
Louisiana Housing Finance Agency



Multifamily Rental Housing Program

Loretta Wallace, Program Administrator

Brenda Evans, Program Administrator

Louis Russell, Tax Credit Manager

February 11, 2009

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MEMORANDUM

To: Chairman Mark Madderra
Commissioner Guy Williams
Commissioner Walter Guillory

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

Date: January 23, 2009

Re: Multifamily Rental Housing Program Committee

There will be a Multifamily Rental Housing Program Committee meeting, Wednesday, February 11, 2009 at 10:00 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 Resolutions to the Board:

- A resolution accepting the proposal of a purchaser to be designated by the Louisiana Housing Finance Agency for the purchase of not exceeding Ten Million Ninety-One Thousand and Eight Hundred Fifty-Six Dollars (\$10,091,856) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (**The Muses II 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:

- A resolution providing a policy for the administration of requests under IRS Code §42(h)(6)(E)(i)(II) to produce a Qualified Contract; to allow the Louisiana Housing Finance Agency to administer requests from property owners who intend to make a request under IRS Code §42(h)(6)(E)(i)(II) for a Qualified Contract; and authorizing 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 rescinding credits for three projects which were erroneously approved in the 2008 Lightning Round; and providing for other matters in connection therewith.
- A resolution authorizing a change in the project's Managing General Partner, for **St. Landry Place #06-14** Project; authorizing 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 approving design feature requests made by the developers of **Bayou Place I & II projects**; and providing for other matters in connection therewith.
- A resolution to clarify the definition of **Elderly Projects** developed with funds from Qualified Allocation Plans issued by Agency pre-dating the 2007/2008 Qualified Allocation Plan; authorizing the Agency staff and counsel to prepare or revise the forms of such documents and agreements as may be necessary; and providing for other matters in connection therewith.
- A resolution approving amendment to QAP.
- Update on Lightning Round B Awards.
- Discussion and update on 2009 Per Capita QAP.
- Discussion and update on Project Monitoring Schedule.

Other Business.

January 23, 2009

MULTIFAMILY RENTAL HOUSING COMMITTEE

A regular meeting of the Multifamily Rental Housing Program Committee will be held on Wednesday, February 11, 2009 at 10:00 A.M., at Louisiana Housing Finance Agency, V. Jean Butler Board Room, located at 2415 Quail Drive, Baton Rouge, LA by order of the Chairman.

Preliminary Agenda

1. Call to order, roll call and introduction of guests.
2. Approval of the December 10, 2008 Multi-Family Committee meeting minutes.
3. Multifamily Update.
 - A resolution accepting the proposal of a purchaser to be designated by the Louisiana Housing Finance Agency for the purchase of not exceeding Ten Million Ninety-One Thousand and Eight Hundred Fifty-Six Dollars (\$10,091,856) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (**The Muses II 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 providing a policy for the administration of requests under IRS Code §42(h)(6)(E)(i)(II) to produce a Qualified Contract; to allow the Louisiana Housing Finance Agency to administer requests from property owners who intend to make a request under IRS Code §42(h)(6)(E)(i)(II) for a Qualified Contract; and authorizing 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 rescinding credits for three projects which were erroneously approved in the 2008 Lightning Round; and providing for other matters in connection therewith.
 - A resolution authorizing a change in the project's Managing General Partner, for **St. Landry Place #06-14** Project; authorizing 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 approving design feature requests made by the developers of **Bayou Place I & II projects**; and providing for other matters in connection therewith.
- A resolution to clarify the definition of **Elderly Projects** developed with funds from Qualified Allocation Plans issued by Agency pre-dating the 2007/2008 Qualified Allocation Plan; authorizing the Agency staff and counsel to prepare or revise the forms of such documents and agreements as may be necessary; and providing for other matters in connection therewith.
- A resolution approving amendment to QAP.
- Update on Lightning Round B Awards.
- Discussion and update on 2009 Per Capita QAP.
- Discussion and update on Project Monitoring Schedule.

4. Other Business.

5. Adjournment.

Milton J. Bailey, President

If you require special services, please call Barry Brooks at (225) 763-8700 by Monday, February 9, 2009.

**Louisiana Housing Finance Agency
Multifamily/Tax Credit Meeting Minutes
Wednesday, December 10, 2008
2415 Quail Drive
Baton Rouge, LA 70808
10:00 A.M.**

Commissioners Present

Chairman Mark J. Madderra
Commissioner Maureen Clary
Commissioner Katie Anderson

Commissioners Absent

Commissioner Walter Guillory
Commissioner Guy Williams

Staff Present

Louis Russell, Jr.
Loretta Wallace
LaTosha Overton
Terri Ricks
Leslie Strahan
Christine Bratkowski
Annie Robinson
Ronald Burrough
MaKeisha J. August
Wendy Hall
Urshala Hamilton
Ingrid McCoy
Ricky Patterson
Melanie Brocato
Tonika Jackson
Keith Cunningham
Joseph Durnin
Charlette Minor

Counsel Present

Wayne Neveu, Foley & Judell

Guests Present

Attached

Chairman Madderra called the meeting to order at 10:29 A.M. and asked for an introduction of guests. He then requested approval of the September 23, 2008 and November 12, 2008 meeting minutes by his fellow Commissioners. On a motion by Commissioner Clary and seconded by Commissioner Anderson the minutes were unanimously approved.

Loretta Wallace presented the following:

- A 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.

Chairman Madderra asked for a motion and a second for recommendation to Full Board. Commissioner Clary made the motion and Commissioner Anderson made the second. The resolution was unanimously adopted.

- A 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.

Chairman Madderra asked for a motion and a second for recommendation to Full Board. Commissioner Anderson made the motion and Commissioner Clary made the second. Chairman Madderra requested a modification be made to the resolution. He requested that there be a 15 year minimum restriction on affordable housing. Commissioner Anderson moved to amend the motion to add the 15 year criteria and Commissioner Clary made the second. The resolution was unanimously adopted.

Louis Russell presented the following:

- A 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); 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.

Mr. Wayne Neveu stepped forward to discuss his change in position regarding flexibility of placed in service requirement. He stated that there is much more flexibility allowed by the GO Zone Act than he previously thought. He continued by stating the QAP is not written to allow this type of change or flexibility. He stated that per the GO Zone Act, the developer has until December 31, 2010 to place in service. The developers have requested the flexibility to utilize the full statutory timeline to be placed in service. Unfortunately under our QAP, there are issues about material changes and changes in schedule that would require a reprocessing of the application. He suggested that the Agency try to work with the developers who will have to submit a reprocessing application. He asked that the Agency accept the voluntary return of the credits and a reallocation of those credits if they were closed by this year with a commenced construction. The developer would then receive a binding commitment from the Agency to reallocate those credits back to the project in order for them to have the flexibility they need. He continued by giving two examples: a) the developer voluntarily returns the credits, the Agency takes back the credits and with a binding commitment, legally agrees to give those credits back as soon as the reprocessing application is submitted; b) with the 2010 deadline, if the developer gets those credits in 2009 is closed and commencing construction until 2011 to be placed in service to give that developer the statutory time and give their investor comfort. Chairman Madderra asked if the projects listed in the resolution were currently under construction. Mr. Russell replied yes. Commissioner Clary asked about the 2010 placed in service deadline. She was concerned about not changing what Congress had regulated. Mr. Neveu replied that projects outside of the GO Zone will need to be placed in service by the end of 2010. Chairman Madderra requested any developer associated with the resolution come forward to provide clarity on their issues.

Barry Palmer and A. Kelton Longwell of Coats Rose came forward. Mr. Palmer stated that these projects have been under construction, have closed and are close to being completed; some deals are at 70% complete. However, they will not meet a placed in service deadline of December 31, 2008. The developer is requesting an extension of the placed in service deadline until December 31, 2009.

Chairman Madderra asked for a motion and a second for recommendation to Full Board. Commissioner Clary made the motion and Commissioner Anderson made the second. The resolution was unanimously adopted.

- A 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.

Chairman Madderra stated that because of the delays due to bad weather and the consensus market analysis, the lightning round developers were put up against a very tight deadline. Mr. Neveu stated that carryover could be received at the end of the year and any that did not meet the deadline would be deemed recaptured and reallocated the next calendar year.

Chairman Madderra asked for a motion and a second for recommendation to Full Board. Commissioner Anderson made the motion and Commissioner Clary made the second. The resolution was unanimously adopted.

- Update on Project Monitoring Schedule.

Mr. Russell requested this item be deferred until the January meeting.

- Discussion for working group for the 2009 QAP.

Chairman Madderra proposed that a working group be created that involves staff, a couple of commissioners and other key stakeholders, such as LAAHP. He would like to see them develop the first draft of the QAP for review by the Board. He would like to see a committee set up and co-chaired by either Brenda Evans, along with Kelly Longwell or Mark Turrentine. All key stakeholders should be included but the working group will need to be at a level. He would like a draft QAP by the February Board meeting. Commissioner Anderson requested that the Louisiana Housing Council have a position with the working group. Commissioner Jones stated her concern with agenda's being built into the QAP. The Board needs to decide what policy will be, not the working group, she continued. Commissioner Clary suggested the Agency look at other HFA's and get their best practices, even perhaps hiring a consultant to help draft the QAP. Chairman Madderra suggested renaming the working groups QAP to a preliminary draft QAP. The working group will then come up with a preliminary draft of the QAP to be presented at the February meeting. Mr. Bailey agreed that a consultant could be used to glean from the working group the necessary information needed in the revised QAP. Chairman Madderra issued a directive to the staff to co-chair the working group with a member of LAAHP that would include critical stakeholders as identified by staff with the goal of generating a preliminary QAP for review.

Other Business.

Amendment to Lightning Round Awards List:

Commissioner Clary made a motion to add this resolution to the agenda and Commissioner Anderson seconded. The motion was unanimously adopted.

Mr. Russell began the discussion by stating a list of projects was presented to the Board for approval of credits to be allocated in the lightning round. Within the list projects to be awarded were shaded for ease of identity and by some shading typo on the list, the Board approved some projects without firm commitments. Those projects are as follows: Hardwood Apartments, Fifth Ave. Apartments, and Himbola Manor. The projects have been notified by phone and email of the error. The resolution is to correct the public record. Commissioner Anderson asked that if the projects were included on the original list, did they receive an allocation on that list. Commissioner Clary asked if there was additional money to be reserved as a result of this resolution. Mr. Russell responded that it was only an error in shading not in the reserved amounts of credits.

Murray Calhoun came forward to discuss Hardwood Apartments, an RD financed deal located in St. Francisville, Louisiana. Currently the project is owned by a non-profit organization and is in deplorable shape. The non-profit has defaulted on the mortgage and it is currently with the U.S. Attorney to start foreclosure. Mr. Calhoun continued by stating the syndicator contract is the same that has been submitted with his other reserved projects. He implored the Board to review its decisions because without the allocation, the residents of the apartment complex will become homeless. Commissioner Jones stated that she will present a motion in Full Board regarding projects with issues of soft commitments. Chairman Madderra interjected that the developers who submitted projects in the lightning round were held to higher standards than in most rounds. The Agency was put in the situation of having to allocate credits under a very tight timeframe.

Chairman Madderra asked for a motion and a second for recommendation to Full Board. Commissioner Anderson made the motion and Commissioner Clary made the second. The resolution was unanimously adopted.

Issues regarding Amendment to QAP for Placed in Service Extensions:

Commissioner Anderson made a motion to add this notice to the agenda and Commissioner Clary seconded. The motion was unanimously adopted.

Mr. Neveu came forward to discuss issues some projects are having meeting the December 31, 2010 placed in service requirement. Mr. Neveu proposed staff put in place an amendment to the QAP that would take into account the self executing authority of developers to come back to the Agency to request a reprocessing and have the Agency reallocate credits back to the project that were voluntarily returned by that development which would result in a placed in service deadline for those developments that extended beyond December 31, 2010. Chairman Madderra requested President Milton Bailey comment on the issue because a decision has to be made as he is unsure there will be a January meeting. President Bailey stated that discussions have been held with the IRS and with one of the foremost tax attorneys in the country. He stated making an emergency decision today will provide our developer the assurances they need that any investment with respect to those transactions will not be investments in vain. Commissioner Clary asked how the decision would affect projects that have been recaptured earlier in the year. Mr. Neveu replied that those projects were recaptured because they did not reach closing nor meet the administrative deadlines. The proposal, he stated, provides relief to projects that will close or have closed by the end of the year. Commissioner Clary asked if the Agency was setting itself up for litigation by making that decision. Mr. Neveu responded that this measure is only applicable in connection with projects that have closed. Chairman Madderra interjected that the projects not only have to close but be 25% complete. Commissioner Clary requested an answer to her previous question regarding previously recaptured credits. Mr. Neveu replied that those projects that could have closed would have to have closed within the deadline. The critical legal difference is that the projects that are going to benefit from this rule are only projects that will close within the prescribed deadlines. The projects from which those credits were recaptured were not closed by the prescribed deadline. Commissioner Clary interjected and asked about the extension of the deadline. Mr. Neveu responded that the extension was for projects that had allocations in connection with a processing that occurred earlier in the year or a previous year. Also, the Agency provided several reprocessing rounds and the lightning round to help meet shortfalls. One caveat of the lightning round was that if you needed additional resources but were unable to close within the guidelines of the prior rounds you could participate as long as your project closed by a certain deadline. President Bailey joined the discussion and stated that those projects that could not close before the lightning round would not benefit as a result of the Board's decision. Their credits have been recaptured because they could not meet the closing deadlines established for them. The new post lightning round deadline, he continued, for the projects that received the additional credits is December 15, 2008. This cleaning up of the QAP would give comfort, tax comfort to syndicators and developers that are now in this December 19, 2008 closing mode and allow them to close. Mr. Neveu suggested the Agency draft a binding commitment with a December 31, 2010 deadline. Chairman Madderra clarified that the Board is looking to authorize and direct staff to commence the publication of a notice for public hearings to consider an amendment to the QAP regarding the placed in service dates for the lightning round and other projects that must close by the December 31, 2008 deadline.

