
Louisiana Housing Finance Agency



Multifamily Rental Housing Program

Loretta Wallace, Program Administrator

Louis Russell, Tax Credit Manager

April 9, 2008

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MEMORANDUM

To: Chairman Mark Madderra
Commissioner John Kennedy
Commissioner Kevin Brown
Commissioner Lisa Woodruff-White

From: Loretta Wallace, Program Administrator
Louis Russell, Tax Credit Program Manager

Date: March 31, 2008

Re: Multifamily Rental Housing Program Committee

There will be a Multifamily Rental Housing Program Committee meeting, Wednesday, April 9, 2008 at 10:00 A.M. at the Louisiana Housing Finance Agency, V. Jean Butler Board Room, located at 2415 Quail Drive, Baton Rouge, LA.

Louis Russell will present the following to the Board:

- Presentation by Terrebonne Parish representative;
- Discussion of the Waiver Request and Exception Policy.
- Decision Brief and resolution regarding design feature requests made by the developers of **C.J. Peete III**; combining the credit allocations of **CJ Peete I #06(2)-184** and **CJ Peete III #07/08(FA)-25**; and providing for other matters in connection therewith.
- HANO Update;
- A resolution authorizing a change in the unit and unit mix, for **New Chateau #07/08(FA)-03 (1521 Ames Blvd., Metairie, LA 70002)**; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate Credits to such facilities; and providing for other matters in connection therewith;
- A resolution denying requests made by the developers of **Dolores Park Subdivision #07/08(PC)-083 (N. 5th Ave., Oakdale, LA 71463)**

for reconsideration of selection criteria points; and providing for other matters in connection therewith;

- A resolution authorizing an allocation of 2008 per capita Low Income Housing Tax Credits in the amount of \$535,435 for project **Hideaway Crossing II #06(2)(N)-344 (5550 England Drive, Alexandria, LA 71303)**; authorizing the Louisiana Housing Finance Agency (the “LHFA”) staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate credits to such facilities; and providing for other matters in connection therewith;
- A resolution establishing the maximum qualified basis and the allocation of an additional \$150,745 low-income housing credits to **New Savoy Place Phase I #07-05BF (Various Addresses in New Orleans, LA 70126)**; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate 4% Low Income Housing Tax Credits to such facilities; and providing for other matters in connection therewith;
- Discussion regarding 2009 Per Capital QAP and Timeline.
- Discussion regarding Credit Price crisis.

Other Business.

March 31, 2008

MULTIFAMILY RENTAL HOUSING COMMITTEE

A regular meeting of the Multifamily Rental Housing Program Committee will be held on Wednesday, April 9, 2008 at 10:00 A.M., at Louisiana Housing Finance Agency, V. Jean Butler Board Room, located at 2415 Quail Drive, Baton Rouge, LA by order of the Chairman.

Preliminary Agenda

1. Call to order, roll call and introduction of guests.
2. Multifamily Update.
 - Presentation by Terrebonne Parish representative;
 - Discussion of the Waiver Request and Exception Policy;
 - Decision Brief and resolution regarding design feature requests made by the developers of **C.J. Peete III**; combining the credit allocations of **CJ Peete I #06(2)-184** and **CJ Peete III #07/08(FA)-25**; and providing for other matters in connection therewith.
 - HANO Update;
 - A resolution authorizing a change in the unit and unit mix, for **New Chateau #07/08(FA)-03 (1521 Ames Blvd., Metairie, LA 70002)**; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate Credits to such facilities; and providing for other matters in connection therewith;
 - A resolution denying requests made by the developers of **Dolores Park Subdivision #07/08(PC)-083 (N. 5th Ave., Oakdale, LA 71463)** for reconsideration of selection criteria points; and providing for other matters in connection therewith;
 - A resolution authorizing an allocation of 2008 per capita Low Income Housing Tax Credits in the amount of \$535,435 for project **Hideaway Crossing II #06(2)(N)-344 (5550 England Drive, Alexandria, LA 71303)**; authorizing the Louisiana Housing Finance Agency (the

“LHFA”) staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate credits to such facilities; and providing for other matters in connection therewith;

- A resolution establishing the maximum qualified basis and the allocation of an additional \$150,745 low-income housing credits to **New Savoy Place Phase I #07-05BF (Various Addresses in New Orleans, LA 70126)**; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate 4% Low Income Housing Tax Credits to such facilities; and providing for other matters in connection therewith;
 - Discussion regarding 2009 Per Capital QAP and Timeline.
 - Discussion regarding Credit Price crisis.
3. Other Business.
 4. Adjournment.

Milton J. Bailey, President

If you require special services, please call Barry Brooks at (225) 763-8700 by Monday, March 10, 2008.



MICHEL H. CLAUDET
PARISH PRESIDENT

OFFICE OF THE PARISH PRESIDENT
TERREBONNE PARISH CONSOLIDATED GOVERNMENT
P. O. Box 6097
HOUMA, LOUISIANA 70361-6097



(985) 873-6401
FAX: (985) 873-6409
E-MAIL: mhclaudet@tpcg.org

March 13, 2008

Brenda Evans
Louisiana Housing Finance Agency
2415 Quail drive
Baton Rouge, LA 70808

Re: Terrebonne Parish Consolidated Government
Request for Inclusion on April 9th Agenda

Dear Mrs. Evans,

Please let this letter serve as an official request by the Terrebonne Parish Consolidated Government to be placed on the agenda for the April 9th Board Meeting of the Louisiana Housing Finance Agency.

Terrebonne Parish is actively pursuing the Agency's consideration to allocate Low Income Housing Tax Credits to this Parish. As the citizens and government of Terrebonne continue our rebuilding efforts, we would like to include the LHFA in the discussion of creating much needed affordable housing for our communities.

I respectfully request that the LHFA grant Terrebonne Parish a place on the April 9th agenda, and I look forward to working with the Agency in the recovery of our State. If I can help you in your recovery efforts, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Michel H. Claudet".

Michel H. Claudet
Parish President
Terrebonne Parish Consolidated Government

DECISION BRIEF:

Request by CJ Peete III for Authorization for Several Material Changes

<p><u>Issue</u></p> <p>CJ Peete III, LLC is requesting the Louisiana Housing Finance Agency approve the following material change requests relating to this project:</p> <p><u>Combining CJ Peete I and III</u></p> <p>CJ Peete I have been previously awarded \$1,113,323 in the 2006 2nd funding round. CJ Peete III was awarded \$7,012,377 in the 2007 Forward Allocation round. The project is requesting to combine the two projects and keep the total tax credit amount of \$8,125,700. The number of units will increase from four hundred ten (410) to four hundred sixty (460); which consist of eight three (83) one bedroom, one hundred thirty-eight (38) two bedroom, one hundred ninety-three (193) three bedroom and forty six (46) four-bedroom units.</p> <p>The project will remain on the same tract of land as previously reported.</p> <p><u>Retain all Developer Fees</u></p> <p>The developer is requesting to retain all developer fees including \$1,448,077 for CJ Peete I and \$11,108,423 for CJ Peete III for a combine total of \$12,556,500. The combining of the two projects will limit the amount of the developer fee given according to the QAP, which this project would be exceeding this limit.</p> <p><u>Homeownership Units</u></p> <p>The developer is requesting to add 12 homeownership units to CJ Peete III. Including these 12 additional units will insure that the project will meet both the mixed-income requirements of the pool in which CJ Peete III was awarded credits and the requirements of the piggy-back program from OCD without losing rental units approved by the Agency.</p>	<p><u>Pros:</u></p> <ul style="list-style-type: none">• LHFA will continue its mission of providing safe, descent and affordable housing for low to moderate-income families by utilizing its resources.• Will enhance the housing stock for the citizens of Louisiana. <p><u>Cons:</u> None</p> <p><u>Recommendation:</u></p> <p>Staff recommends approval of combining CJ Peete I and III and Homeownership units. Staff recommends denial of retaining all developer fees.</p>
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CJ Peete III 07/08(FA)-25

- Developer would like to combine CJ Peete I and III into one project
- CJ Peete I have been awarded in the 2006 2nd funding round with \$1,113,323 in 9% tax credits. The project has 25 building with 50 units and 40% of the residents at 60% or less AMI.
- To combine the two projects will increase the number of units from 410 to 460. 83 one-bedroom, 138 two-bedroom, 193 three-bedroom, and 46 four-bedroom units.
- The project will continue to be mixed income, which will include 186 public housing units, 144 tax credit units, 130 market rate units, and 7 public housing households earning above 60% AMI units. The developer is adding a for sale component.
- The project is requesting additional tax credits for a total of \$8,125,700. Previous award amount was \$7,340,542. Developer notes previous award amount as \$7,012,377 and states the project is not requesting additional credits, just the total from both projects.
- The entire development team has changed (see attached)
- Selection criteria changes are as follows:
 - o Design Features- removed "Project will have brick/stucco exterior" and "Project will have storm windows" 10 points each.
 - o Sponsorship characteristics- removed "Contact person listed in application attended Agency sponsored Workshop" 10 points
 - o Leverage and other Considerations- Changed points from 15 to 20 points for "7% or more of total project development cost reduction"
 - o Leverage and other Considerations- Changed points from 15 to 10 points for "Ratio of Project's Intermediary Cost to Development Costs- more than 15% but less than 20%"
 - o Leverage and other Considerations- Changed points from 50 to 40 points for "Syndication Efficiency- \$9.01 to \$10.00"
 - o Total points for project are 840.

LHFA LIHTC Reprocessing Executive Summary

Introduction

The purpose of this executive summary is to outline the program for the redevelopment of the C.J. Peete site into a new mixed-income community and identify the changes from the original Low Income Housing Tax Credit (LIHTC) applications for Peete I and Peete III that are addressed in this reprocessing application to the Louisiana Housing Finance Agency (LHFA). The programmatic changes identified below influenced areas throughout the application, which includes updated sections. In addition, the reprocessing application includes updates to the market study, financial commitments, letters of support, and community notice, which expired since the initial application. These changes are proposed by Central City Partners, LLC (CCP), whose members are McCormack Baron Salazar (MBS), KAI Design & Build (KAI), and the New Orleans Neighborhood Development Collaborative (NONDC), who were selected as the master developer to redevelop C.J. Peete by the Housing Authority of New Orleans (HANO).

Development Team

Central City Partners (CCP), a joint venture made up of the Peete Redevelopment LLC between McCormack Baron Salazar (MBS) and KAI Design and Build (KAI); with the New Orleans Neighborhood Development Collaborative (NONDC) was selected by the Housing Authority of New Orleans (HANO) to redevelop the C.J. Peete Public Housing Development into a new mixed-income community of 460 multifamily-rental garden apartments and townhouses. C.J. Peete presents a rare opportunity to build an entirely new community in the Central City neighborhood with the greater community and HANO that will create catalytic neighborhood change with the redevelopment of the local schools and scattered site projects throughout the Central City neighborhood.

