

**Louisiana Housing Finance Agency
Full Board Meeting Minutes
Wednesday, January 9, 2008
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
11:00 A.M.**

Commissioners Present

Wayne E. Woods
Allison A. Jones
Alice Washington obo John Kennedy
Dr. Adell Brown, Jr.
Danette O'Neal
Merriell F. Lawson
Lisa Woodruff-White
Carolyn B. Burris
Larry J. Broussard
Guy T. Williams

Commissioners Absent

Robert Austin
Mark Madderra
Kevin J. Brown

Legal Counsel Present

Wayne Neveu, Foley & Judell

Staff Present

Milton J. Bailey
Barry E. Brooks
Louis Russell
Annie Robinson
Keith Cunningham
J C Caesar
Brenda Evans
Christine Bratkowski
Leslie Strahan
Jeff DeGraff
Urshala Hamilton
Mary Antoon
Tina Powell
Jason St. Romain

Jatis Harrington
Latosha Overton
Rene Landry
Loretta Wallace
Roger Tijerino

Others Present

See Sign-In Sheet Attachment

Chairman Woods called the meeting to order at 11:50AM. He then asked that the roll be called. Barry Brooks did the roll call and thereafter a quorum was reached. Next there was an introduction of guests in the audience. See attached Sign-In Sheet.

On a motion by Commissioner Guy Williams and seconded by Commissioner Danette O'Neal, the minutes of the October 10, 2007 Full Board meeting were approved. There being no further discussions or oppositions, the matter was unanimously passed.

Chairman Woods advised the Board that the minutes from the last meeting of December 12, 2007 were not available due to recording problems. He reminded everyone that they needed to speak clearly into the microphones.

CHAIRMAN'S REPORT

Chairman Wayne Woods began the meeting by thanking everyone for attending, and also he extended congratulations to Commissioner Danette O'Neal on her recent wedding nuptials.

Chairman Woods concluded by advising everyone that he and President Milton Bailey and others would be going to Washington DC the week of January 14th for meetings with the Louisiana congressional delegation and other federal officials to seek additional funding resources and to also update Congress on the recovery efforts, all in anticipation of the March 2008 NCSHA 27th Annual Legislative Conference.

PRESIDENT'S REPORT

Mr. Bailey reiterated the notice regarding the upcoming trip to Washington DC, again noting that the purpose of the trip was to lay the groundwork for the March 2008 NCSHA Legislative Conference event.

He then requested that Lake Charles Mayor Randy Roach be allowed to make a presentation to the Board on the AHPP project.

Mayor Roach gave a PowerPoint presentation on why the City of Lake Charles would be a good AHPP site. He discussed the Southwest Louisiana Housing Initiative and its efforts towards building quality affordable housing. He noted the proposed structures would be 1,000 to 1,200 square feet with a carport and a maximum estimated lot size of 6,000 total square footage area. He also noted that the proposed site meets the City's subdivision standards. Additionally, the City was willing to put up \$250,000.00 and also donate sixteen (16) acres of land towards the project.

Mayor Roach also noted in his presentation the new economic projects in the Lake Charles area including the Northrop Grumman expansion, new construction of the Leucadia National \$1.3 billion gas plant, expansion of Sugarcane Bay Resort, and the expansion of the L'Auberge de Lac Casino Resort.

He continued his presentation with a brief history on Place Vendome and also read a newspaper article from the Lake Charles American Press of September 2002 on how the area has been redeveloped. He noted for the Board that Place Vendome is located adjacent to the 16-acre proposed AHPP site.

Mayor Roach provided further information on various Lake Charles and federal home ownership programs and the guidelines thereof. He also did an analysis of Rent versus Homeownership aspects; and discussed Bond to Deed aspects and the guidelines, noting the program is similar to the Rent to Own philosophy.

He also went over the selection criteria of percentage of units per income AMI, also stressing that 10% of the units would be set aside for elderly and 10% for the disabled. He talked about the homeowner assistance guidelines and also gave examples of affordable mortgages.

