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# Louisiana Housing Finance Agency



## Multifamily Rental Housing Program

Loretta Wallace, Program Administrator

Louis Russell, Tax Credit Manager

February 13, 2008

## Table of Contents

Memo to Commissioners.....	3
Agenda.....	5
Minutes from January 9, 2008 Committee Meeting.....	7
Decision Brief – Ambassador Pointe Apartments.....	14
Preliminary Resolution – Ambassador Pointe Apartments.....	15
Project Summary – Ambassador Pointe Apartments.....	19
Decision Brief –Arbor Place Apartments.....	27
Preliminary Resolution – Arbor Place Apartments.....	28
Project Summary – Arbor Place Apartments.....	32
Draft Exception Policy.....	40
QAP Waiver/Exception Log.....	42
Decision Brief – The Preserve and Crescent Club.....	46
Preliminary Resolution – The Preserve and Crescent Club.....	53
Decision Brief – Villas of Lake Forest.....	56
Project Information – Villas of Lake Forest.....	57
Preliminary Resolution - Villas of Lake Forest.....	59
HANO Information.....	62
Preliminary Resolution – St. John Berchmans.....	93
Preliminary Resolution – Delille Inn.....	95
Preliminary Resolution – St. Martin Manor.....	97
Project Schedule Memorandum.....	99
Decision Brief – Arcadia Village.....	100
Preliminary Resolution – Arcadia Village.....	106

## 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: February 1, 2008

Re: Multifamily Rental Housing Program Committee

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There will be a Multifamily Rental Housing Program Committee meeting, Wednesday, February 13, 2008 at 10:30 A.M. at the Louisiana Housing Finance Agency, V. Jean Butler Board Room, located at 2415 Quail Drive, Baton Rouge, LA.

Loretta Wallace will present the following Resolution to the Board:

- A resolution accepting the proposal of Fifth Third Securities, Inc., for the purchase of not exceeding Thirty-three Million Five Hundred Thousand Dollars (\$33,500,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (**Ambassador Pointe Apartments Project**) in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing.
- A resolution accepting the proposal of Merchant Capital, L.L.C. for the purchase 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; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing

Louis Russell will present the following Resolutions to the Board:

- Presentation of proposed guidelines for Board Policy as it relates to approval of waivers/exceptions to the QAP with exception log.

- Decision brief and resolution regarding waiver request of garbage disposals for the **Preserve and Crescent Club**; due to the city of New Orleans requirements of a separate line for disposals; authorizing the Louisiana Housing Finance Agency (the “Agency”) staff and counsel to prepare the forms of such documents and agreements as may be necessary; and providing for other matters in connection therewith;
- A resolution authorizing a change in the site, and property description for **Villas at Lake Forest** #07/08(FA)-08 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;
- HANO Update;
- Decision brief and resolutions regarding 202 Projects;
  - i. St. John Berchmans;
  - ii. Delille Inn;
  - iii. St. Martin Manor;
- Staff report and update on project schedule deadlines;
- Discussion on potential of State Low-Income Housing Tax Credits.
- Discussion on falling credit prices.
- Arcadia Village #06-12 Return and Reallocation of Credits.

Other Business.

February 13, 2008

## **MULTIFAMILY RENTAL HOUSING COMMITTEE**

A regular meeting of the Multifamily Rental Housing Program Committee will be held on Wednesday, February 13, 2008 at 10:30 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.

### **Final Agenda**

1. Call to order, roll call and introduction of guests.
2. Approval of the January 9, 2008 Multi-Family Committee minutes.
3. Multifamily Update
  - A resolution accepting the proposal of Fifth Third Securities, Inc., for the purchase of not exceeding Thirty-three Million Five Hundred Thousand Dollars (\$33,500,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (**Ambassador Pointe Apartments Project**) in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing.
  - A resolution accepting the proposal of Merchant Capital, L.L.C. for the purchase 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; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing.
  - Presentation of proposed guidelines for Board Policy as it relates to approval of waivers/exceptions to the QAP with exception log.
  - Decision brief and resolution regarding waiver request of garbage disposals for the **Preserve and Crescent Club**; due to the city of New Orleans requirements of a separate line for disposals; authorizing the Louisiana Housing Finance Agency (the "Agency") staff and counsel to prepare the forms of such documents and agreements as may be necessary; and providing for other matters in connection therewith;

- A resolution authorizing a change in the site, and property description for **Villas at Lake Forest** #07/08(FA)-08 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;
  - HANO Update;
  - Decision brief and resolutions regarding 202 Projects;
    - i. St. John Berchmans;
    - ii. Delille Inn;
    - iii. St. Martin Manor;
  - Staff report and update on project schedule deadlines;
  - Discussion on potential of State Low-Income Housing Tax Credits.
  - Discussion on falling credit prices.
  - Arcadia Village #06-12 Return and Reallocation of Credits.
4. Other Business.
  5. Adjournment.

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Milton J. Bailey, President

If you require special services, please call Barry Brooks at (225) 763-8700 by Monday, February 11, 2007.

**Louisiana Housing Finance Agency  
Multifamily/Tax Credit Meeting Minutes  
Wednesday, January 9, 2008  
2415 Quail Drive  
Baton Rouge, LA 70808  
9:00 A.M.**

**Commissioners Present**

Chairman of Full Board, Wayne Woods  
Commissioner John N. Kennedy  
Commissioner Lisa Woodruff-White  
Commissioner Guy Williams

**Commissioners Absent**

Commissioner Kevin J. Brown  
Chairman Mark Madderra

**Staff Present**

Loretta Wallace  
Louis Russell, Jr.  
LaTosha Overton  
Brenda Evans  
Annie Robinson  
Jayne Synder  
Urshala Hamilton

**Counsel Present**

Wayne Neveu, Foley & Judell

**Guests Present**

Paul Ponte, Housing Systems  
Doug Gilland, Housing Systems  
A. K. Gordon, Crown Properties

Keith Howard, Crown Properties  
Carliss Knesel, Hancock Bank  
Todd Little, Little & Associates and LAAHP  
Frank Wilcox, Monroe Housing Authority  
Michelle Whetten, Enterprise  
John Godfrey, Godfrey Firm  
Dale Lancaster, Arrington Development, LLC  
James Freeman, Standard Enterprises  
Thomas Latour, OCD  
Vernon Martin, Robert Rowan/ Martin & Associates  
Kelly Longwell, Coats Rose  
Lenny Kopowski, Lodgic, LLC  
Hunter Botts, NEF  
William Wenson, Sheltering A Nation  
David Emery, Macadoo SRO  
Larry Englande, G.K. Barry  
Gale Potts Roque, MAC-RE  
Robert Rowan, Rowan Development & Construction  
Dolores Jones, Rowan Development & Construction  
William McDonald, Bossier Housing Co.

Chairman Woods called the meeting to order at 10:21 A.M. Chairman Woods requested approval of the November 14, 2007 meeting minutes be approved by his fellow Commissioners. The minutes were motioned by Commissioner Kennedy and seconded by Commissioner Williams and unanimously approved.

Loretta Wallace presented the following resolutions:

- A resolution of intention to issue not exceeding \$8,940,000 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 therewith.

Commissioner Guy Williams asked if the project would face any problems from local government because of its location in Jefferson Parish. Chairman Woods answered that because of the project's location, it could be a possibility. Commissioner Lisa Woodruff-White questioned the Committee regarding a discussion held at the last meeting to possibly sue Jefferson Parish for NIMBYism. Chairman Woods answered that Agency staff had spoken with city officials of Jefferson Parish to plan a meeting. Mrs. Wallace stated that the project is a rehab, so it is unlikely that it will receive much community opposition. Chairman Woods asked for a motion and a second for recommendation to Full

Board. Commissioner Williams made the motion and Commissioner Kennedy made the second. The resolution was unanimously approved.

Louis Russell presented the following resolutions:

- A resolution establishing the maximum qualified basis and low-income housing credits to **Autumn Chase Apartments**; 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 4% Low Income Housing Tax Credits to such facilities; and providing for other matters in connection therewith.

No discussion ensued and Chairman Woods asked for a motion and a second for recommendation to Full Board. Commissioner Kennedy made the motion and Commissioner Williams made the second. The resolution was unanimously approved.

- Decision brief and resolution authorizing a reduction of units for **Broadmoor Village and Belvedere Estates**; authorizing the Louisiana Housing Finance Agency (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;

Chairman Woods asked if credits would be returned with this deal or if it utilized the same number of credits. Mr. Russell answered that the same number of credits would be utilized because the cost over-runs that the developer ran into justify the use of the same amount of credits. Commissioner Woodruff-White questioned how the developer could reduce the number of units and still maintain the same amount of requested credits. Mr. Todd Little of Little and Associates came forward and offered comments. Chairman Woods asked for a motion and a second for recommendation to Full Board. Commissioner Kennedy made the motion and Commissioner Williams made the second. The resolution was unanimously approved.

- A resolution denying design feature requests made by the developers of **Passman Plaza III & Renaissance Place**; and providing for other matters in connection therewith;

Chairman Woods stated these issues were deferred from the last Committee meeting and the discussion was that both of these projects had some changes from what was originally in their application under the QAP and what they would like to do. Renaissance Place wants to reduce the number of washer and dryers for the project and Passman Plaza III changed its exterior from brick and stucco to vinyl siding and the project is about 90% complete. The developer has asked for a waiver to change what was originally in the

application. Chairman Woods continued by stating that the Committee asked staff to come up with some recommendations. Brenda Evans stated that she and staff architect, Roger Tijerino went to take a look at the project. Upon his inspection of the site, Mr. Tijerino observed that there would be a significant cost savings by using the vinyl siding for the project, but yet in the long run there would be additional costs associated with heating and air as well as the up keep of the property. She continued by further stating that the developer has decided to go from a 30 year roof to a 20 year roof in an effort to reduce costs and in all fairness, the developer did infuse some of their own funds into the project. Staff also took into consideration what other HFA's would do in such a situation and has made the recommendation that at this point it would not be feasible to go back and take the siding down because there is not a brick shelf on which to place the brick veneer. Staff recommends that the Agency receive a complete reprocessing application and F/V to analyze all the costs and cost savings on this particular project to make sure that the correct number of credits are allocated and also that the developer be suspended from participation in Agency programs for at least three funding cycles. Chairman Woods asked that Mr. Frank Wilcox of the Monroe Housing Authority come forth. Mr. Wilcox stated that the oversight was a mistake as he did not thoroughly review the application. Commissioner Woodruff-White, voiced concerns about the changes in material and the effect it would have on residents energy costs because of the vinyl siding. Mrs. Evans answered that the costs would be borne by the developer, not the tenants. Mr. Wilcox answered that the development is very well insulated and well constructed and that taking the brick off the project will have no effect on its energy efficiency. Chairman Woods clarified that the building itself will have increased maintenance costs because of the vinyl siding, not the resident/tenant. Commissioner Woodruff-White questioned whether money left over from the development fees will be used to re-invest in the project to aide the residents. Mr. Wilcox answered that those funds are used to guarantee future developments and that he was unsure if the money would go back to this development. Commissioner Woodruff-White asked staff if the suspension for three funding cycles was sufficient enough to discourage this sort of oversight in the future. Mrs. Evans answered that staff went to a listserve to see what other HFA's were doing and staff received a limited amount of responses. Montana's HFA said that they would deduct points on future applications that would take the project out of running and they would hold back the issuance of 8609's until the deficiency was corrected. Another HFA stated that they would impose fines of \$1000 per day until the problem was corrected. She further stated that another HFA would suspend the developer for 24 months and/or \$1000 per day for the oversight. Commissioner Woodruff-White stated that it seemed the other states were working toward a solution, but that staff recommendation accepts the changes. She is really looking for a way to discourage other developers from making changes and not notifying the Agency. Mr. Todd Little of Little and Associates stated the he felt as though the penalty is too harsh for such a minor mistake because the developer has put \$1 million of its own money into

the development. Commissioner Kennedy felt as though three funding cycles is too harsh of a penalty and that it will hurt affordable housing in Northeast Louisiana. He also went on to say that a \$5000 fine might be appropriate, but that he felt the oversight was not intentional. Chairman Woods interjected with his concern that the Agency was not notified of the problem until the project had reached 85% in its completion, which was well after any remedy could have been in place. As he understands the application was reprocessing at some point and the developer could have notified staff during that time of the changes. He went on further to say that staff received the information long after there was any opportunity for the Agency to come to a remedy and that is his main concern. He concurred with Commissioner Kennedy that staff's recommendation seemed too severe. Commissioner Kennedy asked why the Agency wasn't notified sooner and Mr. Little answered that the Agency was notified in less than three days of the problem being brought to his attention. He further stated that the developer closed this deal with National Equity Fund, and National Equity Fund subsequently sold it to the investor, which is Chase. Chase was performing due diligence review after they took possession of the investment and that is when the issue came up in November. He stated that he submitted a letter to the LHFA in November and this issue was on the agenda of the December meeting. Commissioner Kennedy felt as though because this developer did not intentionally make the mistake, staff should come up with a reasonable sanction. Commissioner Woodruff-White felt as though a message should be sent to discourage behavior of this type and she does not know if that means suspension for three cycles. She commented that the penalty should not be based on intent because it is a dangerous gray area; she would like to see the Agency establish some policy to deal with this as was suggested. She would like to see a policy that is based on the Agency's needs assessment, shown in terms of critical needs in a particular area and based on that a policy should be established to include a suspension for some period of time. Commissioner Williams feels that a "go and sin no more" policy for this infraction by Monroe Housing Authority is sufficient because they are the only elderly developer in Northeast Louisiana. Commissioner Allison Jones joined the discussion and encouraged staff not to do anything to discourage people in the area from providing this type of housing and that Monroe Housing Authority is a longtime provider of affordable housing in that area. She is in favor of granting the exception and saying "Don't let it happen again" and if it happens again or becomes a pattern, and then it should be dealt with. Commissioner Jones comments were motioned by Commissioner Kennedy and seconded by Commissioner Williams. Commissioner Woodruff-White questioned whether this would be the Agency's policy across the board, is the policy going to be first time no harm; second time penalty. Commissioner Kennedy asked if he could amend his motion to ask staff to develop a policy for the Board's consideration along the lines of imposing penalties to developers who do not follow the QAP. He also added that he would like to approve the request of the developer without the suspension this time. Chairman Woods stated that the motion is to allow the waiver of the brick and stucco siding for Passman Plaza III and that staff is also directed to develop a recommendation for sanctions against

developers in the future. Chairman Woods asked for a motion and a second for recommendation to Full Board. Commissioner Kennedy made the motion and Commissioner Williams made the second. This motion was granted unanimously by the Commissioners.

Brenda Evans then began to discuss Renaissance Place, a project that was presented to the Board in November 2007. The developer would like to reduce the number of washers and dryers in the project. According to the QAP for every 10 units, there should be a washer and dryer made available to the tenants. Under this scenario, this project would require 31 washers and 31 dryers. The developer subsequently sent back a request to reduce the number of washer and dryers in this complex and in lieu of the reduction would enhance certain amenities. The upgrades would be to the refrigerator, toilet, flooring, kitchen cabinets and add additional space to the community room. Staff has looked at the QAP as well as the exceptions and recommends that the project proceed as was submitted in the application. Commissioner Jones wanted to know what would happen if staff granted the developer's request. Mrs. Evans responded that in staff's opinion it would undermine the QAP process because other applicants that have the same requirements for washers and dryers. Commissioner Jones stated that at the last meeting the Committee voted to approve the exception if the developer returned with a comparable alternative. Commissioner Williams wanted clarification of staff's recommendation, as it sounded to him that staff wanted the "old" people to walk outside to this new building with laundry in North Louisiana in the winter. Paul Ponte from Housing Systems came forward and stated that the development would need to have 62 washers in total units. Doug Gilland stated that the development previously had 7 washers and 5 dryers and they would place 10 washers and 14 dryers. Mr. Gilland felt as though 62 washers and dryers would never be used and is wasteful and that they would like to place the funds into upgrades the residents could use. Commissioner Woodruff-White voiced her concern over granting requests that are exceptions to the QAP. Chairman Woods stated that the motion is to allow the developer to reduce the number of washers and dryers, with the understanding that they would do additional upgrades totaling \$607,750 which would include upgrades to the refrigerators, toilets, water softener and purification system, upgrades to the flooring, kitchen cabinets and also to add square footage to the community room. Chairman Woods asked for a motion and a second for recommendation to Full Board. Commissioner Williams made the motion and Commissioner Kennedy made the second. This motion was granted unanimously by the Commissioners.