Jonathan Goldstein with McCormick, Baron & Salazar came forward to discuss the CJ Peete Development. He stated that the project is three weeks behind the St. Bernard development. Chairman Madderra requested that this issue be deferred to the Full Board.

Since there were no other issues to be heard Commissioner Clary motioned for adjournment and Commissioner Anderson made the second. The meeting was adjourned at 11:51 a.m.

DECISION BRIEF:

The sale of \$10,091,856 in Multifamily Housing Revenue Bonds for The Muses II Project located in New Orleans in Orleans Parish

Issue

On October 15, 2008, the Louisiana Housing Finance Agency's Board of Commissioners approved a resolution authorizing the issuance of Multifamily Housing Revenue Bonds not exceeding Two Hundred Million Dollars (\$200,000,000) to finance the acquisition, construction, equipping and/or rehabilitation of various multifamily housing developments that applied for funds under the Four Percent (4%) CDBG Piggyback Tax Credit Bond Financing Program.

This resolution requests the Board's approval in considering the proposal of a purchaser to be designated by the Agency, for the purchase of bonds not exceeding Ten Million Ninety-One Thousand Eight Hundred Fifty-Six Dollars (\$10,091,856.00) of the Bonds pursuant thereto.

In addition to the Bond Proceeds, other sources of funding to be utilized in the rehabilitation of this development will be \$196,527 from Equity Contribution; \$7,800,000 from CDBG Gap Funding; \$630,329 from Deferred Developer Fee.

The Muses II Project will consist of twenty-one (21) one-bedroom units; sixteen (16) two-bedroom units; and fifteen (15) three-bedroom units.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.
- The recommended action 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 a purchaser to be designated by the Louisiana Housing Finance Agency for the purchase of not exceeding Ten Million Ninety-One Thousand and Eight Hundred Fifty-Six Dollars (\$10,091,856) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (The Muses II 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 October 15, 2008, adopted a resolution approving and authorizing the issuance of not exceeding Ten Million Ninety-One Thousand Eight Hundred Fifty-Six Dollars (\$10,091,856) of Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (The Muses II 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 (The Muses II Project) Series 2008" in the aggregate principal amount of not exceeding \$10,091,856 (the "Bonds"); and

WHEREAS, as set forth in said resolution, the Notice of Sale was published on January 23, 2009 in "The Advocate" and in "The Daily Journal of Commerce" for an amount not to exceed \$10,091,856; and

WHEREAS, in accordance with the aforesaid resolution adopted by the Agency on October 15, 2008, the sale of the Bonds was scheduled for February 11, 2009; and

WHEREAS, the Agency did meet on February 11, 2009, at 10:00 a.m., Louisiana time, for the purpose of receiving and considering the proposal of a purchaser to be designated by the Agency (the "Purchaser"), and taking action with respect to the parameter sale of not exceeding Ten Million Ninety-One Thousand Eight Hundred Fifty-Six Dollars (\$10,091,856) 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 a purchaser to be designated by the Agency, for the purchase of bonds designated "Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (The Muses II Project) Series 2008" in the aggregate principal amount of not exceeding \$10,091,856, at an interest rate not exceeding 12% per annum, and for a maturity not exceeding forty-two (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 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 11th day of February, 2009.

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing three (3) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on February 11, 2009, entitled: "A resolution accepting the proposal of a purchaser to be designated by the Louisiana Housing Finance Agency for the purchase of not exceeding Ten Million Ninety-One Thousand and Eight Hundred Fifty-Six Dollars (\$10,091,856) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (The Muses II 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 11th day of February, 2009.

Secretary

(SEAL)

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by _____ and seconded by _____.

RESOLUTION

A resolution providing a policy for the administration of requests under IRS Code §42(h)(6)(E)(i)(II) to produce a Qualified Contract; to allow the Louisiana Housing Finance Agency to administer requests from property owners who intend to make a request under IRS Code §42(h)(6)(E)(i)(II) for a Qualified Contract; and authorizing 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.

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 LIHTC Program):

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. The policy entitled "QUALIFIED CONTRACT REQUESTS, LOUISIANA HOUSING FINANCE AGENCY PROCESSING REQUIREMENTS," attached as Exhibit A hereto, is hereby approved and adopted for the administration of requests under IRS Code §42(h)(6)(E)(i)(II) to produce a Qualified Contract.

SECTION 2. The Agency staff, General Counsel, and/or Foley & Judell, L.L.P., as LIHTC Program Counsel, are authorized and directed to administer requests from property owners who intend to make a request under IRS Code §42(h)(6)(E)(i)(II) for a Qualified Contract.

SECTION 3. The Agency staff, General Counsel, and/or Foley & Judell, L.L.P., as LIHTC Program Counsel, are authorized and directed to prepare the forms of such documents and agreements as may be necessary to carry out this directive.

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

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 11th day of February 2009.

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 11, 2009, entitled, "A resolution providing a policy for the administration of requests under IRS Code §42(h)(6)(E)(i)(II) to produce a Qualified Contract; to allow the Louisiana Housing Finance Agency to administer requests from property owners who intend to make a request under IRS Code §42(h)(6)(E)(i)(II) for a Qualified Contract; and authorizing 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".

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 11th day of February 2009.

Secretary

(SEAL)

**QUALIFIED CONTRACT REQUESTS
LOUISIANA HOUSING FINANCE AGENCY
PROCESSING REQUIREMENTS**

Attached hereto is a Glossary of Terms that will be used by the Louisiana Housing Finance Agency (the "Agency") to process Written Requests to the Agency to find a person to acquire a Taxpayer's interest in a Low-income Housing Building. The terms in the Glossary are primarily terms referenced in the Notice of Proposed Rulemaking and Notice of Public Hearing: Section 42 Qualified Contract Provisions affecting Taxpayers requesting a Qualified Contract, Potential Purchasers and the Agency as the tax credit agency for the State of Louisiana.

Processing a Qualified Contract: Upon receipt of a Written Request from a Taxpayer, the Agency will proceed to identify Potential Purchasers ready, willing and able to enter into a Qualified Contract with the Taxpayer. The Agency will solicit Potential Purchasers by advertising a Notice Soliciting Potential Purchasers identifying the Project for which the Agency has received a Written Request. Upon identification of a Potential Purchaser, the Taxpayer will be required to execute a Qualified Contract with the Potential Purchaser identified by the Agency. The Extended Use Period will expire on the later of (i) the last day of the one-year period beginning on the date the Agency receives a Written Request if the Agency is unable to identify a Potential Purchaser for the purchase of the Low-income Portion of the Low-income Housing Building or (ii) the end of the 120 day period following the execution of the Qualified Contract of the Potential Purchaser fails to take title to the Project within a Reasonable Period of Time..

GLOSSARY

Actual Sale Closing Date: The date that a Purchaser acquires the Project from the Taxpayer in accordance with the Qualified Contract Purchase Price Formula.

Additional Indebtedness: Indebtedness incurred after the first year of the Credit Period for a building for Qualifying Building Costs incurred after the first year of the Credit Period for the building of a type that could be includible in Eligible Basis under Section 42((d)(1) of the Code.

Adjusted Investor Equity: The aggregate amount of cash invested by owners for Qualifying Building Costs as shall be increased by the COLA for the calendar year. Among other amounts, the term does not include (i) equity paid for land, (ii) credit adjuster payment, (iii) Agency low-income housing credit application and allocation fees, (iv) operating deficit contributions and (v) legal, syndication and accounting costs.

Agency: The Louisiana Housing Finance Agency acting as the housing credit agency under Section 42 of the Code.

Applicable Federal Rate: The rate determined under Section 1274(d) of the Code at the time of issuance of any indebtedness by the Secretary of the Treasurer.

Applicable Fraction: The smaller of the Unit Fraction or the Floor Space Fraction as specified in the Commitment.

Base Calendar Year: The calendar year with or within which the first taxable year of the Credit Period Ends.

Below Market Indebtedness: Any Outstanding Indebtedness that has an interest rate below the Applicable Federal rate at the time of issuance of such indebtedness using a present-value calculation to obtain an Imputed Principal Amount.

Cash Distributions: Includes (a) all distributions from the Project to the Owners or related parties within the meaning of section 267(b) or section 707(b), including distributions under Section 301 of the Code (relating to distributions by a corporation), section 731 (relating to distributions by a partnership), or section 1368 (relating to distributions by a S corporation) and (b) all cash and cash equivalents available for distribution at the time of sale, including for example, reserve funds whether operating or replacement reserves.

Code: The Internal Revenue Code of 1986, as amended.

COLA: The cost-of-living adjustment for such calendar year based on the CPI for the year preceding the written request to find a person to acquire the Taxpayer

Commitment: The agreement between the Taxpayer and the Agency that requires the Applicable Fraction for the building for each Taxable Year in the Extended Use Period will not be less than the Applicable Fraction specified therein, and that prohibits the eviction or termination (other than for good cause) of an exiting tenant of any Low-income Unit and any increase in the gross rent with respect to the unit not otherwise permitted under Section 42 of the Code.

Compliance Period: The period of 15 Taxable Years beginning with the 1st Taxable Year of the Credit Period with respect thereto.

CPI: The Consumer Price Index as of the close of the 12 –month period ending August 31 of the calendar year for all consumers (not seasonably adjusted, U.S. City Average).

Credit Period: With respect to any building, the period of 10 taxable years beginning with (A) the taxable year within which the building is place in service or (B) at the election of the Taxpayer, the succeeding taxable year.

Extended Use Period: The period beginning on the first day in the compliance period under Section 42((i)(1) of the Code on which the building is part of a Qualified Low-income Housing Project and ending on the later of (i) the date specified by the Agency in the Commitment or (ii) the date which is 15 years after the close of the Compliance Period.

Fair Market Value of Low-income Portion: A valuation by a Qualified Appraiser of the Low-income Portion of a building taking into account the existing and continuing requirements under the Commitment for the building that is dated not earlier than sixty (60) days prior to the Written Request.

Fair Market Value of Non Low-income Portion: A valuation by a Qualified Appraiser of the Non Low-income Portion of a building that is dated not earlier than sixty (60) days prior to the Written Request.

Imputed Principal Amount: The present value Below Market Indebtedness payments determined by using the Applicable Federal Rate as the discount factor applied to such payments.

Limited Scope Appraisal: An appraisal of the Project based upon its continued use as a residential rental facility, inclusive of a Rent Comparability Study for the units in the

Project as would have been required for appraisals of projects under HUD's Section 8 Renewal Guide.

Low-income Housing Building: Any building which is part of a Qualified Low-income Housing Project at all times during the period (i) beginning on the 1st day in the Compliance Period on which such building is part of such project and (ii) ending on the last day of the Compliance Period with respect to such building.

Low-income Portion Amount: An amount not less than the Applicable Fraction of the total of (a) Outstanding Indebtedness on the building, plus (b) the Adjusted Investor Equity in the building, plus (c) Other Capital Contributions not reflected in amounts described in (a) and (b), minus (d) Cash Distributions from (or available for distribution from) the Project.

Non Low-income Portion: The portion of a building other than the Low-income Portion, including the valuation of the land underlying the entire building, both the Non Low-income Portion and the Low-Income Portion, regardless of whether the building is entirely Low-income) determined at the time of the Agency's Offer of Sale of the Project to the general public, including items of personal property not included in Eligible Basis under Section 42(d)(1) that convey under the contract for the building.

Notice Soliciting Potential Purchasers: A notice that the Agency will post on its website and will publish in its Official Journal at the expense of the Taxpayer identifying a Project for which a Taxpayer is requesting a Qualified Contract.

Other Capital Contributions: Contributions for Qualifying Building Costs other than amounts included in the calculation of Outstanding Indebtedness or Adjusted Investor Equity.

