed.

The Chair requested the next item on the Agenda, the Qualified Allocation Plan matter, be tabled for later discussion.

Accordingly, it was then explained that the next resolution related to a matter that the Chairman Woods, President Bailey, and Commissioner Madderra in their respective official Board capacities had voted on. They were requesting that a resolution be approved that would waive the twenty percent (20%) poverty unit set-aside based upon upon HANO's failure to provide Section 8 Project Based Assistance, for the NHP Foundation-Forest Park, #06(2)-211 development project funded in 2006.

On a motion offered by Commissioner Brown and seconded by Commissioner Madderra. There being no further discussions or oppositions, the matter was unanimously passed.

The next resolution was a resolution ratifying board action waiving the twenty percent (20%) poverty unit set-aside for Redemptorist Apartments, #06(02)-294 based upon HANO's commitment of providing HAP contract through January 2011.

On a motion offered by Commissioner Jones and seconded by Commissioner Madderra. There being no further discussions or oppositions, the matter was unanimously passed.

The Chair continued the meeting introducing the next item which was a resolution ratifying Board action approving additional credits for 6 projects that requested additional credits, namely:

Crescent Garden #07/08(FA)-38; Renaissance Place #07/08 FA-46; 3501 St. Claude 06(2)-112; Hunters Glen #06(3)-463; Bayou Gardens 06(2)-250 \$80,675; Renaissance Place #06-21.

Commissioner Gachassin provided clarification that the 6 projects were 100% of the projects requesting credits, therefore no submittals had been rejected.

On a motion offered by Commissioner Madderra and seconded by Commissioner Lawson, the foregoing resolution was approved.

Introduced next by the Chair was a resolution to approve the site change for Forest Towers, #07/08(FA)-02 (VOA) and providing for all necessary documentation, reprocessing and matters pertaining thereto. Commissioner Gachassin provided a brief history of this matter noting the original property site was in Orleans Parish but due to opposition they were unable to proceed accordingly. Therefore they are looking at the possibility of relocation to a new site in Jefferson Parish. However, due to opposition from local officials they were unable to proceed accordingly. This property is tied to 200 units and also associated with a HAP contract. Additionally, the property is being kept within the New Orleans Metropolitan Area and will service the elderly. Based on the foregoing, Commissioner Gachassin requested affirmation of the site change request from the Board. Chairman Woods inquired as to what the location would be for the new site change. Commissioner Gachassin noted the only info he had available was there were two potential sites described as Central City and New Orleans, pending further discussions with the local officials on any anticipated future oppositions. Chairman Woods requested confirmation as to whether approval of the resolution's intention was contingent upon the final site selection(s). Commissioner Gachassin continued that a finalization of the formal site selection information should be available soon because the proposed sites are in the same submarkets. Commissioner Jones followed up summarizing in essence that the credits are transportable in this matter. Her statement was confirmed by Commissioner Gachassin.

On a motion offered by Commissioner Madderra and seconded by Commissioner Jones, the foregoing resolution was approved.

Next item introduced by the Chairman was a resolution approving the adjacent movement of the project for North Abbeville, #06(2)-126 on contiguous site; providing for all matters pertaining thereto. Commissioner Madderra gave a brief history noting that this was a two-phase site development with the front area development having already been approved and that this resolution will require that completion of development of the back area is to be done first instead.

On a motion offered by Commissioner Madderra and seconded by Commissioner Williams, the foregoing resolution was approved.

Chairman Woods then issued confirmation that the next two items listed on the Agenda, namely the Discussion of Forest Towers site change and Discussion of North Abbeville site change, had concurrently been discussed during the previous two resolution introductions and voted on.

Chairman Woods then redirected everyone back to the QAP pending agenda matter as the next topic for discussion. Commissioner Madderra continued noting that there was a consensus on the technical agreements with the exception of three points of significant discussion. He requested

some further time to discuss those matters so everyone would be in agreement. Chairman Woods gave further clarification that there had previously been public and open hearings on these matters, that he is cognizant of the differing of opinions and that now was the time for the Board to make a decision without the benefit of any further public discussions.

Commissioner Madderra stated the first item dealt with the liability of permanent supportive housing projects, noting that assurance of project submittals are contingent that the project is viable using the rents that are related to the projects. He noted that one of the concerns was developers being put in a position where either they felt the need to select the points to get approved but then did not have the funding to carry out the projects and would have to come back to the Board for waivers. He again stressed the importance of affordable permanent supportive housing. Commissioner Madderra continued, stating the need for a possible formal workshop on permanent supportive housing units due to the apparent confusion and need for additional information. A date for the workshop has not been set and will be announced at a later date. Chairman Woods provided clarification that the Board is very committed to the concept of permanent supportive housing units. Commissioner Madderra concurred noting that one of the other two issues discussed previously at length involved substantial developers and that points should be awarded to them if they can demonstrate a good track record of generating deals and bringing them to closing. Accordingly, the QAP on page 51 denotes awarding 15 points if it affirmed that someone is a substantial developer. He continued by reading the definition of a substantial developer as basically a developer who has done five affordable housing projects totaling no less than 300 units. He then passed the floor to Commissioner Gachassin for further discussions.

Commissioner Gachassin discussed that the current definition of substantial developer came from the mixed income pool aspect of the prior QAP. He also felt that in fairness there should be no penalizations of any individual who has researched and constructed other types of properties, other than affordable housing, coming in to compete and whether there are any criteria to distinguish a successful or good developer simply based on the number of projects that particular developer has previously completed. Additionally, he challenged the idea of a private market versus a public market, stressing that there should be across the board stipulations and criteria. Commissioner Jones questioned the definition as used on page 43 of the QAP dealing with a substantial developer meaning someone who has only done apartment units. She questioned if funds were used for single family projects, would they be eliminated from the classification as a substantial developer under the current definition? She stressed her main concern was that of the track record criteria. Commissioner Madderra responded that there had been substantial discussions by the staff previously on modifying the definition; that it was a broad-based definition without any apparent elimination factors and that the main criteria intention was the involvement in at least five affordable housing projects with a minimum of 300 units. Commissioner Jones thereafter requested clarification on the not less than 300 apartment units specification in the definition. Commissioner Madderra agreed that the word "apartment" should be deleted from the definition. There was continued debate and discussions on the substantial developer definition by both Commissioners Madderra and Jones. Chairman Woods and Commissioner Gachassin furthered discussed the pros and cons of the definition, experience and expertise of the developers, and the consequences of possible penalizations of some

individuals who may not have the sophistication of others, but could make the program actually work. Commissioner Burris expressed concern that when the number of units are considered there are a number of minorities who have not had the opportunity to participate in the program because of the limitations or the specific components of the current definitions and stipulations thereof. Commissioner O'Neal concurred with Commissioner Burris' statements and she continued with a discussion of the fairness of the definition of experienced developers versus new developers.

Commissioner Madderra further explained the harsh aspects and complexity of financing in the affordable housing industry. He thereafter conceded that the 15 points connected with being a substantial developer was of not such importance that it could not be excluded. Commissioner Woods then requested the agenda move forward. Commissioner Madderra discussed the PHA units pools point criteria, noting the initial thought was to award 50 points. He thereafter invited Commissioner Phil Miller to state his position on this matter to the Board. Mr. Miller basically stated that in lieu of there being a dedicated pool set-aside for the PHA's, they are willing to accept a 50 scoring point category. Commissioner Gachassin furthered the discussion on the PHA the pool matter. He also spoke on substantial developers and the 50 points gap matter, noting the pros and cons and compromises needed for a fair and consistent point development scoring system. Commissioner Gachassin concluded with a recommendation of 35 points bonus for the PHA's. Commissioner Miller requested a 50 point bonus for the PHA's. Commissioner Austin interjected the need for a full Board vote as to whether the bonus points would be 35 or 50.