Reconnecting the Central City Neighborhood

The redevelopment of the C.J. Peete public housing site into a mixed-income community is a crucial component of reconnecting public housing and public housing residents to the greater Central City neighborhood. As part of an overall development implementation plan driven by public housing and other neighborhood residents, CCP with HANO, and the City of New Orleans; the Central City neighborhood will undergo a revitalization where families and individuals of all income levels will live together and build community. This comprehensive plan will include the redevelopment of C.J. Peete, new schools for public housing and other community residents, the acquisition and development of scattered site properties throughout the neighborhood, and connect children and families to supportive services.

C.J. Peete Onsite Rental

The C.J. Peete Onsite Rental Phase will include 460 mixed-income townhouses and garden units. This includes 186 public housing-LIHTC units, 144 LIHTC units, 130 market rate units, and 7 units for public housing households earning above 60% AMI. Public housing units, tax credit units and market rate units will be interspersed throughout the site. Each rental-type will have the same amenities and be indistinguishable.

Central City Schools

CCP has identified the redevelopment of Thomy Lafon Elementary School as a necessary component of the C.J. Peete redevelopment program. Over the last two years, McCormack Baron Salazar was allocated \$120 million in New Markets Tax Credits that can be used as a component of a financing strategy for the development of Lafon. Programming for the new community school will include an arts-based curriculum, community health clinic, job training classes and a neighborhood YMCA.

Central City Acquisition and Scattered Site Development

In addition to redeveloping the public housing site and neighborhood schools, CCP is redeveloping scattered site properties throughout the Central City neighborhood for homeownership opportunities and acquire strategic commercial properties as part of the comprehensive neighborhood revitalization. The commercial strategy will focus on the support of quality retail development along the Claiborne Corridor, targeted by the City Council and Office of Recovery Management as a redevelopment priority for the Central City neighborhood.

Site Design

The proposed design of the site aims to create a mixed-income community as defined by the State of Louisiana that

- maximizes the entire site while maintaining low density
- offers community, recreation and educational facilities for residents and the surrounding neighborhood
- provides rental and for-sale opportunities
- can be developed efficiently and cost-effectively

Reprocessing Changes

To create such a community will require changes to be approved by the LHFA. We understand the LHFA will have to make an internal policy decision on the proposed changes, which we consider project enhancements. MBS is available and look forward to discussing these changes with the LHFA.

Proposed changes include:

1. Combining the Peete I and Peete III projects into a single project and adding the for-sale component of the development for mixed-income consideration
2. Admitting Peete Redevelopment, LLC as a co-managing member of the ownership entity with Place D'Genesis and Central City Partners, LLC as the developer
3. Admitting McCormack Baron Ragan as the Property Manager
4. Changing the unit mix and unit sizes
5. Rehabilitating the administration/maintenance building
6. Rehabilitating the community center
7. Development of Thomy Lafon Elementary, YMCA, Health Clinic
8. Other Application Notes and Changes

1. Combining Peete I, Peete III, and Homeownership

C.J. Peete I was awarded \$1,113,323 in annual 9% LIHTC under the PHA pool in the 2006 second round of GO Zone tax credit allocations. This phase includes 50 total units of ACC/LIHTC units and project based HCV/LIHTC units. Keeping with the principles of developing a revitalized mixed-income community on the C.J. Peete site, CCP proposes combining the mixed-income 410-unit Peete III phase (awarded \$7,012,377 in the 2007/08 GO Zone credits mixed-income pool) with Peete I.

Combining the two projects will allow the entire site to be developed as a mixed-income community without isolating fifty 100%-affordable Peete I units into a segregated portion of the site. In addition, combining the two phases will streamline the development and construction process. A single project allows for the tracking of one schedule, creates a single closing, requires a single ownership entity, and eliminates the challenges of potentially having more than one LIHTC investor on the site. The new combined site is identified in a legal description in the reprocessing application.

To insure the combined C.J. Peete rental program meets the mixed-income requirements of the pool in which C.J. Peete III was awarded credits and the requirements of the piggy-back program from OCD, without changing the rental program approved by LHFA for the 2 phases, CCP is including 12 homeownership units in the reprocessing application. All for sale units are located in C.J. Peete's Central City neighborhood. The addresses of these units are below:

- 1523 Freret Street
- 1527 Freret Street
- 2331 Terpsichore Street
- 1527 Baronne Street
- 2114 Freret Street
- 2419 Terpsichore Street
- 1605 South Liberty Street
- 1616 South Liberty Street
- 1826 S. Rampart Street
- 2710 St. Andrew Street
- 2714 St. Andrew Street
- 2001 Magnolia Street

The proposed C.J. Peete program is 472 units of housing. This includes 186 public housing-LIHTC rental units, 144 LIHTC-only rental units, 130 rental units for households earning above 60% AMI, and 12 for sale units for households earning above 60% AMI.

The public housing units are tiered to respond to the requirements of both the LHFA and OCD. In response to criteria in the LIHTC application, 10% of the total units are reserved for households earning up to 20% AMI and 10% of the total units are reserved for households earning between 20% and 30% AMI. To fit the guidelines of OCD, only 157 of the public housing-LIHTC units will be reserved for households earning below

40% AMI. The remaining 29 public housing-LIHTC units are reserved for households earning between 40% - 60% AMI. See table below.

C.J. Peete III Proposed Rental Program

	1 BR	2 BR	3 BR	4 BR	Total
Up to 20% AMI (ACC/LIHTC)	8	14	20	6	48
20% - 30% AMI (ACC/LIHTC)	8	14	20	6	48
Up to 40% AMI (ACC/LIHTC)	0	26	32	3	61
40% - 60% AMI (ACC/LIHTC)	3	10	13	3	29
40% - 60% AMI (LIHTC ONLY)	38	35	55	16	144
Market	26	39	53	12	130
Total	83	138	193	46	460

Through an income tier of the public housing units and inclusion of the for sale program, the proposed C.J. Peete program fits the guidelines of the OCD piggyback program without making changes to the LIHTC program. The table below summarizes the total income mix.

C.J. Peete III Proposed Program

	Total Units	Percentage of Units
Up to 40% AMI	157	33%
40% - 60% AMI	173	37%
Above 60% AMI	142	30%
Total	472	100%

This program meets the LHFA requirement that more than 30% of units are reserved for households earning above 60% AMI, and the OCD requirement that no more than 33% of units are made available for households earning below 40% AMI.

2. Peete Redevelopment, LLC as a Co-managing Member of the Ownership Entity with Place D'Genesis and Central City Partners as the Developer

The 2006 and 2007 awards were given to C.J. Peete I, LLC and C.J. Peete III, LLC, respectively. The managing member of both of those entities was Lune D'Or Enterprises, LLC. With our reprocessing application, we request that the single combined award be granted to C.J. Peete III, LLC. The reprocessing application includes unexecuted drafts of the amended and restated articles of organization and operating agreement for C.J. Peete III, LLC. These documents will be executed after written approval from LHFA.

CCP was procured by HANO as the developer of C.J. Peete. The reprocessing application includes a draft development services agreement that replaces Crescent Affordable Housing Corporation with CCP as the developer of the project.

3. Admitting McCormack Baron Ragan as the Property Manager

McCormack Baron Ragan (MBR), an affiliate of McCormack Baron Salazar, will serve as the management agent for the C. J. Peete redevelopment. MBR is a full service management company. MBR has established a portfolio of approximately 15,000 rental units in 18 states including over ten HUD mixed-finance/mixed-income developments. A

LIHTC training certificate of an MBR staff member is included in the application as evidence of the scoring criteria.

4. Rehabilitating One Existing Residential Building into Apartments

The MOA executed by HANO with the State Historic Preservation Office (SHPO) requires the rehabilitation of the existing residential building located on Freret St. at Louisiana adjacent to the administration/maintenance building. The residential building will include ten two-bedroom townhouses. LHFA will have to approve the change of ten two-bedroom new construction units into ten two-bedroom rehab units. The hard cost for these units is less than 5% of the total development hard costs and is represented in the "Rehabilitation Costs" line item in the "New Construction Development Costs" application budget. A \$600,000 acquisition cost is included for an acquisition credits.

5. Rehabilitating the Administration/Maintenance Building

The MOA with the SHPO requires the rehabilitation of the existing administrative/maintenance building. CCP proposes to use a portion of the 5,100 square foot rehabbed building to display the history of the C.J. Peete development (required by SPHO MOA); the balance of the building will be used for office space, and property management maintenance and storage.

6. Rehabilitating the Community Center

CCP proposes rehabbing the existing 11,000 square foot community center per the request by the former C.J. Peete residents during the community design charrette and recommended in the MOA with the SHPO. The community center will house case management services, the C.J. Peete Resident Council, Neighborhood Networks, a technology center, team recreation programs, after school tutoring, social activities and community events. It is the preference of the C.J. Peete residents to use this structure as the community facility outlined in the initial Peete applications.

7. Development of Thomy Lafon Elementary, YMCA, Health Clinic

In addition to the community facilities to be developed under the C.J. Peete redevelopment program, CCP is working with the Recovery School District and Orleans Parish School Board to redevelop the vacant Thomy Lafon Elementary School that sits in the center of the Peete redevelopment site. MBS has proposed New Markets Tax Credits as leverage to the redevelopment of the 47,000 sq. ft. pre-k through 8th grade school that will include a community health clinic and shared facilities with a 25,000 sq. ft. YMCA. The local YMCA has committed to raise funds for the project. These facilities will be available as families move into the development and will serve as the anchor community amenities for the neighborhood.

8. Other Application Notes and Changes

- Applicant is not requesting additional credits and developer fee is the sum of LHFA approved developer fees from Peete I and III

- Project has less conventional debt than previous application to fund insurance escrow from operating revenue
- The project schedule is a combination of the Peete I and Peete III schedules approved by LHFA

Summary

The above recommended changes to the redevelopment of C.J. Peete are enhancements to the original program. These changes include an integrated mixed-income site, a streamlined development process, more efficient units, and additional community facilities without changing the income mix and number of units proposed in the original tax credit application submissions.

Original

114#648

Development Team

Please identify each development team member.

Managing Member/GP:

Lune d'Or Enterprises

Contact: Shelley Smith Phone: (504) 670-3456

E-Mail Address: ssmith@hano.org Fax: (504) 286-8229

Fiscal Member/Partner:

Contact: _____ Phone: _____

Syndicator:

Apollo Financial, Inc

Contact: David Urban Phone: (216) 875-2626

Attorney:

Ballard Spahr Andrews & Ingersoll, LLP

Contact: Paul K. Casey, Esq Phone: (410) 528-5694

Accountant:

Contact: _____ Phone: _____

Construction Mortgage Lender:

Chase Bank

Contact: Pauline Allen Phone: (713) 751-3805

Permanent Mortgage Lender:

Chase Bank

Contact: Pauline Allen Phone: (713) 751-3805

Management Co.:

Alpha Barnes Real Estate Services

Contact: Theodore Jefferson Phone: (972) 643-3240

Builder / Contractor:

To be determined

Contact: _____ Phone: _____

Updated
Reprocessed

1357973

Development Team

Please identify each development team member.