Commissioner Woodruff-White entered a motion that staff try to develop criteria that the Board could consider in granting exceptions to the QAP. She would like staff to review what other states are doing and getting the best practices. This motion was seconded by Commissioner Kennedy and granted unanimously by the Commissioners.

Brenda Evans then began to discuss Northern Abbeville, a project that applied for credit in the second QAP funding round. The site was awarded a little over \$1 million in tax credits on August 17, 2006. This developer eventually ran into some delays caused by issues surrounding Abbeville City Council and zoning issues. This delay, according to the developer caused an increase in the cost of construction due to the NIMBYism issues surrounding the delay. The developer has come back to the Agency to request additional credits to cover these cost overruns. Staff has recommended subject to proof of viable costs, receipt of a reprocessing application and a F&V that the additional credits be awarded to the developer. Commissioner Woodruff-White commended the developer for addressing the fair housing issues in his area. She moved that the additional credits be granted to the developer to cover cost overruns. Commissioner Kennedy made the second and the motion was unanimously granted by the Commissioners.

Louis Russell brought to the Committee's attention an information sheet showing the placed in service dates that the Board requested. The Agency sent out notification requesting information based on projects placed in service schedules and the enclosed chart shows the responses. An additional update will be provided at the February 13, 2008 Committee meeting.

Since there were no other issues to be heard the meeting was adjourned at 11:18 a.m.

## **DECISION BRIEF:**

### **The Sale of \$33,500,000 in Multifamily Housing Revenue Bonds for Ambassador Pointe Apartments located in Lafayette, Louisiana**

#### **Issue**

On December 12, 2007, the Louisiana Housing Finance Agency's Board of Commissioners approved a resolution authorizing the issuance of not exceeding \$33,500,000 of Multifamily Housing Revenue Bonds for the purpose of financing the construction of a 312 unit facility.

This resolution requests the Board's approval in considering the proposal of Fifth Third Securities, Inc., for the purchase of said bonds and approving the form and directing the execution of the Bond Purchase Agreement with respect to the parameter sale of not exceeding \$33,500,000.

Sixty-four (64) of the 312 rental units will be set-aside for households whose incomes are at or below 50% of the area median income and will consist of eighteen (18) one-bedroom units; thirty-eight (38) two-bedroom units and eight (8) three-bedroom units. The non-low income units will consist of seventy (70) one-bedroom units; one hundred-fifty (150) two-bedroom units; and twenty-eight (28) three-bedroom units.

In addition to the Bond Proceeds, other sources of funding to be utilized in the construction of this development will be \$1,791,061 from Equity Contribution; \$1,056,588 from Investment Income and \$2,465,576 from Interim Income.

This development was designed with the housing needs of large and small families in mind. All apartments will feature a living room, dining area, kitchen, and two (2) full bathrooms except for the one-bedroom units, which will include one (1) full bathroom. The community facility will also include an office for management personnel, storage for maintenance equipment, an open area along with kitchen facilities, an exercise room with weight and

cardio equipment, cyber café including computers with high-speed Internet access, printers and a fax machine, lounge with TV, billiards room, and a laundry room in addition to a clothes washer and dryer in each unit. The development will provide an open area for children's recreation including a swimming pool. Additionally, there will be plenty of "green space" designated for the passive recreation of the residents. Ambassador Pointe Apartments will be a gated access community for the security and privacy of its residents and guests.

It is the goal of the owners of Ambassador Pointe Apartments to offer educational and socialization programs that will improve the quality of life of the residents. The community building will include an on-site Business Center that will provide computers equipped with Internet access for training and educational purposes. Availability of classes available on-line will be communicated to the residents via newsletters and bulletin boards.

#### **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 this request to issue Multifamily Housing Revenue Bonds to further the mission of providing housing to the citizens of this state.

**LOUISIANA HOUSING FINANCE AGENCY**

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

**RESOLUTION**

A resolution accepting the proposal of Fifth Third Securities, Inc., for the purchase of not exceeding Thirty-three Million Five Hundred Thousand Dollars (\$33,500,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Ambassador Pointe Apartments Project) in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing.

WHEREAS, the Board of Commissioners (the "Board") of the Louisiana Housing Finance Agency (the "Agency") on December 12, 2007, adopted a resolution approving and authorizing the issuance of not exceeding Thirty-three Million Five Hundred Thousand Dollars (\$33,500,000) of Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Ambassador Pointe Apartments Project) in one or more series and authorized the publication of a Notice of Intention to Sell at Private Sale (the "Notice") in connection therewith; and

WHEREAS, said bonds are being designated as "Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Ambassador Pointe Apartments Project) Series 2008" in the aggregate principal amount of not exceeding \$33,500,000 (the "Bonds"); and

WHEREAS, as set forth in said resolution, the Notice of Sale was published on January 30, 2008, in "The Advocate" and on January 29, 2008, and a Revised Notice of Sales on January 30, 2008, in "The Daily Journal of Commerce", for an amount not to exceed \$33,500,000; and

WHEREAS, in accordance with the aforesaid resolution adopted by the Agency on December 12, 2007, the sale of the Bonds was scheduled for February 13, 2008; and

WHEREAS, the Agency did meet on February 13, 2008, at 10:00 a.m., Louisiana time, for the purpose of receiving and considering the proposal of Fifth Third Securities, Inc., as purchaser (the "Purchaser"), and taking action with respect to the parameter sale of not exceeding Thirty-three Million Five Hundred Thousand Dollars (\$33,500,000) of the Bonds pursuant thereto;

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

SECTION 1. The parameter written terms submitted this day by Fifth Third Securities, Inc., for the purchase of bonds designated "Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Ambassador Pointe Apartments Project) Series 2008" in the aggregate principal amount of not exceeding \$33,500,000, at an interest rate not exceeding 12% per annum, and for a maturity not exceeding 42 years, authorized under and pursuant to the provisions of a Bond Trust Indenture (the

"Indenture"), by and between a trustee to be determined (the "Trustee"), and the Agency be, and the same are hereby awarded to the Purchaser; provided, however, that the sale and delivery of the Bonds are conditioned upon approval by the State Bond Commission and compliance with any and all approvals and/or certifications required by the Louisiana Attorney General. The sale of the Bonds in accordance with said Indenture is hereby authorized and approved. The Chairman, Vice Chairman, President, Vice President and/or Secretary of this Board are hereby authorized and directed for, on behalf of and in the name of the Agency, to execute, deliver and approve such instruments, documents and certificates as may be required or necessary, convenient or appropriate to the financing described herein, including, but not limited to, the following described documents for the Bonds on file with the Agency:

- (i) Bond Trust Indenture,
- (ii) Financing Agreement, and
- (iii) Tax Regulatory Agreement.

The aforesaid officers are additionally authorized to approve any changes in the aforementioned documents provided such changes are in accordance with the Act and with the approval of Counsel to the Agency or Bond Counsel.

SECTION 2. A bank is to be designated as Trustee and Paying Agent with respect to the Bonds in accordance with the provisions of the Indenture.

SECTION 3. In order to accomplish the sale of the Bonds in accordance with the terms of this resolution, either the Chairman or Vice Chairman of this Agency or the President or Vice President, acting on his behalf, be and they are hereby authorized and directed to execute and deliver, for and on behalf of the Agency, the Indenture in substantially the form thereof which is now before this Agency and filed with the Secretary of this Board of Commissioners.

SECTION 4. The Bonds will be dated, will be in the denominations and will have all the terms set forth in the Indenture.

SECTION 5. The Bonds shall be subject to redemption in accordance with the Indenture.

SECTION 6. The Chairman, Vice Chairman, President, Vice President and/or Secretary, be and they are hereby approved, authorized and directed to execute and deliver or cause to be executed and delivered all documents required to be executed on behalf of the Agency and delivered to effect delivery of the Bonds to the Purchaser or deemed by any of them necessary or advisable to implement this resolution, the Indenture or the Indenture, or to facilitate the sale of the Bonds.

SECTION 7. The Chairman, Vice Chairman, President, Vice President and/or Secretary of the Agency shall cause to be executed for and on behalf of the Agency the aforementioned Bonds in accordance with the Indenture, and shall effect the delivery thereof to the Purchaser in accordance with the Indenture. The Secretary of the Agency shall receive from the Purchaser for the account of the Agency the purchase price of the Bonds and shall deposit the same with the Trustee under the Indenture in accordance with the provisions thereof.

SECTION 9. This resolution shall take effect immediately.

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 13th day of February, 2008.

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Chairman

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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 \_\_\_\_\_ (\_\_\_\_) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on January 13, 2008, entitled: "A resolution accepting the proposal of Fifth Third Securities, Inc., for the purchase of not exceeding Thirty-three Million Five Hundred Thousand Dollars (\$33,500,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Ambassador Pointe Apartments Project) in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 13<sup>th</sup> day of February, 2008.

---

Secretary

(SEAL)

**LOUISIANA HOUSING FINANCE AGENCY  
MULTI-FAMILY PROJECT SUMMARY**

Date: November 30, 2007

(1) **PROJECT NAME:** Ambassador Pointe Apartments

(2) **AMOUNT OF BOND  
ISSUE REQUESTED  
(NOT TO EXCEED):** \$ 33,500,000.00

(3) **PROJECT DESCRIPTION:** 1) Number of Units 312  
2) Total Land Area 17.31 acres  
3) Density: 18 # of Units per Acre  
Low Rise 3 High Rise \_\_\_\_\_  
4) New Construction: ✓  
Rehabilitation: \_\_\_\_\_  
5) Land Control: Current Legal Owner of Land:  
Agnes Stutes Family Trust/Fernand Stutes Family Trus  
Contract to Acquire Land by 5/2/08  
(date)

or

Option to Acquire Land by \_\_\_\_\_  
(date)

6) Number of Parking Spaces Per Unit 1.5  
7) Census tract where Project located N/A  
8) State Representative District 45  
Name of Representative Joel Robineaux  
9) State Senatorial District 23  
Name of Senator Mike Michot

(4) **LOCATION:** See attached legal description  
**(STREET ADDRESS OR  
LEGAL DESCRIPTION OF  
LAND AND PARISH):** Real Estate situated in Lafayette  
Parish

(5) **CONTACT PERSON  
FOR PROJECT:** Michael A. Roderer  
500 E. 96th St.,#300, Indpls, IN 46240  
Phone: 317-663-6818

(6) **DEVELOPMENT TEAM:**

Developer: Herman & Kittle Properties, Inc.  
500 E. 96th St., #300, Indpls., IN 46240 Contact: M Roderer  
Phone: 317-663-6818

Architect: Herman & Kittle Properties, Inc.  
500 E. 96th St., #300, Indpls., IN 46240 Contact: M Roderer  
Phone: 317-663-6818

General Contractor: Herman & Kittle Properties, Inc.  
500 E. 96th St., #300, Indpls., IN 46240  
Contact: D French Phone: 317-663-6866

Attorney: Herman & Kittle Properties, Inc.  
500 E. 96th St., #300, Indpls., IN 46240  
Contact: D Thomps Phone: 317-663-6814

Lending Institution  
to Originate Mortgage  
Loan (if known): TBD  
Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

Provider of Credit  
Enhancement on Mortgage  
Loan (if known): TBD  
Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

Investment Banker for  
Bonds Publicly Offered  
(if known): TBD  
Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

Purchaser of Bonds  
for Bonds Privately  
Placed (if known): N/A  
Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

(7) **ZONING:** BG (currently properly zoned for  
intended use).

(8) **UTILITIES:** Sewer service provided by -LUS  
Water service provided by LUS, Elec- LUS

(9) **FAIR MARKET VALUE OF**  
**PROJECT PROPERTY:** \$ 2,186,668.00  
Specify date of most recent appraisal: N/A

(10) **FINANCIAL INFORMATION:**

Amount

SOURCES OF FUNDS:

Bond Proceeds	\$ <u>33,500,000.00</u>	<u>83.60</u> % Dev. Cost
Other Sources (list)		
<u>Equity Contribution</u>	\$ <u>1,791,061.00</u>	<u>3.80</u> % Dev. Cost
<u>Investment Income</u>	\$ <u>1,056,588.00</u>	<u>2.00</u> % Dev. Cost
<u>Interim Income</u>	\$ <u>2,465,576.00</u>	<u>5.60</u> % Dev. Cost

TOTAL FUNDS

\$ 38,813,225.00

LAND COSTS \$ 2,186,668.00 \$ 2.90 per sq. ft.

BUILDING ACQUISITION COSTS  
(less Land costs)

\$ N/A \$ N/A per D/U

CONSTRUCTION (or Rehabilitation Costs)  
(Total AIA Contract)

\$ 23,132,693.00 \$ 77,009.(per D/U

PROFESSIONAL FEES:

Amount

% of Total Funds

Architectural	\$ <u>1,387,961.00</u>	<u>1.90</u> %
Engineering	\$ <u>156,000.00</u>	<u>0.50</u> %

Legal:

Counsel to Issuer	\$ <u>25,000.00</u>	<u>0.10</u> %
Bond Counsel	\$ <u>70,000.00</u>	<u>0.20</u> %
Special Tax Counsel (specify firm name)	\$ <u>0.00</u>	<u>0.00</u> %
<u>Other Legal (specify firm &amp; purpose)</u>		
<u>zoning/cont. loan</u>	\$ <u>15,000.00</u>	
<u>perm loan</u>	\$ <u>65,000.00</u>	
<u>partnership</u>	\$ <u>10,000.00</u>	
<u>developer legal</u>	\$ <u>15,000.00</u>	
<u>_____</u>	\$ _____	_____ %
<u>_____</u>	\$ _____	_____ %

Total Professional  
Fees

\$ 1,743,961.00 \_\_\_\_\_ %

UNDERWRITING:

Management Fee	\$ <u>146,713.00</u>
Sales Commission	\$ <u>0.00</u>
Underwriter's Counsel	\$ <u>25,000.00</u>

Net to Underwriters Expenses (list)	\$ 0.00
_____	
_____	
_____	
_____	
Total Underwriting Fee:	\$ 171,713.00

**COSTS OF ISSUANCE:**

Printing	\$ 0.00
Publishing/Advertising/Recording	\$ 0.00
Rating Expense	\$ 15,000.00
Letter of Credit Fees and other credit expenses	\$ 1,120,728.00
Consultants	\$ 0.00
Insurance	\$ 0.00
Issuer's Financing Fees	\$ 64,150.00
Trustee Bank's initial fee and expenses	\$ 17,166.00
Other:	
Bond Commission Fees	\$ 1,500.00
Accountant Verification	\$ 6,200.00

Total Costs of Insurance \$ 1,224,744.00 \$ 2,880.0 per D/U

Amount of Mortgage Requested \$ 33,500,000.00 % 83.60 of Total Costs

(11) **UNIT TYPES:**

<u>All (100%) Units</u>			<u>Low Income Units</u>			
Unit Type	No.	Total Sq. Ft.	No. of Unit Types Set Aside for 50% or less Area Median Income	Total Sq. Ft.	No. of Unit Types Set Aside for 60% or less Area Median Income	Total Sq. Ft.
Eff.	0					
1 BR	18	12,807	18	0		12,807
2 BR	38	44,840	38	0		44,840
3 BR	8	10,080	8	0		10,080
Other	0	0	0	0	0	
<b>TOTAL</b>	<b>64</b>	<b>67,727</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>67,727</b>

Estimate Market Rents For Non-Low Income Units:

Total Total

<u>Unit Type</u>	<u>Total Units</u>	<u>Avg Monthly Rent Per Non-LIU</u>	<u>Annual Rent of Non-LIU's</u>
Eff.	0	0	0
1 BR	70	873	733320
2 BR	150	1099	1978200
3 BR	28	1261	423,696
Other			
Total	248		

(12) **CURRENT RENTAL COSTS AND RELOCATION PLAN:**  
(For Rehabilitation Projects Only)

<u>Unit Type</u>	<u>Monthly</u>	<u>Present Rent Annual</u>	<u>Sq. Ft./Month</u>
Eff.	_____	_____	_____
1 BR	_____	_____	_____
2 BR	_____	_____	_____
3 BR	_____	_____	_____
Other	_____	_____	_____
TOTAL	_____	_____	_____

Have interior and exterior photographs of Project been attached?  
Yes \_\_\_\_\_ No

Will any of the present tenants be displaced because of higher rents due to rehabilitation?  
Yes \_\_\_\_\_ No

If yes, approximately how many? \_\_\_\_\_

Is there a relocation plan? Yes \_\_\_\_\_ No

Please briefly describe relocation plan (Submit detailed relocation plan when completed)

N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(13) **VACANCY RATE:** The present vacancy rate in the general market area is 0.03 %.