Commissioner Madderra noted that further discussions were still needed before a consensus could be obtained from everyone. The Chair recognized Commissioner Burris who stressed the disadvantages currently constraining the PHA's are due to budgetary and financial limitations not apparent to the developers who have various financial backings. Additionally, she noted that after 15 years many of the developers are gone but the PHA's are still involved in the projects for additional supportive services. Commissioner Burris concluded by stating her support of the 50 points for the PHA's. Commissioner Jones inquired as to the feasibility of the 35 to 50 point conversion. Commissioner Madderra stated the feasibility was unknown until a number of QAP's had been processed and analyzed thereafter. Commissioner Gachassin further discussed the set-aside points criteria noting the need for broader application results and also agreed with Commissioner Madderra on the need for further QAP results in order to quantify the advantages and disadvantages.

President Bailey requested the Board to reflect on the notion that incentives create the impetus for changing public housing away from centers of poverty and away from centers of disenfranchisement and creates the type of communities as seen in the earlier video presentation. Judgment should then be based on how interested everyone is in seeing the changes taking place. Commissioner Gachassin agreed with President Bailey but referenced some of the poor redevelopment efforts of HANO. Commissioner Woods reiterated the need for the Board to vote on the matter, also noting that in reference to the QAP it was the Board's consensus to delete the matter dealing with substantial developer and that other items addressed included the QAP submission date and solicited any other QAP concerns from the Board.

Commissioner Woodruff-White discussed scattered sites and requested clarifications of the issues thereof. Commissioner Gachassin noted that in previous QAP's there were provisions for scattered sites as well as lease-to-own options that for some unknown reason are not in the current QAP. Commissioner Woodruff-White requested an explanation for the exclusion. Chairman Woods briefly explained that in some of the urban areas it would be difficult to do scattered sites and it would be easier to find multi-family developments. Commissioners Madderra and Jones further discussed the aspects of scattered sites. Commissioner Gachassin inquired of Brenda Evans how many points are currently being allocated to scattered sites in the most recent QAP. Ms. Evans responded 15 points.

Board Attorney Wayne Neveu discussed the history of incentive points for scattered sites and lease-to-own properties. Thereafter, Mr. Mark Turrentine from Standard Enterprises, Inc. discussed the 50 points PHA matter from a developer's perspective, including the need for a level playing field for all of the participants involved. Mr. Will Belton from AAmagin followed discussing the current problems that he faces given the political climate. He discussed the history and creation of LHFA and its core values in conjunction with the elimination of poverty and asset creation goals. He stressed the need for teamwork in conjunction with the legislature and that LHFA needs assistance in its resource allocation parameters.

Ms Katie Anderson, President of Louisiana Housing Authorities, spoke briefly on the constant changes of the QAP and that even if there is an allocation of the 50 points, it still may not actually put PHA's on a level playing field but is still appreciated and is a good place to start. She also reminded the Board that the PHA's are non-profit entities who have long-term housing goals. Commissioner Jones inquired as to the origin of the 50 points and why 35 points does not accomplish the same or similar goal of evening the playing field for everyone. LHA President Anderson gave a brief history noting it was a very difficult and challenging process and that she was unable to give a definitive response. Commissioner Jones continued noting that she wanted to be fair in her ultimate decisions but giving the inability of anyone to quantify the numbers that she was having an impasse likewise. Ms. Anderson continued stating that they tried to look at the last round of funding to see where the for-profit developers scored as opposed to the PHA scores even though there was a set-aside and they did their best to reach an analogy of what they would need to compete successfully. She also noted that their analogy concluded that the for-profits were scoring 75 points or higher and they concluded that if they could get 50 points it would give them better positioning and make them more competitive.

Chairman Woods applauded the good debate and discussions but requested furtherance of the meeting. He noted the modifications to the draft QAP and acceptance of the draft as amended thereof towards furtherance of the final QAP. There was a discussion by Louis Russell that on page 2 the omission of some parishes had inadvertently been excluded.

There was introduction of a motion to accept the technical revisions by Commissioner Gachassin and seconded by Commissioner Jones.

Mr. Russell also noted that the parishes that were omitted are highlighted on page 53 of the QAP.

Mr. Russell also noted the application completion criteria language needed to be altered to reflect the definition of a sponsor and the glossary needed to have "or managing member" added.

There was introduction of a motion to accept the technical revisions by Commissioner Gachassin and seconded by Commissioner Jones for modification number 2. There being no further discussions or oppositions, the matter was unanimously passed.

The Chair recognized Commissioner Woodruff-White who discussed the points criteria for scattered sites development and requesting clarification for the points.

Chairman Woods requested clarification on the motion. The motion was finally clarified as being a modification offered by Commissioner Woodruff-White and seconded by Commissioner Gachassin to add additional points for the scattered sites and for the lease-to-own option being 10 points for scattered sites and 15 points for lease-to-own and allowing the developer to choose either, or both and to be referred to as modification number 3. **There being no further discussions or oppositions, the matter was unanimously passed.**

Commissioner Gachassin introduced a motion in regards to the substantial developer category and the elimination of any substantial developer fee points in the QAP draft, to be known as modification number 4. **The motion was offered by Commissioner Gachassin and seconded by Commissioner Jones. There being no further discussions or oppositions, the matter was unanimously passed.**

Commissioner Gachassin introduced modification number five which will reduce the PHA points from 50 to 35. A motion was offered by Commissioner Gachassin and seconded by Commissioner Brown. Chair Woods requested a roll call vote on modification number five to modify the draft QAP from 50 points to PHA's to 35 points.

Lourie Brown began the roll call. Chairman Woods declined an initial vote, stating he would reserve his vote in the event of a tie and noted that as Chair he has jurisdiction to act accordingly.

The roll call vote was as follows: Woods – abstained, Woodruff-White – NO, Washington – NO, Miller – NO, Austin –YES, Madderra – NO, Gachassin – YES, O’Neal –YES, Lawson – NO, Brown – YES, Jones –Yes, Burris –NO, Broussard – YES, Williams – YES.

Chairman Woods confirmed the vote as: YES(7), NO(6), Abstain(1-Woods), Absent (1-Kevin Brown). **Accordingly, the draft modifications carried.**

Chairman Woods confirmed the current motion on the floor being to accept the QAP draft with the modifications as such: 1) to add the additional parishes for the technical change, 2) technical change in regards to sponsor definition, 3) 10 points for scattered sites and 15 points for lease-to-own with the developer able to choose either, or both, 4) elimination of substantial developer, 5) awarding of 35 points to the PHA's. There being no further discussions or oppositions, the matter was unanimously passed. This concluded the Multi-Family Report.

HUMAN RESOURCES

The Chairman requested progression of the meeting giving the floor to Commissioner Dr. Brown **There was a motion introduced to amend the agenda to add Presidency Continuation, offered by Commissioner Dr. Brown and seconded by Commissioner Woodruff-White.**

There being no further discussions or oppositions, the matter was unanimously passed, noting the suspension of the rules thereof.

Commissioner Dr. Brown briefly discussed Policy Revision dealing with Student Worker employment, the Americans with Disabilities Act, and the Dress Codes. **The motion for acceptance of the policies was offered by Commissioner Dr. Brown and seconded by Commissioner Woodruff-White. There being no further discussions or oppositions, the matter was unanimously passed.** Commissioner Dr. Brown continued (inaudible) discussing the future vision of the Agency in regards to the budget and building facility missions.

There then was a commendation of the works and efforts of the LHFA President and Vice-President. Additional thanks were extended to the seven Commissioners who have submitted performance evaluations with an apology to those Commissioners who were unable to submit due to computer technical problems. Future evaluations will be reviewed and revised to ensure full Board participation. He also noted that April elections need to be aligned together to reflect the annual merit pay raise increased.