Managing Member/GP: Pete Redevelopment LLC and Place D'Genesis

Contact: Vincent R. Bennett Phone: (314) 621-3400

E-Mail Address: vince.bennett@mccormackbaron.com Fax: (314) 335-2927

Fiscal Member/Partner: _____

Contact: _____ Phone: _____

Syndicator: SunAmerica Affordable Housing Partners

1999 Avenue of the Stars, Century City, Los Angeles, CA 90067

Contact: Michael Fowler Phone: (310) 772-6553

Attorney: Rosenblum Goldenbersh Silverstein and Zafft

7733 Forsyth, St. Louis, MO 63105

Contact: Carl Lang Phone: (314) 726-6868

Accountant: Rubin Brown

1 North Brentwood, St. Louis, MO 63105

Contact: Bryan Keller Phone: (314) 290-3341

Construction Mortgage Lender: SunAmerica/AIG

1999 Avenue of the Stars, Century City, Los Angeles, CA 90067

Contact: Michael Fowler Phone: (310) 772-6553

Permanent Mortgage Lender: SunAmerica/AIG

1999 Avenue of the Stars, Century City, Los Angeles, CA 90067

Contact: Michael Fowler Phone: (310) 772-6553

Management Co.: McCormack Baron Ragan Management Co.

1415 Olive Street, St. Louis, MO

Contact: Alan Ragan Phone: (314) 421-1160

Builder / Contractor: To be determined

Contact: _____ Phone: _____

Sources & Uses

Fund Sources

	\$ Amount
First Mortgage Loan Principal	\$0.00
Second Mortgage Loan Principal	\$0.00
Non-Governmental Cash Flow Notes	\$0.00
Gross Tax Credit Equity	\$12,623,737.50
Home Loan	\$0.00
Other Subsidized Government Financing	\$0.00
Existing Account Balances:	
Reserve for Replacement	\$0.00
Owner Contribution:	
Deferred Developer Fee	\$0.00
Lease-Up Reserves	\$0.00
Operating Reserves	\$0.00
Other Fund Sources	
1: HANO Loan	\$1,872,945.50
2:	\$0.00
3:	\$0.00
4:	\$0.00
5:	\$0.00
Other Sources Needed to Balance	\$0.00
Total Funding Sources	\$14,496,683.00

Sources & Uses Comments:

Soft Costs

	\$ Amount
Architect's Fee - Design	\$453,040.00
Architect's Fee - Supervisory	\$0.00
Interest During Construction	\$72,000.00
Taxes	\$10,000.00
Insurance	\$10,000.00
Mortgage Insurance Premium	\$0.00
Examination Fee	\$0.00
Inspection Fee	\$0.00
Financing Fee	\$0.00
Title and Recording	\$10,000.00
Closing Costs and Legal Fees	\$100,000.00
Organization	\$0.00
Cost Certification Audit Fee	\$0.00
Application and Tax Credit Fees	\$72,500.00
Relocation Expenses	\$0.00
Contingency Fee	\$24,652.00
Developer Fee	\$1,448,077.00
Consultant Fees	\$0.00
LHFA Third Party HOME Costs	\$0.00
Lender Legal	\$10,000.00
Origination Fee	\$5,000.00
Borrower's Counsel	\$0.00
Survey	\$40,000.00
Accounting Fees	\$20,000.00
Other	\$10,000.00
Title Insurance	\$50,000.00
Market Study	\$3,000.00
Environmental Phase I	\$10,000.00
Soft Cost Contingency	\$53,841.00
Financial Advisor	\$100,000.00
Marketing	\$10,000.00
Materials Testing	\$33,750.00
Permits and Water Meters	\$100,000.00
Insurance (project)	\$400,562.00
Total:	\$3,046,422.00

Fund Uses

	\$ Amount
Rehabilitation Costs	\$0.00
Development Costs (Hard Costs)	\$10,518,959.00
Total Soft Costs	\$3,046,422.00
Acquisition	
Cost of Land Only	\$0.00
Cost of Buildings Only	\$0.00
Cost of Other	\$600,000.00
Other Fund Uses	
1:	\$0.00
2:	\$0.00
Total Development Costs	\$14,165,381.00
Syndication Costs Paid by Developer	\$0.00
Initial Operating Deficit Reserve	\$0.00
Initial Deposit to Replacement Reserve	\$0.00
Other Fund Uses	
1: Lease-up Reserve	\$92,200.00
2: Operating Reserve	\$92,200.00
3: ACC Subsidy Reserve	\$146,902.00
4:	\$0.00
Total Use of Funds	\$14,496,683.00

Sources & Uses

11-416-18

Fund Sources

	\$ Amount
First Mortgage Loan Principal	\$10,118,026.00
Second Mortgage Loan Principal	\$0.00
Non-Governmental Cash Flow Notes	\$0.00
Gross Tax Credit Equity	\$73,471,478.78
Home Loan	\$0.00
CDBG Funds	\$27,000,000.00
Existing Account Balances:	
Reserve for Replacement	\$0.00
Owner Contribution:	
Deferred Developer Fee	\$0.00
Lease-Up Reserves	\$0.00
Operating Reserves	\$0.00
Other Fund Sources	
	\$0.00
HANO Permanent Loan at AFR/HANO AHP	\$12,679,515.01
HANO Demo/Relocation Funds/Site Work	\$5,642,080.00
	\$0.00
	\$0.00
Other Sources Needed to Balance	\$0.00
Total Funding Sources	\$128,911,099.79

Sources & Uses Comments:

Soft Costs

	\$ Amount
Architect's Fee - Design	\$3,263,371.00
Architect's Fee - Supervisory	\$326,337.00
Interest During Construction	\$4,176,498.00
Taxes	\$0.00
Insurance	\$4,864,582.00
FHA Mortgage Insurance Premium	\$0.00
Examination Fee	\$0.00
Inspection Fee	\$0.00
Financing Fee	\$0.00
Title and Recording	\$0.00
Taxpayer Closing Costs	\$205,000.00
Organization	\$0.00
Cost Certification Audit Fee	\$30,000.00
Application and Tax Credit Fees	\$333,465.00
Relocation Expenses	\$180,279.00
Developer Fee (Including All Consultant Fees and Contingency FEES)	
LHFA Third Party HOME Costs	\$0.00
Lender Legal	\$0.00
Origination Fee (Construction)	\$639,492.00
Taxpayer Counsel	\$205,000.00
Survey	\$328,000.00
Audit Fees	\$0.00
Other Costs:	
Title insurance	\$410,000.00
Market study	\$10,000.00
Environmental Phase I	\$20,000.00
Other Costs:	\$0.00
Architectural Contingency	\$295,487.00
Marketing	\$30,000.00
Materials tsetting	\$276,750.00
Permits and water meters	\$820,000.00
Permanent Financing Cost:	\$0.00
Total Fundable Soft Costs:	\$27,522,684.80

Fund Uses

	\$ Amount
Rehabilitation Hard Costs	\$0.00
Construction Hard Costs	\$66,052,442.00
Total Soft Costs	\$27,522,684.80
Acquisition Costs:	
Land Only	\$0.00
Buildings Only	\$0.00
Ground Lease	\$8,500,000.00
Other Fund Uses NOT in Basis	
Demolition	\$2,948,394.00
Infrastructure w/ Contingency	\$20,669,150.99
Total Development Costs	\$125,692,671.79
Excess Syndication Costs Paid by Developer	\$0.00
Initial Operating Deficit Reserve	\$0.00
Initial Deposit to Replacement Reserve	\$0.00
Other Fund Uses	
Lease-up reserve	\$655,356.00
Operating res. (capitalized)	\$1,310,713.00
ACC subsidy reserve	\$436,984.00
Debt Service Reserve	\$815,375.00
Total Use of Funds	\$128,911,099.79

Other Non-Fundable Costs

1: Permanent Loan Fees	\$291,180.00
2:	\$0.00
3:	\$0.00
4:	\$0.00

5:	\$0.00
6:	\$0.00
7:	\$0.00
8:	\$0.00
Total:	\$291,180.00

Reprocessing

1357973

Sources & Uses

Fund Sources

	\$ Amount
First Mortgage Loan Principal	\$1,997,000.00
Second Mortgage Loan Principal	\$0.00
Non-Governmental Cash Flow Notes	\$0.00
Gross Tax Credit Equity	\$80,370,996.25
Home Loan	\$0.00
CDBG Funds	\$27,000,000.00
Existing Account Balances:	
Reserve for Replacement	\$0.00
Owner Contribution:	
Deferred Developer Fee	\$0.00
Lease-Up Reserves	\$0.00
Operating Reserves	\$0.00
Other Fund Sources	
HANO Permanent Loan at AFR	\$9,173,000.00
HANO Acquisition Loan at 0%	\$11,900,000.00
	\$0.00
	\$0.00
	\$0.00
Other Sources Needed to Balance	\$0.00
Total Funding Sources	\$130,440,996.25

Fund Uses

	\$ Amount
Rehabilitation Hard Costs	\$0.00
Construction Hard Costs	\$77,080,619.47
Total Soft Costs	\$36,941,251.78
Acquisition Costs:	
Land Only	\$11,900,000.00
Buildings Only	\$600,000.00
Other Fund Uses NOT in Basis	
Demolition	\$2,539,125.00
Total Development Costs	\$129,060,996.25
Excess Syndication Costs Paid by Developer	\$0.00
Initial Operating Deficit Reserve	\$1,380,000.00
Initial Deposit to Replacement Reserve	\$0.00
Other Fund Uses	
Total Use of Funds	\$130,440,996.25

Other Non-Fundable Costs

1:	\$0.00
2:	\$0.00
3:	\$0.00
4:	\$0.00

Sources & Uses Comments:
 Operating Deficit Reserve on this page is actually a targeted Insurance Deficit Escrow. We expect to capitalize this as noted, and contribute to it annually, in order to protect the development against future spikes in insurance costs. A ceiling will be established, above which any excess will be distributed as surplus cash. The ACC reserve will be funded from construction period interest.