Original Indebtedness: Indebtedness or loans secured by, or with respect to, the building in place as of the end of the first year of the Credit Period.

Outstanding Indebtedness: The outstanding principal balance, at the time of the Agency's offer of sale of the Project to the general public, of any indebtedness or loan that are indebtedness under general principles of Federal income tax law and is secured by, or with respect to, the building, and that does not exceed the amount of Qualifying Building Costs. Outstanding Indebtedness does not include Refinancing Indebtedness or Additional Mortgages in excess of Qualifying Building Costs.

Physical Condition Assessment: An assessment of the Project's physical condition prepared according to the Fannie Mae document: "Physical Needs Assessment Guidance To The Property Evaluator."

Project: One or more buildings, together with any functionally related and subordinate facilities, containing one or more similarly constructed units and within which there are one or more Low-Income Housing Buildings

Purchase Price Amount: The sum of (i) the Fair Market Value of the Non Low-income Portion of the building and (ii) the Low-income Portion of the building.

Potential Purchaser: Any entity willing and able to execute a Qualified Contract in connection with a Project for which a Taxpayer has requested the Agency to find a person to acquire the Taxpayer's interest in the Low-income Portion of a Low-income Housing Building.

Qualified Appraiser: An independent third party appraiser licensed in the State of Louisiana and approved by the Agency.

Qualified Contract: A bona fide contract to acquire (within a Reasonable Period of Time after the contract is entered into) the Non Low-income Portion of the building for Fair Market Value and the Low-income Portion of the building for an amount not less than the Applicable Fraction (specified in the Commitment) of the sum of: (i) the Outstanding Indebtedness secured by, or with respect to the building, (ii) the Adjusted Investor Equity in the building, plus (iii) Other Capital Contributions not reflected in these amounts, reduced by Cash Distributions from (or available for distribution from) the Project.

Qualified Contract Purchase Price Formula: The sum of the Fair Market Value of the Low-income Portion and the Fair Market Value of the Non Low-income Portion determined at the time of the Agency's offer of sale of the Project to the general public as adjusted by changes in the components of the formula such as mortgage payments which reduce Outstanding Indebtedness between the time of the Taxpayer's request to the Agency to obtain a buyer and the Project's Actual Sale Closing Date.

Qualifying Building Costs: Those cost that would have been includible in Eligible Basis of a Low-income Housing Building, provided the amounts were expended for depreciable property that conveys under the contract with the building, including costs incurred after the first year of the Low-income Building's Credit Period. Such costs do not include non-depreciable land costs, syndication costs, legal and accounting costs, and operating deficit payments.

Reasonable Period of Time: A period not in excess of 120 days following the execution of a Qualified Contract.

Refinancing Indebtedness: Indebtedness or loan secured by, or with respect to, the building in a principal amount as of the date such indebtedness is incurred that is not in excess of the outstanding principal balance of the Original Indebtedness.

Taxpayer: The person whom the Agency reports to the Internal Revenue Service as the entity that owns and operates the Project for federal income tax purposes.

Termination of Extended Use Period: The last day of the one-year period beginning on the date the Agency receives a Written Request if the Agency fails to provide a Qualified Contract to the Taxpayer.

Written Request: A statement executed by the Taxpayer under penalties of perjury that is submitted to the Agency that the Taxpayer:

(a) is requesting the Agency find a person to acquire the Taxpayer's interest in the Low-income Housing Buildings in a Project,

(b) has determined as of the date the statement is executed and has included each of the following with respect to each Low-income Housing Building for which the Taxpayer is requesting the Agency find a person to acquire the Taxpayer's interest: (i) Additional Indebtedness, (ii) Adjusted Investor Equity, (iii) Applicable Federal Rate, (iv) Base Calendar Year, (v) Below Market Indebtedness and the Imputed Principal Amount with respect to such Below Market Indebtedness, (vi) Cash Distributions, (vii) the COLA, (viii) the Low-income Portion and the Non Low-income Portion, (ix) Other Capital Contributions, (x) Original Indebtedness, (xi) Outstanding Indebtedness, (xii) Qualifying Building Costs and (xiii) Refinancing Indebtedness,

(c) has submitted to the Agency a audited partnership returns of the Taxpayer for the three years prior to the year in which the Taxpayer is submitting the statement,

(d) has submitted to the Agency a title bring down report as of a date not earlier than thirty (30) days prior to the submission of the statement,

(e) has submitted to the Agency a Physical Conditions Assessment, a Limited Scope Appraisal and a Phase I Environmental Report,

(f) has obtained and submitted to the Agency a Fair Market Value of the Low-income Portion and a Fair Market Value of the Non Low-income Portion by a Qualified Appraiser and

(g) has submitted to the Agency the form of a Qualified Contract that would be acceptable to the Taxpayer.

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by _____ and seconded by _____.

RESOLUTION

A resolution rescinding credits for three projects which were erroneously approved in the 2008 Lightning Round; 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 LIHTC Program); and

WHEREAS, the Agency approved certain application and other forms, documents and proceedings related to the LIHTC Program, including the Tax Credit Allocation Plan for remaining GO Zone Credits and Per Capita Credits as described in the July 14, 2008 memo to the Development Community (the "Lightning Round"); and

WHEREAS, the Agency solicited applications for funding in accordance with the LIHTC PROGRAM and the Lightning Round; and

WHEREAS, the staff of the Agency processed applications in accordance with the Implementation Guidelines of the Lightning Round and prepared, based upon the preliminary feasibility analysis of Foley & Judell, L.L.P., recommendations for reservations of LIHTC credits for each of the residential rental projects described in Exhibit A for funding on the Board meeting held November 12, 2008; projects which were lightly shaded on that attachment were recommended to receive credit reservations; and

WHEREAS, on the November 12, 2008 Board meeting, the Board approved the resolution captioned "A resolution providing for the **reservation of unallocated and/or returned GO Zone and Per Capita Low Income Housing Tax Credits (LIHTC)** to certain residential rental facilities in its **2008 Lightning Round**; authorizing the Agency staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate LIHTC credits to such facilities; and providing for other matters in connection therewith;" and

WHEREAS, the resolution approved by the Board for Lightning Round credits had a an attachment labeled, Exhibit A, which listed all of the applicants for the 2008 Lightning Round with their scores and reasons listed in the "reason" column if the project was denied funding; projects receiving funding were lightly shaded in the attachment; and

WHEREAS, the staff made a mistake, accidentally shading in three projects, by the names Hardwood Apartments, Fifth Avenue Apartments, and Himbola Manor; staff noticed the mistake after board action; staff timely notified the representatives of the three entities of the mistake via telephone and e-mail transmission; and staff now seeks the Board to correct the mistake:

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. The funding for the residential rental facilities (the "Projects") erroneously shaded in as projects that should receive a 2008 Lightning Round allocation, namely, Hardwood Apartments, Fifth Avenue Apartments, and Himbola Manor, are hereby recognized by the Board as erroneous and are rescinded.

SECTION 2. The Chairman, Vice Chairman, President, Vice President and/or Secretary of the Agency be and they are hereby authorized, empowered and directed to execute any forms and/or documents required to be executed on behalf of and in the name of the Agency, the terms of which are to be consistent with the provisions of this resolution as approved by the Agency's General Counsel and LIHTC Program Counsel, Foley & Judell, L.L.P.

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

YEAS:

ABSTAIN:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 11th day of February 2009.

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 entitled: "A resolution rescinding credits erroneously approved in the 2008 Lightning Round; 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 11th day of February 2009.

Secretary

(SEAL)

LOUISIANA HOUSING FINANCE AGENCY
2008 LIHTC Lightning Round Applicant
EXHIBIT A

GO ZONE
(Erroneous)

Count	Project No.	Project Name / Address	Parish	No of Units	GO Zone Tax Credits Requested	Reason	Feasible Amount	Amount of CDBG Funds Requested	Original Score	LRA Score	LHFA FINAL Score
1	08(GO)-65	Bonne Terre Village II 7614 Main Street Houma, LA 70360	Terrebonne	64	\$723,187		\$723,187	\$5,198,148	770	N/A	770
2	08(GO)-43	Dorgenois Lofts 2601 Perdido Street New Orleans, LA 70119	Orleans	20	\$479,998	Lack of firm commitment	\$460,079	\$0	860	N/A	731
3	08(GO)-44	Presley Park Goodman Road Lake Charles, LA 70615	Calcasieu	100	\$1,249,999	In Calcasieu Parish	\$1,276,671	\$12,500,000	705	N/A	655
4	08(GO)-45	Cottages at the Power Centre Power Centre Drive Lake Charles, LA 70615	Calcasieu	125	\$1,249,999	In Calcasieu Parish	\$1,282,900	\$17,875,000	705	N/A	655
5	08(GO)-62	Georgetown Manor 6211 Bridgehampton New Orleans, LA 70126	Orleans	122	\$486,191		\$495,366	\$9,396,580	792	176	655
6	08(GO)-58	Brickwood Homes 0 Holmes Blvd. Gretna, LA 70056	Jefferson	60	\$1,250,000	Missed deadlines established by LRA/LHFA	\$1,263,079		805	N/A	630
7	08(GO)-41	Plaquemines Homes I River Road & Highway 23 Port Sulphur, LA 70083	Plaquemines	62	\$912,187	Lack of firm commitment	\$912,187	\$8,900,000	640	175	600
8	08(GO)-17	The Villas of Lake Charles Phase II Weaver Road Lake Charles, LA 70605	Calcasieu	48	\$905,224	In Calcasieu Parish	\$905,018		673	132	598
9	08(GO)-61	Oak Villa II 3600 Bender Blvd. New Orleans, LA 70114	Orleans	80	\$1,250,000		\$1,269,296	\$1,200,000	625	N/A	595
10	08(GO)-54	Bienville Square 4500 Bienville Street New Orleans, LA 70113	Orleans	50	\$425,020	Not feasible	\$0	\$6,100,000	727	200	590

LOUISIANA HOUSING FINANCE AGENCY
2008 LIHTC Lightning Round Applicant
EXHIBIT A

GO ZONE
(Erroneous)

Count	Project No.	Project Name / Address	Parish	No of Units	GO Zone Tax Credits Requested	Reason	Feasible Amount	Amount of CDBG Funds Requested	Original Score	LRA Score	LHFA FINAL Score
11	08(GO)-59	River Homes 0 Park Place Gretna, LA 70056	Jefferson	46	\$910,000	Missed deadlines established by LRA/LHFA	\$921,163	\$650,000	955	N/A	590
12	08(GO)-56	CGH New Orleans I New Orleans, LA	Orleans	35	\$674,980	Not feasible	\$0	\$0	733	N/A	573
13	08(GO)-15	The Villas of Hammond RichSmith Lane Hammond, LA 70401	Tangipahoa	64	\$1,220,360		\$1,219,510		675	N/A	571
14	08(GO)-66	Eleven 37 Apts 1137 Esplanade Avenue New Orleans, LA 70116	Orleans	77	\$1,143,584		\$1,143,584	\$9,270,895	730	N/A	565
15	08(GO)-64	Dogwood Place Subdivision 324 South Lambert Street Iowa, LA 70647	Calcasieu	60	\$1,250,000	In Calcasieu Parish	\$1,265,386	\$1,481,985	583	N/A	558
16	08(GO)-42	Wesley Chapel 10008 Avenue L Baton Rouge, LA 70807	E. Baton Rouge	82	\$998,000		\$1,014,925	\$0	568	N/A	548
17	08(GO)-32	Palmetto Greens Covington, LA 70433	St. Tammany	144	\$1,739,264		\$1,779,413	\$11,650,000	587	N/A	540
18	08(GO)-12	Hardwood Apartments 5982 Street B St. Francisville, LA 70775	W. Feliciana	40	\$334,000		\$331,988		540	N/A	530
19	08(GO)-52	Howell Parc Senior Living Howell Boulevard Baton Rouge, LA 70805	E. Baton Rouge	80	\$1,100,000	Not feasible	\$0		644	N/A	521
20	08(GO)-40	East of Bennett Homes Scattered Site in the Vicinity of General Meyer Ave. & Bennett St. New Orleans, LA 70131	Orleans	42	\$1,059,646	Lack of firm commitment	\$1,059,647	\$1,285,000	539	N/A	520

LOUISIANA HOUSING FINANCE AGENCY
2008 LIHTC Lightning Round Applicant
EXHIBIT A

GO ZONE
(Erroneous)