Commissioner Dr. Brown further discussed the needs to give the President and Vice-President a 4% merit pay increase effective immediately. The motion was offered by Commissioner Dr. Brown and seconded by Commissioner Jones. There being no further discussions or oppositions, the matter was unanimously passed.

Commissioner Dr. Brown furthered by requesting the Board to authorize the Human Resources Committee to move effectively and immediately to evaluate the President's contract to include a comprehensive evaluation of how his salary compensation package compares to others in similar functions in the southern region and present a recommendation thereof so that any suggested changes can become effective July 1, 2007.

The motion was offered by Commissioner Dr. Brown and seconded by Commissioner Woodruff-White. There being no further discussions or oppositions, the matter was unanimously passed.

LEGAL

Commissioner Jones noted that the Legal Committee had met earlier and had discussed four items. The first item discussed was the negotiations of the Katrina Cottages Cooperative Endeavor Agreement with FEMA and AHPP. Negotiations are still pending mainly due to profit margins and budgetary items – anticipated delivery of the Agreement is for the May 9, 2007 Board meeting. Second item was the DSS/OFS LHFA Memorandum of Understanding for Child Care. There was then a presentation of a resolution that the Legal Committee was recommending for full Board adoption dealing with a MOU between the DSS/OFS and LHFA dealing with a child care social services block grant. Noting the child care infrastructure was destroyed by Hurricanes Katrina and Rita, the MOU came highly recommended by Commissioner Jones. **The motion was offered by Commissioner Jones and seconded by Commissioner Dr. Brown. There being no further discussions or oppositions, the matter was unanimously passed.**

The next item dealt with an MOU between the LHFA and the Louisiana Association of Community Action Partnerships that is still being viewed by the Legal Committee and they will provide a full contract for the Board's consideration.

ENERGY

Commissioner Broussard recommended adoption of the reports for the MOU between LHFA and LACAP regarding transferring of the Low Income Home Energy Assistance Program (LIHEAP), and the Weatherization Assistance Program (WAP). The motion was offered by Commissioner Broussard and seconded by Commissioner Jones. There being no further discussions or oppositions, the matter was unanimously passed.

BUDGET & FINANCE

The Chairman passed the floor to Commissioner Gachassin who noted the 2007/2008 Fiscal Year budget should be prepared and ready for presentation at the May 2007 Board Meeting. He also discussed Board travel in the current FY budget; in particular, that the current policy deals with reimbursement only and nothing on limits and restrictions or per se individual budgets. The Committee will evaluate over the next 90-days the policies of other housing agencies and other state agencies for Board travel matters. Presentation of their findings and recommendations should be available prior to the next fiscal year for Board discussions. It was also noted that Board travel is currently grossly over budget. Accordingly, Commission Gachassin suggested that any Board travel for the remainder of the FY and until such time as there are implementation of any new policies that any Board travel should be approved prior to the expenditure by the Board Chairman and/or Agency President. He left the floor open for further discussion on the matters. Commission Woodruff-White noted the action was taken with the charge of flexibility to the President and Chair on a variety of different factors that might impact travel. Commissioner O'Neal recommended the responsibility not be on the Board Chair as it creates a circle of too many contacts without full flowing communication between everyone. She continued that she has experienced lengthy delays in getting reimbursed even after her requests are approved. She would prefer to go to the President for direct approval. Commissioner Dr. Brown stated he would like to see the President out of the approval process because it creates conflict of interest. In the interim he suggested approval be derived from the Vice-President and Vice-Chair. Commissioner Jones disagreed noting she did not want the President in the approval process as he would be put in a compromising position as he reports to the Board. Commissioner Gachassin reminded to the Board that any decision would be a temporary resolve in an effort to curtail further budgetary consequences. Commissioner Burris expressed her concern that she understands the limitations but also is cognizant that there are adequate monies for budgetary adjustments to address the next three months left in the FY. She furthered that new Board members should be given some latitude in these areas so as to continue their development and education opportunities about housing finance, policy making, and program enhancements. Chairman Woods then explained his concerns on Board travel and the need for fiscal responsibility, constraints, sound policies, and monetary prudence in his capacity as Board

Chairman. He also recognized that even though there were adequate funds for possible travel to Africa, Europe, and Asia this did not equate to the necessity or need for such travel expenditures. He stated he hoped the Board has enough confidence in his decision making that there would be no concerns regarding travel requests and that he was willing to accept the responsibility. Thereafter, Commissioner Burriss expressed her opinion that the Chair's comments about going 'to Africa' are out of context and that she found his comments insulting and in very poor taste. Chairman Woods countered that his comment was done in jest and directed to Mr. Gilmore who is traveling to Africa to present a paper on behalf of the Agency and that he meant it in no disrespect. He also stressed his comments were reflective of his need to be consistent and prudent in his budgetary principles. **Commissioner Dr. Brown suggested a policy be written to give the Chair and Vice-Chair permission to approve travel until June 30, 2007. The motion was offered by Commissioner Dr. Brown and seconded by Commissioner Broussard. There being no further discussions or oppositions, the matter was unanimously passed.**

Commissioner Gachassin noted that the staff will be directed to begin analysis and research with other housing finance agencies and other state agencies as to their approval processes in relations to Boards of Commissioners travel. The motion was offered by Commissioner Gachassin and seconded by Commissioner Broussard. There being no further discussions or oppositions, the matter was unanimously passed.

Chairman Woods noted that there would be a later review of the composition of the committees and subcommittees chairs possibly at the next Board meeting. He also requested everyone congratulate and recognize Commissioner Jones on her election as the new Vice-Chair.

Commissioner Austin noted as a reminder that during the President's Report that there was unfinished business; namely, giving authority for the strategic plan to be placed on the LHFA website for public comment, which was still pending final action by the Board. **The motion was offered by Commissioner Austin and seconded by Commissioner Woodruff-White. There being no further discussions or oppositions, the matter was unanimously passed.**

ADJOURNMENT

There being no other matters to discuss, Chairman Woods offered a motion for adjournment that was seconded by Commissioner Jones. There being no further discussions or oppositions, the matter was unanimously passed. The Full Board meeting adjourned at 3:15pm.

Chairman

Secretary



LOUISIANA HOUSING FINANCE AGENCY


FULL BOARD MEETING

Wednesday April 18, 2007

Guest Sign-In Sheet

GUEST NAME	FIRM
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PLEASE, PLEASE PRINT

- | | |
|--|--------------------------|
| 1. Jarrell Godfrey | Godfrey Firm |
| 2. CORREY CALDWELL | G.K. Jones |
| 3. Steve Smalling | Morgan Keegan |
| 4. Carliss Kneseel | Hancock Bank |
| 5.  | Tina Powell |
| 6. LEVI H. DAVIS | Siebert Brand Ford Shank |
| 7. Almitra J. Franklin | Lp Cap/LACHD |
| 8. Dorothy C. Oliver | LACAP/LASALLE CAA |

FULL BOARD

PLEASE PRINT CLEARLY

GUEST NAME	FIRM
9. <u>AMILL Belton</u>	<u>AA margin</u>
10. <u>Gale Potts Reque</u>	<u>MAC-RE, LLC</u>
11. <u>Nnamdi Thompson</u>	<u>Gov't Consultants</u>
12. <u>Pelican Group</u>	<u>MA Brown</u>
13. <u>TIM de' CLOUET</u>	<u>Lafayette Housing Authority</u>
14. <u>Wanda H. Davis</u>	<u>Alexandria Housing Auth</u>
15. <u>Zyette & Januis</u>	<u>DHH/OAAS</u>
16. <u>Chick Sanchez</u>	<u>Opalwood Housing</u>
17. <u>T. C. Richard</u>	<u>Vital Comm / Opal Housing</u>
18. <u>JASON RABALAIS, JR</u>	<u>MAC-RE, LLC.</u>
19. <u>JOSEPH STEBBINS</u>	<u>CCND DEVELOPMENT</u>
20. <u>VICTOR SMELTZ</u>	<u>VOLUNTEERS OF AMERICA</u>
21. <u>W. J. ROSE</u>	<u>LOR/ROS Reserves</u>