(14) **AREA MEDIAN INCOME:** Median income in area according to HUD is \$44,916.00 .

(15) **ELECTION OF THE MINIMUM SET-ASIDE REQUIREMENT:**

The owner irrevocably elects one of the Minimum Set-Aside Requirements (Check one only):

✓     At least 20% of the rental residential units in this development are rent restricted and to be occupied by individuals whose income is 50% or less of area median gross income.

           At least 40% of the rental residential units in this development are rent restricted and to be occupied by individuals whose income is 60% or less of the area median gross income.

(16) **OPTIONAL ELECTION:**

The owner elects to occupy 15% or more of all low-income units by tenants with income of 40% or less of area median income and the average rent charged to tenants in residential market rent units is at least 300% of the average rent charged to low-income tenants:            Yes     ✓     No

(17) **EQUAL OPPORTUNITY:**

Do you agree to provide equal opportunity to members of minority groups and to employ such groups in the Project's development in the roles of, including but not limited to, contractor, subcontractor, employee, laborer, agent, appraiser, or supplier?

Yes     ✓     No           

(18) **STATE BOND COMMISSION TENANT BENEFIT PROGRAM REQUIREMENTS:**

State Bond Commission Rule No. HS2-1992 provides as follows with respect to applications submitted to the State Bond Commission for new construction, acquisition and/or rehabilitation, or refunding of multifamily housing projects:

Multifamily housing applications must include defined tenant benefit programs for those units set aside for very low, low and/or moderate income families. Those applications that do not include such programs will not be docketed for consideration. Such programs may include rent differentials, special assistance programs or other specific benefit packages for the target income class.

Please include as Exhibit I a description of the Applicant's defined tenant benefit program. For your consideration, State Bond Commission Rule No. HS1-1993 provides the following definitions of income classes:

*Very Low Income*--households whose incomes do not exceed 50 percent of the median income for the area, as determined and adjusted from time to time by HUD.

*Low Income*--households whose incomes do not exceed 80 percent of the median income for the area, as determined and adjusted from time to time by HUD.

*Moderate Income*--households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined and adjusted from time to time by HUD.

*Middle Income*--households whose income are between 96 percent and 120 percent of the median income for the area, as determined and adjusted from time to time by HUD.

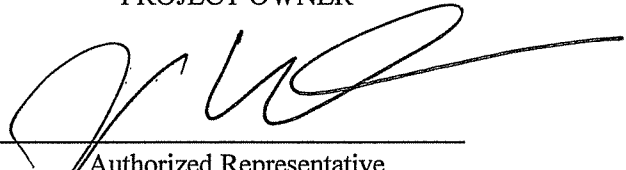
The schedule of income levels as published periodically by HUD will be used for purposes of this rule to determine income levels for particular areas of the state.

I certify that the information contained in this Project Summary and Application Package is true and accurate to the best of my knowledge.

Ambassador Pointe, LLC

PROJECT OWNER

By:

  
\_\_\_\_\_

Authorized Representative

JEFFREY H. KITTLE

Dated: 11/30/07

## **DECISION BRIEF:**

### **The Sale of \$8,940,000 in Multifamily Housing Revenue Bonds for Arbor Place Apartments located in Terrytown, Jefferson, Louisiana**

#### **Issue**

On January 9, 2008, the Louisiana Housing Finance Agency's Board of Commissioners approved a resolution authorizing the issuance of not exceeding \$8,940,000 of Multifamily Housing Revenue Bonds for the purpose of refinancing and rehabilitating an existing 136 unit facility.

This resolution requests the Board's approval in considering the proposal of Merchant Capital, L.L.C., for the purchase of said bonds and approving the form and directing the execution of the Bond Purchase Agreement with respect to the parameter sale of not exceeding \$8,940,000.

Arbor Place Apartments is a 136 unit multi-family residential complex located at 735 Heritage Avenue, Terrytown, Jefferson Parish, Louisiana which consists of two bedroom units. Sixty-eight (68) of the 136 units will be set-aside for households whose incomes are at or below 60% of the area median income. The other sixty-eight (68) units are non-low income units.

In addition to the Bond Proceeds, other sources of funding to be utilized in the rehabilitation of this development will be \$1,254,677 from Tax Credit Equity.

#### **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 this request to issue Multifamily Revenue Bonds to further the mission of providing housing to the citizens of this state.

**LOUISIANA HOUSING FINANCE AGENCY**

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

**RESOLUTION**

A resolution accepting the proposal of Merchant Capital, L.L.C. for the purchase 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; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing.

WHEREAS, the Board of Commissioners (the "Board") of the Louisiana Housing Finance Agency (the "Agency") on January 9, 2008, adopted a resolution approving and authorizing the issuance of not exceeding Eight Million Nine Hundred Forty Thousand Dollars (\$8,940,000) of Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Arbor Place Apartments Project) in one or more series and authorized the publication of a Notice of Intention to Sell at Private Sale (the "Notice") in connection therewith; and

WHEREAS, said bonds are being designated as "Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Arbor Place Apartments Project) Series 2008" in the aggregate principal amount of not exceeding \$8,940,000 (the "Bonds"); and

WHEREAS, as set forth in said resolution, the Notice of Sale was published on January 30, 2008, in "The Advocate" and on January 28, 2008, in "The Daily Journal of Commerce" for an amount not to exceed \$8,940,000; and

WHEREAS, in accordance with the aforesaid resolution adopted by the Agency on January 9, 2008, the sale of the Bonds was scheduled for February 13, 2008; and

WHEREAS, the Agency did meet on February 13, 2008, at 10:00 a.m., Louisiana time, for the purpose of receiving and considering the proposal of Merchant Capital, L.L.C., as purchaser (the "Purchaser"), and taking action with respect to the parameter sale of not exceeding Eight Million Nine Hundred Forty Thousand Dollars (\$8,940,000) of the Bonds pursuant thereto;

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

SECTION 1. The parameter written terms submitted this day by Merchant Capital, L.L.C., for the purchase of bonds designated "Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Arbor Place Apartments Project) Series 2008" in the aggregate principal amount of not exceeding \$8,940,000, at an interest rate not exceeding 12% per annum, and for a maturity not exceeding 42 years, authorized under and pursuant to the provisions of a Bond Trust Indenture (the "Indenture"), by and between

a trustee to be determined (the "Trustee"), and the Agency be, and the same are hereby awarded to the Purchaser; provided, however, that the sale and delivery of the Bonds are conditioned upon approval by the State Bond Commission and compliance with any and all approvals and/or certifications required by the Louisiana Attorney General. The sale of the Bonds in accordance with said Indenture is hereby authorized and approved. The Chairman, Vice Chairman, President, Vice President and/or Secretary of this Board are hereby authorized and directed for, on behalf of and in the name of the Agency, to execute, deliver and approve such instruments, documents and certificates as may be required or necessary, convenient or appropriate to the financing described herein, including, but not limited to, the following described documents for the Bonds on file with the Agency:

- (i) Bond Trust Indenture,
- (ii) Financing Agreement, and
- (iii) Tax Regulatory Agreement.

The aforesaid officers are additionally authorized to approve any changes in the aforementioned documents provided such changes are in accordance with the Act and with the approval of Counsel to the Agency or Bond Counsel.

SECTION 2. A bank is to be designated as Trustee and Paying Agent with respect to the Bonds in accordance with the provisions of the Indenture.

SECTION 3. In order to accomplish the sale of the Bonds in accordance with the terms of this resolution, either the Chairman or Vice Chairman of this Agency or the President or Vice President, acting on his behalf, be and they are hereby authorized and directed to execute and deliver, for and on behalf of the Agency, the Indenture in substantially the form thereof which is now before this Agency and filed with the Secretary of this Board of Commissioners.

SECTION 4. The Bonds will be dated, will be in the denominations and will have all the terms set forth in the Indenture.

SECTION 5. The Bonds shall be subject to redemption in accordance with the Indenture.

SECTION 6. The Chairman, Vice Chairman, President, Vice President and/or Secretary, be and they are hereby approved, authorized and directed to execute and deliver or cause to be executed and delivered all documents required to be executed on behalf of the Agency and delivered to effect delivery of the Bonds to the Purchaser or deemed by any of them necessary or advisable to implement this resolution, the Indenture or the Indenture, or to facilitate the sale of the Bonds.

SECTION 7. The Chairman, Vice Chairman, President, Vice President and/or Secretary of the Agency shall cause to be executed for and on behalf of the Agency the aforementioned Bonds in accordance with the Indenture, and shall effect the delivery thereof to the Purchaser in accordance with the Indenture. The Secretary of the Agency shall receive from the Purchaser for the account of the Agency the purchase price of the Bonds and shall deposit the same with the Trustee under the Indenture in accordance with the provisions thereof.

SECTION 9. This resolution shall take effect immediately.

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 13th day of February, 2008.

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Chairman

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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 \_\_\_\_\_ (\_\_\_\_) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on February 13, 2008, entitled: "A resolution accepting the proposal of Merchant Capital, L.L.C. for the purchase 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; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 13<sup>th</sup> day of February, 2008.

---

Secretary

(SEAL)

**LOUISIANA HOUSING FINANCE AGENCY  
MULTI-FAMILY PROJECT SUMMARY**

Date: December 28, 2007

- (1) **PROJECT NAME:** Arbor Place Apartments
- (2) **AMOUNT OF BOND  
ISSUE REQUESTED  
(NOT TO EXCEED):** \$8,940,000
- (3) **PROJECT DESCRIPTION:**
- 1) Number of Units 136
  - 2) Total Land Area 6.6 acres
  - 3) Density: \_\_\_\_\_ # of Units per Acre  
Low Rise 20 Buildings High Rise \_\_\_\_\_
  - 4) New Construction: \_\_\_\_\_  
Rehabilitation: X
  - 5) Land Control: Current Legal Owner of Land:  
Heritage Place Investments #1 L.L.C.  
  
Contract to Acquire Land by March 31, 2008  
(date)  
  
or  
  
Option to Acquire Land by \_\_\_\_\_  
(date)
  - 6) Number of Parking Spaces Per Unit 2 (estimate pending final survey)
  - 7) Census tract where Project located 22051025202
  - 8) State Representative District District 86  
Name of Representative Jim Tucker
  - 9) State Senatorial District District 8  
Name of Senator Chris Ullo
- (4) **LOCATION:  
(STREET ADDRESS OR  
LEGAL DESCRIPTION OF  
LAND AND PARISH):** 735 Heritage Avenue  
Terrytown, Jefferson Parish  
Louisiana 70056
- (5) **CONTACT PERSON  
FOR PROJECT:** Kea Calame  
105 Tallapoosa Street, Suite 300, Montg., AL 36104  
Phone: 334/954-4458

PS-1

(6) **DEVELOPMENT TEAM:**

Developer: Summit Asset Management, L.L.C.  
Montgomery, AL Contact: Jon Killough  
Phone: 334/954-4458

Architect: The Hill Firm, Inc.  
Fort Smith, Arkansas Contact: Paul Hill, AIA  
Phone: 479/494-1808

General Contractor: TBD  
Contact: \_\_\_\_\_  
Phone: \_\_\_\_\_

Attorney: Crawford & Lewis, P.L.L.C.  
Baton Rouge, LA Contact: Donald Cunningham, Esq.  
Phone: 225/215-3033

Lending Institution  
to Originate Mortgage  
Loan (if known): MMA Financial, Inc.  
Grapevine, Texas Contact: Timothy R. Leonhard  
Phone: 817/310-5800

Provider of Credit  
Enhancement on Mortgage  
Loan (if known): MMA Financial, Inc. (Freddie Mac)  
Grapevine, Texas Contact: Timothy R. Leonhard  
Phone: 817/310-5800

Investment Banker for  
Bonds Publicly Offered  
(if known): Merchant Capital, L.L.C.  
Montgomery, AL Contact: John Rucker  
Phone: 334/834-5100

Purchaser of Bonds  
for Bonds Privately  
Placed (if known): N/A  
Contact: \_\_\_\_\_  
Phone: \_\_\_\_\_

(7) **ZONING:** R-3 (Multifamily Residential District) - awaiting  
final zoning letter

(8) **UTILITIES:** Existing On-Site – Central Heating (Electric), Cooking (Electric)  
Central Air Conditioning (Electric), Hot Water (Electric)

(9) **FAIR MARKET VALUE OF  
PROJECT PROPERTY:** \$6,625,000  
Specify date of most recent appraisal: Currently being performed

(10) FINANCIAL INFORMATION:

Amount

SOURCES OF FUNDS:

Bond Proceeds	<u>\$8,940,000</u>	<u>0.8729</u> % Dev. Cost
Other Sources (list)		
Federal LIHTC Equity	<u>\$1,254,677</u>	<u>0.1225</u> % Dev. Cost
Interest Income of Bond Proceeds	<u>\$ 38,918</u>	<u>0.0038</u> % Dev. Cost
Deferred Developer Fee	<u>\$ 8,177</u>	<u>0.0008</u> % Dev. Cost

TOTAL FUNDS \$10,241,772

LAND COSTS \$1,875,000 (est.) \$ \_\_\_\_\_ per sq. ft (acres)

BUILDING ACQUISITION COSTS  
(less Land costs) \$4,750,000 \$ 34,926.47 per D/U

CONSTRUCTION (or Rehabilitation Costs) \$2,244,000 \$ 16,500 per D/U

PROFESSIONAL FEES:

Amount % of Total Funds

Architectural	<u>\$60,000</u>	<u>.0059</u> %
Engineering / Construction Mgr.	<u>\$134,640</u>	<u>.0131</u> %

Legal:

Counsel to Issuer	\$ _____	_____ %
Bond Counsel	<u>\$46,805</u>	<u>.0046</u> %
Special Tax Counsel (specify firm name)	\$ _____	_____ %
<u>Balch &amp; Bingham</u>	<u>\$35,000</u>	<u>.0034</u> %
Other Legal (specify firm & purpose)		
<u>Ballard Spahr</u>	<u>\$25,000</u>	<u>.0024</u> %
<u>(Lender counsel)</u>	\$ _____	_____ %
<u>Crawford &amp; Lewis</u>	<u>\$5,000</u>	<u>.0005</u> %
<u>(Developer counsel)</u>	\$ _____	_____ %
<u>O'Melveny &amp; Myers, LLP.</u>	<u>\$30,000</u>	<u>.0029</u> %
<u>(Fannie Mae counsel)</u>	\$ _____	_____ %
Total Professional Fees	<u>\$336,445</u>	<u>.0329</u> %

UNDERWRITING:

Management Fee	\$ _____
Sales Commission	<u>\$80,010 (underwriters fee)</u>
Underwriter's Counsel	<u>\$22,000</u>

Net to Underwriters \$ 102,010  
 Expenses (list)  
Phase I Environmental Assessment  
Property Condition Report  
Title Insurance / Survey/Recording  
Appraisal / Market Study  
Contingency/FF&E  
Developer Fees  
Tax Credit Fees  
Accounting/Cost Certification Fees  
Construction Lender Origination Fee  
Freddie Mac Lender Origination Fee  
Real Estate Taxes and Insurance \$ 888,314

Total Underwriting  
 Fee/Costs: \$ 990,324

**COSTS OF ISSUANCE:**

Printing \$ \_\_\_\_\_  
 Publishing/Advertising/  
 Recording \$ \_\_\_\_\_  
 Rating Expense \$ 15,000  
 Letter of Credit Fees and  
 other credit expenses \$ \_\_\_\_\_  
 Consultants \$ \_\_\_\_\_  
 Insurance \$ \_\_\_\_\_  
 Issuer's Financing  
 Fees \$ 8,890  
 Trustee Bank's initial fee  
 and expenses \$ 11,000  
 Other:  
 Bond Commission Fees \$ 11,113(including application fee and closing fee)  
 Accountant Verification \$ \_\_\_\_\_

Total Costs of Issuance \$ 46,003 \$ 338.26 per D/U

Amount of Mortgage Requested \$ 8,940,000 % 87.29  
of Total Costs

**(11) UNIT TYPES:**

68 Units

Low Income Units

Unit Type	No.	Total Sq. Ft.	No. of Unit Types Set Aside for 50% or less Area Median Income	Total Sq. Ft.	No. of Unit Types Set Aside for 60% or less Area Median Income	Total Sq. Ft.
Eff.			0	0		
1 BR						
2 BR	68	58,276			68	58,276
3 BR			0	0		
Other						
<b>TOTAL</b>	<b>68</b>	<b>58,276</b>				

Estimate Market Rents For Non-Low Income Units:

<u>Unit Type</u>	<u>Total Units</u>	<u>Monthly Rent Per Non-LIU</u>	<u>Annual Rent of Non-LIU's</u>
Eff.	_____	_____	_____
1 BR	_____	_____	_____
2 BR	<u>68</u>	<u>\$750</u>	<u>\$612,000</u>
3 BR	_____	_____	_____
Other	_____	_____	_____
Total	<u>68</u>	<u>\$750</u>	<u>\$ 612,000</u>

(12) **CURRENT RENTAL COSTS AND RELOCATION PLAN:**  
(For Rehabilitation Projects Only)

<u>Unit Type</u>	<u>Monthly</u>	<u>Present Rent Annual</u>	<u>Sq. Ft./Month</u>
Eff.	_____	_____	_____
1 BR	_____	_____	_____
2 BR	<u>93,840</u>	<u>1,126,080</u>	<u>0.0091</u>
3 BR	_____	_____	_____
Other	_____	_____	_____
TOTAL	<u>93,840</u>	<u>1,126,080</u>	<u>0.0091</u>

Have interior and exterior photographs of Project been attached?  
Yes  No \_\_\_\_\_

Will any of the present tenants be displaced because of higher rents due to rehabilitation?  
Yes \_\_\_\_\_ No

If yes, approximately how many? Not Applicable

Is there a relocation plan? Yes \_\_\_\_\_ No

Please briefly describe relocation plan (Submit detailed relocation plan when completed)  
Currently, the project is 99% occupied. The rehabilitation plans consists of mostly exterior improvements; therefore, no tenants will be relocated during the rehabilitation process.