Mayor Roach concluded his presentation noting the local response timetable parameters, noting that the project must be approved by the Planning Commission and the City Council.

Commissioner Lisa Woodruff-White inquired as to whether there had been any challenges to the proposed project. Mayor Roach responded that he has had meetings with council member and some of the residents and that "...one group was a little bit more receptive than the other."

Chairman Woods inquired on the city approval process. Mayor Roach responded that he may encounter some zoning issues and the need to get subdivision approval from the Planning Commission and the need to get an agreement approved by ordinance to transfer the land to LHFA.

Chairman Woods inquired also as to whether there were any environmental problems. Mayor Roach replied that he did not anticipate any issues thereof; and that he felt that the environmental reviews of the land could be done in globo instead of via per unit or lot analysis.

Vice-Chair Allison Jones inquired as to what the Mayor needed from the Board in order to proceed with his proposal. Chairman Woods advised Ms. Jones that the Board has not yet established a selection criterion for the AHPP.

Vice-Chair Jones advised the Board that she was very agreeable to the plan as presented.

President Bailey advised that the reason for Mayor Roach's appearance before the Board was to give everyone an idea of what the Lake Charles community position was while also recognizing that the Board had not made any selection site decisions.

Vice-Chair Jones inquired as to the proposal's timeline. Mayor Roach responded that he was not ready to make any commitments until he had spoken with his council and planning commission.

Chairman Woods applauded the Mayor's efforts and also requested that additional guidance be acquired from FEMA and HUD. President Bailey noted that the matter would be approached during the upcoming Washington DC trip.

Mayor Roach reiterated to the Board that he had no commitments from City officials; and that he had favorable HUD response from the presentation he did for them.

Commissioner Danette O'Neal inquired if the Mayor was aware of any additional financial resources; she also asked what assistance would be available for "soft second money" for minimum wage earners.

Mayor Roach replied that the city will be donating the land towards the project and \$550K and 16 acres of land; and, thereafter would most likely have no other resources available to allocate.

On a motion by Vice-Chair Allison Jones and seconded by Commissioner Dr. Adell Brown, Jr., the Board requested from the City of Lake Charles a proposal for the AHPP with specific recommendations and timetables of the project's anticipated start and completion dates, to be presented at the February 13, 2008 Full Board BOC meeting. There being no further discussions or oppositions, the matter was unanimously passed.

MULTIFAMILY RENTAL HOUSING COMMITTEE REPORT

Chairman Woods advised the Board that in the absence of Commissioner Mark Madderra that he had chaired the Multifamily Committee meeting earlier, and that the first item on the agenda was the Arbor Place Apartments Project. He also noted that the matter had been discussed in the Committee meeting and approval was being recommended thereof.

On a motion by Commissioner Dr. Adell Brown, Jr., and seconded by Commissioner Merriell Lawson, the resolution of intent for the issuance of not exceeding Eight Million Nine

Hundred Forty Thousand Dollars (\$8,940,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Arbor Place Apartments Project) in one or more series; to finance the acquisition, rehabilitation, and equipping of a multifamily housing project; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Chairman Woods thereafter went over the next item on the agenda which was the 4% LIHTC for Autumn Chase Apartments. He advised the Board that the matter had been discussed and recommended for approval by the Multifamily Committee.

On a motion by Commissioner Guy Williams and seconded by Commissioner Dr. Adell Brown, Jr., the resolution establishing the maximum qualified basis and low-income housing credits to Autumn Chase Apartments; and authorizing the LHFA 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 with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Next item discussed was the request authorizing a reduction of units for Broadmoor Village and Belvedere Estates. Chairman Woods advised the Board that the resolution was to approve the reduction of units from 32 to 24 units subject to a favorable F&V analysis. He also noted that the matter had been discussed at the Committee meeting and recommendation for approval was suggested.

Commissioner Larry Broussard inquired as to the need for the reduction in units. Also, Commissioner Lisa Woodruff-White requested clarification and a statement that the request was in deed an exception to the QAP application submitted by the developer on the project. To which Chairman Woods replied affirmatively.