FULL BOARD

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GUEST NAME	FIRM
22. <u>VERNON MARTIN</u>	<u>ROBERT RINDS</u>
23. <u>WALTER GUILLORY</u>	<u>LAFAYETTE + OPELOUSAS HOUSING AUTHORITY</u>
24. <u>Katie Anderson</u>	<u>LOUISIANA HOUSING COUNCIL</u>
25. <u>Chris Clement</u>	<u>DeRIDDER (H.A.)</u>
26. <u>Kelly Longwell</u>	<u>HRI Properties</u>
27. <u>LAWAND JOHNSON</u>	<u>Coats Rose</u>
28. <u>Vic Longo</u>	<u>ST. JOHN HOUSING</u>
29. <u>EDWARD TAYLOR</u>	<u>MORIS PARRON</u>
30. <u>Frank Taylor</u>	<u>Fairfield</u>
31. <u>Wei Robbins</u>	"
32. <u>John Godfrey</u>	"
33. <u>ARCHIE C. JAMES</u>	<u>Godfrey Firm</u>
34. <u>Curtis Cheney</u>	<u>CEMINI</u>
	<u>NRP Group</u>

FULL BOARD

PLEASE PRINT CLEARLY

GUEST NAME

FIRM

- | | | |
|-----|----------------------------|-----------------------------|
| 35. | Mark Turrentine | Standard Enterprises, Inc. |
| 36. | Tammie Groover | Covington Housing Authority |
| 37. | MARVIN V. Butler | SLIDELL Housing Authority |
| 38. | Christy Mooreing | Bossier Housing Auth. |
| 39. | Jeanie Yarbrough | CSG Advisors Inc. |
| 40. | Daniel Strong | La. Hsg. Council |
| 41. | Kenny Habetz | Crowley H. A. |
| 42. | LAWRENCE J. ITALIO | SULPHUR HOUSING |
| 43. | Fandy Broussard, Architect | Sulphur Housing |
| 44. | Terri Baptiste-Franklin | Regions Bank |
| 45. | Marie Anne Perant | The Arc of LA |
| 46. | Watson Berger | Bank of New York Truist |
| 47. | | |

FULL BOARD

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GUEST NAME	FIRM
48. Jim Shackelford	LHFA
49. Paul Pitt	FRW
50. Tony Benini	Alliant Capital
51. Rhonda Ky	Metrol. Transp. Authority
52. Robin Wagner	Dept. of Health & Hospitals
53. Kristen Rickett	Brown Builders
54. Randy Nichols	Capital Area Alliance ^{for the} Homeless
55. Hunter Botts	SunAmerica
56. G. Jordan	MDC
57. Richard L. Murray	BR Housing Authority
58. Jeff Pisman	Investco
59. Ryan Whittington	Triple R Corp.
60. Ashley Herad	LAND

FULL BOARD

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GUEST NAME

FIRM

61. David Miller

RPG

62. Christine Rorer

DHH

63. Pam Hammond

Elkins, PC

64. Anne Fulton

Staff

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Louisiana Housing Finance Agency



Strategic Plan 2007 - 2016







Louisiana Housing Finance Agency Strategic Plan 2007 - 2016

After the devastating hurricanes of 2005, the LHFA has been thrust into the national spotlight as legislators and housing advocates alike demand a fair and efficient dispersal of housing funds in order to expedite the state's profound shortage of shelter affordable to low-income families. Today, as nearly a million Louisianans live without adequate housing, the LHFA must transform itself into an agency that can effectively fulfill its role as the premier affordable housing advocate in the state.

As Louisiana's principal housing finance agency, we are in a unique position to stimulate the construction of thousands of affordable housing units in each of the coming years. To move us closer to meeting the housing needs of all Louisianans, we have established a ten-year milestone - to finance 100,000 new homes affordable to low- and moderate-income Louisianans. We have already set the pace for such an enormous task by funding an unprecedented 12,000 new units in 2006 alone. Only by maintaining this drive and acquiring new support can this ambitious goal be realized.

This report establishes the Louisiana Housing Finance Agency's (LHFA) strategic plan for the next ten years, from 2007 to 2016. It is an ambitious plan, rooted in the agency's mission and supported by the fundamental principles that guide the LHFA daily. By carrying out the policies laid out in this plan, the LHFA will bring Louisiana closer to an equitable future, in which all families have a safe, affordable, and desirable place to call home every day.

The strategies within the plan are the culmination of two working sessions that integrated the visions and goals of the LHFA with the specific housing needs of the state of Louisiana. The first working session involved the agency's Board of Directors, who defined their priorities and collectively established the LHFA's housing policy for the agency in the coming years. Built upon the Board's directive, the agency's staff then worked together to devise a set of improvements that will enable the agency to accomplish the established goals. This final document is the ensuing plan of action that incorporates the contributions of every staff member, and reflects the visions of the LHFA as it addresses the nation's most critical housing shortage.

The strategies outlined in this plan are dynamic, and will adapt to changing circumstances as needed in order to continually address our goals and



objectives – namely, to ensure all Louisianans access to affordable, safe, decent, and sustainable housing. While the mission and principles remain a constant force in the agency’s initiatives, the primary goals and objectives will change as we work to address new challenges and opportunities.

This document presents an overview of the LHFA’s future course and describes how the agency plans to tackle Louisiana’s current deficiency of affordable housing. It is organized in five sections, as follows:

- LHFA mission statement and guiding principles
- Affordable housing needs assessment
- LHFA strengths, weaknesses, opportunities, and threats
- Goals and strategies
- Technical implementation plan

I. LHFA Mission and Guiding Principles

The LHFA Mission:

The mission of the Louisiana Housing Finance Agency is to assure that every Louisiana resident is granted an opportunity to obtain safe, decent and sustainable affordable housing.

Each day this challenge is met by a dedicated staff of professionals who allocate federal and state funds to help low- and moderate-income citizens make their housing dreams a reality.

The following principles embody the LHFA’s mission, and are reflected in each of the agency’s goals and strategies. While the LHFA’s methods must occasionally bend to address new challenges, its principles are impervious to shifts in public opinion or political ideology. They are the values inherent to the agency and its mission.

Principle 1: The LHFA has the responsibility to serve Louisianans who cannot afford decent housing in the private market. Our primary function, as the manager of federal subsidized housing programs, is to facilitate the provision of housing affordable to families that could not otherwise buy or rent a satisfactory home without financial assistance.



Principle 2: The LHFA will continuously progress towards accomplishing its mission. As a goal-oriented organization, we will regularly track advancements toward the provision of proper housing for all Louisiana residents. Evaluation includes setting benchmarks, noting accomplishments, and overcoming challenges in order to continually advance the agency's mission.

Principle 3: The LHFA promotes honesty within the organization and throughout its programs. We will keep our program requirements and award processes fair, transparent and easily understandable for all parties involved.

Principle 4: The LHFA embraces diversity within its organization and promotes it in our programs. We seek to include people from all income groups, ethnicities, races, and ideologies in all that we do.

Principle 5: The LHFA will serve as a champion and financial catalyst for affordable housing. We will continually educate the public and the legislature to foster understanding and acceptance of Louisianans from all income groups, as well as offer information to families in need of the agency's services. As the steward of affordable housing for the state, the LHFA encourages the development of all forms of low-cost housing in its quest to sustain strong, equitable and healthy communities throughout Louisiana.