(13) **VACANCY RATE:** The present vacancy rate in the general market area is 4 to 5 %.

(14) **AREA MEDIAN INCOME:** Median income in area according to HUD is 52,200 (4 person).

(15) **ELECTION OF THE MINIMUM SET-ASIDE REQUIREMENT:**

The owner irrevocably elects one of the Minimum Set-Aside Requirements (Check one only):

\_\_\_\_\_ At least 20% of the rental residential units in this development are rent restricted and to be occupied by individuals whose income is 50% or less of area median gross income.

X At least 40% of the rental residential units in this development are rent restricted and to be occupied by individuals whose income is 60% or less of the area median gross income.

(16) **OPTIONAL ELECTION:**

The owner elects to occupy 15% or more of all low-income units by tenants with income of 40% or less of area median income and the average rent charged to tenants in residential market rent units is at least 300% of the average rent charged to low-income tenants: \_\_\_\_\_ Yes X No

(17) **EQUAL OPPORTUNITY:**

Do you agree to provide equal opportunity to members of minority groups and to employ such groups in the Project's development in the roles of, including but not limited to, contractor, subcontractor, employee, laborer, agent, appraiser, or supplier?

Yes X No \_\_\_\_\_

(18) **STATE BOND COMMISSION TENANT BENEFIT PROGRAM REQUIREMENTS:**

State Bond Commission Rule No. HS2-1992 provides as follows with respect to applications submitted to the State Bond Commission for new construction, acquisition and/or rehabilitation, or refunding of multifamily housing projects:

Multifamily housing applications must include defined tenant benefit programs for those units set aside for very low, low and/or moderate income families. Those applications that do not include such programs will not be docketed for consideration. Such programs may include rent differentials, special assistance programs or other specific benefit packages for the target income class.

Please include as Exhibit I a description of the Applicant's defined tenant benefit program. For your consideration, State Bond Commission Rule No. HS1-1993 provides the following definitions of income classes:

*Very Low Income*--households whose incomes do not exceed 50 percent of the median income for the area, as determined and adjusted from time to time by HUD.

*Low Income*--households whose incomes do not exceed 80 percent of the median income for the area, as determined and adjusted from time to time by HUD.

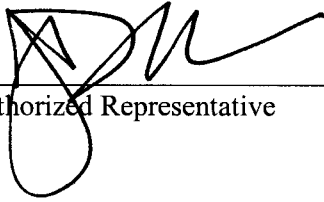
*Moderate Income*--households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined and adjusted from time to time by HUD.

*Middle Income*--households whose income are between 96 percent and 120 percent of the median income for the area, as determined and adjusted from time to time by HUD.

The schedule of income levels as published periodically by HUD will be used for purposes of this rule to determine income levels for particular areas of the state.

I certify that the information contained in this Project Summary and Application Package is true and accurate to the best of my knowledge.

Arbor Place Apartments Partners, Ltd.  
PROJECT OWNER

By:   
Authorized Representative

Dated: December 28, 2007

# Position paper for policy recommendations regarding changes and waiver request

## Principles

In keeping with the spirit of the QAP, staff would like to hold developers accountable for commitments made to the Agency during the Low Income Housing Tax Credit funding round. Unfortunately, situations occur that prevent a project from being completed as promised and staff is prepared to handle those cases as they arise.

However, due to the increase of requests from developers for waivers of QAP and/or application requirements for various reasons, staff has been instructed by the Board to evaluate this growing trend, review the QAP of other HFA's, and develop guidelines for approval of such requests. Staff has found that other HFA's policies and procedures vary greatly between states. It is staff's opinion that guidelines expressing the manner in which exceptions will be granted, may potentially undermine previous, current, and future QAP's as well as the integrity of the application process. However, please see below some suggested guidelines based on in-house data and information gathered from other HFA's.

## Policy

1. Exceptions to QAP/Application requirements will be done on a case by case basis and approved by the LHFA Board of Commissioners.
2. A recurrence log by infraction and developer will be maintained by staff for consideration of granting waivers.
3. Developer must clearly state why a waiver is necessary and provide the Agency with all available documentation to support position.
4. Waiver request must be made prior to Carryover Allocation.
5. Staff will review and evaluate request to determine if points are affected and how such change of points would affect the final scoring and reservation of credits.
6. If waiver request is due to NIMBYism, developer must demonstrate that they have exhausted all political and legal avenues to resolve the issue.
7. Developers must receive prior written approval from the Louisiana Housing Finance Agency for any changes from the representations of the original tax credit application. Failure to receive prior approval may result in a one year suspension from participation in the program.

8. With few exceptions, all requests for changes to a project must be sent directly to staff first for review and approval. In the event the proposed change is denied, the applicant then may go to the Board for appeal.

## Penalties

1. In the event the waiver request was not submitted in a timely fashion and cannot be changed to comply with the QAP; the Agency shall reduce credits by the value of the lost item, as long as the project is still feasible and viable.
2. In the event of a major material change, such as a site change, the applicant must clearly demonstrate that the relocation of the project promotes public good, such as retention of project based vouchers, has major political and public support, is in an area that has dire need for affordable housing and that has not previously been adequately served.
3. The developer will be charged an agency change order fee, for consideration and process of all waiver requests (subject to legislative approval and dependent on seriousness of violation) to include forfeiture of a portion of the developer fee.
4. Deduct points tied to waiver request and recalculate points and place project in proper new rank order.
5. Institute deduction of points for “prior” non-compliance and waiver requests for future applications.
6. Monetary sanctions may be considered along with restricting participation from the QAP process for a period of time (depending upon seriousness of infraction and developer’s history with the Agency) for up to 2 years.
7. Should the developer refuse to comply with the terms and conditions as agreed to by the Board of Commissioners and QAP (for example failure to meet PSH set-aside requirements during lease-up), the 8609’s may be withheld resulting in recapture of the tax credits.

## LIHTC Reprocessing Applications Received Up To 2/8/2008

Count	Project No.	Project Name	Parish	Status	Original			Reprocessing			App Rec'v'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 2/8/2008

Count	Project No.	Project Name	Parish	Status	Original			Reprocessing			App Rec'v'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 2/8/2008**

Count	Project No.	Project Name	Parish	Status	Original			Reprocessing			App Rec'v'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	Belvedere 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	<b>NOT NECESSARY</b>						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	<b>NOT NECESSARY</b>						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	<b>NOT NECESSARY</b>						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'v'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

## **DECISION BRIEF:**

### **Request by The Preserve/Crescent Club for design change: Garbage Disposals**

#### **Issue**

The Agency has received a request by the developer of The Preserve/ Crescent Club to alter the design of their application.

This resolution request the Board's approval of the following requests as it affects the total cost of the development and its feasibility.

The developer is requesting a waiver to install garbage disposals in each unit. The developer selected "Dishwasher and Garbage Disposal" (10pts) in the selection criteria of the application. In correspondence to the Agency, the developer makes reference to the city of New Orleans Sewage and Water Board's requirement of separate waste lines be installed for garbage disposals.

#### **Pros:**

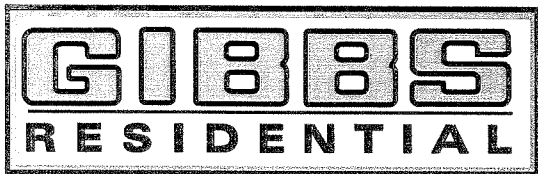
- The production of much needed housing in New Orleans
- Provide relief to a development that has already commenced construction
- The addition of separate waste lines for the garbage disposals would be cost prohibitive
- Will provide for better quality housing for Louisiana citizens.
- The selection criteria changes are optional as they are not mandated by the QAP.
- May prolong construction due to the increased costs.

#### **Cons:**

- LHFA Board has previously denied a similar request from another developer
- The City of N.O. has indicated that the requirement of a separate waste line for garbage disposals was a part of the code prior to Katrina and therefore should have been know by the developer

#### **Recommendation:**

Staff recommends denials of these requests to further the mission of providing the best quality housing to the citizens of this state.



Mr. Randall Fisher  
Humphrey's and Partners Architects, LP  
5339 Alpha Rd. Suite 300  
Dallas, TX 75240

10/24/07

Re: The Preserve Apartments  
4301 Tulane Ave.  
New Orleans, LA 70119

Change Proposal # 012  
Garbage Disposals

Dear Mr. Fisher,

Enclosed is our cost estimate in the amount of \$255,358.00 to install garbage disposals at all units. The disposal is to be the Badger 5 by In Sink Erator. A redundant underground system for greasy waste with two grease traps will be required. Cost breakdowns from Gibbs Residential and Pontchartrain Mechanical are attached with this proposal. At this time, we have not received a quote from Frischhertz Electric. Their price may be increased once they quote this change.

Please advise if you need any further information in regard to this change proposal.

Thank you,

A handwritten signature in black ink, appearing to read "MJ", written over a white background.

Michael Johnson  
Project Engineer  
Gibbs Construction, LLC

MF-47

**PROPOSAL/ESTIMATE FOR CONTRACT MODIFICATION**

**GIBBS RESIDENTIAL L.L.C.**

PCO NO. **504-012**

PROJECT NAME: **THE PRESERVE APARTMENTS**

DATE: **10/24/2007**

LOCATION: **4301 TULANE AVE.**

PROJECT NO. **504**

DESCRIPTION: **INSTALL GARBAGE DISPOSALS AT ALL UNITS**

PRIME CONTRACTOR'S WORK				Comments
1. Direct Materials		\$	28,548.00	
2. Sales Tax on Materials	9.00%	\$	2,569.32	
3. Direct Labor		\$	-	
4. Insurance, Taxes, and Fringe Benefits	60%	\$	-	
5. Rental Equipment		\$	-	
6. Sales Tax on Rental Equipment	9.00%	\$	-	
7. Insurance on Equipment	2%	\$	-	
8. Small tools	7%	\$	-	
9. SUBTOTAL (add lines 1 - 8)		\$	31,117.32	
10. Field Coordination	2%	\$	4,497.75	
11. SUBTOTAL (Add Lines 9 & 10)		\$	35,615.07	

Prime Remarks:

GIBBS RESIDENTIAL L.L.C. hereby submits this proposed change order to accomplish the work described below. Applicable time extensions and extended overhead cost that can be determined at this time, is any, are noted. It is understood at this time that Gibbs Residential and our subcontractors may have no choice but to reserve our rights to claim at a later date, for the impact costs on the singular or cumulative effect of changes, delays or suspensions in the scope of performance of the work which are not readily foreseeable at this time. We will make you aware, at the earliest possible date, the total minimum impact caused by any of these change requests for re-sequencing of work, re-scheduling, delays, extended overhead, overtime, acceleration cost, etc. via an additional request for change and submit it for your approval. It is also to be understood and agreed herein that until an Official Change Order is signed by the General Contractor, Preserve New Orleans I, LLC, and other parties required by the contract, this request is not an authorization to begin working or expending money on any change(s) or additional work to this contract. Total prices quoted herein shall include all applicable taxes, freight, etc. as required for this project or as further clarified below.

SUB-CONTRACTOR'S WORK			Comments:
Subcontractor List: (See Attached Breakdowns)	Amount		
PONTCHARTRAIN MECHANICAL	\$	157,170.00	
13.			
FRISCHHERTZ ELETIC	\$	36,600.00	
15.			
17.			
18.			
19.			
20.			
21.			
22.			
23.			
24. SUBTOTAL (Add Lines 12 - 23)	\$	193,770.00	

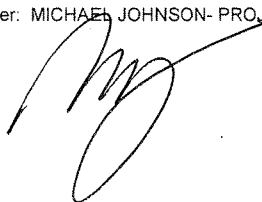
Sub's Remarks:

SUMMARY			
25. Prime Contractor's Work (from line 11)		\$	35,615.07
26. Sub-Contractor's Work (from line 24)		\$	193,770.00
27. SUBTOTAL (add lines 25 & 26)		\$	229,385.07
28. Prime's GL Insurance	2.0%	\$	4,587.70
29. Prime's Overhead and Profit	7%	\$	16,378.09
30. Not Used	0%	\$	-
31. SUBTOTAL (add lines 27 - 30)		\$	250,350.86
32. Contractor's Bond Premium incl. Subs.	2.00%	\$	5,007.02
33. TOTAL COST (Add Lines 31 & 32)		\$	255,358

Estimated time extension and justification:

Signature & Title of preparer: **MICHAEL JOHNSON- PROJECT ENGINEER**

Date: **10/24/07**



**PROPOSAL/ESTIMATE FOR CONTRACT MODIFICATION  
GIBBS RESIDENTIAL L.L.C.**

PCO No.: 504-012

**BREAKDOWN OF DIRECT COSTS**

Date: 10/24/2007

ITEMS OF WORK FOR Prime Contractor	QTY	UNIT	MATERIAL		LABOR: see item # 1 below		EQUIPMENT	
			Unit Cost	Total Cost	Unit Cost	Total Cost	Days / Rate	Total
MATERIAL (INSTALL BY PMC)	1	LS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Box		\$ -	\$ -	\$ -	\$ -	\$ -
		Box		\$ -	\$ -	\$ -	\$ -	\$ -
		cyd		\$ -	\$ -	\$ -	\$ -	\$ -
		\$	\$ 28,548.00	\$ 28,548.00	\$ -	\$ -	\$ -	\$ -
		gals		\$ -	\$ -	\$ -	\$ -	\$ -
		\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
		hrs	-	\$ -	\$ -	\$ -	\$ -	\$ -
		hrs	-	\$ -	\$ -	\$ -	\$ -	\$ -
		hrs	-	\$ -	\$ -	\$ -	\$ -	\$ -
		hrs	-	\$ -	\$ -	\$ -	\$ -	\$ -
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		hrs	-	\$ -	\$ -	\$ -	\$ -	\$ -
		cyd	-	\$ -	\$ -	\$ -	\$ -	\$ -
		ls	-	\$ -	\$ -	\$ -	\$ -	\$ -
		Visqueen/Misc	ls	\$ 80.00	\$ -	\$ -	\$ -	\$ -
Dumpster	load	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Copying (Plans)	sqft	\$ 0.25	\$ -	\$ -	\$ -	\$ -	\$ -	
Copying, Postage & Courier	shts	\$ 0.25	\$ -	\$ -	\$ -	\$ -	\$ -	
Project Manager	hrs	\$ -	\$ -	\$ 65.00	\$ -	\$ -	\$ -	
Project Engineer	hrs	\$ -	\$ -	\$ 35.00	\$ -	\$ -	\$ -	
Field Engineer	hrs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Superintendent (oversee work)	hrs	\$ -	\$ -	\$ 55.00	\$ -	\$ -	\$ -	
Administrative Assistant	hrs	\$ -	\$ -	\$ 25.00	\$ -	\$ -	\$ -	
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
DIRECT Prime Contractor's TOTALS				\$ 28,548.00		\$ -	Total	\$ -
							Total	\$ 28,548.00

ITEMS OF WORK FOR SUBCONTRACTORS	QTY	UNIT	MATERIAL		LABOR		EQUIPMENT	
			Unit Cost	Total Cost	Unit Cost	Total Cost	Days / Rate	Total
PONTCHARTRAIN MECHANICAL	1	\$			\$ 157,170.00	\$ 157,170.00		
FRISCHHERTZ ELETRIC	1	\$			\$ 36,600.00	\$ 36,600.00		
DIRECT Sub-contractor's TOTALS				\$ -		\$ 193,770.00	Total	
							Total	\$ 193,770.00

# Humphreys & Partners Architects LP

September 28, 2007

Mr. Chris Papamichael  
The Domain Companies  
31-87 Steinway St. #5  
Astoria, NY 11103

Re: The Preserve & Crescent Club Apartments- Grease Traps  
New Orleans, LA  
HPA # 06106 & 6105

Dear Mr. Papamichael,

During the process of designing the Preserve and Crescent Club Apartments, Jordan & Skala (the Mechanical, Electrical, and Plumbing consultant on the projects) has been in communication with Mr. Jay Arnold, the Chief Plumbing Inspector with the City of New Orleans Sewage and Water Board (SWB).