Soft Costs

	\$ Amount
Architect's Fee - Design	\$4,856,079.03
Architect's Fee - Supervisory	\$539,564.34
Interest During Construction	\$9,099,139.21
Taxes	\$110,349.51
Insurance	\$1,890,000.00
FHA Mortgage Insurance Premium	
Examination Fee	
Inspection Fee	
Financing Fee	\$1,089,797.84
Title and Recording	\$115,000.00
Taxpayer Closing Costs	
Organization	
Cost Certification Audit Fee	
Application and Tax Credit Fees	\$406,285.00
Relocation Expenses	
Developer Fee (Including All Consultant Fees and Contingency FEES)	\$12,556,500.00
LHFA Third Party HOME Costs	
Lender Legal	
Origination Fee (Construction)	
Taxpayer Counsel	
Survey	
Audit Fees	
Other Costs:	
Professional Fees and Reports	\$400,000.00
Marketing	\$368,000.00
FFE	\$744,000.00
Leaseup Interest and Expense	\$1,425,536.86
Contingency	\$3,341,000.00
Total Fundable Soft Costs:	\$36,941,251.78

5:	\$0.00
6:	\$0.00
7:	\$0.00
8:	\$0.00
Total:	\$0.00



MEMORANDUM

To: Brenda Evans, Program Administrator, LHFA
From: Karen Cato-Turner, Executive Administrator
CC: Len Henry, Vince Bennett, Kevin McCormack, Jonathan Goldstein, Ellis Henry, Barry Palmer, Judith Moran, Yusef Freeman, Louis Russell
Date: April 2, 2008
Re: C.J. Peete Developer Fee Waiver Request

Introduction

The purpose of this memo is to outline the justification for a waiver to the amount of fee allowed under the 2007/08 GO Zone QAP for the redevelopment of the C.J. Peete public housing site. In November, 2007, the Housing Authority of New Orleans (HANO) and Central City Partners (CCP), the developer of the C.J. Peete project, were invited by the LHFA to submit a single tax credit reprocessing application that combines the tax credit awards of C.J. Peete I and C.J. Peete III. The application includes a developer fee in the amount of \$12,579,081, the sum of the fees previously approved in the C.J. Peete I and C.J. Peete III awards. The 2007/08 GO Zone QAP caps the potential fee at \$10,982,567, a difference of \$1,573,933. HANO and CCP are hereby requesting a waiver of the developer cap, recognizing that any fee approved by LHFA will also require HUD review and approval.

It is important to note that the developer fee being requested for the combined Peete site is the same amount that has already been approved in the aggregate for C J Peete I and C J Peete III.

Combining Peete I and Peete III

C.J. Peete I was awarded \$1,113,323 in annual 9% LIHTC under the public housing authority pool in the 2006 second round of GO Zone tax credit allocations. This phase consists of 50 units, all of which are subsidized for low income and public housing households. C.J. Peete III was awarded \$7,012,377 in the 2007/08 GO Zone credits mixed-income pool. CCP is a firm proponent of mixed-income housing for the State of Louisiana and the City of New Orleans. Keeping with the principles of developing a revitalized mixed-income community on the entire C.J. Peete site, HANO and CCP met with LHFA staff and board members and were invited to combine the mixed-income 410-unit Peete III phase with 50-unit Peete I.

While the combined project offers certain efficiencies, it does not reduce the developer's risk or financial obligations to the project. Combining the two projects allow the entire site to be developed as a mixed-income community without isolating fifty 100%-affordable Peete I units into a segregated portion of the site. In addition, combining the two phases will streamline the development and construction processes. A single project allows for the tracking of one

schedule, creates a single closing, requires a single ownership entity, and eliminates the challenges of potentially having more than one LIHTC investor on the site. However, these efficiencies and economies of scale do not reduce the developer's overhead and risk. Combining the projects does not reduce CCP's construction completion, operating deficit, credit deficit, and repurchase obligations. To this end, we are requesting a waiver of the cap on developer fee and approval of a fee that includes the two fees approved for C. J. Peete I and C. J. Peete III. The Department has the authority to grant such a waiver. Without this waiver, the developer will be penalized for combining the two projects.

If the waiver is denied, the developer may seek another solution to create a mixed-income community and submit two reprocessing applications to the LHFA for review.

Extraordinary Approach to Redeveloping C.J. Peete

Over the last year and a half, CCP has taken an intensive approach to redeveloping C.J. Peete that goes beyond the work of a typical development. CCP engaged the former residents of C.J. Peete in every step of the development process. This has included regular resident meetings, design charrettes, provision of community supportive services, daycare and transportation services during all meetings, and site visits to St. Louis to meet with residents who went through a similar redevelopment process.

In addition to securing resources for the redevelopment of the rental phases of C.J. Peete, CCP secured community and supportive services grants and predevelopment financing from foundations, committed to developing fifty for-sale homes throughout the Central City neighborhood, continues to work with the Recovery School District to ensure the school located on the site will be a state of the art facility available to C.J. Peete residents in 2010, and developing a retail plan for the S. Claiborne corridor adjacent to the site. All of these additional activities are necessary to create a sustainable mixed-income community.

Much of New Orleans' physical infrastructure will require years to update and repair. Due to diminished capacity of most public agencies and volume of work, CCP and HANO have assigned additional staff and resources to expedite the design and implementation of public improvements.

We believe the amount of work associated with the provision of community services, resident engagement, financial structuring, government relations, project management, and obtaining public approvals supports the requested fee, which is below HUD's cost control limits. The for-profit and nonprofit members of CCP, (McCormack Baron Salazar, Landwide Development Corp, and the New Orleans Neighborhood Development Collaborative) have appointed the necessary resources to implement the C.J. Peete development program and meet the milestones required by the LHFA and OCD.



To: Brenda Evans, Program Administrator, LHFA
From: Karen Cato-Turner, Executive Administrator
CC: Karen Cato-Turner, Len Henry, Vince Bennett, Kevin McCormack, Jonathan Goldstein, Ellis Henry, Barry Palmer, Judith Moran, Yusef Freeman, Louis Russell
Date: April 2, 2008
Re: C.J. Peete Mixed-Income Approach with Homeownership

The purpose of this memo is to outline the mixed-income program for the redevelopment of C.J. Peete III and request that the LHFA consider the 12 homeownership units as part of the mixed-income program.

The Housing Authority of New Orleans (HANO), at the recommendation of LHFA, submitted a reprocessing application to LHFA that combines C. J. Peete I and C. J. Peete III tax credit awards into a revised C. J. Peete III program. To insure that the combined program meets both the mixed-income requirements of the pool in which C.J. Peete III was awarded credits and the requirements of the piggy-back program from OCD without losing rental units approved by LHFA for the two separate projects, HANO and Central City Partners (CCP), the developer, recommend including 12 homeownership units in the reprocessing application submitted by C. J. Peete III, LLC.

All for sale units are located in C.J. Peete's Central City neighborhood. The addresses of these units are below:

- 1523 Freret Street
- 1527 Freret Street
- 2331 Terpsichore Street
- 1527 Baronne Street
- 2114 Freret Street
- 2419 Terpsichore Street
- 1605 South Liberty Street
- 1616 South Liberty Street
- 1826 S. Rampart Street
- 2710 St. Andrew Street
- 2714 St. Andrew Street
- 2001 Magnolia Street

The C.J. Peete III reprocessing application is composed of 472 units of housing. This includes 186 ACC/LIHTC rental units, 144 LIHTC-only rental units, 130 rental units for households earning above 60% AMI, and 12 for sale units for households earning above 60% AMI.

The public housing units are tiered to respond to the requirements of both the LHFA and OCD. In response to criteria in the LIHTC application, 10% of the total units are reserved for households earning up to 20% AMI and 10% of the total units are reserved for households earning between 20% and 30% AMI. To fit the guidelines of OCD, only 157 of the ACC/LIHTC units will be reserved for households earning below 40% AMI. The remaining 29 ACC/LIHTC units are reserved for households earning between 40% - 60% AMI. See table below.

C.J. Peete III Proposed Rental Program

	1 BR	2 BR	3 BR	4 BR	Total
Up to 20% AMI (ACC/LIHTC)	8	14	20	6	48
20% - 30% AMI (ACC/LIHTC)	8	14	20	6	48
Up to 40% AMI (ACC/LIHTC)	0	26	32	3	61
40% - 60% AMI (ACC/LIHTC)	3	10	13	3	29
40% - 60% AMI (LIHTC ONLY)	38	35	55	16	144
Market	26	39	53	12	130
Total	83	138	193	46	460

Through an income tier of the public housing units and inclusion of the for sale program, the proposed C.J. Peete III program fits the guidelines of the OCD piggyback program without changing the number of rental units originally proposed in the LIHTC applications. The table below summarizes the total income mix.

C.J. Peete III Proposed Program

	Total Units	Percentage of Units
Up to 40% AMI	157	33%
40% - 60% AMI	173	37%
Above 60% AMI	142	30%
Total	472	100%

This program meets the LHFA requirement that more than 30% of units are reserved for households earning above 60% AMI, and the OCD requirement that no more than 33% of units are made available for households earning below 40% AMI.

LOUISIANA HOUSING FINANCE AGENCY

RESOLUTION

A resolution approving design feature requests made by the developers of **CJ Peete I and C.J. Peete III**; and providing for other matters in connection therewith;

WHEREAS, the staff of LHFA has received the following requests in connection with the projects listed below;

WHEREAS, staff has reviewed these requests and based upon the information provided, is recommending the following action for each project as indicated below;

1. The project is requesting to combine the two projects and keep the total tax credit amount of \$8,125,700.
2. The number of units will increase from four hundred ten (410) to four hundred sixty (460); which consist of eighty-three (83) one bedroom, one hundred thirty-eight (138) two bedroom, one hundred ninety-three (193) three bedroom and forty six (46) four-bedroom units.
3. The developer is requesting to retain all developer fees including \$1,448,077 for CJ Peete I and \$11,108,423 for CJ Peete III for a combined total of \$12,556,500.

Staff Recommendation: Based on information provided by the developer, staff is recommending approval due to the Agency's mission to provide the best quality housing for citizens.

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

Section 1: A resolution is hereby approved that provides approval of the above enumerated recommendations of staff.

Section 2: The Agency staff and counsel are authorized and directed to prepare such documents and agreements as may be necessary to implement such actions.

Section 3: The Chairman, Vice-Chairman, President, Vice-President, and or Secretary of the Agency be hereby authorized, empowered and directed to execute any forms and or documents required to be executed on behalf of and in the name of the Agency, the terms of which are to be consistent with the provisions of this resolution as approved by the Agency's counsel.

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

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 9th day of April 2008.

Chairman

Secretary

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing two (2) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on April 9, 2008, providing approval of the recommendation submitted by staff in connection with CJ Peete I and CJ Peete III; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 9th day of April 2008.

Secretary

(SEAL)

DECISION BRIEF:

Request by New Chateau for Authorization for Material Changes

Issue

New Chateau, LLC is requesting the Louisiana Housing Finance Agency approve the following material change requests relating to this project:

The Addition of 14 Units to New Chateau

New Chateau was awarded \$1,250,000 in the 2007 Forward Allocation round. The project is requesting to include 14 additional units to the project and keep the total tax credit amount of \$1,250,000.

The project will remain on the same tract of land as previously reported.

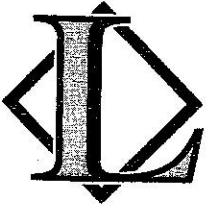
Pros:

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

Cons: None

Recommendation:

Staff recommends approval of these requests as stated.



LITTLE & ASSOCIATES LLC
CERTIFIED PUBLIC ACCOUNTANTS

MEMORANDUM

Wm. TODD LITTLE, CPA
CHARLES R. MARCHBANKS, JR., CPA

MEMO TO: Mr. Louis Russell/Ms. Brenda Evans
FROM: Wm. Todd Little
DATE: February 4, 2008
SUBJECT: New Chateau #04/08(FA)-03 - LIHTC Development

Please find attached a letter, with attachments, from my client outlining a series of events and issues that have transpired over the course of their development. The purpose of my memorandum is to summarize the issues, as they relate to the LHFA, and formally requesting assistance from the LHFA to allow the developer to increase the size of their development.