II. Affordable Housing Needs Assessment

The need for affordable housing in Louisiana is a deeply entrenched, long-standing issue. Regional differences make it difficult to simplify the problem. Because of divergent economic and developmental histories, the housing needs of rural and metropolitan parishes are diverse and often dissimilar. The mass displacement of hundreds of thousands of Louisianans following Hurricanes Katrina and Rita in the fall of 2005 further complicates the conceptualization of housing needs. More than one year after the storms, it is simply unknown how many families have left the state without intending to return, and how many families currently here may leave. Correspondingly, it is problematic to estimate present affordable housing needs. However, by joining pre-storm assessments with estimates of the cost and affordability of homes destroyed in the storms, the LHFA has drawn a reasonable picture of today's housing needs.

Before Hurricanes Katrina and Rita, an estimated **331,850 households** across the state earning less than 80 percent of their Area Median Income (AMI) were in need of affordable housing, according to the U.S. Department of Housing and Urban Development (HUD). Following are tables specifying who was in need accordingly, and in which region of the state they resided.



Affordable Housing Needs before Hurricanes Katrina and Rita

Metro Areas:	Households in Need of Affordable Housing by Income				
	Less than 30% AMI	30% - 50% AMI	50% - 80% AMI	80% - 95% AMI	Cumulative
New Orleans-Metairie-Kenner	53,944	37,059	33,323	34,309	158,635
Baton Rouge	23,726	16,140	13,188	13,141	66,195
Houma-Bayou Cane-Thibodaux	6,150	3,515	2,949	1,889	14,503
Shreveport-Bossier City	9,234	9,590	8,150	7,079	34,053
Monroe	7,029	4,109	3,262	3,589	17,989
Alexandria	5,228	3,470	2,854	2,700	14,252
Iberville	1,024	594	580	339	2,537
Lafayette	7,170	5,695	4,740	3,949	21,554
Lake Charles	6,290	4,350	3,468	3,038	17,146
Non-Metro Areas:					
in North Louisiana	11,536	6,367	4,257	4,280	26,440
in Central Louisiana	7,091	4,363	3,454	2,621	17,529
in Acadiana	20,401	10,132	7,413	6,033	43,979
in Florida Parishes	5,845	3,380	2,879	2,353	14,457
TOTAL	164,668	108,764	90,517	85,322	449,271

Low Income Households in Need of Affordable Housing by Household Characteristic

Metro Areas:	Households in Need of Affordable Housing by Household Characteristic				
	Elderly (62+ Years Old)	Disabled (requiring assistance)	Small (2-4 persons)	Large (5+persons)	Severe Cost Burden
New Orleans-Metairie-Kenner	4,894	32,107	18,610	6,805	68,617
Baton Rouge	2,105	12,392	10,240	3,860	26,281
Houma-Bayou-Cane-Thibodaux	800	4,237	3,085	1,470	3,778
Shreveport-Bossier City	1,415	8,211	5,335	1,865	14,158
Monroe	525	3,408	2,300	845	7,178
Alexandria	655	3,722	2,105	600	5,400
Iberville	120	606	555	220	678
Lafayette	685	4,169	3,690	1,175	7,898
Lake Charles	805	3,972	2,875	2,875	6,076
Non-Metro Areas:					
in North Louisiana	1,367	6,572	4,175	1,619	8,558
in Central Louisiana	1,028	2,621	3,235	1,074	4,171
in Acadiana	2,190	12,542	8,215	3,520	12,065
in Florida Parishes	705	3,905	2,815	1,055	4,706
TOTAL	17,294	98,464	67,235	26,983	169,566

The hurricanes of 2005 destroyed more than **200,000 homes**, instantly exacerbating Louisiana's preexisting housing crisis. Of those 200,000 homes, roughly **80,000 were rental units**, and of those 80,000, **46,000 rented at prices affordable to low-income** (less than 80% AMI) households. In order to recover just 75 percent of those units affordable to low-income renters, **35,000 rental units will need to be built** – with 33,000 in the New Orleans metro area alone. This measure does not account for the loss and shrinking supply of low-cost rental units precipitated by the displacement of higher-income homeowners having moved into rental housing, and the increased land, construction, environmental remediation and operating costs since the hurricanes. As a result of increased prices, roughly 10,000 households that



rented their homes affordably on the private market before the storm can no longer do so.

Affordable homeownership is equally daunting in the hurricanes' aftermath. The Road Home Program, funded with federal Community Development Block Grant (CDBG) dollars, was established primarily to compensate for property loss. Although a majority of the funding will reimburse homeowners for uninsured loss, the program is not yet fully active. Evidence suggests, however, that Road Home grants will be insufficient to facilitate widespread rebuilding, so it is premature to speculate on the program's effect on affordable housing need. It is likely that many homeowners will not rebuild their homes on the same parcel, but they may move elsewhere in the region or state.

The number of households in need of affordable housing before the storms – more than 300,000, representing nearly one million Louisianans - is sobering. The tally becomes truly alarming considering that Hurricanes Katrina and Rita permanently displaced more than 200,000 households, approximately 80,000 of whom were considered low-income. In the face of this challenge, the LHFA must confront Louisiana's housing shortage with uncompromised dedication. To begin requires a starting point—a benchmark that establishes an objective for the arduous road ahead. As the first step in achieving our mission:

The LHFA will work towards the development of 100,000 housing units affordable to low- and moderate-income households by 2016.

III. Strengths, Weaknesses, Opportunities and Threats

During the working retreats of October and November, the LHFA Board and staff participated in an exercise that evaluated the agency's current capacity, potential and limitations. This evaluation, commonly referred to as a "SWOT Analysis," set the stage for honest, constructive criticism, and recognized the LHFA's many successes. The outcome of the exercise now serves as a useful tool in taking advantage of the agency's strengths and opportunities to overcome interior vulnerabilities.

Strengths

1. We are a solid organization, with 113 staff members whom possess the initiative, intelligence and teamwork needed to adapt to change and improve the agency.
2. We are in an excellent financial position, with \$54 million in reserves and an A2 rating from Moody's Investor Service.



3. As the state's principal housing finance agency, we have the authority and flexibility to address Louisiana's diverse and changing housing needs.

Weaknesses

1. We lack recognition and acceptance among community-based groups.
2. We do not currently have the expertise that would be necessary to realize new and nontraditional endeavors.
3. A lack of clear communication between agency departments, Board members and the general public often leaves stakeholders uninformed and discordant.

Opportunities

1. We are the nexus for all stakeholders in subsidized- and assisted-housing development.
2. The sociopolitical climate is increasingly receptive to innovative housing solutions, due to the dire housing need following Hurricanes Katrina and Rita.
3. There are more financial and professional housing development resources in Louisiana today than ever before.

Threats

1. Local opposition remains an obstacle to accomplishing the agency's mission to build affordable housing throughout the state.
2. Profit motivation, even in the development of affordable housing, limits the type of construction and depth of affordability of many developments.
3. General apprehension towards radical change, both within the agency and among housing stakeholders, can stymie organizational improvements and innovative housing solutions.

IV. Goals and Strategies

Four specific goals came to light as a result of the Board and staff retreats that capture the themes common to all of the participants. They aim to capitalize on the LHFA's strengths, redress its weaknesses, take advantage of today's opportunities and neutralize potential threats to success. Combined, they serve as the driving force behind the strategic plan. This initiative, aptly termed PACE, sets the goals we will embrace as an agency to capture the momentum established in 2006.



PURPOSE: Give the agency a stronger sense of objective by clearly identifying the goals and objectives, creating an action plan with measurable outcomes, and implementing programs that make a noticeable difference in the state's housing market.

ACCEPTANCE: Use our influence, channels of communication, expertise, and outreach throughout Louisiana's communities in order to become the leading popular housing resource for the state.