The plans were originally developed with the installation of garbage disposals included in the design. As time progressed, and with Mr. Arnold's review of the plans, we were informed that the City of New Orleans highly prefers not to install garbage disposals. The city's sewer lines are not of adequate condition at this time to process all the refuse that would ultimately be added to the system if garbage disposals were provided in the apartments.

In order to discourage the use of garbage disposals, the City of New Orleans has implemented stringent requirements if garbage disposals will be installed. The New Orleans Sewage and Water Board now require that all waste lines from a garbage disposal be routed separately to an underground vault (grease trap) with minimum dimensions of 9'x6'x5'. These requirements will impact the plumbing design, and ultimately the cost of the project.

We concur with Jordan and Skala's opinion (see attached letter) and with the information provided by Mr. Arnold, that garbage disposals should not be installed and therefore have been removed from the set of plans.

Cordially,

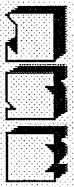
**Jennifer Smith**

Humphreys & Partners Architects  
5339 Alpha Rd.  
Suite 300  
Phone: 972-701-9636  
Fax: 972-701-9639

cc: Spiegel Consul.  
Kendy Guillaume  
HPA team  
File

Cary Spiegel  
Jordan Skala

cspiegel@spiegelconsultants.com  
kguillaume@jordanskala.com



# Jordan & Skala Engineers, Inc.

14240 Midway Road, Suite 350 • Dallas, TX 75244

PH (469) 385-1616 FAX (469) 385-1615

Dallas • Atlanta • Charlotte • Las Vegas

e-mail [jsed@jordanskala.com](mailto:jsed@jordanskala.com)

September 26, 2007

Yvette Hightower  
Humphreys & Partners Architects  
5350 Alpha Road  
Dallas, Texas 75240

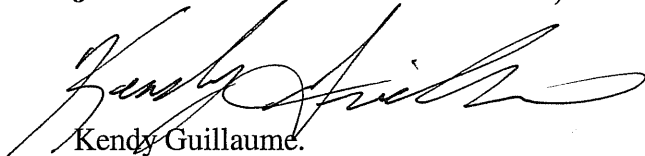
Re: The Preserve and Crescent Club  
JSE Project No.: 0630579 & 0730043

Dear Yvette:

The City of New Orleans Sewage and Water Board (SWB) has strict criterias for the use of garbage disposals that impacts the plumbing design and will increase the cost of the project. Mr. Jay Arnold, Chief Plumbing Inspector with SWB, requires that the waste line from a garbage disposal be routed separately to an underground vault (grease trap) with a minimum size of 9'x6'x5'. According to Mr. Arnold, these requirements are enforced to discourage the use of garbage disposals due to anticipated complications and cost issues. Due to such stringent requirements, many projects are now being built without garbage disposals. Mr. Arnold also confirmed that the City of New Orleans prefers to not install garbage disposals.

Sincerely,

**JORDAN & SKALA ENGINEERS, INC.**



Kendy Guillaume.

Copy: Domain Group – Chris Papamichael  
Jordan & Skala – Andrew Smith, Rex Drake  
HPA – Yvette Hightower, Karla Cavazos

# LOUISIANA HOUSING FINANCE AGENCY

## RESOLUTION

A resolution denying a waiver of the disposal in the units requests made by the developers of **The Preserve and The Crescent Club**; and providing for other matters in connection therewith;

**WHEREAS**, the staff of Louisiana Housing Finance Agency (the "Agency") 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 Preserve/Crescent Club** - Requesting a waiver to install garbage disposals in each unit. The developer selected "Dishwasher and Garbage Disposal" (10pts) in the selection criteria of the application. In correspondence to the Agency, the developer makes reference to the city of New Orleans Sewage and Water Board's requirement of separate waste lines be installed for garbage disposals.

**Staff Recommendation:** Upon consideration of the information provided by the developer, and based upon similar requests made previously, staff is recommending denial of the developer's request due to the precedent set previously denying similar requests.

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 the czars 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 13th day of February 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 of Commissioners on February 13, 2008, providing approval of the recommendation submitted by staff in connection with **The Preserve and The Crescent Club Apartments**; 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 13th day of February 2008.

---

Secretary

(SEAL)

## **DECISION BRIEF:**

### **Request by Villas of Lake Forest for Authorizing a Site and Property Description Change**

#### **Issue**

The Agency has received a request by the developer for a change in site, and property description of Villas of Lake Forest.

Villas of Lake Forest has reserved \$1,489,003 in tax credits in the 07/08 Forward Allocation funding round. The project consists of 11 buildings containing 230 units consisting of one hundred one (101) two-bedroom units, ninety-four (94) three-bedroom units, and four (4) 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.

**Cons:** None

#### **Recommendation:**

Staff recommends approval of this request pending a new application reflecting the unit mix and a current feasibility and viability analysis



The Council

# City of New Orleans

STACY S. HEAD  
COUNCILMEMBER, DISTRICT B

CITY HALL, SUITE 2W10  
1300 PERDIDO STREET  
NEW ORLEANS, LA 70112  
(504) 658-1020  
FAX: (504) 658-1025

Mr. Milton J. Bailey, President  
Louisiana Housing Finance Authority  
2415 Quail Drive  
Baton Rouge, LA 70808

**RE: REQUESTED SITE CHANGE: The Villas at Lake Forest, LP – #07/08(FA) – 08**

Dear Mr. Bailey:

February 1, 2008

This letter is offered to evidence my support of the requested site change made to your office by GZ Development, LLC: the developer for the project known as The Villas at Lake Forest, LP ("Lake Forest"). This proposed 230 unit mixed-income project in New Orleans East was the recipient of a LIHTC award from Louisiana Housing Finance Authority ("LHFA") of \$1,483,522 and CDBG Mixed Income GAP Financing of \$23,236,449 from the State of Louisiana, Division of Administration, Office of Community Development ("OCD").

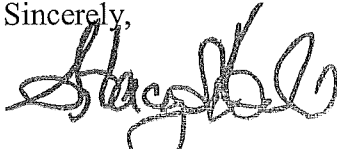
## Central City Proposal

The new proposed site is located in District B in the Central City neighborhood ideally situated between Carondelet and Baronne Streets, just one block off St. Charles Avenue. The St. Charles streetcar line is now operational and is a three minute walk from the site. This site is minutes from the New Orleans business district and many employment, retail, healthcare and dining opportunities. This site was not flooded during Hurricane Katrina, and has been previously approved by the New Orleans Planning Commission for multifamily development.

The new proposed site will allow for the quickest development of affordable housing in New Orleans and most effective utilization of the LHFA and OCD Awards allocated. The proper zoning is in place for the project. It is my understanding that the developer will partner with Gulf Coast Housing Partnership ("GCHP"), a non-profit developer whose office is located 2 blocks from the site. In addition, this development team has already engaged several of the key neighborhood constituents in designing this new community.

I believe that the rebuilding of New Orleans and the effective utilization of the state and federal funding provided will be advanced through the delivery of 230 affordable apartments in Central City. I support this mixed income multi-family development at the proposed Central City location. **I request that you and the Commissioners of the Louisiana Housing Finance Agency approve the requested site change.**

Sincerely,



Stacy Head  
Councilmember, District B

Cc: Wayne E. Woods, Board Chairman - LHFA  
Mark Madderra, Board Member - LHFA  
William Shircliff, Member, GZ Development, LLC  
Kathy Laborde, President - Gulf Coast Housing Partnership

RECEIVED  
FEB 04 2008  
LOUISIANA HOUSING  
FINANCE AGENCY

**LOUISIANA HOUSING FINANCE AGENCY**

The following resolution was offered by \_\_\_\_\_ and approved by \_\_\_\_\_:

**RESOLUTION**

A resolution authorizing a change in the site, and property description for Villas at Lake Forest #07/08(FA)-08 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)-08, Villas at Lake Forest, located in Orleans Parish Louisiana, said project being a Multi-Family Mixed Income development consisting of 230 units; and

WHEREAS, the taxpayer has contacted staff regarding a change site 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 having received 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)-08, Villas at Lake Forest, to be located in Orleans Parish, Louisiana, is hereby granted the requested change in the Site Location with the number of units and the unit mix as expressed in the new application. 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 13<sup>th</sup> day of February 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 February 13, 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 13<sup>th</sup> day of February, 2008.

---

Secretary

(SEAL)

## **BW Cooper, 07/08(FA)-24**

- The developer is adding two additional buildings to the project application. These buildings were part of the project site prior to Katrina and the developer would like to rehab these buildings.
- Developer is adding an additional 4.2 acres to original site (contiguous), a site change of approximately 12%.
- Unit target set-aside is being adjusted for Tax Credit (60% AMI or less) from 144 to 151 units and Market Rate Units from 123 to 116. The total number of units and unit mix will remain the same.
- Changes to Sources and Uses (see attached)
- Site Control Worksheet shows an increase in "Amount paid for leasehold interest" of \$2,400,000. (see attached)



January 24, 2008

Mr. Milton Bailey, President  
Louisiana Housing Finance Agency  
2415 Quail Drive  
Baton Rouge, LA 70808

RE: B. W. Cooper I Development (Privacy Special Projects Pool)

Dear Mr. Bailey:

Please find enclosed one original and one copy of the low-income housing tax credit application for the B. W. Cooper I Development. Also enclosed is a CD containing the electronic application. This application for the 2007-2008 GO Zone credits is sponsored by the Housing Authority of New Orleans and submitted by B. W. Cooper I, L.L.C.

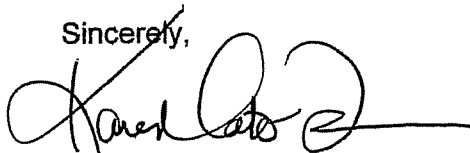
The primary changes proposed in this reprocessing application include:

1. Expanding the Phase I Site Footprint
2. Adjusting the unit mix to increase the number of LIHTC units and decreasing the overall number of market units
3. Updating the Sources And Uses
4. Updating the Equity Pricing

At or before closing we anticipate replacing Lune d'Or Enterprises with Place D'Genesis as the managing member of B.W. Cooper I, LLC and admitting Keith B. Key Enterprises, LLC as a co-managing member of the ownership entity and Keith B. Key Enterprises, LLC as the developer.

Should you have any question regarding this application, please contact Shelley Smith, President of CAHC at (504) 670-3456.

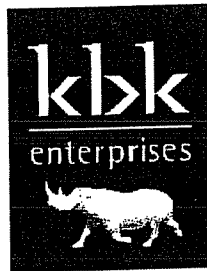
Sincerely,



Karen Cato-Turner  
Executive Administrator

Enclosures

cc: Shelley Smith



January 23, 2008

Louisiana Housing Finance Agency  
2415 Quail Dr.  
Baton Rouge, LA 70808

This application represents a reprocessing of the October 2006 application of BW Cooper 1, LLC (BWC) for 2007-2008 GO Zone, Low Income Housing Tax Credits awarded to BWC from the Louisiana Housing Finance Agency (LHFA). While appropriate letters, certifications, and other third party information have been updated for this reprocessing application, below is a summary of the work completed to date by the Master Developer, Keith B. Key Enterprises, LLC (KBK), as well as information related to the reprocessing changes to the original Tax Credit Application.

#### **Work Components Completed and Ongoing**

Without describing in detail each item, noted below are the completed work components and ongoing tasks from the beginning of KBK's engagement in September 2007 through the date of this application:

- Four (4) design charrettes with the residents and the Resident Design Committee. Certain charrettes included in excess of 100 residents.
- Semi-monthly meetings with the BW Cooper Resident Management Corporation (RMC) Board of Directors to review progress on the design and the development
- Negotiated, contracted, and created a national and locally recognized Architecture and Engineering team, including nationally recognized architects Moody Nolan Inc. (an MBE) as Design Architect, the EDGE Group as Master Planner, and ATS Chester Engineers (an MBE) as Environmental and Geotechnical Consultant, as well as local architect Manning & Associates (an MBE), Morphy Makofsky Engineers as Civil Engineers, and Byron Stewart & Associates (an MBE) as local Construction Manager.
- Continuing and ongoing meetings with our architects and engineers regarding the Master Plan components, site plans and layouts, historic building designations, building elevations, unit plans, and interior and exterior materials selections
- Completed and presented the Master Plan (or its main elements) to the Residents, RMC, LHFA, New Orleans City Council, SHPO, HUD, HANO, OCD, and Sen. Landrieu's Office
- Notified the public and publicly displayed the Master Plan on HANO's website, with hard copies available to the BW Cooper site, HANO, and the New Orleans Public Library (Main Branch)
- Continuing meetings with SHPO and the Consulting Parties regarding the Section 106 Memorandum of Agreement items

- Completed all environmental analyses and obtained HUD Environmental Clearance
- Completed the Archaeology Survey of the property
- Completed the Historic American Buildings Survey of the property
- Completed the ALTA survey of the site
- Completed an updated Market Study of the rental units for Phase 1
- Continuing meetings with the City of New Orleans Planning Department, Permits and Zoning, and Water & Sewer Board regarding development progress and issues.
- Negotiated an updated pre-Katrina contract and began demolition on 14 buildings at the site.
- Issued and completed a bid process for a contractor to complete the remaining demolition of 52 buildings yet remaining at the site, including appropriate salvage of materials. We are in ongoing contract negotiations with the selected bidder and have begun the permit process with the City.
- Issued an RFP for the tax credit equity syndicator and/or investor to five (5) potential investors.
- Negotiated preliminary construction and permanent financing Letters of Intent with Chase Bank
- Continuing negotiation and structuring of the financial and tax structure to maximize the debt and equity sources available to the development
- Completed a draft plan with National Black Chamber of Commerce for maximizing participation of MBE, WBE, DBE, and Section 3
- Executed a Memorandum of Understanding with the RMC memorializing the committed elements of our relationship and transaction
- Soliciting, qualifying, and evaluating national and local general contractors for the development. Began preparation of a GC bid package.

### **Reprocessing Application Changes**

#### **Site and Site Plan Change**

As documented in Tab 18, Appendix 2, this application reflects the proposed Master Plan site configuration for Phase 1, including certification of the site change land area and mapping from The EDGE Group (Master Site Planner), we are requesting LHFA approve a Site Change to the site plan put forth in the original tax credit application of BWC. The application was filed for tax credits on the Phase 1 site including 410 units on a 34.4 acre site. After consideration with the BW Cooper Resident Management Corporation (RMC) and HANO, we would like to extend the site to include an additional 4.2 acres, a site change of approximately 12%.