Thereafter, Dale Lancaster with Herrington Development addressed the Board on behalf of the pending resolution. He gave a history of the project noting that it was no longer feasible to build a 34 unit complex due to cost overruns post-Katrina.

On a motion by Vice-Chair Allison Jones and seconded by Commissioner Dr. Adell Brown, Jr., the resolution authorizing the reduction of units for Broadmoor Village and Belvedere Estates from 32 units to 24 units, subject to an approved F&V analysis; and directing the LHFA 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 with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

The next item discussed was a resolution with regards to Passman Plaza III and Renaissance Place.

Chairman Woods gave a brief history on the Passman Plaza III project, noting that it was located in Monroe and under the Monroe Housing Authority jurisdiction. He noted that the matter was before the Board during the December 2007 Board meeting wherein the request was an exception to the QAP to replace the building exterior with vinyl siding instead of brick and stucco.

On a motion by Commissioner Larry Broussard and seconded by Vice-Chair Allison Jones, the resolution requesting a design feature waiver and QAP exception request by Passman Plaza II, without any additional penalty; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Next item discussed was a resolution with regards to Renaissance Place.

Chairman Woods reminded the Board that the matter had been before them at the December 2008 meeting. The development was required under the QAP to have 31 washers and dryers at the complex and that based on the configuration of the property there would need to be a separate facility to house the placement and use of the washer/dryer units. The Board had been informed at the meeting that the cost of the additional washer/dryer units would be approximately \$500K. The developer has proposed that they be allowed to make upgrades to refrigerators, toilets, install a water purification system, floor upgrades, install additional cabinets, and increase the square footage of the community room -- all for a total of \$607,750. The request before the Board is for a waiver and exception to the QAP to provide only 10 washer and 14 dryers at the development. Chairman Woods also noted that the Multifamily Committee had reviewed the request and were recommending approval thereof.

On a motion by Commissioner Guy Williams and seconded by Vice-Chair Allison Jones, the resolution requesting a design feature waiver and QAP exception request by Renaissance Place, without any additional penalty; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Thereafter, Commissioner Lisa Woodruff White requested clarification and guidance on matters that are QAP exception requests. She requested a criteria be developed and an SOP (standard operating procedure) for future requests and analysis thereof, along with staff recommendations to deal with exceptions wherein the developer would have gotten funding anyway if the condition didn't exist.

Commissioner Dr. Adell Brown, Jr. noted to the Board the part discrepancies in the aforementioned type of requests, and his support for Commissioner Woodruff-White's motion.

On a motion by Commissioner Lisa Woodruff-White and seconded by Commissioner Danette O'Neal, the LHFA staff was directed to develop an SOP with criteria for considering exception requests to the QAP; and providing for other matters in connection

with the foregoing, was approved. There being no further discussions or oppositions, the matter was unanimously passed.

Next item discussed was the request by North Abbeville for \$45,053 additional tax credits. Chairman Woods noted that the matter had been reviewed by the Multifamily Committee and that approval was being recommended.

On a motion by Commissioner Lisa Woodruff-White and seconded by Commissioner Larry Broussard, the request by North Abbeville requesting an additional \$45,053 credits; and providing for other matters in connection with the foregoing, was approved. There being no further discussions or oppositions, the matter was unanimously passed.

Last item discussed was the staff report and update on project schedule deadlines.

Louis Russell went over the Placed In Service dates. He advised the Board that the Agency had sent out emails requesting developers in the GO Zone reservation category submit updated project schedules. And, that 77 updated project schedules had been received in total. He went into details about the statistics of the findings thereof.

Vice-Chair Jones voiced her concern that some may have not responded back to the Agency's request for the updated project schedules.

Ms. Kelly Longwell with the Louisiana Association of Affordable Housing Providers addressed the Board. She noted that she had previously requested from the Board some type of mechanism be put in place for those developers who had not complied with the Agency's request and some response for those who had sent in the information and were waiting on approval by the Agency. She also requested that Bill Winson, Executive Director for Sheltering the Nation, address the Board.