CAPACITY: Create a stronger and more efficient agency through staff education and training, procedural documentation, and by streamlining processes and implementing innovative programs.

EQUITY: Infuse justice and fairness in all that we do. This includes incorporating the voices of the underserved into decision-making processes, and promoting disadvantaged local businesses.

Based upon the work of the retreats, we have established specific strategies to realize our goals and constructed an accompanying implementation plan. The timeline for accomplishing these goals begins now.

GOAL: Infuse a stronger sense of purpose within the agency

Before the increase in staffing, tax credits and public scrutiny as a result of the federal GO Zone program, the LHFA was not capable of solving Louisiana's affordable housing shortage independently. The impetus to build a staggering number of housing units rapidly has changed the housing dynamic, and the agency is now at the forefront of affordable housing development.

The agency has been called upon to transform itself into a highly innovative and results-driven organization. To establish the momentum necessary to accomplish this, the agency must put forth a robust action plan that clearly defines the housing priorities established through the Governor's vision for affordable housing and through the agency's analysis of statewide housing need.

Strategy 1: Establish housing priorities

The first step in establishing housing priorities is to determine where the affordable housing shortfalls exist, and to determine which types of units are most needed. This is currently being addressed through a comprehensive affordable housing needs assessment that will ultimately define housing needs for each parish based on housing types, family size, age, and disability status. While this exercise correlates housing need, geography, and development



types, it does not specifically address the ideal building features, amenities and neighborhood dynamics that create sustainable and viable communities.

The second phase of establishing housing priorities is to identify essential components of viable, safe, sustainable, and energy-efficient communities, and to prioritize them in our funding priorities and program guidelines. The LHFA will arrange a visioning session among its Board and staff in order to ascertain the specific housing characteristics that contribute to an improved quality of life. These could be as simple as building a playground in a family-oriented development, or as complex as a multi-layered funding package for a mixed-income community. The final housing elements will be incorporated into the desired amenities for Low Income Housing Tax Credit (LIHTC) projects and will be posted on our website as a design guideline for local developers and builders.

Strategy 2: Devise a 10-Year Strategic Housing Plan

The LHFA will draft a coherent strategic housing plan, built upon the newly established housing priorities. While the plan has not yet been drafted, Many fundamentals of the plan were introduced at the Board and staff retreats. First, new projects and programs should be directly conducive towards the LHFA's goals. This includes rejecting projects that will not impact an area positively, rating projects based on quality-of-life measures and depths of affordability, and encouraging the development of higher-risk projects in high demand, such as transitional housing, adaptive reuse projects, or live-work housing. It also involves greater cooperation at the grassroots level. The LHFA will take the lead in forming partnerships with other housing organizations such as Catholic Charities and the Department of Social Services, even offering grants to target projects that would not be financially feasible otherwise.

From a larger perspective, a key component of the housing plan will be to increase the rate of development. This involves prioritizing projects with substantial buy-in and additional funding sources, as well as facilitating further usage of non-competitive resources. It also involves increasing efficiency throughout the development process. The agency can work with local authorities to expedite building permits for affordable housing, or provide a forum where municipalities can offer land grants for development.

A strategic plan is only as good as its implementation. To ensure that the plan actually goes into effect, an evaluation system is needed. The evaluation system will begin with clearly stating the expectations of the staff, timeline and benchmark reviews. It will monitor agency and individual success over time and provide incentives to staff members who exceed expectations. Ultimately, it will post success measures online for the Board, staff and the public to view.



GOAL: Become the primary housing resource in Louisiana

The lack of communication between the agency and the public at large complicates our processes and creates barriers to affordable housing development. One example is the NIMBYism that often occurs at the local level – the “Not In My Backyard” opposition to the creation of subsidized housing that stems from fears of crime and the deterioration of property values. In the vast majority of the cases, these fears are unfounded. The majority of affordable housing residents are law-abiding citizens whose jobs pay less than what would allow them to afford market-rate housing. Anecdotal evidence supports our belief that communities are supportive of their affordable housing developments after they have been built. If the agency improves its communication and cooperation with local communities, nearby residents will have a better understanding of why affordable housing is needed, and who lives there—such as home health aides, day care workers, waiters, and construction workers that greatly contribute to the local economy.

The LHFA’s mission has been further compromised by a limited presence at the local level. This lack of communication shortchanges families that cannot find housing and do not know where to look, as well as the many fellow Louisianans who do not know how to prepare for homeownership, financially and otherwise. To be more effective as a housing agency, we need to reach out to families locally and inform the public who we are and how we can help. We also need to prepare the next generation for homeownership, by educating children on the responsibilities required to participate in this American dream.

Finally, as an agency that is located strategically at the crossroads of so many interests, we can further communication between the groups that bring a project to fruition. The lack of coordination between local jurisdictions, developers, lenders, and subcontractors delays the process and increases costs or inhibits innovative projects. By placing the agency at the nexus for all key players, we can essentially foster the alignment of compatible interests and assist in forming mutually beneficial relationships.

Strategy 3: Reach out to the community

To effectively reach out to all Louisianans, the agency will use a bottom-up and top-down approach, simultaneously initiating a massive marketing and branding campaign while reaching out to churches, community groups and directly to residents even people on the street. Tactics will include guest editorials, radio and newspaper ads, flyers, and local housing fairs, all of which will let people know who we are, why affordable housing is important and how we can help. The agency will also host an annual housing



conference, giving local officials, major employers, housing developers, community leaders, and lenders the opportunity to understand the LHFA's mission and learn how our products can work for their benefit.

Beyond the issue of affordable housing development, the agency will initiate an educational campaign that will foster higher home ownership rates, minimize default on loans, and improve home maintenance. It will include sponsoring a financial counseling program for first-time homebuyers, partnering with schools to educate youth regarding credit maintenance and the importance of saving money, and offering classes to assist homeowners in regularly maintaining their homes.

Finally, over the course of the next ten years, the agency will establish satellite offices in areas not easily accessible to Baton Rouge. In many regions of Louisiana, particularly in the north, families do not take advantage of the available housing options because they are unfamiliar with the agency. In order for a family to work with a housing counselor and arrive at a customized housing solution that best meets their needs, one-on-one communication is critical. By spreading our resources and products, we can personally assist all residents of Louisiana, not just those in the Baton Rouge and New Orleans metro areas.

Strategy 4: Create networks between stakeholders

To increase the pace of affordable housing development and promote innovative housing solutions, the various interests in housing development should work together more closely. To enable this, the agency will hire a new staff member to act as a liaison between the agency and the legislature to align housing interests and collaborate with housing programs.

The agency will also post an online forum that can give stakeholders the opportunity to form partnerships. The site will include a listing of qualified contractors, firms offering technical services, architects, and similar services, as well as provide a listing of preferred lenders. It will provide the opportunity for municipalities to post available land for redevelopment and offer additional assistance in the form of a zero-cost approvals process or a community facilities grant. Consumers will also be able to view projects not yet in service and join a waiting list, which will increase the viability of projects and lower the costs of development.

The agency is also prepared to assist local housing agencies in defining their housing priorities and collaborating with local developers to meet housing goals. To discover common interests, the agency will facilitate working sessions between affordable housing advocates and developers. Once the common interests are defined, local housing authorities will be in a position to package additional benefits to developers beyond tax credits, such as gap finance, maintenance grants, and public amenities, for targeted projects.



GOAL: Create a stronger and more efficient agency

The road ahead is a daunting task. To have 100,000 units built or in the pipeline by 2016 will require a new approach in agency operations and finance. As stated at both the Board and staff retreats, the agency is not equipped to handle the weight of the workload or the complex operations of more innovative housing programs. To be as successful as possible, we will set out to increase staff skills, simplify processes and integrate new technology into daily operations, all to create a more efficient and productive agency.