This additional land area, which is contiguous to the original proposed site, includes five (5) vacant residential buildings, the prior Management Office (also vacant), the prior Day Care Center (also vacant), and the existing Maintenance Facility (operating and occupied).

The Management Office was built in 1975, sustained certain damage from the storm, and is currently vacant. It comprises approximately 4300 square feet of community space.

The Day Care Center was built in 2001, operated as a day care center until the storm, and is also currently vacant. It comprises approximately 7900 square feet of community space.

The Maintenance Facility was built in 2003, sustained certain damage from the storm, has been repaired and rehabbed, and is currently serving in its intended capacity for the residents and the RMC. This facility is approximately 5500 square feet.

The RFQ space requirement for management, maintenance, and community space in Phase 1 of the BW Cooper redevelopment included 10,100 square feet, including space for a business center with at least 17 computers, internet access, copier and fax. Given the location of these buildings, their age, the minimal damage from the storm, and the need for community space in the Phase 1 redevelopment, we believe it is in the best interest of the applicant to include these spaces in the Phase 1 site and rehab them as community space. The alternative would be to tear them down and rebuild new community space. It is our opinion this is not a cost effective or efficient alternative.

This plan for these spaces has been evaluated and approved by the RMC and has been included in the Master Plan presented by the developer to HANO, HUD, SHPO, OCD, and City Council. In addition, including this additional land in Phase 1 does not impair our obligation to provide an additional 250 units in Phase 2, which also has been included in the Master Plan.

**Unit Target Set-Aside**

In addition, we also request a change to the unit target set-aside as filed in the original tax credit application. Based on discussions with OCD on December 28, 2007, OCD's minimum requirement for market rate units in the mixed income community is 30%. In the tax credit application, 123 units (30%) of the 410 units for Phase 1 were asserted as market rate units. During a conversation with OCD on December 28, we learned that OCD would likely also be able to count as market rate units the 7 units set aside in the tax credit application as Housing Authority units at an AMI level of 60% to 80%, making a total of 130 units of market rate (7 units over the minimum).

In an effort to maximize the Affordable Percentage for calculation of the tax credits and the tax credit equity, we would request a unit target set aside change to reflect the following:

	As Filed	As Adjusted
Housing Authority (20% AMI or less)	136	136
Tax Credit (60% AMI or less)	144	151
Housing Authority (60-80% AMI)	7	7
Market Rate	<u>123</u>	<u>116</u>
	410	410

Maximizing the Affordable Percentage is worth approximately \$1,400,000 in equity gained back for the transaction after considering the additional changes discussed below.

**Schedule Change**

As documented in Tab 11, HANO had previously requested a schedule change to reflect the ability of the property under new Federal Law for the Placed in Service deadline to be extended to December 31, 2010. The schedule also reflects a construction start date of July 2008, with the first units available for occupancy in October 2009.

## Source & Use Changes

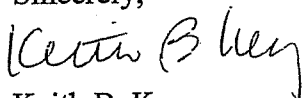
For this reprocessing application the total changes to the Source & Use for the development are well less than 1% of the total. In addition, the application includes only known changes to the Source & Use as of its filing date; there may be further changes as the development and financing process moves forward. Current changes to the Source & Use include the following:

- HANO's capital contribution to provide for payment of the ground lease was increased from \$6,400,000 to \$10,500,000. This was necessary to meet the 10% test and carryover, and was included in the accountant's opinion for the 10% test.
- Due to our ability to begin renting completed units (currently estimated to begin in October 2009), there will be cash flow available from operations of the placed-in-service units prior to completion of construction; we currently estimate this cash flow available at approximately \$594,800.
- Based on a best efforts underwriting letter from Chase Bank (Tab 19, Appendix 7), we currently anticipate the permanent Senior Note to be approximately \$9,549,500. This underwriting reflects an updated market study as of January, 2008 (Tab 22, Appendix 39). The current study found no changes in current rent levels from the prior study as of October 2006. Market rate rents in our plan have been adjusted to reflect 125% of 60% LIHTC max rents (approximately 90% of proposed market rents per the updated market study).
- Based on a best efforts underwriting letter from Chase Bank (Tab 19, Appendix 7), we currently anticipate the Construction Note to be approximately \$64,700,000. This underwriting reflects our current construction schedule, construction flow of funds, and ability to use the CDBG funding (\$27,000,000) only for housing construction.
- Based on a best efforts underwriting letter from RBC Capital Markets (Apollo Equity Partners) included in Tab 6, the total tax credit equity contribution is currently estimated at \$64,090,496. This underwriting generally reflects the following:
  - An affordable percentage adjusted to 70% from the previous 68.3% reflecting the change in unit target set aside detailed above.
  - A tax credit percentage that is now locked at 8.12%.
  - A best efforts pricing for the credits at 96 cents per credit.
- Adjustment to the insurance reserve from approximately \$4,800,000 to \$2,700,000. The reserve at this balance would still provide up to 5 years of coverage of excess property and liability insurance premiums based on current estimated premium levels in the market.

## Scoring

Scoring for the application has been adjusted to 750 points from 760 points reflecting the 10-point change in "Syndication Efficiency" points related to the equity pricing reduction to 96 cents per credit.

Sincerely,



Keith B. Key  
President & CEO

07/08(LFA)-024  
Original

637953

Sources & Uses

**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	\$69,955,099.86
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/HANO AHP	\$13,011,089.95
HANO Demo/Relocation Funds/Site Work	\$6,427,775.00
Other Sources Needed to Balance	\$0.00
<b>Total Funding Sources</b>	<b>\$126,511,990.81</b>

**Fund Uses**

	\$ Amount
Rehabilitation Hard Costs	\$0.00
Construction Hard Costs	\$66,075,006.00
Total Soft Costs	\$27,014,036.53
Acquisition Costs:	
Land Only	
Buildings Only	\$0.00
Ground Lease	\$8,100,000.00
Other Fund Uses NOT in Basis	
Demolition	\$3,734,089.00
Infrastructure w/ Contingency	\$18,370,431.28
<b>Total Development Costs</b>	<b>\$123,293,562.81</b>
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 Reserve (capitalized)	\$1,310,713.00
Debt Service Reserve	\$815,375.00
ACC Subsidy Reserve	\$436,984.00
<b>Total Use of Funds</b>	<b>\$126,511,990.81</b>

**Other Non-Fundable Costs**

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

Sources & Uses Comments:

**Soft Costs**

	\$ Amount
Architect's Fee - Design	\$3,264,499.00
Architect's Fee - Supervisory	\$326,450.00
Interest During Construction	\$3,975,697.00
Taxes	\$0.00
Insurance	\$4,769,109.00
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	\$332,230.00
Relocation Expenses	\$180,279.00
<b>Developer Fee (Including All Consultant Fees and Contingency FEES)</b>	<b>\$10,926,687.53</b>
LHFA Third Party HOME Costs	\$0.00
Lender Legal	\$0.00
Origination Fee (Construction)	\$608,746.00
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	\$295,589.00
Marketing	\$30,000.00
Materials Testing	\$276,750.00
Permits and Water Meters	\$820,000.00
Permanent Finance Cost	\$0.00
<b>Total Fundable Soft Costs:</b>	<b>\$27,014,036.53</b>

5:	\$0.00
6:	\$0.00
7:	\$0.00
8:	\$0.00
<b>Total:</b>	<b>\$291,180.00</b>

Reprocess

1087297

Sources & Uses

Fund Sources

	\$ Amount
First Mortgage Loan Principal	\$9,549,491.00
Second Mortgage Loan Principal	\$13,011,090.00
Non-Governmental Cash Flow Notes	\$0.00
Gross Tax Credit Equity	\$64,090,496.00
Home Loan	\$0.00
CDBG Funds	\$27,000,000.00
Existing Account Balances:	
Reserve for Replacement	\$0.00
Owner Contribution:	
Deferred Developer Fee	\$1,906,920.00
Lease-Up Reserves	\$0.00
Operating Reserves	\$0.00
Other Fund Sources	
Cash from Operations during Construction	\$594,797.00
HANO Demo/Relocation Funds/Site Work	\$10,500,000.00
Other Sources Needed to Balance	\$0.00
<b>Total Funding Sources</b>	<b>\$126,652,794.00</b>

Sources & Uses Comments:

Soft Costs

	\$ Amount
Architect's Fee - Design	\$3,264,499.00
Architect's Fee - Supervisory	\$326,450.00
Interest During Construction	\$3,975,697.00
Taxes	\$0.00
Insurance	\$2,735,900.00
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	\$332,230.00
Relocation Expenses	\$180,279.00
<b>Developer Fee (Including All Consultant Fees and Contingency FEES)</b>	<b>\$10,700,700.00</b>
LHFA Third Party HOME Costs	\$0.00
Lender Legal	\$0.00
Origination Fee (Construction)	\$608,746.00
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/GeoTech	\$20,000.00
	\$0.00
Architectural Contingency	\$295,589.00
Marketing	\$30,000.00
Materials Testing	\$276,750.00
Permits and Water Meters	\$820,000.00
Permanent Finance Cost	\$0.00
<b>Total Fundable Soft Costs:</b>	<b>\$24,754,840.00</b>

Fund Uses

	\$ Amount
Rehabilitation Hard Costs	\$0.00
Construction Hard Costs	\$66,075,006.00
Total Soft Costs	\$24,754,840.00
Acquisition Costs:	
Land Only	\$0.00
Buildings Only	\$0.00
Ground Lease	\$10,500,000.00
Other Fund Uses NOT in Basis	
Demolition	\$3,734,089.00
Infrastructure w/ Contingency	\$18,370,431.00
<b>Total Development Costs</b>	<b>\$123,434,366.00</b>
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 Reserve (capitalized)	\$1,310,713.00
MBE/WBE/Section 3 Consultant	\$815,375.00
ACC Subsidy Reserve	\$436,984.00
<b>Total Use of Funds</b>	<b>\$126,652,794.00</b>

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
<b>Total:</b>	<b>\$291,180.00</b>

Original

637953

APPENDIX 2

**SITE CONTROL WORKSHEET**

I. Applicant must have control of the site and existing building(s) if any.

A. Please indicate the method of site control:

<input type="checkbox"/>	Purchase (please complete Section B below)
<input type="checkbox"/>	Option to Purchase (please complete Section C below)
<input checked="" type="checkbox"/>	Lease (please complete Section D below)

B. Purchase Information

Purchase Price:	<input type="text"/>
To be Paid:	<input type="text"/>
Total Cost:	\$0
Outstanding Balance:	<input type="text"/>

Site Area:	<input type="text"/>	Square Feet
Cost/S.F.:	\$0.00	
Date of Purchase:	<input type="text"/>	

C. Option Information

Option Price:	<input type="text"/>
To be Paid:	<input type="text"/>
Total Cost:	\$0
Outstanding Balance:	<input type="text"/>

Site Area:	<input type="text"/>	Square Feet
Cost/S.F.:	\$0.00	
Date of Option:	<input type="text"/>	

D. Lease Information

Amount Paid for Leasehold Interest:	\$8,100,000
Annual Ground Rent:	\$10 *
Lease Term:	99 years
Remaining Years:	99 years
Site Area:	1,339,906 Square Feet
Cost/S.F.:	\$6.05
Date of Lease:	18-Oct-06

\* You must include Annual Ground Rent as a Miscellaneous Expense under Uses of Funds.

E. Attached to and made a part hereof are copies of the site control documents.

II. Complete this section if applicant does not have control of the site and existing building(s) if any.

A. What is the estimated Purchase Price for the site?

B. Provide the following information about the current legal owner:

Name	Housing Authority of New Orleans		
Address	4100 Touro Street		
City	New Orleans	State	LA
Telephone	(504) 670-3030	Fax	<input type="text"/>
		Zip	70122

III. Attached to and made a part hereof is a legal description of each parcel of land.

Reprocessed

**SITE CONTROL WORKSHEET**

**I. Applicant must have control of the site and existing building(s) if any.**

**A. Please indicate the method of site control:**

- Purchase (please complete Section B below)
- Option to Purchase (please complete Section C below)
- Lease (please complete Section D below)

**B. Purchase Information**

Purchase Price:

To be Paid:

Total Cost:

Outstanding Balance:

Site Area:  Square Feet

Cost/S.F.:

Date of Purchase:

**C. Option Information**

Option Price:

To be Paid:

Total Cost:

Outstanding Balance:

Site Area:  Square Feet

Cost/S.F.:

Date of Option:

**D. Lease Information**

Amount Paid for Leasehold Interest:

Annual Ground Rent:  \*

Lease Term:  years

Remaining Years:  years

Site Area:  Square Feet

Cost/S.F.:

Date of Lease:

\* You must include Annual Ground Rent as a Miscellaneous Expense under Uses of Funds.

**E. Attached to and made a part hereof are copies of the site control documents.**

**II. Complete this section if applicant does not have control of the site and existing building(s) if any.**

A. What is the estimated Purchase Price for the site?

B. Provide the following information about the current legal owner:

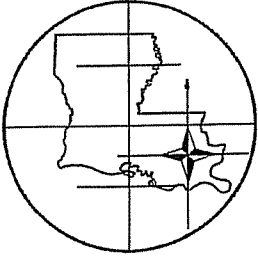
Name

Address

City  State  Zip

Telephone  Fax

**III. Attached to and made a part hereof is a legal description of each parcel of land.**



# KREBS

R.W. Krebs, LLC

Professional Land Surveying

P.O. Box 8641 • Metairie, Louisiana 70011-8641

local: (504)889-9616 fax: (504) 889-0916 toll free: (877)837-9014

Latitude: 30°01'05.01"N  
Longitude: 090°11'20.32"W

email: [richmondk@krebssurvey.com](mailto:richmondk@krebssurvey.com)

## B. W. COOPER HOUSING PROJECT LEASE AREA

### SQUARE 432, 447, 507, 508 AND 510

A CERTAIN PIECE OR PORTION OF GROUND SITUATED IN THE STATE OF LOUISIANA, CITY OF NEW ORLEANS, ORLEANS PARISH, FIRST DISTRICT, BOUNDED BY ERATO ST., SOUTH PRIEUR ST., SOUTH GALVEZ ST., AND MARTIN LUTHER KING BOULEVARD, DESIGNATED AS SQUARES 432, 447, 507, 508 AND 510 AND MORE FULLY DESCRIBED AS FOLLOWS:

BEGIN AT THE INTERSECTION OF THE EASTERLY RIGHT OF WAY LINE OF SOUTH GALVEZ STREET AND THE SOUTHERLY RIGHT OF WAY LINE OF ERATO STREET, A POINT, THE POINT OF BEGINNING. MEASURE THENCE ALONG SAID SOUTHERLY LINE ON AN INTERIOR ANGLE OF 90°00'00" A DISTANCE OF 611 FEET 6 INCH AND 3 LINES TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF SOUTH PRIEUR STREET; THENCE ALONG SAID WESTERLY LINE ON AN INTERIOR ANGLE OF 90°00'00" A DISTANCE OF 524 FEET 3 INCHES AND 3 LINES TO A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF MARTIN LUTHER KING BOULEVARD; THENCE ALONG SAID NORTHERLY LINE ON AN INTERIOR ANGLE OF 90°00'00" A DISTANCE OF 611 FEET 6 INCH AND 3 LINES TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF SOUTH GALVEZ STREET; THENCE ALONG SAID EASTERLY LINE ON AN INTERIOR ANGLE OF 90°00'00" A DISTANCE OF 524 FEET 3 INCHES AND 3 LINES TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF ERATO STREET, THE POINT OF BEGINNING.