Summarization of Facts:

New Chateau, LLC submitted an application for LIHTC for an 84 unit multifamily development located in New Orleans, La. The new 84 unit development was intended to be built in place of their former development, Chateau Ames Apartments, which was a 98 unit development destroyed by Hurricane Katrina.

In an effort to maximize the points allowed by the QAP and ensure a reservation of credits, they proposed an 84 unit development in lieu of the former 98 unit development that was destroyed. The reason for the decrease in units was to accommodate a certain number of "4-bedroom" units for an additional 15 points. Their application was the second highest scoring application in their respective pool. As part of their application, they submitted a letter from HUD-New Orleans evidencing approval of the proposed development and acknowledging that they would allow a transfer of the existing HAP contract from the former Chateau Ames Apartments (98 Units) to the proposed New Chateau Apartments (84 units). (The HUD letter is attached as an exhibit to their letter).

The New Chateau application was approved and a reservation of LIHTC's in the amount of \$1,250,000 was awarded to the development. They subsequently proceeded with the development and incurred cost sufficient to meet the 10% carryover test. They filed their 10% carryover certification and an allocation of credits under the 10% basis exception was made to the development last year.

During the closing process with their investor and lender, a written request was submitted to HUD to execute an agreement of transfer of the existing HAP contract to the new partnership. They were contacted by HUD – Washington and informed that they cannot transfer an existing HAP contract from one property to another if the unit mix and number of units were not the same. This was done despite the earlier approvals they had received from HUD – New Orleans.

Solutions to Problem:

1. There are currently two bills circulating in congress that will allow this transfer to be approved. They are HR 1227 and Senate bill S 1668. The house bill has been passed and the senate bill is

facing some resistance from Senator Vitter. It could take months for these bills to pass, which would further delay their development.

2. They could restructure their development from the proposed 84 unit development into a 96 unit development mirroring the unit mix and number of units from the former Chateau Ames Apartments. This would allow HUD to approve the transfer with no legislative action.

Summary and Request to LHFA:

In an effort to move the New Chateau development and avoid further delays that could take months to work through, they would like to request that the LHFA allow them to submit a reprocessing application for a 96 unit development, whose unit mix will mirror that of the former Chateau Ames development. In order to accommodate this, they would not be able to construct the "4 Bedroom" units reflected in their application for credits. They received 15 points for this selection criterion. By taking these points away, their application score would go from 755 points, which was their Agency approved score at the time of approval, to 740 points. ***This reduction in points would not have affected their ranking at all in the application final awards. They would rank in the exact place they did with their original score of 755.*** Although they would be making a modification to the unit mix in the New Chateau development, they would be providing an additional 14 units of affordable housing for the same amount of credits previously awarded. By approving this request, you will allow the developers of the New Chateau development to proceed with their closing and begin construction in a very short timeframe. Should the request not be granted, they would face an undeterminable delay and the project may never be done.

Formal Request:

Please grant the developers of the New Chateau Apartments approval to submit a reprocessing application which will change their unit mix from 84 units to 96 units. Upon approval of this change, a reprocessing application can be submitted within one week of such approval. We would like to request that this request be taken up at the next (February 2008) meeting of the Board of commissioners.

We can be available to explain this request to the board in detail at the next (February 2008) meeting of the Board of Commissioners. Should any additional information be needed, please let me know.

**NEW CHATEAU, L.L.C.
P.O. BOX 1795
SHREVEPORT, LOUISIANA 71166
PHONE: (318) 227-8697
FAX: (318) 424-6547**

February 4, 2008

Mr. Louis Russell/Ms. Brenda Evans
Louisiana Housing Finance Agency
2415 Quail Drive
Shreveport, Louisiana 70808

Re: New Chateau #07/08(FA)-03

Mr. Russell & Ms. Evans:

In the 2006 2nd LIHTC GO-Zone funding round, New Chateau, L.L.C. submitted an application [07/08(FA)-03] to the Louisiana Housing Finance Agency (“LHFA”) for \$1,250,000 in Low Income Housing Tax Credits (“LIHTC’s”) and consisting of 84 LIHTC multifamily housing units. Our application scored very high and was awarded \$1,227,589 of tax credits. One component of our high ranking application was the provision of a HUD Section 8 project-based HAP contract to New Chateau. New Chateau is to be constructed on the very site of the preexisting Hurricane Katrina destroyed Chateau Ames Apartments.

The destroyed Chateau Ames Apartments is a 98-unit multifamily property that has a Project-Based Section 8 HAP contract subsidizing all 98 units. During the compilation process of the New Chateau LIHTC application, we approached HUD-New Orleans (the servicer of Chateau Ames Apartments) and informed them of our desire to demolish the hurricane ravaged property of 98 units and rebuild an 84-unit property using low income housing tax credits. HUD-New Orleans was agreeable to this proposal and supported our LIHTC application.

We requested the transfer of the full HAP contract authority for the 98-unit defunct Chateau Ames Apartments to the LIHTC funded 84-unit New Chateau Apartments. HUD-New Orleans saw this as a viable solution and agreed to provide the full HAP contract authority in compliance with the data of the subject LIHTC application. As required by the LHFA, HUD provided written approval, attached hereto, that they would transfer the preexisting HAP contract (full authority) from Chateau Ames Apartments to New Chateau Apartments in compliance with the data in our application.

After we achieved 10% Carryover, we had full financing (syndication, construction financing and permanent financing) in place and prompted to close. We approached HUD to execute the agreed upon HAP contract transfer. At this point HUD-Washington D.C. contacted us and indicated a problem for them to transfer a HAP contract from one property to another

New Chateau, LLC
February 4, 2008
Page 2

when the unit mix and unit number were not equal, in spite of the existing written agreement HUD had provided.

The reason for our 84-unit application in lieu of the 98-unit was that the Scoring by LHFA favored units with more bedrooms for family housing. As it turned out, had we known that there was any problem to transfer the HAP contract we would have applied for 98 units and we would have still been awarded the tax credits and proceeded with the rebuilding of the property over a year ago. Again, our 84-unit development was approved by HUD prior to our submission of the LIHTC application to the LHFA. We have invested a lot of money and time into this process.

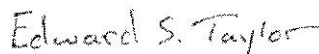
We have been seeking two solutions to enable HUD to proceed with the needed HAP transfer:

(1) HR1227 / S1668: These bills require HUD to transfer the HAP contract from one project to another if the new project receiving the transfer provides housing for the same amount or more residents. HR 1227 was passed in the United States House of Representatives and S 1668 has been introduced to the Senate subcommittee. S 1668 has been met with resistance by Senator David Vitter of Louisiana due to a public housing issue that is also addressed by this bill and of no relation to the LIHTC program. This has caused an unexpected delay for an indefinite period of time.

(2) Restructure the 84-unit LIHTC-funded New Chateau application to a 98-unit property on the same site and submit a reprocessing application to the LHFA for prompt approval. The resolution of either one of these options would allow us to begin immediate closing of our financing and construction would begin soon following.

The LHFA's approval of a reprocessing of application #07/08(FA)-03 to allow the addition of 14 units (from 84 units to 98 units) would be the most expedient path for us to follow. The altered unit mix would not include four-bedroom units, as they are not in the HUD HAP contract mix. This reprocessing change would lower our final score by fifteen points. This would change our application score from 755 to 740. This lowered score would not alter our position in the priority special pool, as the second highest scoring application. We are not requesting more tax credits for the proposed fourteen additional units. This is an excellent opportunity to eliminate further delays and allow us to proceed with rebuilding the property to provide much needed and improved housing.

Yours truly,



Edward S. Taylor
Managing Member

Enclosure



OFFICE OF MULTIFAMILY HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

New Orleans Field Office
Hale Boggs Federal Building
500 Poydras Street, 9th Floor
New Orleans, LA 70130-3099

November 15, 2006

Mr. Louis Russell, Jr.
Louisiana Housing Finance Agency
2415 Quail Drive
Baton Rouge, LA 70808

Subject: Low Income Housing Tax Credits
New Chateau Apartments, #07/08(FA)-03
1521 Ames Blvd.
Marrero, LA 70072

Dear Mr. Russell:

The owners of New Chateau Apartments have submitted an application for Low Income Housing Tax Credits (LIHTC).

HUD will be providing the subject project with Section 8 project based assistance at the payment standards evidenced in the subject application for all subject housing units.

Should you have any questions, I may be reached at (504) 589-7236 extension 1049.

Sincerely,

Art J. Wells
Director
Louisiana Multifamily Program Center

LOUISIANA HOUSING FINANCE AGENCY

RESOLUTION

A resolution authorizing a change in the unit and unit mix, for New Chateau #07/08(FA)-03 Project; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate Credits to such facilities; and providing for other matters in connection therewith.

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

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

WHEREAS, the credits were reserved to project #07/08(FA)-03 Project, New Chateau, located in Orleans Parish Louisiana, said project being a Multi-Family development consisting of 84units; and

WHEREAS, the taxpayer has contacted staff regarding a change in the unit and unit mix from that submitted in the original application,

WHEREAS, the requested change constitutes a material change pursuant to the provisions of the QAP and therefore requires the concurrence of the Board of Commissioners, and;

WHEREAS, staff has considered the request, staff does hereby recommend acceptance of the requested material change pursuant to receipt of a new application reflecting the unit mix and a current feasibility and viability analysis

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

Project #07/08(FA)-03 Project, New Chateau, to be located in Orleans Parish, Louisiana, is hereby granted the requested change with the number of units and the unit mix as expressed. Staff and counsel are authorized and directed to prepare the forms of such documents and agreements as may be necessary in approval of the requested material change.

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

YEAS:

ABSTAIN:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 9th day of April 2008

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing two (2) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on April 9, 2008, providing for the reservation of Credits to certain residential rental facilities; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate Credits to such facilities; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 9th day of April, 2008.

Secretary

(SEAL)

DECISION BRIEF:

Request for Selection Criteria Reconsideration for Dolores Park Located In Allen Parish, Louisiana

Issue

Dolores Park, LP is requesting that LHFA make a special exception to the QAP to allow consideration of the 5% difference and the awarding of tax credits to Dolores Park Subdivision Limited Partnership as a Deconcentration Project.

According to the QAP a Deconcentration Project is a project located in a census tract in which the median income of the census tract exceeds 120% of the area median income... Applications meeting this criterion received 30 points for a Deconcentration of poverty project. However, according to your information the last census information show the subject tract had 115% which is 5% less than required minimum.

Dolores Park consists of 32 buildings Scattered Site development that contain 32 units consisting of twenty-five (25) Three-bedroom units and seven (7) four-bedroom units.

It is important to note, Dolores Park is currently unfunded and granting this request will only improve the project changes of being funding if additional funding is available.

