

**Full Meeting Minutes
Board of Commissioners
Louisiana Housing Finance Agency**

**Wednesday, December 10, 2008
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
11:30 A.M.**

Commissioners Present

Wayne E. Woods
Allison A. Jones
Alice Washington for John Kennedy
J. Mark Madderra
Maureen Clary
Michael L. Airhart
Tyrone A. Wilson
Mayson H. Foster
Walter O. Guillory
Joseph Scontrino, III
Katie Anderson

Commissioners Absent

Robert Pernell
Guy T. Williams
Susan W. Sonnier

Legal Counsel Present

Wayne Neveu, Foley & Judell
Terri Porche Ricks
Edselle Keith Cunningham, Jr.
Christine Bratkowski
Leslie C. Strahan

Staff Present

Milton J. Bailey
Barry E. Brooks
Brenda Evans
Danny Veals
Loretta Wallace
Darlene Okammor
Eva Martinez

Jeff DeGraff
Demetria Favre
Tracy Roberts
Ricky Patterson
Joseph Durnin
Annie Robinson
Curtis Ferrara
Joyce Jackson
Robert McNeese
Amy York
Calvin Humble
Mary Antoon
Charlette Minor
Alvin Johnson
Tim Gilmore
Rene Landry

Others Present

See Sign-In Sheet Attachment

CALL TO ORDER

Chairman Wayne E. Woods called the meeting to order at 12:15 PM, and did the roll call; a quorum was established. Next there was an introduction of guests.

APPROVAL OF MINUTES

On a motion by Vice-Chair Allison A. Jones, and seconded by Commissioner Joseph M. Scontrino, III,, the minutes of the Full Board Meetings held November 12, 2008 and were approved. There being no further discussions or oppositions, the motion passed unanimously.

CHAIRMAN'S REPORT

Chairman Woods apologized to everyone for not having been able to attend the recent LHFA Board Retreat, held in Lake Charles.

He then advised the Board that he had moments earlier received a letter from Senator Duplessis on the Levy Gardens project and they he'd have staff disseminate the letter to the Board.

Chairman Woods requested the Agenda order be revised to allow the Legal Committee begin first in order to accommodate the need for early departure by Vice-Chair Jones due to inclement weather in Northern and Middle Louisiana.

LEGAL

On a motion by Commissioner Katie Anderson and seconded by Commissioner Michael Airhart, the Board sequestered themselves and went into Executive Session at 12:20pm. There being no further discussion or opposition, the matter unanimously passed.

The Board reconvened from Executive Session at 1:20pm.

On a motion by Vice-Chair Allison Jones and seconded by Commissioner Maureen Clary, the Rules were Suspended to Add to the Agenda a resolution providing for the reservation of currently unallocated and/or returned LIHTC, including but not limited to Per Capita LIHTC. There being no further discussion or opposition, the matter unanimously passed.

Thereafter, Chairman Woods inquired as to the carryover timeline. Commissioner Maureen Clary replied that the developers would have until January 15, 2009, to resubmit.

On a motion by Vice-Chair Jones and seconded by Commissioner Mayson Foster, the resolution was adopted providing for the reservation of currently unallocated and/or returned 2008 Lightning Round Per Capita Low Income Housing Tax Credits (LIHTC) to certain residential rental facilities in its 2008 Lightning Round; and providing for all matter in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

Thereafter, Commissioner Maureen Clary inquired as to when all staff would notify the development community who would be eligible to reapply. LHFA President Milton J. Bailey advised her that he would be directing staff to do such immediately via an Agency email blast.

SPECIAL PROGRAMS HOME COMMITTEE

Commissioner Walter O. Guillory advised the Board that there had not been a SPH Committee meeting earlier. He requested that before there be any further proceedings that an item be added to the Agenda. Commissioner Foster inquired as to the urgency on the matter and why it had not been previously added to the Agenda. President Bailey replied that the Agency had not received the HOME supporting documents from the developer until just days before the Board meeting and given other circumstances surrounding the issue it would not have been possible to bring a cohesive recommendation to the Board any sooner thereof. Further justifications on the urgency of the matter were given by Bond Counsel Wayne Neveu and LHFA Program Administrator Charlette Minor.

Commissioner Mayson Foster again reiterated that need to get things to the Board timely or that the Board should and possibly would not approve said late submittals.