### SQUARE 449, 462 – 465, 477, 478, 538 AND 537

A CERTAIN PIECE OR PORTION OF GROUND SITUATED IN THE STATE OF LOUISIANA, CITY OF NEW ORLEANS, ORLEANS PARISH, FIRST DISTRICT, BOUNDED BY ERATO STREET, SOUTH GALVEZ STREET, SOUTH DORGENOIS STREET, AND MARTIN LUTHER KING BOULEVARD, DESIGNATED AS SQUARE 506 AND MORE FULLY DESCRIBED AS FOLLOWS:

BEGIN AT THE INTERSECTION OF THE EASTERLY RIGHT OF WAY LINE OF SOUTH DORGENOIS STREET AND THE SOUTHERLY RIGHT OF WAY LINE OF ERATO STREET, A POINT, THE POINT OF BEGINNING. MEASURE THENCE ALONG SAID SOUTHERLY LINE ON AN INTERIOR ANGLE OF 90°00'00" A DISTANCE OF 1330 FEET 3 INCH AND 2 LINES TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF SOUTH GALVEZ STREET; THENCE ALONG SAID WESTERLY LINE ON AN INTERIOR ANGLE OF 90°00'00" A DISTANCE OF 524 FEET 3 INCHES AND 3 LINES TO A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF

MARTIN LUTHER KING BOULEVARD; THENCE ALONG SAID NORTHERLY LINE ON AN INTERIOR ANGLE OF 90°00'00" A DISTANCE OF 1330 FEET 3 INCH AND 3 LINES TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF SOUTH DORGENOIS STREET; THENCE ALONG SAID EASTERLY LINE ON AN INTERIOR ANGLE OF 90°00'00" A DISTANCE OF 524 FEET 3 INCHES AND 3 LINES TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF ERATO STREET, THE POINT OF BEGINNING.

*Added  
land*

SQUARE 539, 540, 565, 566, 568, 569, 592 AND 593

A CERTAIN PIECE OR PORTION OF GROUND SITUATED IN THE STATE OF LOUISIANA, CITY OF NEW ORLEANS, ORLEANS PARISH, FIRST DISTRICT, BOUNDED BY ERATO STREET, SOUTH MIRO STREET, EARHART BOULEVARD, AND SOUTH BROAD STREETS, DESIGNATED AS SQUARES 539, 540, 565, 566, 568, 569, 592 AND 593 AND MORE FULLY DESCRIBED AS FOLLOWS:

BEGIN AT THE INTERSECTION OF THE NORTHERLY RIGHT OF WAY LINE OF ERATO STREET AND THE EASTERLY RIGHT OF WAY LINE OF SOUTH DORGENOIS STREET, A POINT, THE POINT OF BEGINNING. MEASURE THENCE ALONG SAID EASTERLY LINE ON AN INTERIOR ANGLE OF 90°00'00" A DISTANCE OF 169 FEET 0 INCHES AND 6 LINES TO A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF CLIO PLACE; THENCE ALONG SAID NORTHERLY LINE ON AN INTERIOR ANGLE OF 252°22'46" A DISTANCE OF 189 FEET 6 INCHES AND 5 LINES TO A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF CLIO PLACE; THENCE IN A NORTHERLY DIRECTION ON AN INTERIOR ANGLE OF 107°36'20" A DISTANCE OF 210 FEET 6 INCHES AND 0 LINES TO A POINT; THENCE ON AN INTERIOR ANGLE OF 205°20'22" A DISTANCE OF 88 FEET 6 INCHES AND 5 LINES TO A POINT; THENCE ON AN INTERIOR ANGLE OF 154°34'59" A DISTANCE OF 99 FEET 6 INCHES AND 3 LINES TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF EARHART BOULEVARD; THENCE ALONG SAID NORTHERLY LINE ON AN INTERIOR ANGLE OF 90°00'00" A DISTANCE OF 1223 FEET 7 INCHES AND 5 LINES TO A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF EARHART BOULEVARD; THENCE IN A SOUTHERLY DIRECTION ON AN INTERIOR ANGLE OF 90°00'00" A DISTANCE OF 53 FEET 5 INCHES AND 2 LINES TO A POINT; THENCE ON AN INTERIOR ANGLE OF 127°39'50" A DISTANCE OF 105 FEET 8 INCHES AND 3 LINES TO A POINT; THENCE ON AN INTERIOR ANGLE OF 232°19'16" A DISTANCE OF 354 FEET 10 INCHES AND 4 LINES TO A POINT; THENCE ON AN INTERIOR ANGLE OF 238°35'23" A DISTANCE OF 183 FEET 11 INCHES AND 6 LINES TO A POINT; THENCE ON AN INTERIOR ANGLE OF 121°25'31" A DISTANCE OF 47 FEET 9 INCHES AND 6 LINES TO A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF ERATO; THENCE ON AN INTERIOR ANGLE OF 90°00'00" A DISTANCE OF 1079 FEET 0 INCHES AND 7 LINES TO A POINT; THE POINT OF BEGINNING.

#### LESS AND EXCEPT

THE ABOVE DESCRIBED PROPERTIES ARE SUBJECT TO A LESS AND EXCEPT OF ANY RIGHT OF WAYS OWNED OR MAINTAINED BY THE CITY OF NEW ORLEANS.

## 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 2<sup>nd</sup> 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.

	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
<b>Total</b>	<b>83</b>	<b>138</b>	<b>193</b>	<b>46</b>	<b>460</b>

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.

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

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 8<sup>th</sup> 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 Goldenbergh 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
<b>Total Funding Sources</b>	<b>\$14,496,683.00</b>

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
<b>Developer Fee</b>	<b>\$1,448,077.00</b>
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
<b>Total:</b>	<b>\$3,046,422.00</b>

**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
<b>Total Development Costs</b>	<b>\$14,165,381.00</b>
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
<b>Total Use of Funds</b>	<b>\$14,496,683.00</b>

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
<b>Existing Account Balances:</b>	
Reserve for Replacement	\$0.00
<b>Owner Contribution:</b>	
Deferred Developer Fee	\$0.00
Lease-Up Reserves	\$0.00
Operating Reserves	\$0.00
<b>Other Fund Sources</b>	
	\$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
<b>Total Funding Sources</b>	<b>\$128,911,099.79</b>

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
<b>Developer Fee (Including All Consultant Fees and Contingency FEES)</b>	
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
<b>Other Costs:</b>	
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
<b>Total Fundable Soft Costs:</b>	<b>\$27,522,684.80</b>

Fund Uses

	\$ Amount
Rehabilitation Hard Costs	\$0.00
Construction Hard Costs	\$66,052,442.00
Total Soft Costs	\$27,522,684.80
<b>Acquisition Costs:</b>	
Land Only	\$0.00
Buildings Only	\$0.00
Ground Lease	\$8,500,000.00
<b>Other Fund Uses NOT in Basis</b>	
Demolition	\$2,948,394.00
Infrastructure w/ Contingency	\$20,669,150.99
<b>Total Development Costs</b>	<b>\$125,692,671.79</b>
Excess Syndication Costs Paid by Developer	\$0.00
Initial Operating Deficit Reserve	\$0.00
Initial Deposit to Replacement Reserve	\$0.00
<b>Other Fund Uses</b>	
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
<b>Total Use of Funds</b>	<b>\$128,911,099.79</b>

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
<b>Total:</b>	<b>\$291,180.00</b>

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
<b>Total Funding Sources</b>	<b>\$130,440,996.25</b>

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
<b>Total Development Costs</b>	<b>\$129,060,996.25</b>
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	
<b>Total Use of Funds</b>	<b>\$130,440,996.25</b>

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

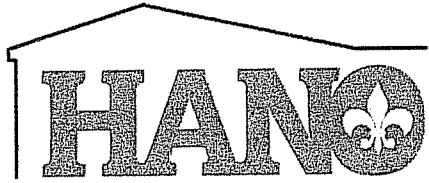
	\$ Amount
Architect's Fee - Design	\$4,856,079.03
Architect's Fee - Supervisory	\$539,564.34
Interest During Construction	\$9,099,139.21
Taxes	\$110,349.51
Insurance	\$1,890,000.00
FHA Mortgage Insurance Premium	
Examination Fee	
Inspection Fee	
Financing Fee	\$1,089,797.84
Title and Recording	\$115,000.00
Taxpayer Closing Costs	
Organization	
Cost Certification Audit Fee	
Application and Tax Credit Fees	\$406,285.00
Relocation Expenses	
<b>Developer Fee (Including All Consultant Fees and Contingency FEES)</b>	<b>\$12,556,500.00</b>
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
<b>Total Fundable Soft Costs:</b>	<b>\$36,941,251.78</b>

5:	\$0.00
6:	\$0.00
7:	\$0.00
8:	\$0.00
<b>Total:</b>	<b>\$0.00</b>

## St. Bernard Reprocessing (Staff Summary)

Application and fees were received on January 29, 2008, including a summary of the reason(s) for re-processing request. The summary indicates that the only change is the density of the project, same # of units in smaller area. Also, they will be adding a co-member of the ownership entity/developer and changing the management member of St. Bernard I, LLC. This will be done prior to closing.

After checking the original application and the previous re-processing application, the dollar figures remain the same for all costs and LIHTC request amount. Even the legal description seems to be the same. The development design is probably the only thing that shows the changes of the area of space set aside for the residential buildings.



Housing Authority of New Orleans

January 28, 2008



Mr. Milton Bailey, President  
Louisiana Housing Finance Agency  
2415 Quail Drive  
Baton Rouge, LA 70808

Re: St Bernard I Development (2007/2008 Reprocessing Application)

Dear Mr. Bailey:

Please find enclosed one (1) original and one (1) copy of a Reprocessing Application submitted by the Housing Authority of New Orleans (HANO) for the St. Bernard I development. Two (2) CD-ROMs containing copies of the application are also enclosed. The St. Bernard I project was awarded tax credits for 465 housing units in the 2007/08 PHA Redevelopment pool.

The primary change proposed in this reprocessing application is a revision of the legal description and site plan to reflect a reduction in the total acreage for the project. The acreage reduction leads to a slight increase in the overall density of the project. We are not proposing any changes to the total number or mix of the housing units. The new density is more reflective of the overall vision proposed by HANO's development partner. Additional details are provided in the Executive Summary.

In light of bringing aboard a new partner, Columbia Residential/Fore! Kids Foundation/Baton Rouge Area Foundation, d.b.a. St. Bernard Redevelopment, LLC, HANO will make some changes to its partnership structure at a later date. That is, Lune d'Or Enterprises will be replaced with Place D'Genesis as the managing member of St. Bernard I, LLC and admitting St. Bernard Redevelopment, LLC as a co-managing member of the ownership entity and developer. Each of these changes will occur prior to or with the financial closing for Phase I.

HANO strongly believes that these changes will enhance the overall goals of the project while streamlining the process for all parties involved. Please do not hesitate to contact me with any questions you may have about the enclosures.

On behalf of HANO, I wish to thank you reviewing the application. I look forward to proceeding with the development and revitalizing the city of New Orleans housing stock.

Sincerely,

A handwritten signature in black ink, appearing to read "Karen Cato-Turner". The signature is fluid and cursive, with a large initial "K" and a long, sweeping underline.

Karen Cato-Turner  
Executive Administrator

Enclosure(s)

cc: Shelley D. Smith

## ST. BERNARD EXECUTIVE SUMMARY

The St. Bernard housing community site is bounded by Harrison on the north, Bayou St. John on the west, I-610 on the south and Paris Avenue on the East. The total site represents approximately 250 acres and contains the St. Bernard Public Housing Community site, the Imperial Drive site (owned by HANO), the school sites of Phillips Middle School and VJ Waters Elementary (owned by the Recovery School Board) and the Youth Study Center (owned by the City of New Orleans). An additional 550 acres within City Park will be addressed within this summary.

The St Bernard Redevelopment project contains several key components that make a community whole and will be completed in several phases. The first phase will consist of 465 units of mixed income rental housing. Following the successful national model, one third will be market rate; one third will be tax credit (60% AMI and below); and one third will be public housing. These buildings will be one, two and three story, New Orleans style structures. The second phase will also contain multifamily rental housing, a senior rental facility, and a retail component with residential units over retail. Phase One, Phase Two, and a High School will cover the existing St. Bernard public housing footprint. We feel that it is necessary not only to revitalize the St. Bernard site, but the entire neighborhood. To this end we are proposing a mix of senior housing, for sale units, multifamily rental, two Charter schools (K-8 and High School), a YMCA facility, an early learning center, a community library, and recreational amenities, strategically placed throughout the St. Bernard neighborhood.

The St. Bernard redevelopment will also be completed in conjunction with the City Park golf course renovation, an integral part of the overall redevelopment. The Fore!Kids Area Foundation will be responsible for this endeavor. Fore!Kids Area Foundation is a group of men and women dedicated to raising funds for children's charities. As a 501c3 corporation, Fore!Kids generates funds through the production of golf related events to support activities and programs benefiting youth. Bringing local and Real Estate experience on behalf of Fore!Kids is Gerard Barousse, Principal of Monarch Real Estate Advisors. Recreational improvements within the Park include two 18 hole championship golf courses and a 9 hole executive course in conjunction with a First Tee learning facility. Additionally, an eight field baseball complex, an eight field soccer complex and an expanded equestrian facility are included in Park improvements proposed. The residential community will be linked to City Park by a multi-use trail utilizing the Harrison Avenue Bridge to span Bayou St. John. Proceeds from the golf operation will also be used for community supportive services in the St. Bernard community.

Due to the fact that the St. Bernard public housing site had substantially more than the 465 units scheduled for replacement in Phase I, we feel that it is important to present a plan which approaches the amount of units lost on site throughout the larger St. Bernard neighborhood with a diverse mix of housing and community facilities. The overall revitalization strategy provides for the redevelopment and construction of 1,320 units consisting of up to 300 single-family, 900 multi-family and 125 units of elderly housing: comprising ACC, LIHTC, Section 8 project based / LIHTC, Lease-purchase and market-rate homeownership units. Additional housing units may be included in the overall revitalization plan through the "scattered site" properties available through HANO, as well as via properties acquired within the Bayou District Foundation's Community Development Fund. This plan has been thoughtfully developed, but with a flexible approach which can be adjusted based upon market conditions. The design of these

units will respond to the overall master plan by respecting and enhancing the existing street patterns, and creating an environment that includes both public and semi-public spaces. The buildings and internal greenspace enhance the overall development by reflecting the strong historic vocabulary of the neighborhood and city. The Plan strives to provide a unique sense of place with a strong connection to the larger community.

### **Who We Are**

The combined vision and talents of the partnership between The Bayou District Foundation (Fore!Kids Foundation and Baton Rouge Area Foundation) and Columbia Residential propose to revitalize the St. Bernard community, to make an inspirational place where the residents can live, play and work.

**Columbia Residential** offers a full range of real estate investment capabilities and services. Columbia Residential experiences cover the entire spectrum of residential housing; with particular focus on multi-family housing properties. Columbia Residential uses its comprehensive resources to assist neighborhoods, non-profit CDCs, financial institutions, government entities and public housing authorities to achieve their goals of providing well-structured and high quality affordable housing communities.

Columbia Residential will serve as Master Developer for the St. Bernard Housing Redevelopment project. Columbia Residential has the staff and experience to serve as a successful developer, and has an established a strong network of consultants and partners that will support Columbia Residential in this project. As the successful developer and property manager of several beautiful mixed-income/mixed-finance properties in two states, Columbia Residential is poised to cooperate with HANO, the St. Bernard community, and other stakeholders to prove their commitment to the rebirth of New Orleans.

**Fore!Kids Foundation** is a New Orleans based non-profit group established in 1958, which raised over \$13,000,000 for children in New Orleans and the surrounding area, primarily through the production of the PGA Tour event, currently called the Zurich Classic. Fore!Kids' vision is to bring a mixed-income community, with schools at its center, to the St. Bernard Housing Community site, as well as to the Imperial Drive parcel, while simultaneously transforming a portion of City Park.

**Baton Rouge Area Foundation** is a non-profit community foundation with assets of over \$476M. BRAF, through Commercial Properties Development Corporation, its commercial development affiliate, is structured as a Private Real Estate Investment Trust and has played a significant role in the post-hurricane redevelopment efforts and made more than \$18M in grants in 2005.

### **Summary of Major Changes to Original Tax Credit Application**

In The Housing Authority of New Orleans' (HANO) original tax credit application, the majority of the St. Bernard public housing footprint was utilized for housing only. When Columbia Residential and The Bayou District Foundation responded to HANO's request for Proposals, the vision included a more comprehensive plan. The legal description and site plan have been revised to reflect the vision described above. This change also affected the density calculation included in the original application.

	<u>Number of Units</u>	<u>Density</u>	<u>Acreage</u>
<b>Original Application:</b>	465 units	32.13 ac	14.47 units/acre
<b>Reprocessing Application:</b>	465 units	21.24 ac	21.89 units/acre

In the original application St. Bernard I was awarded 20 points for a density of at least 10 units but not more than 15 units per acre. This modification resulted in the loss of 10 points – more than 20 but less than 25 units per acre. The revised master plan and reprocessing application provides for a more viable and marketable community which serves more than just residents' housing needs.