Count	Project No.	Project Name / Address	Parish	No of Units	GO Zone Tax Credits Requested	Reason	Feasible Amount	Amount of CDBG Funds Requested	Original Score	LRA Score	LHFA FINAL Score
21	08(GO)-18	Parc Place Chalmette, LA 70043	St. Bernard	72	\$1,059,407		\$1,079,710	\$4,900,000	552	207	505
22	08(GO)-19	Magnolia Park	St. Bernard	72	\$1,059,407		\$1,079,710	\$4,900,000	552	207	505
23	08(GO)-20	Acadian Village Maurice, LA 70555	Vermillion	72	\$1,017,941		\$1,019,005	\$4,850,000	552	157	505
24	08(GO)-21	The Woodlands Chalmette, LA 70043	St. Bernard	72	\$1,059,407		\$1,079,710	\$4,900,000	552	207	505
25	08(GO)-22	Riverview Chalmette, LA 70043	St. Bernard	72	\$1,059,407		\$1,079,710	\$4,900,000	552	207	505
26	08(GO)-37	Stonebridge of Lake Charles Approximately 1995 E. McNeese Street Lake Charles, LA 70607	Calcasieu	140	\$1,389,131	In Calcasieu Parish	\$1,427,769	\$9,025,000	570	N/A	492
27	08(GO)-46	Chateau Carre 3000 Gentilly Boulevard New Orleans, LA 70122	Orleans	150	\$917,507	221d4 Commitment	\$917,506	\$10,257,204	568	235	488
28	08(GO)-35	Sugar Hill Crossing Highway 44, West of Parent Road Convent, LA 70723	St. James	100	\$931,686		\$959,841	\$9,525,000	549	N/A	478
29	08(GO)-23	New Savoy Place Pase II 3800 Desire Parkway New Orleans, LA 70126	Orleans	160	\$2,903,540		\$2,943,544		731	328	477
30	08(GO)-50	Meadows II 5th Avenue & McNeese St. Lake Charles, LA 70607	Calcasieu	92	\$837,700	Lack of firm commitment/No Market Study	\$837,719	\$9,063,784	724	N/A	453

LOUISIANA HOUSING FINANCE AGENCY
2008 LIHTC Lightning Round Applicant
EXHIBIT A

GO ZONE
(Erroneous)

Count	Project No.	Project Name / Address	Parish	No of Units	GO Zone Tax Credits Requested	Reason	Feasible Amount	Amount of CDBG Funds Requested	Original Score	LRA Score	LHFA FINAL Score
31	08(GO)-47	1770 Tchoupitoulas 1770 Tchoupitoulas Street New Orleans, LA 70130	Orleans	150	\$1,950,925	221d4 Commitment	\$1,950,924	\$22,500,000	432	175	442
32	08(GO)-36	Villas of Lake Charles NE Corner of 5th Ave. & Power Centre Pkwy. Lake Charles, LA 70607	Calcasieu	72	\$897,568	In Calcasieu Parish	\$915,767	\$6,350,000	570	132	434
33	08(GO)-53	Tanglewood Apartments 1300 Tanglewood Drive Westwego, LA 70094	Jefferson	383	\$2,085,648		\$2,085,648	\$2,206,422	455	256	430
34	08(GO)-38	Havens of Abbeville Rodeo Road Abbeville, LA 70510	Vermillion	72	\$845,543		\$865,271	\$5,000,000	545	132	424
35	08(GO)-39	The Tudor Apartments 4137 S. Claiborne Avenue New Orleans, LA 70125	Orleans	40	\$1,100,000	Not feasible	\$0	\$4,255,348	470	N/A	420
36	08(GO)-48	New Covington 1027 Polders Lane Covington, LA 70433	St. Tammany	94	\$1,666,396	221d4 Commitment	\$1,666,395	\$6,419,835	426	223	416
37	08(GO)-34	Havens of Lake Charles NE Corner of 5th Ave. & Power Centre Pkwy. Lake Charles, LA 70607	Calcasieu	72	\$870,491	In Calcasieu Parish	\$890,802	\$5,100,000	510	135	389
38	08(GO)-14	Oakwood Terrace Subdivision Cedar Court & Greenwell St. Baton Rouge, LA 70811	East Baton Rouge	60	\$1,110,000		\$1,122,408		350	N/A	350
39	08(GO)-26	Cavalier Heights Highway 51 North Greensburg, LA 70441	Tangipahoa	40	\$683,000	Not feasible	\$0		465	N/A	348
40	08(GO)-31	Canterbury House Apartments - New Orleans East 14100 I-10 Service Road New Orleans, LA 70128	Orleans	276	\$2,000,000	Not feasible	\$0	\$27,000,000	655	N/A	340

LOUISIANA HOUSING FINANCE AGENCY
2008 LIHTC Lightning Round Applicant
EXHIBIT A

GO ZONE
(Erroneous)

Count	Project No.	Project Name / Address	Parish	No of Units	GO Zone Tax Credits Requested	Reason	Feasible Amount	Amount of CDBG Funds Requested	Original Score	LRA Score	LHFA FINAL Score
41	08(GO)-33	Fifth Avenue Apartments Fifth Avenue Lake Charles, LA 70605	Calcasieu	64	\$1,249,139	In Calcasieu Parish	\$1,249,139		294	N/A	279
42	08(GO)-49	Building 12 6305 4th Street Marrero, LA 70072	Jefferson	16	\$107,215		\$107,566		385	N/A	270
43	08(GO)-63	Himbola Manor 804 Martin Luther King Jr. Drive Lafayette, LA 70505	Lafayette	136	\$771,241		\$739,498		301	272	259
TOTALS				3878	\$46,933,938	\$0	\$41,341,041	\$226,660,201			

<i>GO Zone Credits Availability</i>	\$26,951,249.00
<i>Possible Awardings</i>	<u><u>(\$26,377,658.00)</u></u>
<i>Amount Remaining</i>	\$573,591.00
 <i>Sum of Remaining PC & GO Credits</i>	 \$5,025,795.00
<i>Additional Awardings</i>	<u><u>(\$4,974,684.00)</u></u>
<i>Amount Remaining</i>	\$51,111.00
 <i>Total GO Zone Reservations</i>	 \$31,352,342.00

LOUISIANA HOUSING FINANCE AGENCY
2008 LIHTC Lightning Round Applicant Log

PER CAPITA

Count	Project No.	Project Name / Address	Parish	No of Units	GO Zone Tax Credits Requested	Per Capita Tax Credits Requested	Feasible Amount	Amount of CDBG Funds Requested	Original Score	LRA Score	LHFA FINAL Score
1	08(PC)-57	Richardson Place Highway 115, South Main St. Marksville, LA 71351	Avoyelles	30		\$600,000	\$598,412	\$0	361	N/A	345
2	08(PC)-25	Byers Estates III NW corner of the intersection of Byers Rd. & Outlet Dr. Monroe, LA 71202	Ouachita	34		\$700,000	\$699,288		324	N/A	298
3	08(PC)-27	Plumtree Acres Highway 137 North Rayville, LA 71269	Richland	40		\$600,000	\$600,846		310	N/A	275
4	08(PC)-13	Tallah Estates Harlem Street Tallah, LA 71282	Madison	30		\$617,360	\$618,504		353	N/A	257
5	08(PC)-67	Northern Heights 3000 Roy Road Shreveport, LA 71107	Caddo	40		\$431,825	\$415,678	\$0	275	N/A	211
6	08(PC)-24	Southern Breeze	St. Landry	42		\$580,000	\$551,660		277	N/A	187
TOTALS				216	\$ -	\$ 3,529,185.00	\$ 3,484,388.00	\$ -			

Per Capita Credits Availability \$7,936,592.00
Possible Awardings (\$3,484,388.00)
Credits Remaining \$4,452,204.00

LOUISIANA HOUSING FINANCE AGENCY
2008 LIHTC Lightning Round Applicant
EXHIBIT A

GO ZONE
(Correct)

Count	Project No.	Project Name / Address	Parish	No of Units	GO Zone Tax Credits Requested	Reason	Feasible Amount	Amount of CDBG Funds Requested	Original Score	LRA Score	LHFA Preliminary Score
1	08(GO)-65	Bonne Terre Village II 7614 Main Street Houma, LA 70360	Terrebonne	64	\$723,187		\$723,187	\$5,198,148	770	N/A	770
2	08(GO)-43	Dorgenois Lofts 2601 Perdido Street New Orleans, LA 70119	Orleans	20	\$479,998	Lack of firm commitment	\$460,079	\$0	860	N/A	731
3	08(GO)-44	Presley Park Goodman Road Lake Charles, LA 70615	Calcasieu	100	\$1,249,999	In Calcasieu Parish	\$1,276,671	\$12,500,000	705	N/A	655
4	08(GO)-45	Cottages at the Power Centre Power Centre Drive Lake Charles, LA 70615	Calcasieu	125	\$1,249,999	In Calcasieu Parish	\$1,282,900	\$17,875,000	705	N/A	655
5	08(GO)-62	Georgetown Manor 6211 Bridgehampton New Orleans, LA 70126	Orleans	122	\$486,191		\$495,366	\$9,396,580	792	176	655
6	08(GO)-58	Brickwood Homes 0 Holmes Blvd. Gretna, LA 70056	Jefferson	60	\$1,250,000	Missed deadlines established by LRA/LHFA	\$1,263,079		805	N/A	630
7	08(GO)-41	Plaquemines Homes I River Road & Highway 23 Port Sulphur, LA 70083	Plaquemines	62	\$912,187	Lack of firm commitment	\$912,187	\$8,900,000	640	175	600
8	08(GO)-17	The Villas of Lake Charles Phase II Weaver Road Lake Charles, LA 70605	Calcasieu	48	\$905,224	In Calcasieu Parish	\$905,018		673	132	598
9	08(GO)-61	Oak Villa II 3600 Bender Blvd. New Orleans, LA 70114	Orleans	80	\$1,250,000		\$1,269,296	\$1,200,000	625	N/A	595
10	08(GO)-54	Bienville Square 4500 Bienville Street New Orleans, LA 70113	Orleans	50	\$425,020	Not feasible	\$0	\$6,100,000	727	200	590

LOUISIANA HOUSING FINANCE AGENCY
2008 LIHTC Lightning Round Applicant
EXHIBIT A

GO ZONE
(Correct)

Count	Project No.	Project Name / Address	Parish	No of Units	GO Zone Tax Credits Requested	Reason	Feasible Amount	Amount of CDBG Funds Requested	Original Score	LRA Score	LHFA Preliminary Score
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12	08(GO)-56	CGH New Orleans I Orleans, LA	New Orleans	35	\$674,980	Not feasible	\$0	\$0	733	N/A	573
13	08(GO)-15	The Villas of Hammond RichSmith Lane Hammond, LA 70401	Tangipahoa	64	\$1,220,360		\$1,219,510		675	N/A	571
14	08(GO)-66	Eleven 37 Apts 1137 Esplanade Avenue New Orleans, LA 70116	Orleans	77	\$1,143,584		\$1,143,584	\$9,270,895	730	N/A	565
15	08(GO)-64	Dogwood Place Subdivision 324 South Lambert Street Iowa, LA 70647	Calcasieu	60	\$1,250,000	In Calcasieu Parish	\$1,265,386	\$1,481,985	583	N/A	558
16	08(GO)-42	Wesley Chapel 10008 Avenue L Baton Rouge, LA 70807	E. Baton Rouge	82	\$998,000		\$1,014,925	\$0	568	N/A	548
17	08(GO)-32	Palmetto Greens Covington, LA 70433	St. Tammany	144	\$1,739,264		\$1,779,413	\$11,650,000	587	N/A	540
18	08(GO)-12	Hardwood Apartments 5982 Street B St. Francisville, LA 70775	W. Feliciana	40	\$334,000		\$331,988		540	N/A	530
19	08(GO)-52	Howell Parc Senior Living Howell Boulevard Baton Rouge, LA 70805	E. Baton Rouge	80	\$1,100,000	Not feasible	\$0		644	N/A	521
20	08(GO)-40	East of Bennett Homes Scattered Site in the Vicinity of General Meyer Ave. & Bennett St. New Orleans, LA 70131	Orleans	42	\$1,059,646	Lack of firm commitment	\$1,059,647	\$1,285,000	539	N/A	520

LOUISIANA HOUSING FINANCE AGENCY
2008 LIHTC Lightning Round Applicant
EXHIBIT A

GO ZONE
(Correct)