Of equal significance, the agency is a financial institution that must maintain its fiduciary strength to ensure the continued development of affordable housing. The decisions made today will affect the agency's position in the future, and ultimately, its fate. This means increasing our reserves and leveraging our resources is a crucial component in maintaining stewardship of affordable housing.

Strategy 5: Improve the agency from within

To tackle the immense challenge of addressing housing need post-Katrina and Rita, the agency will initiate several in-house programs geared towards improving performance and increasing productivity.

The first initiative is to bring the agency to a level of self-sufficiency where all standard operations are carried out in-house. This will require an analysis of existing skills within the agency followed by extensive training programs to fill those gaps, or, if necessary, new hires in areas of specific expertise.

The second initiative is to clarify the roles and expectations of staff members. As with any organization, employee resignations leave gaps in expertise and can substantially deplete the efficiency of the agency. Therefore, we will outline the expectations of each position and create a manual of appropriate procedures. To supplement this, we will implement an employee cross-training program. This will broaden our knowledge base while offering employees the opportunity for greater job diversity. Finally, we will re-examine the framework of civil service and private sector operations and devise a solution that captures the best features of both systems.

Strategy 6: Enhance fiduciary position and increase reserves

While the agency has a strong bond rating and a healthy reserve of funding, they are not adequate to realize the objectives set forth in this plan. As a result, the agency will take on more entrepreneurial activities to increase reserves. Possible channels include lending to market rate



developments, tapping into out-of-state markets or offering gap financing and predevelopment financing. By engaging in more lucrative endeavors, the agency will have more capital available to offer incentives to develop less profitable projects.

Even with the additional tax credits through the GO Zone legislation, the state still does not have enough funding to reach its pre-Katrina level of available affordable housing. Therefore, the agency will lobby for a continued increase in LIHTC allocations, as well as a portion of the CDBG dollars issued to the state, to fund the housing gap issues that LIHTC do not address. Due to the escalated cost of labor and construction materials, housing development has become substantially more expensive. For example, the producer price index (PPI) for construction materials increased more than 6% in 2006, according to the Associated General Contractors of America, while wages for unskilled laborers is now more than \$10 per hour, according to HUD's Policy Development and Research. This, ultimately, is reflected in higher rents for subsidized units. The majority of LIHTC units are affordable to families earning between 50% and 60% AMI, a narrow group of families in need. Additional funding can make these units affordable to more families, opening doors to those who presently cannot afford the majority of affordable housing units.

A housing trust fund is another possibility for increasing our reserves. The concept of a housing trust fund is to provide a housing agency with its own source of capital with which to develop its own programs and creatively address the specific housing needs of its constituents. It is an invaluable tool for state housing agencies to financing projects not qualified under existing federal housing programs as well as offering additional subsidy to families who cannot afford to rent an "affordable housing" unit.

At the very least, the agency will dedicate all available funding sources already available and actively promote the uncapped funding programs such as the LIHTC 4% credit. HOME funds will be more frequently and accurately tracked and available funds programs will be marketed more actively on the Internet. The Restore Program will be proactively sponsored, with program information disseminated among community groups at the grassroots level. The agency may also coordinate with Community Development Financial Institutions (CDFIs) and market-rate developers to effectively thread an affordable housing component into New Markets Tax Credit (NMTC)-funded developments, Mortgage Revenue Bond (MRB) projects and the 4% credit.



GOAL: Infuse a sense of justice and equality in all that we do

Incorporating the voices of the underserved is a significant challenge for this agency. In an industry driven by profit motivation, projects have been selected first based on financial feasibility and cash flow rather than by the services they provide. This often leads to generic developments in undesirable areas. To reach out to all families in need of housing, the agency should equally examine a project's financial viability along with how that project furthers the agency's mission.

The affordable housing development industry, like most other industries, is structured to prefer large and well-established firms, thereby pushing out disadvantaged businesses. To overcome the inherent inequality, the LHFA will foster the growth of disadvantaged businesses throughout its programs and selection criteria.

As a component of the development process, project amenities or locational features are rarely designed with consumer feedback in mind. There is a misconception that because tenants often do not have a choice in where to live, their housing-related requests are unimportant. Ultimately, a community designed to address the interests of its residents will serve the dual purpose of providing needed housing as well as improve the quality of life and economic opportunities of its residents.

Including disadvantaged groups into the decision-making and development process is a fundamental element of our principles and must be emphasized in our operations. Heightened pressure for rapid development, combined with intense national scrutiny makes this particularly critical now.

Strategy 7: Encourage disadvantaged groups to participate

Encouraging the involvement of disadvantaged groups involves three parts. First, it begins with discovering how residents or potential residents view subsidized housing. This involves dedicating staff to consumer outreach and surveying consumers of tax credit housing and participants of the First-Time Homebuyers Program. The agency will then incorporate these results into its development guidelines and requirements.

Parallel to consumer demand, the agency will facilitate the further incorporate of non-profit groups whose primary mission is to provide affordable housing. The agency will introduce a technical assistance program to newly formed non-profit organizations regarding the available grants, funding and tax incentives available, as well as offer startup grants for non-profits in targeted areas. For organizations with the capacity to develop housing, the agency will work to offer favorable lending terms or predevelopment financing, and help



coordinate their efforts with local jurisdictions.

The agency will also make an effort to bring disadvantaged businesses into the development process. This requires the expansion of the mentorship program, which offers technical assistance in business operations for skilled contractors and subcontractors, as well some form of incentive for developers to hire a lesser-known business, such as a higher score for LIHTC applications. The agency will also provide a more thorough listing of qualified contractors and subcontractors on its website and highlight those businesses categorized as Disadvantaged Business Enterprises (DBEs), using the federal definitions of DBEs.



A = Directly and immediately fulfills goal
 B = Directly and eventually fulfills goal
 C = Indirectly fulfills goal

Strategies	PURPOSE	ACCEPTANCE	CAPACITY	EQUITY
<i>Strategy 1 - Establish housing priorities</i>	A	C	C	B
<i>Strategy 2 - Devise a 10-Year Housing Plan</i>	A	C	B	B
<i>Strategy 3 - Reach out the the community</i>	C	A	C	B
<i>Strategy 4 - Create networks between stakeholders</i>	C	A	C	B
<i>Strategy 5 - Improve the agency from within</i>	B	C	A	C
<i>Strategy 6 - Enhance fiduciary position and increase reserves</i>	B	C	A	C
<i>Strategy 7 - Encourage disadvantaged groups to participate</i>	C	B	C	A



V. TECHNICAL PLAN

* Reference Number refers to the priorities of the Board as was recorded at the Board retreat (10/31/06) – see Appendix

Goal: Purpose – Clearly define our goals, create an action plan and measure success

Lead Strategy: Establish priorities

Strategy	Implementation	Timeframe	Reference Number
Visioning session	<ul style="list-style-type: none"> • Call for a visioning session to derive the elements of viable, safe and sustainable communities • Outline the direct investment or attribute associated with those qualities • Incorporate those attributes and investments into the strategic plan 	Within 1 year	17
Develop strategic focus areas	<ul style="list-style-type: none"> • Prioritize based on geographic need • Prioritize based on housing types in highest demand (transitional housing, child care facilities, single person units, housing for large families) • Prioritize based on sustainability issues (Micro – areas within New Orleans) 	Within 1 year	3



Goal: Purpose – Clearly define our goals, create an action plan and measure success