Commissioner Michael Airhart advised the Board that he was having added to the February Agenda a resolution denoting that any considerations before the Board must be presented and on the Agenda seven (7) days prior to the scheduled meeting.

On a motion by Commissioner Walter O. Guillory and seconded by Commissioner Michael L. Airhart, the Rules were Suspended to Add to the Agenda a resolution dealing with the Jefferson Crossing project. There being no further discussion or opposition, the matter unanimously passed.

On a motion by Commissioner Walter O. Guillory and seconded by Commissioner Michael L. Airhart, the resolution was adopted to approve the reservation of up to Two Hundred Thousand Dollars (\$200,000.00) of additional HOME funds for additional environmental and bond issuance costs for The Reserve at Jefferson Crossing; to authorize the LHFA staff and counsel to prepare the forms of such documents and agreements as may be necessary to commit such additional funds; and providing for all matter in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

Chairman Woods advised the Board that due to his and President Bailey's need to leave for a pending litigation matter, he would move the President's Report next on the Agenda.

PRESIDENT'S REPORT

President Milton Bailey advised the Board that in their binders was an information packet dealing with the Bastrop High Project. He noted that he and staff had recently made a trip to Bastrop to review the proposed development and thereafter had invited the Bastrop delegation to appear before the Board to make a brief presentation. Presenters included the Mayor Hawkins of Bastrop, Vicky Carpenter from Friends of Bastrop Mainstreet, Jim Crumley who was a developer with Woodworth Interest, Jonathan Johnson from the Office of Congressman Rodney Alexander, Phillip McCreedy who was a Morehouse Parish School Board member, Emily Ostowe the project director, Mark Rainwater the president of Bastrop Development, and Mark Verine who was a City of Bastrop project developer.

The group gave a brief history of Bastrop High School, pre-development parameters, the various grants and awards the project had previous received, etc., and that the project needed further funding in order to be completed.

Commissioner Airhart inquired as to whether any LHFA funds had been previously provided to the project.

Mr. Crumley noted that the project had been allocated \$697,000 of 07/08 Per Capita credits and that they were trying in essence to find the remaining \$8.2M needed. He suggested that perhaps the area could be declared a difficult to develop area which would give is a priority funding status. He also noted that the project would include 76 elderly affordable rental units. Additionally, he advised the Board that they were in their 5th year of the project.

Chairman Woods applauded the group for the endeavors and reiterated to the Board his desire for more development considerations in the Northeast corridor section of Louisiana.

On a motion by Commissioner Katie Anderson and seconded by Commissioner Mayson Foster, the Board declared the Bastrop High Project as a difficult to develop site, and providing for all matter in connection thereof.

Thereafter, after further discussion on what the parameters of declaring a site difficult to develop, and a suggestion by Commissioner Madderra that staff be given time to draft the appropriate Resolution that would be most beneficial in protecting the interests of the Agency and the Project itself, **Commissioner Anderson withdrew her aforementioned motion.** Additionally, Chairman Woods noted that a site visit by the entire Board prior to further discussions would be beneficial.

MULTIFAMILY RENTAL HOUSING COMMITTEE REPORT

Chairman Woods noted that he was aware of two items needing to be added to the Agenda and voted on prior to his departure.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Joseph M. Scontrino, III, the Rules were Suspended to Add to the Agenda a resolution dealing with projects with Placed In Service deadline problems. There being no further discussion or opposition, the matter unanimously passed.

Bond Counsel Neveu gave a brief analysis of the matter noting that the purpose was to enable staff to utilize some flexibility in accepting voluntary terms of credits and reallocations of those credits back to the projects, to conduct a public hearing on the QAP amendment, and thereafter matter would be forwarded to the Governor for signature.

Commissioner Mayson Foster inquired as to how the staff would account for such matters. Mr. Neveu replied accountability would be via voluntary return of tax credits for reallocation and via periodic reports to the Board from LHFA staff. There were thereafter further discussions between Commissioner Foster and Mr. Neveu on the merits of the matter.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Joseph M. Scontrino, III, the resolution was adopted to provide developers and investors in connection with such projects that are scheduled to close by end of calendar year 2008 and that, if the credits are voluntarily returned prior to the end of calendar year 2008 and a feasible and viable reprocessing of the project is received with respect to such project, the Agency will enter into a binding agreement prior to the end of 2008 to reallocate such returned credits to the project; and providing for other matters in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

President Bailey noted his need for departure and denoted Program Administrator Charlette Minor to sit in his place on the Board. Likewise, Chairman Woods requested Commissioner Mark Madderra take the chairmanship role and continue the Board proceedings, as he also needed to departure to attend to an Agency litigation proceedings matter.