Count	Project No.	Project Name / Address	Parish	No of Units	GO Zone Tax Credits Requested	Reason	Feasible Amount	Amount of CDBG Funds Requested	Original Score	LRA Score	LHFA Preliminary Score
21	08(GO)-18	Parc Place Chalmette, LA 70043	St. Bernard	72	\$1,059,407		\$1,079,710	\$4,900,000	552	207	505
22	08(GO)-19	Magnolia Park	St. Bernard	72	\$1,059,407		\$1,079,710	\$4,900,000	552	207	505
23	08(GO)-20	Acadian Village Maurice, LA 70555	Vermillion	72	\$1,017,941		\$1,019,005	\$4,850,000	552	157	505
24	08(GO)-21	The Woodlands Chalmette, LA 70043	St. Bernard	72	\$1,059,407		\$1,079,710	\$4,900,000	552	207	505
25	08(GO)-22	Riverview Chalmette, LA 70043	St. Bernard	72	\$1,059,407		\$1,079,710	\$4,900,000	552	207	505
26	08(GO)-37	Stonebridge of Lake Charles Approximately 1995 E. McNeese Street Lake Charles, LA 70607	Calcasieu	140	\$1,389,131	In Calcasieu Parish	\$1,427,769	\$9,025,000	570	N/A	492
27	08(GO)-46	Chateau Carre 3000 Gentilly Boulevard New Orleans, LA 70122	Orleans	150	\$917,507	221d4 Commitment	\$917,506	\$10,257,204	568	235	488
28	08(GO)-35	Sugar Hill Crossing Highway 44, West of Parent Road Convent, LA 70723	St. James	100	\$931,686		\$959,841	\$9,525,000	549	N/A	478
29	08(GO)-23	New Savoy Place Pase II 3800 Desire Parkway New Orleans, LA 70126	Orleans	160	\$2,903,540		\$2,943,544		731	328	477
30	08(GO)-50	Meadows II 5th Avenue & McNeese St. Lake Charles, LA 70607	Calcasieu	92	\$837,700	Lack of firm commitment/No Market Study	\$837,719	\$9,063,784	724	N/A	453

LOUISIANA HOUSING FINANCE AGENCY
2008 LIHTC Lightning Round Applicant
EXHIBIT A

GO ZONE
(Correct)

Count	Project No.	Project Name / Address	Parish	No of Units	GO Zone Tax Credits Requested	Reason	Feasible Amount	Amount of CDBG Funds Requested	Original Score	LRA Score	LHFA Preliminary Score
31	08(GO)-47	1770 Tchoupitoulas 1770 Tchoupitoulas Street New Orleans, LA 70130	Orleans	150	\$1,950,925	221d4 Commitment	\$1,950,924	\$22,500,000	432	175	442
32	08(GO)-36	Villas of Lake Charles NE Corner of 5th Ave. & Power Centre Pkwy. Lake Charles, LA 70607	Calcasieu	72	\$897,568	In Calcasieu Parish	\$915,767	\$6,350,000	570	132	434
33	08(GO)-53	Tanglewood Apartments 1300 Tanglewood Drive Westwego, LA 70094	Jefferson	383	\$2,085,648		\$2,085,648	\$2,206,422	455	256	430
34	08(GO)-38	Havens of Abbeville Rodeo Road Abbeville, LA 70510	Vermillion	72	\$845,543		\$865,271	\$5,000,000	545	132	424
35	08(GO)-39	The Tudor Apartments 4137 S. Claiborne Avenue New Orleans, LA 70125	Orleans	40	\$1,100,000	Not feasible	\$0	\$4,255,348	470	N/A	420
36	08(GO)-48	New Covington 1027 Polders Lane Covington, LA 70433	St. Tammany	94	\$1,666,396	221d4 Commitment	\$1,666,395	\$6,419,835	426	223	416
37	08(GO)-34	Havens of Lake Charles NE Corner of 5th Ave. & Power Centre Pkwy. Lake Charles, LA 70607	Calcasieu	72	\$870,491	In Calcasieu Parish	\$890,802	\$5,100,000	510	135	389
38	08(GO)-14	Oakwood Terrace Subdivision Cedar Court & Greenwell St. Baton Rouge, LA 70811	East Baton Rouge	60	\$1,110,000		\$1,122,408		350	N/A	350
39	08(GO)-26	Cavalier Heights Highway 51 North Greensburg, LA 70441	Tangipahoa	40	\$683,000	Not feasible	\$0		465	N/A	348
40	08(GO)-31	Canterbury House Apartments - New Orleans East 14100 I-10 Service Road New Orleans, LA 70128	Orleans	276	\$2,000,000	Not feasible	\$0	\$27,000,000	655	N/A	340

LOUISIANA HOUSING FINANCE AGENCY
2008 LIHTC Lightning Round Applicant
EXHIBIT A

GO ZONE
(Correct)

Count	Project No.	Project Name / Address	Parish	No of Units	GO Zone Tax Credits Requested	Reason	Feasible Amount	Amount of CDBG Funds Requested	Original Score	LRA Score	LHFA Preliminary Score
41	08(GO)-33	Fifth Avenue Apartments Fifth Avenue Lake Charles, LA 70605	Calcasieu	64	\$1,249,139	In Calcasieu Parish/Lack of Firm Commitment	\$1,249,139		294	N/A	279
42	08(GO)-49	Building 12 6305 4th Street Marrero, LA 70072	Jefferson	16	\$107,215		\$107,566		385	N/A	270
43	08(GO)-63	Himbola Manor 804 Martin Luther King Jr. Drive Lafayette, LA 70505	Lafayette	136	\$771,241	Lack of Firm Commitment	\$739,498		301	272	259
TOTALS				3878	\$46,933,938	\$0	\$41,341,041	\$226,660,201			

GO Zone Credits Availability **\$26,951,249.00**
Possible Awardings **(\$26,045,670.00)**
Amount Remaining **\$905,579.00**

Sum of Remaining PC & GO Credits \$6,057,071.00
Additional Awardings **(\$2,986,047.00)**
Amount Remaining \$3,071,024.00

Total GO Zone Reservations **\$29,031,717.00**

LOUISIANA HOUSING FINANCE AGENCY
2008 LIHTC Lightning Round Applicant Log

PER CAPITA

Count	Project No.	Project Name / Address	Parish	No of Units	GO Zone Tax Credits Requested	Per Capita Tax Credits Requested	Feasible Amount	Amount of CDBG Funds Requested	Original Score	LRA Score	LHFA Preliminary Score
1	08(PC)-57	Richardson Place Highway 115, South Main St. Marksville, LA 71351	Avoyelles	30		\$600,000	\$598,412	\$0	361	N/A	345
2	08(PC)-27	Plumtree Acres Highway 137 North Rayville, LA 71269	Richland	40		\$600,000	\$600,846		310	N/A	275
3	08(PC)-13	Tallulah Estates Harlem Street Tallulah, LA 71282	Madison	30		\$617,360	\$618,504		353	N/A	257
4	08(PC)-67	Northern Heights 3000 Roy Road Shreveport, LA 71107	Caddo	40		\$431,825	\$415,678	\$0	275	N/A	211
5	08(PC)-24	Southern Breeze	St. Landry	42		\$580,000	\$551,660		277	N/A	187
TOTALS				182	\$ -	\$ 2,829,185.00	\$ 2,785,100.00	\$ -			

Per Capita Credits Availability **\$7,936,592.00**

Possible Awardings **(\$2,785,100.00)**

Credits Remaining **\$5,151,492.00**

DECISION BRIEF:

Request by St. Landry Place to Change Managing General Partner

Issue

St. Landry Place, LP is requesting the Louisiana Housing Finance Agency approve the following change relating to this project:

A change in the MGP from Seventh District Pavilion, Inc. to Community Directions, Inc.

St. Landry Place was awarded \$300,000 in the 2006 Per Capita funding round. The project is located in Opelousas, Louisiana and currently at completion.

St. Landry Place will consist of 30 single family homes with six (6) two-bedroom units; seventeen (17) three-bedroom units and seven (7) four-bedroom units.

The Federal HOME Loan Bank of Dallas requested that the current non-profit MGP (Seventh District Pavilion) be removed from the project due to pending legal matters.

The developer's position is that the project would not be able to move forward and retain its AHP funding from FHLB unless the request is granted. They are requesting to replace the current MGP with CDI, Inc. CDI has agreed to become the new MGP for the project.

Pros:

- No other project would be adversely affected.
- The project is complete and in the process of lease-up.
- No request for additional resources.
- The agency would continue its mission of providing safe and affordable housing to the citizens of LA.

Cons: None

Recommendation:

Staff recommends approval of this request.

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by _____ and approved by _____ :

RESOLUTION

A resolution authorizing a change in the project’s Managing General Partner, for St. Landry Place #06-14 Project; authorizing 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.

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 #06-14, St. Landry Place, located in St. Landry Parish Louisiana, said project being a Multi-Family Scattered Site development consisting of 30 units; and

WHEREAS, the taxpayer has contacted staff regarding a change in the project’s Managing General Partner as submitted in the original application, **from Seventh District Pavilion**, a Louisiana non-profit organization, Inc. **to Community Directions, Inc.** a Louisiana non-profit organization; and

WHEREAS, the requested change constitutes a material change pursuant to the provisions of the Qualified Allocation Plan (“QAP”) and therefore requires the concurrence of the Board of Commissioners; and

WHEREAS, staff, having received information in support of the request from all parties affiliated and affected by this change, does hereby recommend acceptance of the requested material change:

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 #06-14, St. Landry Place, to be located in St. Landry Parish, Louisiana, is hereby granted the requested change in Managing General Partner as expressed above; and

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 11th day of February 2009.

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 11, 2009, providing for the change in the project's Managing General Partner, for St. Landry Place #06-14 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.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 11th day of February, 2009.

Secretary

(SEAL)

ST. LANDRY HOMES LIMITED PARTNERSHIP

109 East Madison Avenue
Bastrop, Louisiana 71220
(318) 281-4120

January 14, 2009

Louisiana Housing Finance Agency
Attn: Louis Russell
2415 Quail Drive
Baton Rouge, Louisiana 70808

Re: Replacement of Managing General Partner
St. Landry Place #06-14

Dear Mr. Russell:

St. Landry Homes Limited Partnership (the "Partnership") is the owner of a tax credit and HOME financed project located in Opelousas, St. Landry Parish, Louisiana, and known as St. Landry Place (the "Project"). The Project has been completed and placed in service.

The Partnership consists of NELA Properties, L.L.C., a Louisiana limited liability company, as the Fiscal General Partner, Seventh District Pavilion, Inc., a Louisiana non-profit corporation ("Seventh District") as the Managing General Partner, Alliant Tax Credit Fund 54, Ltd., a Florida limited partner, as the investor limited partner, and Alliant Tax Credit Fund 54, LLC, a Florida limited liability company, as the administrative limited partner.

The purpose of this letter to request the Agency's consent to replace Seventh District as the managing general partner with Community Directions, Inc., a Louisiana non-profit corporation ("CDI"). Attached are the articles of organization, bylaws, and 501(c)(3) determination letter for CDI. The Federal Home Loan Bank of Dallas has committed an Affordable Housing Program Grant for the Project and is requiring that Seventh District be removed from the Partnership and replaced with another non-profit corporation before it will provide said grant funds. Attached is correspondence from the FHLB in which it requires that Seventh District be replaced. **Should the Partnership fail to remove Seventh District, the Partnership risks losing its AHP Grant which would jeopardize the viability of the Project.**

Louis Russell
January 14, 2009
Page 2 of 2

We request that the Agency provide its consent to replace Seventh District with CDI so that the FHLB will provide the AHP Grant to the Project.

Thank you for your attention to this matter.

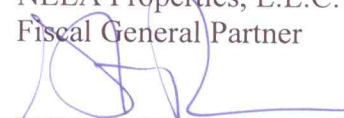
Sincerely,

St. Landry Homes Limited Partnership

By: NELA Properties, L.L.C.

Its: Fiscal General Partner

By:



Steve Perry, Manager

Enclosures

Community Directions, Inc.
A Community Housing Development Corporation
(A Louisiana IRS 501 (c)(3) Nonprofit Corporation)
Post Office Box 172
Opelousas, LA 70571-0172
(337) 948-1294 fax 942-2768

BOARD MEMBERS:
PHILLIP G. BOURGEOIS, PRESIDENT
LINDA JEFFERSON, SECRETARY/TREASURER
GERALD CHAMPAGNE, VICE PRESIDENT

DOYLE HILL
DOROTHY HOLLOWAY
JUDY SEELEY
HILDA EDWARDS

January 6, 2009

St. Landry Homes Limited Partnership
109 East Madison Ave.
Bastrop, Louisiana 71229

Louisiana Housing Finance Agency
2415 Quail Drive
Baton Rouge, Louisiana 70808

RE: St. Landry Place

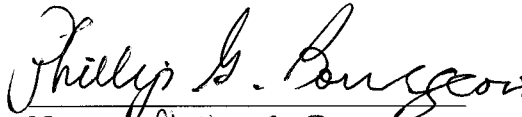
Dear Sir/Madame:

Community Directions, Inc. ("CDI"), is a Louisiana non-profit corporation and desires to be admitted as the managing general partner of St. Landry Homes Limited Partnership (the "Partnership"), which is the owner of an affordable housing development located in Opelousas, St. Landry Parish, Louisiana (the "Project"). It is our understanding that Seventh District Pavilion, Inc., the current managing general partner of the Partnership, has agreed to withdraw from the Partnership as the managing general partner.

The Project is financed by low-income housing tax credits, a HOME Loan from the LHFA, and an AHP grant from the Federal Home Loan Bank of Dallas. CDI agrees to comply with all requirements of the LHFA and FHLB and further agrees to enter into all agreements, amendments to Partnership agreements, and financing and regulatory documents and agreements necessary for CDI to be admitted to the Partnership and participate in the Project.