	<u>Number of Units</u>	<u>Density</u>	<u>Acreage</u>
<b>Original Application:</b>	465 units	32.13 ac	14.47 units/acre
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**LOUISIANA HOUSING FINANCE AGENCY**

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

**RESOLUTION**

A resolution authorizing an additional two hundred sixty-nine thousand five hundred and thirty-six dollars (\$269,536.00) in tax credits and providing for other matters in connection therewith be allocated to the St. John Berchmans project represented by Providence Community Housing. Any improvement in syndication of credits or reduction of the mortgage rate will inure to the benefit of the project with a corresponding reduction in credits.

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 Louisiana Housing Finance Agency (the "Agency") that:

A resolution authorizing an additional two hundred sixty-nine thousand five hundred and thirty-six dollars (\$269,536.00) in tax credits and providing for other matters in connection therewith be allocated to the St. John Berchmans project represented by Providence Community Housing. Any improvement in syndication of credits or reduction of the mortgage rate will inure to the benefit of the project with a corresponding reduction in credits.

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 13th day of February, 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, do hereby certify that the foregoing one (1) page constitutes a true and correct copy of a resolution adopted by said Board of Commissioners on February 13, 2008, authorizing additional tax credits for the St. John Berchmans project under the 2007/2008 forward allocation GO-Zone QAP; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 13th day of February, 2008.

---

Secretary

(SEAL)

**LOUISIANA HOUSING FINANCE AGENCY**

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

**RESOLUTION**

A resolution authorizing an additional one hundred eight thousand seven hundred and thirty-one dollars (\$108,731.00) in tax credits and providing for other matters in connection therewith be allocated to the Delille Inn project represented by Providence Community Housing. Any improvement in syndication of credits or reduction of the mortgage rate will inure to the benefit of the project with a corresponding reduction in credits.

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 Louisiana Housing Finance Agency (the "Agency") that:

A resolution authorizing an additional one hundred eight thousand seven hundred and thirty-one dollars (\$108,731.00) in tax credits and providing for other matters in connection therewith be allocated to the Delille Inn project represented by Providence Community Housing. Any improvement in syndication of credits or reduction of the mortgage rate will inure to the benefit of the project with a corresponding reduction in credits.

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 13th day of February, 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, do hereby certify that the foregoing one (1) page constitutes a true and correct copy of a resolution adopted by said Board of Commissioners on February 13, 2008, authorizing additional tax credits for the Delille Inn project under the 2007/2008 forward allocation GO-Zone QAP; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 13th day of February, 2008.

---

Secretary

(SEAL)

**LOUISIANA HOUSING FINANCE AGENCY**

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

**RESOLUTION**

A resolution authorizing an additional eight hundred forty-eight thousand seven hundred dollars (\$848,700.00) in tax credits and relief from the tax credit cap for the 2007/2008 forward allocation GO-Zone QAP; and providing for other matters in connection therewith be allocated to the St. Martin Manor project represented by Providence Community Housing. Any improvement in syndication of credits or reduction of the mortgage rate will inure to the benefit of the project with a corresponding reduction in credits.

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 Louisiana Housing Finance Agency (the "Agency") that:

A resolution authorizing an additional eight hundred forty-eight thousand seven hundred dollars (\$848,700.00) in tax credits and relief from the tax credit cap for the 2007/2008 forward allocation GO-Zone QAP; and providing for other matters in connection therewith be allocated to the St. Martin Manor project represented by Providence Community Housing. Any improvement in syndication of credits or reduction of the mortgage rate will inure to the benefit of the project with a corresponding reduction in credits.

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 13th day of February, 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, do hereby certify that the foregoing one (1) page constitutes a true and correct copy of a resolution adopted by said Board of Commissioners on February 13, 2008, authorizing additional tax credits for the St. Martin Manor project under the 2007/2008 forward allocation GO-Zone QAP and relief from the tax credit cap for the 2007/2008 forward allocation GO-Zone QAP; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 13th day of February, 2008.

---

Secretary

(SEAL)



## Memorandum

**Date:** February 7, 2008  
**To:** Brenda Evans  
Program Administrator  
**From:** Louis Russell  
LIHTC Manager  
**Subject:** Updated Project Schedule Requests

---

The Agency sent an email on 12/13/07 requesting that all developers with GO Zone reservations submit updated Project Schedules. Following are the results.

- 86 out of 169 projects submitted updated schedules after the December 13<sup>th</sup> email.
- Reminders letters were sent on January 25, 2008 to 79 projects that did not respond to the update request.
- Approval letters were sent to 67 projects that sent in updated project schedules.
  - Approval letters were sent on January 15, 2008 to 6 projects that evidenced a closing date prior to January 31, 2008.
  - Approval letters were sent on January 24, 2008 to 61 projects that evidenced a closing date prior to June 30, 2008.
- The Board previously approved 6 projects belonging to HANO and 8 projects that are 202 Projects.

## **DECISION BRIEF:**

### **Request by Arcadia Village to Return 2006 Credits for 2008 Credits**

#### **Issue**

The Agency has received a request by Todd Little on behalf of the developer for Arcadia Village to return 2006 tax credits in exchange for 2008 tax credits. The project was previously awarded \$250,000 in tax credits and \$400,000 in HOME funds in the 2006 funding rounds.

Arcadia Village has had several setbacks since the reservation; including delays in obtaining HUD required environmental clearances, securing an investor for the tax credits, and rising construction costs.

In order to off-set the increase in construction costs, the developer is requesting a reduction of units for the project by three units. In order to get the investor to agree to move forward with the investment agreement, the developer is requesting to return the 2006 credits for 2008 credits in the same amount. Due to the previously mentioned delays, the project cannot be completed by the required place in service date of December 31, 2008 for the 2006 tax credits.

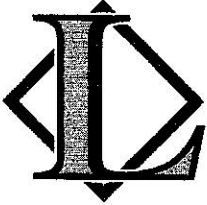
#### **Pros:**

- 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:**

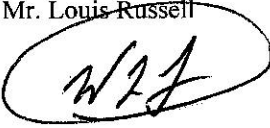
Staff recommends approval of this request pending a reprocessing application and a current feasibility and viability analysis



**LITTLE & ASSOCIATES LLC**  
CERTIFIED PUBLIC ACCOUNTANTS

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

**MEMORANDUM**

MEMO TO: Ms. Brenda Evans; Mr. Louis Russell  
FROM: Wm. Todd Little   
DATE: February 4, 2008  
SUBJECT: Arcadia Village (#06-12)

This memorandum is being prepared on behalf of my client Arcadia Village, L.L.C (Arcadia Village #06-12). They received a reservation of Low Income Housing Tax Credits (Tax Credits) and a \$ 400,000 conditional commitment of HOME funds in the regular 2006 funding cycle. In early 2006, they began negotiating with various investors regarding and investment in their tax credits. They were able to negotiate an agreement with Alliant Capital, Ltd. in May of 2006 with an investment price of \$.98/\$1.00 of tax credits. Their initial closing date was scheduled to be in October or November of 2006 and construction would commence shortly thereafter. One of the events necessary for Alliant to proceed with the equity closing was that the partnership obtain an allocation of credits under the 10% basis exception, which was initially scheduled to occur in October of 2006. Prior to the initial carryover deadline, as imposed by the 2006 QAP, they were advised that they could not incur costs necessary to meet the 10% test, without obtaining their part 58 "environmental clearance" from HUD. As the initial carryover deadline approached, they were concerned that if they did not submit a carryover certification by the October deadline, they would lose their tax credits. They requested an extension of time to meet the carryover requirement and became nervous when they had not received one as the October 1, 2006 deadline approached. Since they currently owned the property in a related party entity, and other costs had been incurred, in excess of the 10% requirement, they submitted their 10% carryover certification prior to the October 1, 2006 deadline. On September 29, 2006, the day before the carryover deadline date, they received an extension until November 2006 to meet carryover. They were advised by the Agency that they should obtain their "environmental clearance" by November 2006. (See Attached Letter). The partnership finally got their environmental clearance on February 16, 2007. (See Attached Letter). Please also note that the request for clearance was received in the HUD office on January, 4, 2007, more than a year after the initial reservation of LIHTC's and HOME funds were issued. Upon finally receiving environmental clearance, the investor requested that the partnership obtain a corrected 10% carryover allocation, due to the fact that the they submitted the initial carryover certification prior to getting environmental clearance. They received their "corrected" carryover allocation on April 5, 2007. Thus, the proposed equity closing was postponed from November of 2006 to April of 2007, during that time-frame; the equity markets suffered some untimely events that drove the equity prices down. The investor notified the partnership that they could no longer honor the agreed upon credit price and would have to re-price their investment, this substantially affected the deal. The rest of the year, the partnership worked with several investors in an effort to get their deal done and begin construction. They had tentative agreements worked out with two investors and just prior to locking an agreement, turbulence in the equity markets again, hindered their progress. One of the investors put a freeze on all investments until after the beginning of 2008, while the other investor made an internal decision that they would only invest in deals with existing clients, thus again leaving them without an equity investor. Many events, out of the control of the developer have transpired during the last 18 months that have significantly affected the deal. We have experience both increased construction costs and a substantial decrease in the amount of equity available to the development. Now, they have negotiated with

Arcadia Village Request  
February 4, 2008  
Page 2

an investor that has an interest in the development, but is concerned about the requirement that the development must be placed in service prior to 12/31/2008. This project is not located in the GOZONE and thus does not get the extension of time to be placed in service. Thus, my client is requesting the following:

1. In order to off-set the increase in construction costs, the developer is requesting that they are allowed to submit a reprocessing application which will reflect a 3 unit reduction from the original application. This significantly enhances the economic feasibility of the project by substantially lowering the construction cost and having a minor affect on N.O.I. This is a very common approach to "fix" a deal that has suffered significant cost increases and has been requested and approved on several developments in similar situations.
2. In order to get our investor to agree to move forward with the investment agreement, we are requesting that the Agency allow us to return our 2006 allocation of credits and be given a 2008 allocation of credits (in the same amount, essentially the same credits we turn in) based on our reprocessed application. This will allow us to have additional time after the current 12/31/2008 placed in service deadline. Upon getting this approval and completing our negotiations with our investor, we fully anticipate beginning construction and placing the development in service as soon as possible. The only hindrance we have from moving our development forward is an equity closing.

Please place this request on the upcoming agenda for the LHFA board. This is critical to allowing this development to move forward. Neither of the requests being made of this client is of a nature any different to similar requests made by and approved for other developers. Many of the events that caused delays in this development were out of the developer's control, the main one being the receipt of environmental clearance. We are working very closely with the Mayor of Arcadia and he is very interested in seeing this development move forward. He has already appeared at a meeting of the LHFA board and voiced his support and his community's need for this development. This is the only avenue available to provide affordable housing to his community and he wants to exhaust every means possible to see it succeed. Please let me know as soon as possible if you need any additional information to get this item on the agenda for board action. My client will be available at the next board meeting to discuss this request, as well as the Mayor of Arcadia. Thanks for your assistance and I look forward to hearing from you soon.



## Louisiana Housing Finance Agency

KATHLEEN BABINEAUX BLANCO  
GOVERNOR

MILTON J. BAILEY  
PRESIDENT

2415 QUAIL DRIVE  
BATON ROUGE, LOUISIANA 70808  
(225) 763-8700  
FAX (225) 763-8710  
TTY/TDD (225) 763-0762

September 29, 2006

Mr. Ralph McMickle  
Arcadia Village, LLC  
3510 Linwood Ave  
Shreveport, LA 71103

**RE: Carryover Extension  
Arcadia Village, #06-12**

Dear Mr. McMickle:

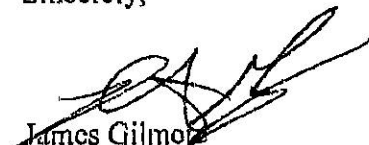
As you are aware, the deadline for submission of Carryover requirements is October 1, 2006 as evidenced in the QAP as well as correspondence forwarded to the development community. The Agency is aware, however, that some developments are experiencing difficulties beyond their control due to HOME Environmental Clearance issues. For the above referenced project with HOME funds unable to meet the deadline because of such issues, the Agency is granting an extension for submission until November 21, 2006.

In an effort to expedite these environmental clearances, the Agency requests that you work as closely as possible with those Agencies involved in facilitating these clearances. If you have not submitted your Phase I Environmental Site Assessment, please remit to the Agency by no later than Friday October, 6 2006.

Reasoning:

Based upon the Agency's experience with environmental clearances, it is anticipated that Arcadia Village will receive environmental clearance no later than November 15, 2006.

Sincerely,

  
James Gilmore  
Interim Vice-President

cc: Curtis Ferrara  
HOME Manager



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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

FEB 16 2007

Milton J. Bailey  
Louisiana Housing Finance Authority  
2415 Quail Drive  
Baton Rouge, LA 70808

*Blender  
Lauter*

**SUBJECT: HOME Investment Partnership Grant No: M-04-SG-22-0100**

Dear Mr. Bailey:

We are in receipt of your Request for Release of Funds and Certification to construct 28 rental scattered site homes on Parish Road 186 and Daniel Street (off Hazel) in Arcadia, Bienville Parish, LA with \$410,000.00 in HOME funds. Your request was received in this office on 1-04-07. All funds related to this project, either federal or non-federal are subject to the release of this environmental review prior to commitment or expenditure.

We have completed our review of your request, and have determined that the request complies with the regulations cited at 24 CFR Part 58.

An executed copy of your Authority to Use Grant Funds (HUD 7015.16) is enclosed. You should maintain this document with your project files for proper record keeping, audit, and inspection purposes.

If you have any questions, or if you need any additional information concerning this matter, please contact Tina Powell, Environmental Review Officer, at 504-589-7201 extension 1038.

Sincerely,

Gregory H. Hamilton, Director  
Community Planning and Development

Enclosure

RECEIVED

FEB 22 2007

LOUISIANA HOUSING  
FINANCE AGENCY



# TOWN OF ARCADIA

Clerk  
*Nanette Jordan*

*Eugene Smith, Mayor*  
P.O. Box 767  
Arcadia, Louisiana 71001  
(318) 263-8456 ~ Fax (318) 263-2571

Attorney  
*Patrick O. Jefferson*

February 5, 2008

Mr. Milton Bailey-President  
Louisiana Housing Finance Agency  
HOME Program Manager  
2415 Quail Drive  
Baton Rouge, LA 70808

RE: Arcadia Village LMF 06-12

Dear Mr. Bailey:

Please find attached a memorandum submitted on behalf of Arcadia Village, LLC regarding a housing development to be located in Arcadia. The Town of Arcadia is in need of this type of housing and is very interested in seeing this development come to fruition. It is my understanding that the developers have made a request to be considered by the Louisiana Housing Finance Agency (LHFA). The future of this development is dependent on the LHFA's decision to the request. Your support of this development would be greatly appreciated.

As we are a small town, we are not in a position to offer a great deal of assistance to a development of this caliber. We rely on programs such as those offered by agencies such as those offered by LHFA. Please assist us in allowing this issue to be taken up in the next meeting (February) of the LHFA board of commissioners. We will be glad to be present and express how much this development means to our community.

Thank you for your consideration. I look forward to seeing you at the board meeting.

Sincerely,

Eugene Smith  
Mayor

CC Senator Mary Landrieu

**LOUISIANA HOUSING FINANCE AGENCY**

The following resolution was offered by \_\_\_\_\_ and approved by \_\_\_\_\_:

**RESOLUTION**

A resolution authorizing an allocation of 2008 per capita Low Income Housing Tax Credits in the amount of \$250,000 and a reduction of units for project Arcadia Village #06-12; 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 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 Arcadia Village, located in Bienville Parish Louisiana, said Projects being a Scattered-Site New Construction development consisting of 28 units; and

WHEREAS, the taxpayer has contacted staff regarding a reduction of units from (28 units) as submitted in the original application to (25 units),

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 \$250,000 to be reallocated 2008 per capita LIHTC in the amount of \$250,000,

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 Arcadia Village #06-12, to be located in Bienville Parish, Louisiana, is hereby granted the requested change in the number of units as well as the allocation of credits requested and is hereby authorized to utilize the unit change as expressed in the new application. 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 13<sup>th</sup> day of February 2008 .

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Chairman

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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 February 13, 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 13<sup>th</sup> day of February, 2008 .

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Secretary

(SEAL)