Mr. Winson advised the Board that his organization has been in existence for about fifteen years and had done numerous developments across the country. He noted his group had received GO Zone tax credit allocations and that one of the two projects had been delayed due to wetlands issues (permit still pending at the Corps of Engineers) and pending extension requests.

After some further discussions, Vice-Chair Jones moved that the Board approve the project schedules for those 77 developers who had responded to the Agency's request. Her motion was seconded by Commissioner Larry Broussard.

After more discussions on the matter, President Milton Bailey strongly recommended that the staff be allowed to evaluate the submissions first and then send a recommendation to the Board thereafter to approve or deny the project schedule.

Ms. Longwell countered, inquiring if the Board would give the staff authority to approve the deals that have already given reasons for their delays.

Chairman Woods noted that Congress had been told that the PIS dates would not be altered unless due to regulatory delays and not due to the negligence of the developer. He also noted that since no analysis had been done on the 77 items already submitted, per Brenda Evans, that he was not sure if staff would be able to do timely responses to everyone

Commissioner Dr. Brown inquired as to the future effect and potential for liability for approving a blanket in globo approval without sufficient review analysis.

There were further discussions on the matter between the Board, Wayne Neveu, Brenda Evans, and Mr. Bailey.

Thereafter, Vice-Chair Jones withdrew her earlier motion and suggested that the 77 developers who had submitted a schedule, and that can close within six (6) months subject to staff approval, be approved by the agency so those respective deals can close.

Ms. Evans advised the Board that she felt the staff would be able to approve the 77 submittals by the next Board meeting.

Mr. Neveu suggested that if the project schedules have long time differentials then those projected should be questioned; but that staff should recommend an acceptable benchmark.

After further discussion, Mr. Bailey advised the Board that once all information is received the staff could begin the review evaluations and once the evaluation is completed staff would be able to get the Agency notices out within a week and a half.

Commissioner Lisa Woodruff-White wanted the matter to reflect that the basis is front end date and the reasonableness of the extension request must be included in the evaluation process criteria.

On a motion by Vice-Chair Jones and seconded by Commissioner Larry Broussard it was resolved that out of the 77 project schedule updates received by the Agency that close in six (6) months, the staff is hereby directed to provide the Board with recommendations for the approval or denial thereof by February 13, 2008, the next BOC meeting; and providing for other matters in connection with the foregoing, was approved. There being no further discussions or oppositions, the matter was unanimously passed.

On a motion by Vice-Chair Jones and seconded by Commissioner Larry Broussard it was resolved that out of the 91 that did not submit updated project schedules, that staff is hereby directed to send them a thirty-day notice to comply and send in their updated project schedules, or their requests would be automatically denied accordingly; and providing for other matters in connection with the foregoing, was approved. There being no further discussions or oppositions, the matter was unanimously passed.

Chairman Woods, after continued discussions on the submittals, requested that the Agency be as responsive as possible and act in a timely matter to minimize any further delays in the process review.

SINGLE FAMILY COMMITTEE REPORT

Chairman Woods, in the absence of Commissioner Robert Austin, noted that the Updates on the 2007C, 2007B, 2007A, 2006D Issues and Whole Loan Report were in the Board's binders for their review.

ENERGY ASSISTANCE COMMITTEE

Chairman Woods informed the Board that updates to the LIHEAP, WAP, and Katrina/Rita Crisis Assistance matters were in their binders.

SPECIAL PROGRAMS

Commissioner Larry Broussard informed the Board that the update on the HOME Reconciliation Report was in their binders

LEGAL COMMITTEE REPORT

Vice-Chair Allison Jones began by noting the first item on the Legal Committee Agenda was a discussion of the Property Management RFP for the Willowbrook Apartments. She advised the Board that RFP's had been sent out in December 2007 and there was minimal response. Thereafter, staff made a determination that the RFP needed to be modified to include not just property management but also tenant services. Accordingly, a new RFP would be sent out and the matter brought back before the Board at the February 13, 2008 BOC meeting.