Sincerely,

Community Directions, Inc.

By: 
Name: Phillip G. Bourgeois
Title: President

MISSION STATEMENT: Our mission shall be to provide counseling referrals and housing outreach programs to serve the elderly, disabled, distressed families, and homeless that includes supportive housing services in non-medical residential facilities for alcohol and substance abusers who demonstrate a commitment to a program of sobriety and purpose. Serving Acadia, Evangeline, Iberia, Lafayette, St. Landry, St. Martin, St. Mary and Vermilion Parishes

Seventh District Pavilion, Inc.

225 N. Avenue C

Crowley, LA 70526

(337)788-3103 ~ (337)783-0278 (fax)

November 24, 2008

St. Landry Homes Limited Partnership
109 Madison Avenue
Bastrop, Louisiana 71229

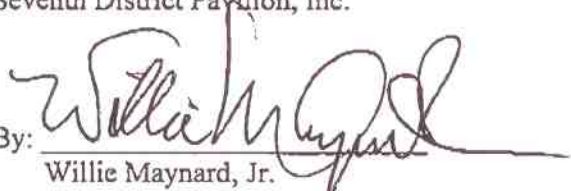
Louisiana Housing Finance Agency
2415 Quail Drive
Baton Rouge, Louisiana 70808

RE: ST. LANDRY PLACE

Dear Sir/Madame:

Seventh District Pavilion, Inc. ("Seventh District") is the managing general partner of St. Landry Homes Limited Partnership (the "Partnership"), which is the owner of an affordable housing development located in Opelousas, St. Landry Parish, Louisiana. Seventh District agrees to withdraw from the Partnership as the managing general partner. Seventh District also agrees to cooperate and sign all Partnership documents reasonably necessary, including an amendment of the current partnership agreement for Community Directions, Inc., a Louisiana non-profit corporation, to be admitted as the managing general partner of the Partnership.

Sincerely,
Seventh District Pavilion, Inc.

By: 
Willie Maynard, Jr.
Executive Director



Community Investment Department
 8500 Freepoint Parkway South
 Suite 100
 Irving, Texas
 75063-2547

P.O. Box 619026
 Dallas, Texas
 75261-9026

000.362.2944
 fax 214.411.8577
 www.fhfb.com

November 10, 2008

Willie Maynard, Jr., Executive Director/Counselor
 Seventh District Pavilion, Inc.
 225 N. Avenue C
 Crowley, LA 70526

Re: Federal Home Loan Bank of Dallas Affordable Housing Program;
 Status of Participation by Seventh District Pavilion, Inc.

Dear Mr. Maynard:

The purpose of this letter is to formally notify you that the Federal Home Loan Bank of Dallas (Bank) has suspended Seventh District Pavilion, Inc. (SDP) from participating in the Bank's Affordable Housing Program (AHP), including the Bank's competitive application program and any homeownership set-aside programs, until November 1, 2009. This suspension means that SDP may not be associated in any capacity with any project that receives funds from the Bank's AHP.

The Bank's reinstatement of SDP to the Bank's AHP shall depend in part on the results of the United States Department of Agriculture's (USDA) investigation into SDP's use of the USDA's funds. However, the decision to consider reinstatement into the programs shall be at the sole discretion of the Bank.

The status of SDP's previously approved AHP grants are as follows:

- AHP project # 2005B0904: The Bank has currently funded \$132,000 of the \$150,000 of AHP funds that were committed to this project. The remaining \$18,000 balance has been reallocated back to the AHP pool and is no longer available for funding to the project. The project will, however, continue to be subject to all of the Bank's AHP requirements, including the Bank's AHP monitoring requirements.
- AHP project # 2007A0926, Southern Place Apts.: \$228,000 grant: This project will not be funded under its current structure.
- AHP project # 2006B0924, St. Landry Place Apts.: \$150,000 grant: This project will not be funded under its current structure. The Bank will consider replacing SDP as the project sponsor with another project sponsor acceptable to the Bank at its sole discretion.

The Bank for Community Lenders

Additionally, with respect to Application # 2008B00206 where SDP is identified as a consultant for the project, the Bank has notified the project sponsor that it must find a replacement for SDP for that application to move forward in the current AHP competitive application round.

If by November 1, 2009, SDP has not satisfactorily resolved its situation with the USDA, the Bank shall re-evaluate its suspension of SDP and may elect to extend it further.

Sincerely,



Greg Hettrick
Director of Community Investment

Cc: Larry Emory, CRA Officer, Community Trust Bank
Randel Chapman, President & CEO, Evangeline Bank & Trust Co.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **MAY 23 2005**

COMMUNITY DIRECTIONS INC
130 W SOUTH ST
OPELOUSAS, LA 70570

Employer Identification Number:
72-1479351
DLN:
17053085918005
Contact Person:
RICHARD COMBS ID# 31024
Contact Telephone Number:
(877) 829-5500
Public Charity Status:
170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated APRIL 2001, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

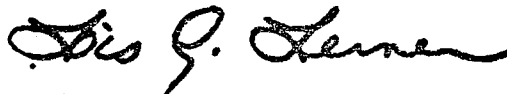
Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading between 8:30 a.m. - 5:30 p.m. Eastern time.

Please keep this letter in your permanent records.

Sincerely yours,



Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)

Amended and Restated
BY-LAWS

OF

COMMUNITY DIRECTIONS, INC.

(A LOUISIANA NONPROFIT CORPORATION)

BE IT KNOWN, on this 20th day of March in the year of our Lord two thousand eight (2008):

BEFORE ME, Mona Pipkins, a Notary Public, duly commissioned and qualified in and for the Parish of St. Landry, State of Louisiana, and therein residing, and in the presence of the witnesses hereinafter named and undersigned:

PERSONALLY CAME AND APPEARED:

Phillip Grady Bourgeois	Dorothy Holloway
Gerald Champagne	Linda Jefferson
Doyle Hill	Judy Seeley
Hilda Edwards	

all persons of the full age of majority, who declared that, availing themselves of the benefits and provisions of the Constitution of the State of Louisiana and the laws of said State relative to the organization of nonprofit corporations, and, particularly, the provisions of R.S. 12:201 et seq., as directors of the Board of Directors of Community Directions, Inc., do by these presents vote to amend and reinstate the Corporation's By-Laws as follows:

ARTICLE I.

PURPOSE

The purposes are to provide objective and independent leadership in helping to meet the physical, social and emotional needs of elderly and handicapped persons through the development of service facilities and programs appropriate to their usage; to work with public and private national, state and local agencies, organizations and institutions in extending such services to elderly and handicapped persons; and provide housing for individuals who do not possess the means to furnish adequate housing for themselves, including elderly persons, families, substance dependency persons or handicapped persons; to provide decent housing that is affordable to persons of low and moderate income, and

other needy and eligible individuals, whether by developing, constructing, rehabilitating, managing or otherwise making such housing available; and, where applicable, supportive services specially coordinated to meet their physical, social, economic, and psychological needs, and to promote their health, security, happiness, and usefulness in longer or improved living, and in any other way assisting with improving the welfare of fellow human beings, whether directly or by assisting other individuals or organizations.

The Corporation principally endeavors to fulfill its mission in the Acadiana area of Louisiana, including the following parishes: Acadia, Allen, Avoyelles, Evangeline, Iberia, Jefferson Davis, Lafayette, St. Landry, St. Martin, Vermilion.

ARTICLE II.

MEMBERS

Members of this corporation shall be elected by a majority vote of all the present members at a special meeting called specifically for that purpose, or at the annual meeting of the membership.

Special meetings of the membership may be called by the President or Vice President of the corporation, upon giving five (5) days written notice to the members, mailed to their last known address. All special meetings shall be held at the registered office of the corporation or at such other place as may be designated by the President or Vice President of the corporation. All notices of special meetings of the membership shall set forth the purposes of the meeting. A majority of the membership of the corporation shall elect, at the annual meeting of the members of the corporation, at least two (2) directors which shall be elected for a three (3) year term. Other members may be elected for staggered terms of 1, 2 or 3 years to maintain consistency of direction for the Board of Directors. The number of directors of the corporation shall be not less than seven (7), nor more than nine (9). The principal office of the corporation shall be at 130 West South Street, Opelousas, LA.

ARTICLE III.

BOARD OF DIRECTORS

The Board of Directors of the corporation shall consist of not less than seven (7) nor more than fifteen (15), to be elected in the manner prescribed hereinabove. Directors shall serve without compensation, and at all times (1) at least one-third of Board membership shall be residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations, and (2) no more than one-third of board members shall be public officials.

The term of office of all directors shall be for staggered terms up to three years, or until a successor has been selected in accordance with the procedure set forth herein. There shall be no limitation to the number of terms that a director may serve.

The Board of Directors shall manage the affairs of the corporation and shall have all the powers and duties necessary or appropriate for the administration of the affairs of this corporation.

An officer may resign his or her office, and a member of the Board of Directors may resign from the Board, by written notice to the President or Secretary. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the officer. Acceptance of such resignation shall not be necessary to make it effective.

Unless notice is waived in writing or by the resignation the officer or director affected, any member of the Board of Directors or officer may be removed for conduct prejudicial to the interests of the corporation by a majority vote of the members of the Board of Directors, provided that, (i) at least three members of the Board of Directors have filed with the Secretary of the corporation a written notice calling for such removal; and (ii) thirty days written notice of proposed removal has been given to all members of the Board of Directors.

Vacancies in the Board of Directors shall be filled in accordance with the procedures for the

designation or election of directors set forth in these Bylaws. Vacancies left by directors who serve on the Board of Directors ex officio by virtue of an office held on another corporation or entity shall be filled by their successors to said office in said corporation or entity and shall serve the balance of the term of the vacated director or until a successor has been seated.

The Board of Directors shall hold an annual meeting at such time and place as determined by the President. The meeting shall be held on the second Thursday of December of each year unless otherwise specified by the President.

Special meetings of the Board of Directors may be called by the President or shall be called by the Secretary upon receipt of a written request of at least three (3) directors.

Written or oral notice shall be given for special and regular meetings of the Board of Directors and such notice shall be given to each director at least five (5) days prior to the day of the meeting. A longer period of minimum notice may be required as otherwise provided in these Bylaws. Notice of meetings shall specify the time and place and in the case of special meetings, the purpose. The requirement of furnishing notice may be waived by any director who signs a Waiver of Notice before or after the meeting or who attends the meeting without protesting the lack of notice to him.

Every director may authorize another director to act for him by proxy in all matters, including waiving notice of any meeting, voting or participating in a meeting, or expressing consent or dissent without a meeting. Every proxy shall be signed by the director or his attorney in fact and shall be revocable at the pleasure of the director executing it, except as otherwise provided by law. Except as otherwise provided by law, no proxy shall be voted after the expiration of eleven (11) months from its date.

A majority of the Directors, represented in person or by proxy, shall constitute a quorum for any meeting of the Board. Except to the extent provided by law and these Bylaws, the act of the Board of Directors shall be by a majority of the directors represented in person or by proxy at the time of the vote, a

quorum being present at such time, except as otherwise provided herein and in the charter.

Directors present at meeting may not continue to engage in business when the number of directors present, in person or by proxy, has dropped below the number necessary for a quorum, regardless of the fact that a quorum was present at the start of such meeting.

ARTICLE IV.

OFFICERS & EMPLOYEES

The officers of the corporation shall consist of the President, Vice President, Secretary and Treasurer, elected by the Board of Directors of the corporation for a term of one year. The President and Vice President must be directors of the corporation. The Secretary and Treasurer may be the same person and need not be a director of the corporation.

Each officer shall hold office until the annual meeting of the Board of Directors and until his successor has been duly elected and qualified. The Board of Directors may remove any officer at any time.

The President shall be the chief executive officer of the corporation, shall have the responsibility for general management of the affairs of the corporation, shall preside at meetings of the Board of Directors, and shall carry out the resolutions of the Board of Directors, and shall have all other powers as conferred upon him by the charter.

The Vice President shall provide such assistance to the President as may be appropriate when called upon by the President, and he shall exercise the ministerial powers of the President during the absence or disability of the President, but he shall not exercise the special powers conferred upon the President by the charter of the corporation.

The Treasurer shall have the care and custody of all of the funds and securities of the corporation and shall deposit said funds in the name of the corporation in such bank accounts as the Board of Directors may from time to time determine. The Treasurer shall when duly authorized by the Board of

Directors, sign checks, drafts, notes and orders for the payment of money, which shall have been duly authorized by the Board of Directors and countersigned by the President. Others may be authorized by the Board of Directors to sign checks, drafts and money orders.

The Secretary shall keep the Minutes of the Meetings of the Board of Directors. He shall have custody of the seal of the corporation and shall affix and attest the same to documents duly authorized by the Board of Directors. He shall serve all notices for the corporation which shall have been authorized by the Board of Directors, and shall have charge of all books and records of the corporation.