HUMAN RESOURCES

Commissioner Mark Madderra requested Commissioner Tyrone A. Wilson bring the Board up to date on the current Agency Vice President position vacancy.

Commissioner Tyrone Wilson noted the HR Committee had met earlier and that information packets would be sent to the Board on the revised VP search parameters. He also advised the Board that he had in his possession but had not distributed to the Board the VP info document which detailed the VP job description, qualifications, etc. He advised the Board that the VP would report only to the Board and be over the HR, Facility Management, IT, Accounting, Internal Audit and the Special Projects areas and would do "whatever the Board told them to do". He noted that final selection would be in April 2009. Also that the President and HR Committee Chair would oversee the Search Committee and anyone wanting to participate should let the President Bailey and HR Chairman Wilson aware. At this point, Commissioner Foster advised that he would be interested and hand-delivered a written note to Board Coordinator Barry Brooks denoting such. Commissioner Wilson noted that all applications would be sent to the BOC for their review and that interviews would be noticed to all for participation thereof. Commissioner Foster inquired as to who the main point person would be. Commissioner Wilson advised that it would be himself. He then issued a directive to Barry Brooks to send out the VP info document to the BOC. Commissioner Airhart encouraged each Board member to get involved in the Search process. Commissioner Clary inquired as to whether the Civil Service hiring freeze would affect the process. Commissioner Wilson responded "NO" that no LHFA positions whether classified or unclassified were subject to said CS hiring freeze.

On a motion by Commissioner Joseph Scontrino and seconded by Commissioner Michael Airhart, the Board approved the VP Selection Process; and providing for other matters in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

ENERGY COMMITTEE

Staff member Darleen Okammor addressed the Board noting that there had been no Committee meeting earlier, no actions were need from the Board, and that the Energy Assistance status and activity reports were in their binders.

She advised the Board that 95% of the \$5M allocated for LIHEAP has been expended and assistance had been provided to 10,179 households.

SINGLE FAMILY COMMITTEE

Commissioner Michael Airhart advised the Board that rates had dropped and the he anticipated a drop thereof in reservations.

Mary Antoon then gave an update advising the Board that in the remaining balances in the 2008, 200A, 2007C, and HOME areas.

Commissioner Michael Airhart did note that there were bond monies still available to assist homebuyers with 4% assistance.

He also advised the Board that the MOU with Standard Mortgage regarding reservations over commitments was being drafted by the Agency Legal and Finance Teams.

On a motion by Commissioner Katie Anderson and seconded by Commissioner Tyrone Wilson, the resolution approving and authorizing the issuance of not exceeding Forty-Five Million Dollars (\$45,000,000) of Single Family Mortgage Revenue Bonds of the Louisiana Housing Finance Agency, Series 2008C in one or more series or subseries; approving the forms of the Series Supplemental Trust Indentures in connection with the aforesaid Bonds; requesting the State Bond Commission to approve the costs of issuance, the documents and delivery of the Series 2008CBonds, was adopted; and providing for other matters in connection therewith. There being no further discussions or oppositions, the matter unanimously passed.

MULTIFAMILY RENTAL HOUSING COMMITTEE REPORT

Interim Chair Mark Madderra requested the remaining items under the Multifamily Committee be presented.

LHFA Program Administrator Loretta Wallace briefly discussed the resolution dealing with a proposal to accept Merchant Capital for the purchase of \$10.35M LHFA MHRB for the West Jefferson area Belmont Village Apartments matter. She noted that matter had been discussed and the Committee was recommending approval thereof.

On a motion by Commissioner Mayson and seconded by Commissioner Katie Anderson, the resolution accepting the proposal of Merchant Capital, L.L.C. for the purchase of not exceeding Ten Million Three Hundred Fifty Thousand Dollars (\$10,350,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Belmont Village 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, was adopted; and providing for other matters in connection therewith. There being no further discussions or oppositions, the matter unanimously passed.

Next item was the \$57.5M GMF-Louisiana Chateau Project resolution. Ms. Wallace noted that the project was located in Lafayette and that staff had recently visit the site and found the area in good condition. She also noted that the matter had been discussed in Committee and approval thereof was being recommended.