Lead Strategy: Devise a 10-Year Strategic Housing Plan

Strategy	Implementation	Timeframe	Reference Number
Implement programs and projects that make a difference	<ul style="list-style-type: none"> • Target funding sources into projects that specifically address an area’s affordable housing need • Rate projects based on sustainability, affordability and viability • Offer incentives to creative and/or difficult to develop projects such as urban infill, rehab, live-near-your-work, co-housing, single room occupancy, shared housing, worker housing, green design, etc. • Coordinate with other housing organizations such as DSS and Catholic Charities • Offer additional funding for targeted projects that lack necessary funding 	Within 1 year and ongoing	18
Increase rate of affordable housing development	<ul style="list-style-type: none"> • Give priority to projects with substantial buy-in from local government • Favor projects that include additional funding sources • Work with local planning agencies to streamline application process • Facilitate further usage of the 4% credit and bond finance • Dedicate to bond issue 	1- 3 years and ongoing	8, 11
Evaluate progress	<ul style="list-style-type: none"> • Incorporate a timeline for all elements of the strategic plan with significant benchmarks • Clearly define roles and expectations of staff • Monitor agency success and individual performance on a regular basis • Include employee incentives for excellent performance • Post success measures online for board, staff and public to view 	Within 1 year	7



Goal: Acceptance – Become the housing resource for the state of Louisiana

Lead Strategy: Reach out to the community

Strategy	Implementation	Timeframe	Reference Number
Initiate a comprehensive branding program	<ul style="list-style-type: none"> • Public Relations Campaign <ul style="list-style-type: none"> a. Guest Editorials b. TV, radio, metro ads • Ensure position understood by public and private industry <ul style="list-style-type: none"> a. Elaborate mission statement b. Include revised mission statement in QAP, website and public relations campaign • Establish annual housing conference with local officials, major employers, developers, community organizations and lenders 	Within one year	5
Education	<ul style="list-style-type: none"> • Financial counseling for first time homebuyers • Partner with schools to educate youth regarding financial responsibility and the importance of credit ratings 	1 – 3 years and ongoing	5



Goal: Acceptance – Become the housing resource for the state of Louisiana

Lead Strategy: Create networks between stakeholders, investors, developers and government

Strategy	Implementation	Timeframe	Reference Number
Establish a legislative lobby	<ul style="list-style-type: none"> Hire new staff to fulfill this function 	1 – 3 years	2
Form a node between active groups	<ul style="list-style-type: none"> Provide an online resource for cities and parishes to market available land Post a list of qualified contractors, technical services, architects, etc. Establish preferred relationships with lenders using LHFA guarantee 	1 – 3 years	11
Coordinate goals with local housing agencies and interested parties	<ul style="list-style-type: none"> Work sessions to find common goals (Find contributions from various groups for projects i.e. land grants, public amenities, low interest loans and gap finance, maintenance grants, inclusionary zoning and work/housing linkages) Joint ventures and shared risk 	Within the year	5, 11



Goal: Capacity – Create a stronger and more efficient agency

Lead Strategy: Improve the agency from within

Strategy	Implementation	Timeframe	Reference Number
Self-sufficiency	<ul style="list-style-type: none"> Bring LIHTC program in-house Increase staff knowledge of all LHFA programs 	1 – 3 years	6
Streamline and simplify processes	<ul style="list-style-type: none"> Integrate technology into the applications processes for the Tax Credit, Section 8 and MRB Programs Pare down and simplify LIHTC requirements Post easy-to-follow instructions for all applications online Organize and simplify the website Examine Board's role/compensation 	Within 1 year	1, 6
Maintain communications	<ul style="list-style-type: none"> Clarify agency organization and specific roles 	Within 1 year	9
Develop staff capabilities	<ul style="list-style-type: none"> Analyze skill gaps within the agency Training programs to enhance skill sets Document positions and protocol Cross-training Re-examine civil service vs. private industry framework 	Initiate within 1st year	1, 6, 20



Goal: Capacity – Create a stronger and more efficient agency

Lead Strategy: Enhance fiduciary position and increase reserves

Strategy	Implementation	Timeframe	Reference Number
Introduce entrepreneurial activities	<ul style="list-style-type: none"> • Initiate market rate lending • Research lending capacity in out-of-state markets • Provide gap financing and predevelopment financing (working trust fund, bond finance) 	1 – 3 years	4
Dedicate all available funding	<ul style="list-style-type: none"> • HOME funds tracking system • Market available HOME fund • Proactively sponsor Restore Program (information at the grassroots level) 	Within 1 year	10
Access additional funding sources	<ul style="list-style-type: none"> • Establish a Working Trust Fund <ul style="list-style-type: none"> -Nominal tax on real estate transactions -Fee on Road Home transactions • Lobby for continued bump in LIHTC allocation • Coordinate resources with NMTC projects (establish relationships with local CDFIs) • Petition for CDBG funding to fill difficult development programs 	1 – 5 years	4, 8, 14



Goal: Equity – Infuse a sense of justice and equality in all that we do

Lead Strategy: Encourage disadvantaged groups to participate

Strategy	Implementation	Timeframe	Reference Number
Facilitate participation of disadvantaged businesses	<ul style="list-style-type: none"> • Technical assistance and mentorship program for disadvantaged businesses modeled on the DBE Program • Bonus points for developments that include disadvantaged businesses (developer, contractor, architect, subcontractors, etc.) • Offer a list of available contractors and subcontractors that qualify 	1 – 3 years	12, 16
Build capacity for non-profits	<ul style="list-style-type: none"> • Technical assistance and startup grants • Favorable lending • Coordinate with local governments for \$0 acquisition and fast track approvals processes 	3 – 5 years	13, 19
Incorporate stakeholder voice in the planning process	<ul style="list-style-type: none"> • Staff a consumer outreach group • Survey consumers of tax credit housing and 1st time homebuyers 	1 – 3 years	15



Appendix: Board Retreat Priorities

1. Legislation to provide staggered terms – look at Board compensation, conflicts, Civil Service, constitutional amendment
2. Establishing a legislative lobby
3. Comprehensive/strategic plan – develop a strategic investment plan – focus on other areas of the State
4. Establish entrepreneurial component – allow unrestricted funds into the Agency – seek money, CDBG from LRA, increase per capita low income housing tax credits program authorities
5. Comprehensive branding program – create a public relations campaign, guest editorials, interviews, TV, radio, metro ads, HS – good credit habits, weekly TV show
 - Ensure position is understood by the public and private industry enhancing public outreach
 - Establish annual housing conference
 - Public entities, DSS, etc.
 - Private industry – bankers, etc.
 - Marketing – build a robust communications strategy
6. Streamline all programmatic submissions to the Agency – use technology internal and external, one stop, enhance technology skills of staff, reduce dependence on consultants, build internal capacity
7. Set benchmarks – strategic evaluation – annual or semi-annual basis
8. Protect our reserves and other assets – keep flexibility, e.g., dedicate to bond issue, building reserve funds
9. Maintain communications – Board, Board and staff; external must know what other departments do
10. Make sure we spend our HOME dollars – fully utilize our dollars; how we track them
 - Single family tax credits
 - Restore Program – limitations? Why aren't we moving forward?
11. Increase affordable housing – don't lose sight of middle income and rehab – How far do we go? Opportunities for joint venturing
12. Establish a minorities and women's protégé program – educate, encourage; majority builders to share knowledge; local, small, and disadvantaged enterprise
13. Extent of grant writing department can be utilized – housing, build capacity for non – profits; comprehensive housing strategy for the State – Choto Institute
14. Visit amount of money allocated to Coastal Zone through Go Zone
15. Get input from people we serve – low to moderate (under marketing outreach) stakeholder feedback
16. Make sure that we are doing business in Louisiana, with all businesses, including minorities (DBE Program) – local, small, disadvantaged
 - Be accountable – procurement, professional services, transaction construction, etc.
 - Scoring categories
17. Strategic Investment Plan – establish the kinds of communities LHFA wants to build – types of units, etc.
18. Implement programs that make a difference
19. Branching out to non-profits for programs – not attractive to private developers
20. Succession plan – cross-training