ARTICLE V.

CORPORATE SEAL

The corporate seal shall be in such form as the Board of Directors shall from time to time prescribe.

ARTICLE VI.

FISCAL MANAGEMENT

The fiscal year of the corporation shall commence on January 1st of each year and end on December 31st.

Fiscal books and accounts of the corporation shall be kept by the Treasurer or a designated staff person. The corporation shall keep at the registered office of the corporation complete and correct records and books of account and shall keep minutes of the proceedings of the Board of Directors, or any committee appointed by the Board of Directors, as well as a list or record containing the names and address of all members.

At the close of each fiscal year, the books and records of the corporation shall be audited or recorded and accounted in full by a person or persons designated for the purpose by the Board of Directors. The Treasurer shall, with the assistance of staff, prepare annually a full and correct statement of the fiscal affairs of the corporation, including a balance sheet and financial statement of operations for the

preceding fiscal year, which shall be submitted at the annual meeting of the members of the corporation and filed with the Secretary.

The Board of Directors may require all officers and employees of the corporation having custody or control of corporate funds to furnish adequate fidelity bonds. The premium on such bonds shall be paid by the corporation. The corporation may insure the corporation and its board of directors from personal liability as may be related to the affairs of this corporation. The premiums shall be paid by the corporation.

Dual Check Signing. No officer, contractor or other representative shall be authorized to sign checks in an amount exceeding \$100.00 without a duly authorized dual signature.

Invoices and Financial Correspondence. For security purposes, all Invoices and Financial Correspondence shall be mailed to a single post office box, to which only the Treasurer or his/her designee will have access, with the exception of due regard being taken in advance by the Audit and Oversight Committee and Board of Directors for alternate access in limited circumstances (e.g., vacation, infirmity, or death).

ARTICLE VII

AMENDMENTS

The Charter shall be amended in the manner that is provided in same, except that as long as a mortgage or the Use Agreement on the corporation's property is held by the Secretary of Housing and Urban Development or the Use Agreement remains in effect, the Articles may not be amended without written approval of the said Secretary.

ARTICLE VIII.

BYLAWS

These Bylaws become effective upon adoption by a majority vote of the Board of Directors.

These Bylaws may be amended at any regular or special meeting of the Board of Directors,

provided that written notice of the proposed amendment shall be given to the members of the Board of Directors at least fifteen (15) days prior to such meeting, so long as they are not inconsistent with the provisions of the Articles of Incorporation of the corporation or of the Regulatory Agreement between the corporation and the Secretary of Housing and Urban Development or any other mortgagee.

ARTICLE IX.

COMMITTEES

Audit and Oversight Committee. The Corporation hereby establishes an Audit and Oversight Committee, consisting of three members not to include the Treasurer, said Committee members to have authority to retain the services of a Certified Public Accountant to assist in the objective discharge of its obligations. With the assistance of a Certified Public Accountant or such other professional assistance that is required, the Audit and Oversight Committee shall devise and recommend to the Board of Directors for adoption such Internal Controls as might be required, including but not limited to budget control, cash management, accounting controls, procurement compliance, property controls recommended or required by law. Where applicable, such compliance shall include compliance with the provisions of 42 USC 11375, 24 CFR 84.21, 85.20, 85.26, 85.32, 583.330, and OMB Circular A-133, as well as the references contained therein.

Other Committees. The Board of Directors or the President, with the approval of the Board of Directors, may appoint such other committees of its members as are deemed desirable, including an executive committee to whom may be delegated from time to time and until further order of the Board of Directors any of the powers of said Board in connection with the management of the affairs of the Corporation. Such committees may be temporary or continuing, shall act under the supervision of the Board of Directors, and shall act with respect to such special or general problems as the Board of Directors may from time to time determine. Members of such committees may be removed at any time with or without cause, and all or any of such committee or committees may be terminated at any time by

the Board of Directors.

ARTICLE X

CORPORATE INDEPENDENCE

The Corporation is not sponsored or controlled by, nor controlled by, a religious organization or for-profit entity, nor under the direction of individuals seeking profit or gain from the organization. Furthermore, the Corporation is free to contract for goods and services from vendors of its own choosing.

ARTICLE XI

LOW-INCOME INPUT

The Corporation will not only benefit from the insight of its Board members, the majority of whom have vital firsthand insight, but will establish a written formal process for low-income beneficiaries to advise the organization in all of its key decisions regarding the design, location, development, and management of all HOME-assisted or other government-funded affordable housing projects. Such a written process will exist both with respect to single family housing programs, congregate or other housing programs undertaken by the Corporation utilizing governmental or other funding sources recommending or requiring additional, specific Low-Income Input.


In the case of single family housing programs, the Corporation's staff or agents will work closely with affected communities, especially in blighted sections of such communities as the Cities of Ville Platte, Evangeline Parish, Opelousas and Eunice, St. Landry Parish, and in Lafayette Parish, including but not limited to local citizens and pastors, to locate individuals who have long resided in the area and to inquire, one-on-one, into whether individuals residing in patently substandard housing might be interested in leasing the property they occupy (or a better one, if it cannot be rehabilitated) with options to purchase them, with the goal of assisting residents, one at a time, to become a (usually first-time) homeowner, particularly when their monthly mortgage payment plus (vastly reduced) utility bills would be less than or

approximately equal to their current rent payment and (astronomical, due to lack of insulation) utility bills. A few individuals will not have blemishes on their credit, and for these the Corporation will offer to assist with all facets of buying and rehabilitating the property in question. Most, however, will have blemished credit records, and the Corporation will work with these individuals to enroll them in a financial literacy class offered by a local nonprofit credit union or other provider that already offers such education, but will provide such a course if necessary to fulfill the Corporation's mission. Even as the Corporation works with individual consumers to improve their credit standing to the point that they can obtain financing to purchase their home (often the home they grew up in and/or were renting at the time), the Corporation aspires to obtain rights to purchase and renovate the home, and sign a lease that will permit the targeted consumer to lease the home with an option to purchase it (and/or Right of First Refusal, if required) within such period of time as might be required by the funding agency (e.g., if HOME funds for acquisition and rehabilitation of properties require a three year option).

In the case of multi-family housing or new affordable single family housing or various forms of special need housing, including congregate housing, opportunities abound in the region, including the possibility to work with ex-offenders, first-time offenders, parolees, discharged prisoners, mentally, physically, or developmentally disabled populations. In such cases, input will be solicited from prospective clients, their parents, guardians, case managers, and others who might provide timely input depending on the specific development or endeavor undertaken by this Corporation.

C E R T I F I C A T E

I certify that the foregoing Bylaws were unanimously adopted by the Board of Directors at a special meeting held by them on the 24 day of March, 2005.



Secretary

AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
COMMUNITY DIRECTIONS, INC.

UNITED STATES OF AMERICA
STATE OF LOUISIANA
ST. LANDRY PARISH

BE IT KNOWN, on this 20th day of March in the year of our Lord two thousand eight (2008):

BEFORE ME, Mona Pipkins, a Notary Public, duly commissioned and qualified in and for the Parish of St. Landry, State of Louisiana, and therein residing, and in the presence of the witnesses hereinafter named and undersigned:

PERSONALLY CAME AND APPEARED:

Phillip Grady Bourgeois
Gerald Champagne
Doyle Hill

Dorothy Holloway
Linda Jefferson
Judy Seeley

all persons of the full age of majority, who declared that, availing themselves of the benefits and provisions of the Constitution of the State of Louisiana and the laws of said State relative to the organization of nonprofit corporations, and, particularly, the provisions of R.S. 12:201 et seq., do by these presents vote to re-form and re-organize themselves, as well as all other persons who may hereafter join, organize, or become associated with them or their successors, as a nonprofit corporation for the objects and purposes and under the covenants, stipulations, and agreements following, noting that these Amended and Restated articles, filed in accordance with La. R.S. 12:241: (1) contain the entire text of the original articles of this corporation filed with the Louisiana Secretary of State July 5, 2000, as amended with all amendments thereto, and accurately copies the articles and all amendments thereto in effect at the date of the restatement, without substantive change except as made by any new amendments contained in the restatement; (2) are effected in conformity with law; (3) pertain to the nonprofit corporation of the same name whose articles were filed with the Louisiana Secretary of State on or about July 5, 2000, whose articles are amended and restated on the date noted in this instrument at same, said Amended and Restated articles to provide as follows, to-wit:

“ARTICLE I

- a. The name of the Corporation is Community Directions, Inc., referred to as “the Corporation”.
- b. The existence of the Corporation will be perpetual, unless sooner dissolved in accordance with law, during which time it generally shall possess all the powers, rights, privileges, capacities, and immunities which nonprofit corporations are authorized and may hereinafter be authorized to possess under the constitution and laws of this State and particularly, under Title 12, Section 201, et seq., of the Louisiana Revised Statutes.

- c. The principal office of the Corporation will be located at 2115 N. University Ave., Lafayette, Lafayette, LA 70507
- d. The resident agent of the Corporation is: Phillip G. Bourgeois, whose address is: 2115 North University Avenue, Lafayette, LA 70507

ARTICLE II

The purposes for which the Corporation is formed, and the business and objects to be carried on and promoted by it, are as follows:

(a) This Corporation is organized exclusively for charitable and/or educational purposes, including, for such purposes, the making of distributions to organizations which qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding section of any future United States internal revenue law, or to the Secretary of Housing and Urban Development for the time being exclusively for a public purpose. In pursuance of the foregoing purposes, the Corporation shall have the power to provide elderly persons, families, substance dependency persons or handicapped persons, persons of low and moderate income, and other needy and eligible individuals, with housing facilities whether by developing, constructing, rehabilitating, managing or otherwise making such housing available, and, where applicable, supportive services specially coordinated to meet their physical, social, economic, and psychological needs, and to promote their health, security, happiness, and usefulness in longer or improved living, and in any other way assisting with improving the welfare of fellow human beings, whether directly or by assisting other individuals or organizations, the charges for such facilities and services to be predicated upon the provision, maintenance, and operation thereof on a nonprofit basis and no activity of which is contemplated to violate the rules established for organizations which qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or any other governmental or other funder.

(b) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services actually rendered and to make payments and distributions in furtherance of its exempt purposes. No substantial part of the activities of the Corporation shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (1) by a corporation exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding section of any future United States internal revenue law, or (2) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended or the corresponding section of any future United States internal revenue law.

(c) This corporation is authorized to conduct any other lawful activity permitted by the

laws of the State of Louisiana for which nonprofits are organized. These purposes shall include the development, sale, contracting, and operation of housing to benefit primarily very low income, low income, and moderate income persons in need of affordable and special housing opportunity, to sponsor or cosponsor affordable housing for median and lower income individuals and families using any available sources of financial assistance to complete the development, provide operation of housing and supportive housing and to provide any other assistance required to serve low income and other at-risk populations, whether directly or by collaborating with or assisting other individuals and organizations.

(d) The Corporation is not sponsored or controlled by, nor controlled by, a religious organization or for-profit entity, nor under the direction of individuals seeking profit or gain from the organization. Furthermore, the Corporation is free to contract for goods and services from vendors of its own choosing.

ARTICLE III

The Corporation is empowered:

(a) To provide decent housing that is affordable to low- and moderate-income, and to other housing at-risk populations; to buy, own, sell, assign, mortgage, or lease any interest in real estate and personal property and to develop, construct, manage, maintain, and operate improvements thereon necessary or incident to the accomplishment of the purposes set forth in Article II hereof, and to provide such housing or other support or other services as required for the Corporation to fulfill its mission, including but not limited to the following parishes of the Acadiana area (Louisiana): Acadia, Allen, Avoyelles, Evangeline, Iberia, Jefferson Davis, Lafayette, St. Landry, St. Martin, Vermilion.

(b) To borrow money and issue evidence of indebtedness in furtherance of any or all of the objects of its business, and to secure the same by mortgaged, pledge, other lien on the Corporation's property, provide other collateral, pledge against cash, or any uncommitted reserve accounts.

(c) To do and perform all acts reasonably necessary to accomplish the purposes of the Corporation, including the execution of a Regulatory Agreement with the Secretary of Housing and Urban Development and any other governmental or private party, and of such other instruments and undertakings as may be necessary to enable the Corporation to secure the benefits of capital advances or project rental assistance under Section 202 and/or Section 811 or any other international, Federal, state or local agency, including the Louisiana Housing Finance Agency, the United States Department of Agriculture. Such Regulatory Agreement and other instruments and undertaking shall remain binding upon the Corporation, its successors and assigns, so long as a mortgage on the Corporation's property is held by the Secretary of Housing and Urban Development, any other federal, state, local agency or financial institution.