Pros:

- LHFA will continue its mission of providing safe, descent and affordable housing for low to moderate-income families by utilizing its resources.

Cons:

- Set a Precedent that could undermine the application process.
- The Funding cycle is closed on that round
- Application deadline was July 17, 2007
- 10-day Challenge period ended September 24, 2007
- The Board approved rank and reservation of credits on October 29, 2007
- The evidence does not support the points as outlined in the QAP.

Recommendation:

Staff recommends Denial of this request.

**The Law Offices Of
ERNEST L. JOHNSON
1755 Nicholson Drive
Baton Rouge, Louisiana 70802
(225) 334-7490**

BY: EMAIL

February 26, 2008

TO: Ms. Brenda Evans
Louisiana Housing Finance Agency

RE: Dolores Park Subdivision Limited Partnership

Dear Brenda:

Pursuant to our telephone conversation of today, this letter is written as a follow up to a meeting held with President Bailey, the Mayor of Oakdale, Honorable Robert "Bobby" Abrusley, Sr., Vernon "Step" Martin and I regarding the Dolores Park Development.

The meeting was held to request an exception and/or waiver from LHFA to consider the Dolores Park Subdivision Limited Partnership as a Deconcentration Project. According to the QAP a Deconcentration Project is a project located in a census tract in which the median income of the census tract exceeds 120% of the area median income... Applications meeting this criterion received 30 points for a deconcentration of poverty project. However, according to your information the last census information show the subject tract had 115% which is 5% less than required minimum.

The request for either an exception and/or waiver is based upon the following justification:

1. Mayor Abrusley informed President Bailey that the Dolores Park Development will be intermingled in an affluent subdivision with homes valued at \$150,000.00 and above. The Mayor stated that he firmly believes that the present median income for the census tract is above the 120% area median income. He further stated that a new manufacturing plant is being developed in Oakdale which will create over 100 new jobs. The Mayor finally made a plea for more affordable housing for his constituent which is badly needed in Oakdale.
2. This plea was echoed by Step who is very familiar with the area and the need for additional affordable housing. Step also brought out the fact that we are now 2 years away from the next census which he strongly believes will show that the census tract has a medium income of more than 120% today.
3. A very important fact was brought out during the meeting which is Louisiana's great need for more affordable housing in Louisiana as a result of the thousand of hurricane displaced families who will require housing before the end of this year.

Ms. Brenda Evans
Louisiana Housing Finance Agency
February 26, 2008
Page 2

During a FEMA Housing Summit held in November of last year, we were informed that approximately 33,000 families who are displaced as a result of hurricanes Katrina and Rita will have to be moved from trailers and mobile homes this year and next year. LHFA representatives were present at the summit and assured the group of its willingness to do whatever possible to make affordable housing available by working with developers and others. (See supporting documentation attached hereto and made a part hereof).

As shown by the report presented by Mr. Rowan during the January, 2008 LHFA board meeting this development team has demonstrated its capacity and speed in building affordable housing. Thus, this request for an exception and/or waiver is made in accordance with the following policy:

1. Exceptions to QAP/Application requirements will be reviewed by staff on a case by case basis with recommendations being forwarded to the LHFA board of Commissioners.
2. Developer must clearly state why a waiver is necessary and provide the Agency with all available documentation to support position.
3. With few exceptions, all requests for changes to a project must be sent directly to staff first for review and approve. In the event the proposed change is denied, the applicant then may go to the Board for appeal.

With these facts in mind and in light of the critical need for affordable housing which exists in Louisiana, we are requesting that LHFA make a special exception to the QAP to allow consideration of the 5% point difference and the awarding of tax credits to Dolores Park Subdivision Limited Partnership as a Deconcentration Project.

Your review and approval of this request will be appreciated.

Cordially,

Ernest L. Johnson

CC: Robert Rowan
Vernon "Step" Martin

NAACP LOUISIANA STATE CONFERENCE
1755 Nicholson Drive
Baton Rouge, Louisiana 70802
(225) 334-7490

BY: Fax (504) 762-2891

December 19, 2007

Ms. Gail Tate
Lead Office of Intergovernmental Affairs
FEMA
#1 Seine Court
New Orleans, Louisiana 70114

Dear Gail:

Thank you and Mr. Josephson for inviting the NAACP to the FEMA Housing Summit to assist in developing a strategy for the park closure/resident transition process. The discussion was very helpful and it appears that all the stakeholders are willing to do whatever is necessary to help the displaced citizens relocate to permanent housing. It was good to know that Bob has already been considering a public relations campaign to inform the displaced citizens of the process in addition to work of the case workers. This has been one of the NAACP's main recommendations since the transition process started over two years ago.

In furtherance of the public information campaign, the NAACP is willing to develop a daily statewide radio program designed to broadcast FEMA and HUD information out to the impacted individuals throughout the state of Louisiana. If your organization is interested in discussing this project further, we are willing to prepare a pilot program proposal for your consideration.

Additionally, the NAACP as expressed in the Housing Summit is willing to coordinate the construction and/or renovation of 10% of the permanent housing required for the 33,000 households involved in the FEMA Relocation Program. Could you please provide us with the name of the FEMA representative in charge of this program in order for us to begin discussing the "NAACP Permanent Housing Pilot Program"?

Your continued cooperation and assistance is appreciated. With warmest personal regards, I remain

Cordially,

Ernest L. Johnson
State President



Dedicated solely to ending America's affordable housing crisis.

The Need to Transfer Households in FEMA Housing Assistance Programs to HUD's Section 8 Voucher Program

May 15, 2007

Although the recent announcement by FEMA and HUD to extend housing assistance until March 2009, and to transfer management of the rental assistance program to HUD, is a step in the right direction, it is not the best solution to the ongoing housing needs created by the hurricanes of 2005. The Administration continues to create new, complicated and complex programs rather than using existing housing programs, which are proven effective and already in place, such as the Section 8 voucher program. Rapidly rising rents that residents will have to pay in the new program could very quickly make this an impossible situation for the lowest income renters.

Since very soon after Hurricane Katrina hit, members of Congress, housing advocates, and the Bush administration itself have been calling for HUD to have a more central role in the long-term housing needs of people displaced by the disaster:

- On September 8, 2005, Senator Sarbanes requested 350,000 emergency Section 8 vouchers. An amendment to do so was adopted, through unanimous consent, by full Senate, but dropped in conference committee.
- Senator Susan Collins (R-ME), then-Chair of the Senate Committee on Homeland Security and Governmental Affairs told the Washington Post in December 2005, "I have long believed that it would have been far more effective at this stage for FEMA to have given vouchers for housing and to assist people in finding private-sector housing. I think it still is a possibility."
- In December 2005, the House Financial Services Committee approved H.R. 4100, the Hurricane Katrina Response Act by a vote of 50-9. The bill authorized \$2.5 billion of funding for emergency Section 8 vouchers, among other things.
- In February 2006, then-House Minority Leader Nancy Pelosi said, referring to the need for emergency Section 8 vouchers, "We did that successfully after Northridge earthquake in California in 1994. If it was good enough for the California earthquake, it's good enough for Katrina."
- In February 2006, the House Select Committee to Investigate the Preparation for and Response to Hurricane Katrina noted, "Use of a voucher system similar to the one administered by HUD could have prevented this mistake...FEMA failed to take full advantage of HUD's expertise and perspective on large-scale housing challenges, such as the agency's experience with voucher programs. HUD and public housing authorities have the expertise and infrastructure to help non-HUD clients during disasters."
- Also in February, the White House released its "Lessons Learned" report. The report finds that HUD, "with extensive expertise and perspective on large-scale housing challenges and

its nation-wide relationships with State public housing authorities," was mistakenly not engaged in the housing response by FEMA until "late in the effort." Noting that "HUD's expertise lies in the provision of mid and long-term housing...for those in need," the report recommends that HUD be designated the lead Federal agency for the provision of temporary housing.

- In June 2006, the House Financial Services Committee approved H.R. 5393, the Natural Disaster Housing Reform Act of 2006. The bill would establish HUD as the lead agency for long-term housing needs resulting from disasters, among other things.

Now, almost 21 months after the storm and with over 120,000 households still receiving FEMA housing assistance, switching households still receiving FEMA housing assistance to the Section 8 voucher program is more needed than ever.

The Case for Transferring FEMA Rental Assistance Households to Section 8

31,418 households continue to receive rental assistance from FEMA, down from a high of almost 700,000 households. The vast majority of these families have extremely low incomes, and many are disabled and/or elderly. In order to avoid continuing disruptions in their lives, and to offer some stability in their housing, these households should be transferred to HUD's Section 8 voucher program.

- **The Majority of Households Still Receiving FEMA Rental Assistance Are Very Poor and in Need of Continuing Housing Assistance.** More than half of all families receiving FEMA rental assistance currently reside in Houston; 73% of these families intend to stay in Houston.

- A recent survey of these households showed that:
 - 69% have annual incomes of less than \$15,000;
 - 17% have annual incomes between \$15,000 and \$24,999;
 - 44% require ongoing medical care because of a health problem/disability before the hurricanes; and
 - 39% require ongoing medical care for a chronic health problem.

- **The Section 8 voucher program requires that tenants contribute a percentage of the family's income towards their housing costs, ensuring the housing remains affordable.** The newly announced FEMA-HUD Disaster Housing Assistance Program (DHAP) would require households to begin paying \$50 towards their monthly housing costs in March 2008. Regardless of a household's income, this amount would increase by \$50 every month until the family can no longer afford the rent, or until the program expires one year later.

- **Cost Savings to the Federal Government**

FEMA initially spent \$786/month/household for rental assistance. This number is now adjusted on individual bases. Using the \$786/month figure as an average, we can estimate

that FEMA spends \$29,126,802/ month for the 31,418 households still receiving FEMA rental assistance.

- This equals an annual housing cost per household of **\$9432**.
- The average annual cost per household for a Section 8 voucher is **\$7500**.

Because of the requirement under the Section 8 voucher program that a household contributes 30% of its income towards monthly rental costs, which is not required in FEMA's rental assistance program, the annual savings to the federal government of switching from FEMA rental assistance to HUD Section 8 vouchers is significant.

- **The Risk of Continuing Attrition from FEMA's Rental Assistance Program**

Although FEMA rental assistance is extended until March 2009, FEMA is currently working to 'recertify' the 31,000 households still receiving the assistance. In a May 11 letter to FEMA Director Paulison, Senator Landrieu (D-LA) said, "As has been the case with past recertification efforts, FEMA's letters ... are confusing, threatening, and may ultimately result in eligible households having their benefits interrupted or cut."

The Case for Giving Households in Trailers/Mobile Homes the Option of Receiving a Section 8 Voucher

81,650 households remain in FEMA trailers or mobile homes. Of these, about 20% are situated on group sites. We can safely assume that many of these 16,330 families were pre-disaster renters, and that most are very poor with no other housing options available to them.