On a motion by Commissioner Katie Anderson and seconded by Commissioner Joseph Scontrino, III, the resolution accepting the proposal of Merchant Capital, L.L.C. for the purchase of not exceeding Fifty-Seven Million Five Hundred Thousand Dollars (\$57,500,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (GMF-Louisiana Chateau 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, was adopted; and providing for other matters in connection therewith. There being no further discussions or oppositions, the matter unanimously passed.

Next item was a resolution authorizing the extension of the PIS for North Shore Apartments, Pine Crest Apartments, and Townhomes of Sherwood Forest. Interim-Chair Madderra noted the items had been discussed in Committee and approval thereof was being recommended.

On a motion by Commissioner Tyrone Wilson and Commissioner Mayson Foster, the resolution authorizing an extension of Placed In Service requirements for the following projects: North Shore Apartments #06(2)-127 (Lake Shore Estates, Slidell, LA 70461) and Pine Crest Apartments #06(2)-134 (Covington, LA 70433) and Townhomes of Sherwood Forest #06(2)-235 (N. Sherwood Forest & Greenwell Springs Rd., Baton Rouge, LA 70814); as stipulated in the 2006 GO-Zone QAP by Louisiana Housing Finance Agency (the "Agency") with respect to projects submitting a request for such extension; and providing for other matters in connection therewith; was adopted; and providing for other matters in connection therewith. There being no further discussions or oppositions, the matter unanimously passed.

LHFA Staff Member Louis Russell discussed the next resolution dealing with authorizing the extension of the deadline for applicants in the Lightning Round to submit carryover allocation documentation to December 31st.

Interim-Chair Madderra noted that the matter was originally listed as December 19th but needed to be corrected reflective of December 31st.

On a motion by Commissioner Joseph Scontrino, III, and seconded by Commissioner Michael Airhart, the resolution authorizing the extension of the deadline for applicants in the Lightning Round to submit carryover allocation documentation to December 31, 2008; and providing for other matters in connection therewith, was adopted; and providing for other matters in connection therewith. There being no further discussions or oppositions, the matter unanimously passed.

Next item on the Agenda dealing with an update on the Project Monitoring Schedule was deferred, per Interim-Chair Madderra, until the February 2009 BOCM.

Last item on the Agenda was a discussion for the need for a Working Group for the 2009 QAP. The Board was advised by Interim-Chair Madderra that the staff had been instructed to coordinate with the LAAHP group to form a working group to draft a preliminary QAP for review by the Board at the February 2009 BOCM.

Interim-Chair then advised the Board that there needed to be added to the Agenda on final item that would deal with items that made it to the previous Lightning Round listing in error.

On a motion by Commissioner Maureen Clary and seconded by Commissioner Katie Anderson, the Rules were Suspended to Add to the Agenda the item “Resolution Rescinding Credits Erroneously Approved in the 2008 Lightning Round”.

Commissioner Mayson Foster inquired as to how long staff had known about errors thereof. Mr. Russell replied that staff had become aware within days thereafter of the document’s release.

Thereafter after further discussions between Commissioner Foster, Mr. Russell, and Ms. Minor, Commissioner Foster advised the Board that he would voting “NO” on the matter due to its lack of timely presentation to the Board for review.

Thereafter, due to the one dissenting vote from Commissioner Foster, the motion to Suspend the Rules to Add the aforementioned item to the Agenda, was DEFEATED.

On a motion by Commissioner Mayson Foster and seconded by Commissioner Michael Airhart, the Board resolved to cancel the January 2009 BOCM and meet again on February 11, 2009 and providing for other matters in connection therewith, was adopted; and providing for other matters in connection therewith. There being no further discussions or oppositions, the matter unanimously passed.

OTHER BUSINESS

Audience Member David Miller inquired from the Board the recognized definition of “firm commitment” Ms. Minor advised Mr. Miller that staff could meet with him after the meeting to discuss his inquiry and reply accordingly by the end of the week.

Interim Chair Madderra and PA Minor requested the Board Coordinator Barry Brooks promptly provide to the Board a copy of the letter from Senator Duplessis referenced at the beginning of the proceedings by Chairman Woods. Mr. Brooks acknowledged the request thereof.

ADJOURNMENT

There being no other matters to discuss, Commissioner Scontrino offered a motion for adjournment that was seconded by Commissioner Anderson. There being no further discussion or opposition, the matter was unanimously passed. **The Full Board meeting adjourned at 2:49 PM.**

Chairman

Secretary

DRAFT