Next item discussed was the contract for Grace Hebert Architects. Vice-Chair Jones advised the Board that the contract had been reviewed by Legal counsel and the Legal Committee, and that there was a recommendation by all to approve the contract thereof.

Additionally, Commissioner Lisa Woodruff-White commended Grace Hebert for their charitable donation to the Make It Right fund to help rebuild homes during the Holiday Season.

On a motion by Vice-Chair Jones and seconded by Commissioner Dr. Adell Brown, Jr., the Board approved the professional services contract between LHFA and the Grace Hebert Architects. There being no further discussions, the matter was unanimously passed.

Next item on the Agenda was the Cypress Architects Contract matters. Vice-Chair Jones advised the Board that the matters had been discussed by the Legal Committee. And, that based on Legal counsel's recommendation and review of the matters that the Board approves the contracts.

On a motion by Vice-Chair Jones and seconded by Commissioner Dr. Adell Brown, Jr., the Board approved the professional services contract between LHFA and Cypress Realty Partners LLC and Looney Ricks Kiss Architects LLC and Cusato Cottages LLC. There being no further discussions, the matter was unanimously passed.

Next item on the Agenda was a discussion of the Defaulted 202 Properties matter. Vice-Chair Jones advised the Board that the matter involved the Annunciation Inn and the Nazareth Inn I and II Properties. She also noted that the litigation had been settled. The Resolution before the Board would result in a joint motion to dismiss being filed in the matters. And, that based on Legal counsel's recommendation and review of the matter that the Board approves the Resolution.

On a motion by Vice-Chair Allison A. Jones, and seconded by Commissioner Dr. Adell Brown, Jr., the resolution ratifying decisions made by the Chairman, Vice-Chairman, and Special Programs Chairman ("Defaulted 202 Committee") as designated by the Board of Commissioners on Defaulted 202 Properties, Nazareth I and Nazareth II, and Annunciation Inn; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Vice-Chair Allison Jones advised the Board that there was notification from Willowbrook Apartments requesting that the Agency do a site visit and view the properties and the progress thereof.

There were no further items discussed from the Legal Committee

OTHER BUSINESS

Commissioner Woodruff-White requested that the Board entertain two motions. One item discussed was that in the 2006 funding round points were available for developers who pursued fair housing actions; however this incentive was not included in the 2007 QAP. Accordingly, she moved that the Agency include in future QAP's a provision that would encourage and provide for such credits.

On a motion by Commissioner Lisa Woodruff-White, and seconded by Vice-Chair Allison Jones, the Board accepted the recommendation that subsequent and future QAP's include a provision that encourages and provides for points and credits to those developers who include fair housing parameters in their projects; and providing for other matters in

connection with the foregoing, was adopted. There being no further discussions or oppositions, the matter was unanimously passed.

Commissioner Woodruff-White's second motion was advocating the Agency take a position on NIMBYism and Fair Housing discrimination issues.

On a motion by Commissioner Lisa Woodruff-White, and seconded by Vice-Chair Allison A. Jones, the Board accepted the recommendation that the Board and/or Agency submit a communication to Governor Bobby Jindal and Attorney General James Caldwell advising them of the issues and ramifications of NIMBYism in the State, and requesting their support against said practices; and providing for other matters in connection with the foregoing, was adopted.

There was some subsequent discussion of the aforementioned issue, but was resolved through said discussions thereof. In particular, Commissioner Dr. Adell Brown, Jr., proposed a substitute motion that Commissioner Woodward-White develop a comprehensive public relations plan to advocate fair housing. Said motion failed as there was no second to said motion.

Chairman Woods noted that as sole housing finance entity, the State has not properly funded nor has the Attorney General litigated diligently on behalf of the fair housing programs nor on behalf of the entities that advocate fair housing.

ADJOURNMENT

There being no other matters to discuss, Commissioner Lisa Woodward-White offered a motion for adjournment that was seconded by Vice-Chair Allison Jones. There being no further discussions or oppositions, the matter was unanimously passed. **The Full Board meeting adjourned at 1:33PM.**

Chairman

Secretary