- **Local Deadlines for Trailers/Mobile Homes**

FEMA's deadline for households living in trailers and mobile homes has been extended to March 2009. But in many cases the trailers sit on land leased to FEMA by local cities/parishes. These parishes and cities, seeking to have the trailers removed from their communities, have set their own deadlines for the trailers. FEMA has said it will honor local communities' deadlines over its own. Deadlines include:

- March 1 deadline in St. Tammany Parish, Slidell, Mandeville and Abita Springs, LA. Residents need a specially granted permit to stay beyond March 1;
- March 31 deadline for trailers in Jefferson Parish, LA;
- May 2 deadline in Pascagoula, MS;
- May 4 in Covington, LA.

- **"Toxic Trailers"**

The Environmental Protection Agency says that more than .1 parts per million of formaldehyde in the air can cause eye, lung and nose irritation. Formaldehyde is a known carcinogen.

- Last summer, the Sierra Club tested FEMA trailers and found that 83% of those tested had formaldehyde levels above the EPA recommended limit.
- FEMA has distributed leaflets to households living in trailers explaining that materials used in the interiors can release toxic vapors. They recommend keeping windows and doors open as much as possible.
- An article in The Nation says that Paul Nelson, of Coden, Alabama, tested his mother's FEMA trailer when, after moving into the trailer, she suddenly developed pneumonia, then congestive heart failure. Mr. Nelson found that the level of formaldehyde in his mother's trailer was 50% over the EPA's recommended limit.
- A class action lawsuit has been filed against FEMA on behalf of residents suffering from respiratory and flu-like illnesses they attribute to formaldehyde in their trailers.

LOUISIANA HOUSING FINANCE AGENCY

RESOLUTION

A resolution denying requests made by the developers of **Dolores Park** for reconsideration of selection criteria points; and providing for other matters in connection therewith;

WHEREAS, the staff of LHFA has received the following requests in connection with the project listed below;

WHEREAS, staff has reviewed these requests and based upon the information provided, is recommending the following action for each project as indicated below;

1. **Dolores Park** – Reconsideration of points in the selection criteria as it relates to Deconcentration of poverty project qualification.

According to the QAP a Deconcentration Project is a project located in a census tract in which the median income of the census tract exceeds 120% of the area median income. According to the information received from the developer the median income of the census tract is 115% of the area median income.

Staff Recommendation: Based on information provided by the developer, staff is recommending denial of this request due to the following:

- Set a Precedent that could undermine the application process.
- The Funding cycle is closed on that round and the project was not funded.
- The evidence does not support the points as outlined in the QAP.

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

Section 1: A resolution is hereby approved that provides approval of the above enumerated recommendations of staff.

Section 2: The Chairman, Vice-Chairman, President, Vice-President, and or Secretary of the Agency be hereby authorized, empowered and directed to execute any forms and or documents required to be executed on behalf of and in the name of the Agency, the terms of which are to be consistent with the provisions of this resolution as approved by the Agency's counsel.

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

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 9th day of April 2008.

Chairman

Secretary

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing two (2) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on April 9, 2008, providing approval of the recommendation submitted by staff in connection with Dolores Park; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 9th day of April 2008.

Secretary

(SEAL)

DECISION BRIEF:

Request by Hideaway Crossing II for Reallocation of Per Capita Credits

Issue

Hideaway Crossing II, LLC is requesting the Louisiana Housing Finance Agency approve the following requests relating to this project:

The Return/Reallocation of per capita credits

Hideaway Crossing II was awarded \$533,435 in the 2006 Allocation round. The project is requesting to return and reallocate credits due the environmental clearance and Step 8 process delayed substantially Hideaway II development and construction to place in service expected December 31, 2008.

The project will remain on the same tract of land as previously reported.

Pros:

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

Cons: None

Recommendation:

Staff recommends approval of these requests as stated.

LOUISIANA HOUSING FINANCE AGENCY

RESOLUTION

A resolution authorizing an allocation of 2008 per capita Low Income Housing Tax Credits in the amount of \$535,435 for project Hideaway Crossing II #06(2)(N)-344; authorizing the Louisiana Housing Finance Agency (the "LHFA") staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate credits to such facilities; and providing for other matters in connection therewith.

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

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

WHEREAS, the credits were reserved to Hideaway Crossing II, located in Rapides Parish Louisiana, said Projects being a Scattered-Site New Construction development consisting of 40 units; and

WHEREAS, the taxpayer has contacted staff regarding a return/reallocation of the original credit allocation as submitted in the original application to,

WHEREAS, due to environmental clearance issues that caused delays in closing on the financing for the project, the developer also requests the voluntary return of 2006 LIHTC in the amount of \$535,435 to be reallocated 2008 per capita LIHTC in the amount of \$535,435,

WHEREAS, the requested unit change constitutes a material change pursuant to the provisions of the QAP and therefore requires the concurrence of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Board"), and;

WHEREAS, staff has considered the requests, staff does hereby recommend acceptance of the requested material change pending receipt of a new reprocessing application reflecting the unit change and a current feasibility and viability analysis

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Board, acting as the governing authority of said Agency that:

Projects Hideaway Crossing II #06(2)(N)-344, to be located in Rapides Parish, Louisiana, is hereby granted the requested reallocation of per capita credits. Staff and counsel are authorized and directed to prepare the forms of such documents and agreements as may be necessary in approval of the requested material change.

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

YEAS:

ABSTAIN:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 9th day of April 2008 .

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Board"), do hereby certify that the foregoing two (2) pages constitute a true and correct copy of a resolution adopted by said Board on April 9, 2008 , providing for the reservation of credits to certain residential rental facilities; authorizing the LHFA staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate Credits to such facilities; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the LHFA on this, the 9th day of April, 2008 .

Secretary

(SEAL)

DECISION BRIEF:

Additional Allocation of \$150,745 in 4% Low Income Housing Credits for New Savoy Place Phase I located in New Orleans, Orleans Parish, Louisiana

Issue

New Savoy Place Phase I, LP is requesting the Louisiana Housing Finance Agency to allocate an additional \$150,745 in 4% Low Income Housing Credits for the redevelopment of a 158 unit multi-family residential scattered site project located at various addresses (see attached list) in New Orleans, Orleans Parish, Louisiana. 68% of the units will be set-aside for households whose incomes are at or below 20% of the area median income. 16% of the units will be set-aside for households whose incomes are 50% to 60% of the area median income. 16% of the units will be set-aside for Project Based Section 8.

In addition to the Bond Proceeds, approximately \$13,087,500 of Tax-Credit Equity and \$3,762,200 in CDBG Funds will be utilized in the construction of this development. The Total development cost of this project will be around \$30,498,099.

New Savoy Place Phase I consists of 84 semi-detached buildings that contain 158 units consisting of fourteen (14) one-bedroom units; fifty-four (54) three-bedroom units and eighty-four (84) four-bedroom units.

Pros:

- LHFA will continue its mission of providing safe, descent and affordable housing for low to moderate-income families by utilizing its resources.
- Will enhance the housing stock for the citizens of Louisiana.
- Bond Financing leveraged with Low Income housing Tax Credit (LIHTC) equity.

Cons: None

Recommendation:

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

LOUISIANA HOUSING FINANCE AGENCY

RESOLUTION

A resolution establishing the maximum qualified basis and the allocation of an additional \$150,745 low-income housing credits to New Savoy Apartments; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate 4% Low Income Housing Tax Credits to such facilities; and providing for other matters in connection therewith.

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

WHEREAS, the Agency approved certain application and other forms, documents and proceedings related to the Low Income Housing Tax Credits ("LIHTC Program"), including credits available to projects financed with tax-exempt bonds under Section 142(d) of the Internal Revenue Code; and

WHEREAS, the staff of the Agency has processed Savoy Place Phased I Apartments application in accordance with the Qualified Allocation Plan and is prepared, based upon the preliminary feasibility analysis of Foley & Judell, L.L.P., to recommend Tax Credits for Savoy Place Phase I Apartments project:

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

SECTION 1. Savoy Place Phased I Apartments Project (the "Project") is hereby preliminarily approved for Tax Credits in the amount of One Million Three Hundred and Eight Thousand Eight Hundred and Seventy Dollars (\$1,308,870), upon the preliminary feasibility analysis of Foley & Judell, L.L.P. and the information contained in the Project application.

SECTION 2. The Agency staff, General Counsel, and Foley & Judell, L.L.P., as LIHTC Program Counsel, shall establish such procedures as may be necessary to structure, cancel or reduce such Tax Credits to maintain the feasibility and viability of the Project; provided,

however, that no increase in Tax Credits to any project may be made without approval of the Board.

SECTION 3. The Agency staff and counsel are authorized and directed to prepare the forms of such documents and agreements as may be necessary to evidence the allocation of Tax Credits.

SECTION 4. The Chairman, Vice Chairman, President Vice President and/or Secretary of the Agency be and they are hereby authorized, empowered and directed to execute any forms and/or documents required to be executed on behalf of and in the name of the Agency, the terms of which are to be consistent with the provisions of this resolution as approved by the Agency's General Counsel and LIHTC Program Counsel, Foley & Judell, L.L.P.

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

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 9th day of April, 2008.

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing three (2) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on April 9, 2008, "A resolution establishing the maximum qualified basis and low-income housing credits to Savoy Place Phased I Apartments; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate Tax Credits to such facilities; and providing for other matters in connection therewith."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 9th day of April, 2008.

Secretary

(SEAL)

LIHTC Reprocessing Applications Received Up To 2/29/2008

Count	Project No.	Project Name	Parish	Status	Original			Reprocessing			App Rec'd	App Sent to F&J	Feasible Amount	Comments
					Award	Bldgs	Units	Request	Bldgs	Units				
1	#06-14	St. Landry Place	St. Landry	APPROVED	\$300,000.00	30	30	\$300,000.00	28	28	yes	yes	\$300,000.00	Bldg & unit reduction/Project has HOME Funds (\$400,000)
2	#06-44	Oakmont Village	Rapides	APPROVED	\$299,999.00	18	36	\$299,999.00	17	34	yes	yes	\$299,999.00	Bldg & unit reduction
3	#06-46	Northern Heights	Caddo	APPROVED	\$288,025.00	20	40	\$288,025.00	40	40	yes	yes	\$288,025.00	Bldg increase
4	#06-47	Orchard Heights	Lincoln	APPROVED	\$288,025.00	20	40	\$288,025.00	40	40	yes	yes	\$288,025.00	Bldg increase
5	#06-49	Camelot Villa	Caddo	APPROVED	\$285,198.00	6	40	\$300,000.00	6	36	yes	yes	\$300,000.00	Unit decrease/Project has HOME Funds
6	#06(2)-123	Canterbury House Apts	St. Tammany	APPROVED	\$1,229,073.00	5	120	\$1,250,000.00	4	120	yes	yes	\$1,229,073.00	Bldg decrease
7	#06(2)-125	West Crowley	Acadia	No Action Needed	\$1,226,272.00	68	68		65	65	no			less than 5%
8	#06(2)-126	North Abbeville II	Vermilion	No Action Needed	\$1,064,947.00	60	60		57	57	no			Project recently received approval for site change/less than 5%
9	#06(2)-127	North Shore Subdivision	St. Tammany	APPROVED	\$1,229,631.00	4	84	\$1,249,999.50	2	84	yes	yes	\$1,228,731.00	Bldg decrease
10	#06(2)-128	St. Paul Estates	Tangipahoa	Awaiting approval	\$1,250,000.00	70	70	\$1,250,000.00	64	64	yes	yes	\$1,250,000.00	Bldg & unit decrease
11	#06(2)-129	Pine Grove	Tangipahoa	APPROVED	\$1,101,447.00	59	59	\$1,101,447.00	54	56	yes	yes	\$1,101,447.00	Developer originally requested to correct basis
12	#06(2)-134	Pine Crest	St. Tammany	APPROVED	\$1,204,021.00	4	84	\$1,249,999.50	2	84	yes	yes	\$1,204,021.00	Bldg decrease
13	#06(2)-159	South Church Point	Acadia	No Action Needed	\$735,662.00	40	40		38	38	no			less than 5%
14	#06(2)-161	South Rayne Subd.	Acadia	No Action Needed	\$968,495.00	52	52		50	50	no			less than 5%
15	#06(2)-168	Audrey Heights	St. Tammany	APPROVED	\$619,128.00	22	40	\$619,128.00	19	36	yes	yes	\$616,146.00	Bldg & unit decrease
16	#06(2)-170	Frenchmen's Creek	Calcasieu	No Action Needed	\$593,988.00	40	40	\$605,000.00	40	40	yes	yes	\$593,988.00	Developer would like to waive scattered site requirement
17	#06(2)-190	Country Lane	St. Tammany	APPROVED	\$1,168,139.00	64	64	\$1,177,272.00	60	60	yes	yes		Bldg & unit decrease
18	#06(2)-260	Flint Goodridge	Orleans	APPROVED	\$941,489.00	1	89	\$1,000,500.00	2	89	yes	yes	\$952,268.00	Developer changed unit mix
19	#06(2)(N)-333	England Drive Subd.	Rapides	No Action Needed	\$721,095.00	41	41		39	39	no			less than 5%
20	#06(2)(N)-334	Southeast Oakdale Subd.	Allen	No Action Needed	\$641,786.00	34	34		33	33	no			less than 5%
21	#06(2)(N)-338	Pecan Grove I	Rapides	APPROVED	\$717,260.00	40	40	\$750,000.00	36	36	yes	yes	\$717,260.00	Bldg & unit decrease

LIHTC Reprocessing Applications Received Up To 2/29/2008

Count	Project No.	Project Name	Parish	Status	Original			Reprocessing			App Rec'd	App Sent to F&J	Feasible Amount	Comments
					Award	Bldgs	Units	Request	Bldgs	Units				
22	#06(R)-414	Richland East Subdivision	Richland	No Action Needed	\$339,485.00	24	24		23	23	no			less than 5%
23	#06(R)-440	S Range Homes I	Tangipahoa	APPROVED	\$369,901.00	15	30	\$380,396.00	9	30	yes	yes	\$372,123.00	Bldg decrease
24	#06(R)-441	S Range Homes II	Tangipahoa	APPROVED	\$369,901.00	15	30	\$380,396.00	10	30	yes	yes	\$372,123.00	Bldg decrease
25	#06(R)-467	Bobby Smith I	Acadia	No Action Needed	\$333,939.00	24	24		23	23	no			less than 5%
26	#06(R)-468	Bobby Smith II	Acadia	No Action Needed	\$332,194.00	24	24		23	23	no			less than 5%
27	#07/08(FA)-10	The Preserve	Orleans	No Action Needed	\$1,560,899.00	1	183	\$1,566,666.00	1	183	yes	yes	\$1,566,666.00	Converted one market unit to low income
28	#07/08(FA)-11	The Crescent Club	Orleans	No Action Needed	\$1,934,044.00	2	226	\$1,941,189.00	2	228	yes	yes	\$1,941,189.00	Converted one market unit to low income
29	#07/08(FA)-13	200 Carondelet	Orleans	No Action Needed	\$1,939,337.00	1	190	\$1,939,337.00	1	190	yes	yes	\$1,939,337.00	Reduced Eligible Basis
30	#07/08(FA)-36	Levey Gardens	Orleans	APPROVED	\$250,000.00	100	100	\$250,000.00	15	100	yes	yes	\$250,000.00	Sq. Foot increase by 3%/Name Change
31	#07/08(FA)-48	Sulphur Retirement Comm.	Calcasieu	APPROVED	\$750,722.00	2	60	\$750,722.00	2	60	yes	ys	\$750,722.00	Project restructured CDBG Funds

LIHTC APPLICATIONS with MATERIAL CHANGES RECEIVED UP TO 2/29/2008

Count	Project No.	Project Name	Parish	Status	Original			Reprocessing			App. Rec'd	App. Sent to F&J	Feasible Amount	Comments
					Award	Bldgs	Units	Request	Bldgs	Units				
1	#06-15	Broadmoor Village	Tangipahoa	APPROVED	\$293,137.00	32	32	\$299,000.00	24	24	yes	yes	\$293,889.00	25% Change in units
2	#06-16	Belvedeere Estates	Tangipahoa	APPROVED	\$293,137.00	32	32	\$299,000.00	24	24	yes	yes	\$293,889.00	25% Change in units
3	#06-20	Meridian Court	Caddo	APPROVED	\$299,528.00	27	27	\$299,999.00	27	27	yes	yes	\$299,563.00	SITE CHANGE/January Board
4	#06-22	Orchard Creek	Lincoln	APPROVED	\$212,090.00	5	40	\$212,090.00	6	30	yes	yes	\$212,090.00	Project also has HOME Funds
5	#06-35	Southern Woods	EBR	DENIED	\$300,000.00	15	60		1	54	no			SITE DECREASE (43%)
6	#06(2)-165	Falstaff Apartments	Orleans	NOT APPROVED	\$1,210,755.00	7	156	\$1,210,755.00	5	147	yes	yes	\$1,210,755.00	Households in Poverty waived/Unit reduction not approved
7	#06(2)-250	Bayou Gardens	Orleans	DENIED	\$1,111,674.00	6	160		5	110	no			Requested (160 units to 110/31% Change)
8	#06(2)-303	Bywater Art Lofts	Orleans	APPROVED	\$765,000.00	5	54	\$736,191.00	1	37	yes	yes	\$736,191.00	41% Change
9	#06(2)-328	River Apartments	St. Tammany	DENIED	\$803,911.00	30	48		30	48	no			SITE CHANGE (St. Tammany to Jefferson)
10	#06(2)-330	Brickwood Apartments	Jefferson	DENIED	\$1,196,075.00	9	72		9	72	no			SITE CHANGE
11	#06(2)-331	Westover Apartments	Jefferson	DENIED	\$1,120,179.00	9	72		9	72	no			SITE CHANGE
12	#06(2)(N)-351	Passman Plaza III	Ouachita	APPROVED	\$402,930.00	10	60	NOT NECESSARY						Project built contrary to application
13	#06(R)-459	Melrose Peppermill II	EBR	AOC	\$246,807.00	5	29	\$290,000.00	5	29	yes	yes	\$228,177.00	LOT CHANGE (delete 2, add 3)
14	#07/08(FA)-02	Forest Towers II	Jefferson	APPROVED	\$3,413,506.00	2	200	\$3,413,506.00	1	200	yes	yes	\$3,413,506.00	SITE CHANGE
15	#07/08(FA)-02	The Terraces	Orleans	DENIED	\$3,413,506.00	1	200	NOT NECESSARY						Elimination of Garbage Disposals/Substitution of HVACs
16	#07/08(FA)-04	St. Joe Lofts	Orleans	APPROVED	\$1,250,000.00	2	63	\$1,250,000.00	5	61	yes	yes	\$1,250,000.00	Developer wants to split allocation
17	07/08(FA)-21	St. Bakhita	Jefferson	APPROVED	\$1,085,491.00	28	55	\$1,751,666.00	20	100	yes	yes	\$1,748,118.00	Consolidated w/ #06(R)-471, Ninth Ward (10 bldgs, 20 units, \$266,359) & #06(R)-472, Ninth Ward (13 bldgs, 25 units, \$394,509)
18	#07/08(FA)-45	The AMOS Project	Orleans	DENIED/RECAPTURED	\$1,182,756.00	70	70	\$1,182,756.00	70	70	yes	yes	\$0.00	PBRA Issues/Project is requesting \$1.05m in CDBG Funds
19	07/08(FA)-46	Renaissance Place	Orleans	APPROVED	\$ 2,576,528.00	3	307	NOT NECESSARY						Reduction of washers/dryers
20	#07/08(FA)-49	Oak Villa	Jefferson	APPROVED	\$1,250,000.00	1	80	\$1,250,000.00	1	80	yes	yes	\$1,215,756.00	Site Change

LIHTC Projects being Re-allocated under a new Credit Ceiling

Count	Project No.	New Project No.	Project Name	Parish	Original Reservation	Additional Award	Application Rec'd	Application Sent to F&J	Feasible Amount	New Reservation	Reservation Letter Sent
1	#06-73	07-04(R)	Southern Place	Evangeline	\$213,903.00	\$86,095.00	yes	yes	\$299,998.00	\$299,998.00	9/28/2007
2	#06(2)(N)-351	07-06(R)	Passman Plaza III	Ouachita	\$402,930.00	\$0.00	yes	yes	\$402,930.00	\$402,930.00	7/26/2007
3	06(R)-407	07-11(R)	St. Landry Crossing	St. Landry	\$354,000.00	\$0.00	yes	yes	\$354,000.00	\$354,000.00	11/20/2007
4	06(R)-409	07-12(R)	Hideaway Crossing	Rapides	\$354,000.00	\$0.00	yes	yes	\$354,000.00	\$354,000.00	11/20/2007



March 31, 2008

To: LHFA Board of Commissioners

From: Tax Credit Department

RE: Proposed 2009 Per Capita QAP Timeline

Below is the proposed schedule for the 2009 Per Capita funding round:

Estimated Competitive Application Timetable:

May 14, 2008	Board approval of Market Study Qualified Analysts Revisions
May 16, 2008	Send out Revision Notices to Qualified Market Study Analysts
May 30, 2008	Receive information from Market Analyst for review
June 11, 2008	Board approves Draft QAP
June 17, 2008	Statewide publication of QAP Public Hearing Notice
July 1, 2008	Board conducts Public Hearing on QAP**
July 9, 2008	Board adopts Final QAP with recommended revisions
July 11, 2008	Approval of QAP by Governor
July 31, 2008	Application workshop
August 29, 2008	Final application deadline
October 8, 2008	Presentation to the Board of preliminary rank/score
October 10, 2008	Begin ten-day challenge period
October 21, 2008	End ten-day challenge period
November 12, 2008	Board approval of final rank/score/reservation

** (Date Requires Special Board Meeting)