(d) Upon the dissolution of the Corporation, all of the remaining assets of the Corporation

shall be distributed only to one or more organizations created and operated for one or more exempt purposes within the meaning of Article II(a) hereof, other than for religious purposes, all of the foregoing within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding section of any future United States internal revenue law, or shall be distributed to the Secretary of Housing and Urban Development exclusively for public purposes. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the parish in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE IV

The number of directors of the Corporation shall be at least seven (7) but no more than nine (9). The current directors are:

Phillip G. Bourgeois
2115 N University Avenue
Lafayette, LA 70507

Linda Jefferson
4042 Hwy. 104
Opelousas, LA 70570

Doyle Hill
934 Rose Avenue
Opelousas, LA 70570

Gerald Champagne
1004 W. Cherry St.
Opelousas, LA 70570

Dorothy Holloway
906 Eddins Avenue
Opelousas, LA 70570

Judy Seeley
925 S. Market
Opelousas, LA 70570

Hilda Edwards
1610 Martin Luther King, Jr. Drive
Ville Platte, LA 70586

The term of the directors shall be three year staggered terms as indicated in the By-Laws, and at all times (1) at least one-third of its membership shall be residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations, and (2) no more than one-third of board members shall be public officials.

The directors shall serve without compensation.

After restatement of these articles of incorporation, the directors of the Corporation shall, at all times, be limited to individuals who are nominated by churches that are members of the Louisiana Baptist Convention, other church denominations or other 501(c)(3) organizations as may be designated by the Board of Directors or nonmembers who have the approval of the Board of Directors of the said sponsoring organizations. If the aforesaid nomination, employment or approval is withdrawn then in that event such shall constitute automatic resignation as a member and director

of the Corporation. However, nothing contained in this provision shall be construed or interpreted to mean that the Corporation shall be other than a fully secular nonprofit organization that is neither sponsored or controlled by any religious organization, nor that any housing or other enterprises in which the Corporation is involved shall be other than fully secular within the contemplation of Federal or other funding standards.

The officers of the Corporation, as provided by the bylaws of the Corporation, shall be elected by the directors of the Corporation, in the manner therein set out, and shall serve until their successors are elected and have qualified. The directors shall elect the regular officers of the Corporation at the annual meeting, for terms of one year. The secretary and treasurer may be one and the same person. At the approval of the Board of Directors, the corporation may have a volunteer advisory board not to exceed 25 persons. Such advisory board shall not vote. The advisory board may be composed of up to one third elected officials, one third or more of minority or low income representatives and up to one third of elderly, special need disabled populations or family members of such representatives. In addition, the Board of Directors shall be authorized to add members to the Advisory Board to offer input on specific projects involving specific neighborhoods or communities.

The annual meeting shall be held on the 2nd Thursday of December of each year or such other time as designated by the President. Board members may be represented by a designated proxy at any meeting for the Board of Directors.

ARTICLE V

Bylaws of the Corporation may be amended by the directors at any regular meeting or any special meeting called for that purpose, so long as they are not inconsistent with the provisions of these Articles or of any Regulatory Agreement between the Corporation and the Secretary of Housing and Urban Development or any other international, federal, state or local agency or any other organization pursuant to Article II hereof. A minimum of 5 days due notice shall be provided, which details the proposed bylaw changes.

ARTICLE VI

So long as any mortgage on the Corporation's property is held by the Secretary of Housing and Urban Development or other agency or official, or the Use Agreement remains in effect, these Articles may not be amended without the prior written approval of the said Secretary or other agency or official.

The name and address of the incorporators of these Amended and Restated Articles of Incorporation are:

Phillip G. Bourgeois
2115 N University Avenue
Lafayette, LA 70507

Linda Jefferson
4042 Hwy. 104
Opelousas, LA 70570

Doyle Hill
934 Rose Avenue
Opelousas, LA 70570

Gerald Champagne
1004 W. Cherry St.
Opelousas, LA 70570

Dorothy Holloway
906 Eddins Avenue
Opelousas, LA 70570

Rev. Roy Baker
323 W. Dunbar St
Opelousas, LA 70570

Judy Seeley
925 S. Market
Opelousas, LA 70570

Adoption of the said Amended and Restated Articles of Incorporation of Community Directions, Inc. was:

MOVED BY Doyle Hill, SECONDED BY Judy Seeley, AND PASSED BY THE FOLLOWING ROLL CALL VOTE:

Yeas:

6 (Rev. Baker Absent)

Nays:

0

THUS DONE AND PASSED, in triplicate originals in Opelousas, Louisiana on the day, month and year first hereinabove written, in the presence of the undersigned competent witnesses, who hereunto sign their names with the said appearer and me, Notary, after reading of the whole.

WITNESSES:

Maurice Harmon
Maurice Harmon
Alvin Jefferson
Alvin Jefferson


Gerald Champagne
Phillip S. Songcois, President
Doyle R. Hill
Dorothy Holloway
Judith Seeley
Linda S. Jefferson



Notary Public
CHARLES TATE
LSBA BAR # 18745
My Commission is to be

UNITED STATES OF AMERICA

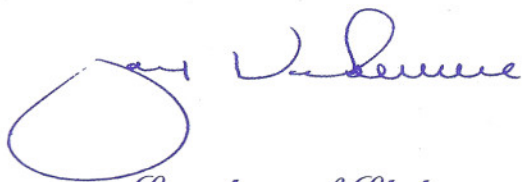
State of Louisiana



Jay Dardenne
SECRETARY OF STATE

*As Secretary of State, of the State of Louisiana, I do hereby Certify that
the annexed transcript was prepared by and in this office from the record on
file, of which purports to be a copy, and that it is full, true and correct.*

*In testimony whereof, I have hereunto set
my hand and caused the Seal of my Office
to be affixed at the City of Baton Rouge on,*
MAR 24 2008


Secretary of State



DECISION BRIEF:

Findings from Site Visit to Bayou Place I & II, New Iberia, Louisiana

<u>Issue</u>	
<p>Bayou Place I and II is a 50 unit multi-family scattered site project located in New Iberia, Louisiana that was awarded a total of \$752,015 (\$316,330 Bayou I and \$435,685 Bayou II) tax credits in the 2006 second funding round of the 2006 Amended QAP funding round. The developer indicated within the Bayou Place II application that the following would be applied: a) At least a 75% brick/stucco exterior. The architect that certified this information was Art Schuldt.</p> <p>On or around July of 2008, the agency received a request for inspection from the non-profit entity, Housing Authority of New Iberia, concerning the construction of both projects. Agency staff members made an onsite inspection on July 22nd and noted several violations of both OSHA laws and ADA-ABA accessibility guidelines within the project. In addition to these violations, it was also noted the following major changes: a) Roofing materials was changed to 20 year warranty; b) Four bedroom units are one-story building instead of two-story; c) Elimination of carports from all units; and d) Exterior for all units are hardy board (no brick exterior as per Bayou Place II).</p> <p>Staff considered all of the information provided by the field report. The only issues related to the tax credit allocation are the brick/stucco issue and the ADA accessibility.</p> <p>Upon speaking with the developer, Mr. Broussard, he was not aware of the changes made to the construction of the project and suggested Mr. Schuldt made those changes based on the escalation of building material between the time of the closing and start of construction, which amounted to around a million dollars.</p> <p>Upon the Agency making the site visits and subsequent meetings with the developer and architect, the request is now being made to allow the 75% brick/stucco requirement for Bayou Place II to be distributed evenly throughout both developments. Because the two development are adjacent to one another, the developer would like to alternate the brick design to every other building including both projects.</p>	<p><u>Pros:</u></p> <ul style="list-style-type: none">• The agency would demonstrate its position that developers must take seriously choices that they select at time of the application process and adhere to them.• Discourage developers from making changes without alerting the agency. <p><u>Cons:</u></p> <ul style="list-style-type: none">• None. <p><u>Recommendation:</u></p> <p>Staffs recommends a warning to developer in changes made to projects without approval from the agency and the project's 8609's should be withheld until these issues are resolved to the agency's satisfaction. Construction staff will continue to monitor these projects.</p>

LOUISIANA HOUSING FINANCE AGENCY

RESOLUTION

A resolution approving design feature requests made by the developers of **Bayou Place I & II projects**: and providing for other matters in connection therewith;

WHEREAS, the staff of LHFA has received a request in connection with the projects listed above;

WHEREAS, the developer requests that the – **Bayou Place I & II projects** – be allowed to fulfill the 75% brick/stucco requirement for Bayou Place II be distributed evenly throughout both developments; and

WHEREAS, this requirement was a selection criteria item selected by the developer for the **Bayou Place II** application; and

WHEREAS, the two development are adjacent to one another; and

WHEREAS, the developer would like to alternate the brick design to every other building inclusive of both projects; and

WHEREAS, staff has reviewed the request and based upon the information provided, is recommending approval of the request for the design change;

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 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 approved 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 10th day of February 2009.

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 10, 2009, providing approval of the recommendation submitted by staff in connection with the **Bayou Place I & II projects**; 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 10th day of February 2009.

Secretary

(SEAL)

DECISION BRIEF:

Request for Policy Clarification regarding Elderly Projects

Issue

Based on requests from developers, staff is requesting the publication of a policy statement to permit all Qualified Allocation Plans to permit occupancy of units by persons fifty-five or older in accordance with the requirements of the Fair Housing Act.

Tax credits have been reserved to multiple “Elderly Projects” which seek clarification as to whether or not residents fifty-five and older but younger than sixty-two years old are eligible to reside in the developments.

The definition of “Elderly Project” was clarified in the 2007 QAP in accordance with the Fair Housing Act which permits an Elderly Project to be occupied by persons fifty-five years of age provided that (i) at least eighty percent (80%) of the units are occupied by households with at least one person within the household at least fifty-five years of age or older, (ii) the owner publishes and adheres to policies and procedures that demonstrate an intent to provide housing for persons fifty-five and older, and (iii) the owner verifies occupancy requirements for persons in units for households with at least one person within the household at least fifty-five years of age or older.

Pros:

- LHFA will continue its mission of providing safe, decent and affordable housing for low to moderate-income families by utilizing its resources.
- The flexibility in the age restriction will allow the projects to reach increased occupancy and remain viable.
- No resident would be disadvantaged.

Cons:

None

Recommendation:

Staff recommends the publication of a policy statement to permit all Qualified Allocation Plans to permit occupancy of units by persons fifty-five or older in accordance with the requirements of the Fair Housing Act.

LOUISIANA HOUSING FINANCE AGENCY

The following resolution was offered by _____ and approved by _____:

RESOLUTION

A resolution to clarify the definition of Elderly Projects developed with funds from Qualified Allocation Plans issued by Agency pre-dating the 2007/2008 Qualified Allocation Plan; authorizing the Agency staff and counsel to prepare or revise the forms of such documents and agreements as may be necessary; 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 have been reserved to multiple "Elderly Projects" which seek clarification as to whether or not residents fifty-five and older but younger than sixty-two years old are eligible to reside in the developments; and

WHEREAS, the definition of "Elderly Project" was clarified in the 2007 QAP in accordance with the Fair Housing Act which permits an Elderly Project to be occupied by persons fifty-five years of age provided that (i) at least eighty percent (80%) of the units are occupied by households with at least one person within the household at least fifty-five years of age or older, (ii) the owner publishes and adheres to policies and procedures that demonstrate an intent to provide housing for persons fifty-five and older, and (iii) the owner verifies occupancy requirements for persons in units for households with at least one person within the household at least fifty-five years of age or older; and

WHEREAS, staff recommends the publication of a policy statement to permit all Qualified Allocation Plans to permit occupancy of units by persons fifty-five or older in accordance with the requirements of the Fair Housing Act as described in the immediately preceding;

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. The Agency is authorized to publish a policy statement to clarify that all permit an Elderly Project to be occupied by persons fifty-five years of age provided that (i) at

least eighty percent (80%) of the units are occupied by households with at least one person within the household at least fifty-five years of age or older, (ii) the owner publishes and adheres to policies and procedures that demonstrate an intent to provide housing for persons fifty-five and older, and (iii) the owner verifies occupancy requirements for persons in units for households with at least one person within the household at least fifty-five years of age or older.

SECTION 2. The Agency staff and counsel are authorized and directed to prepare and publish the policy statement consistent with the provisions of the Fair Housing Act and this resolution and to create or revise any other 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.

SECTION 3. The Chairman, Vice Chairman, President, Vice President and/or Secretary of the Agency be and they are hereby authorized, empowered and directed to execute any forms and/or documents required to be executed on behalf of and in the name of the Agency, the terms of which are to be consistent with the provisions of this resolution as approved by the Agency's General Counsel and/or LIHTC Program Counsel, Foley & Judell, L.L.P.

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 11th day of February 2009.

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing three (3) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on February, 11 2009, providing "A resolution to clarify the definition of Elderly Projects developed with funds from Qualified Allocation Plans issued by Agency pre-dating the 2007/2008 Qualified Allocation Plan; authorizing the Agency staff and counsel to prepare or revise the forms of such documents and agreements as may be necessary; 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 11th day of February, 2009.

Secretary

(SEAL)

The following resolution was offered by _____ and seconded by _____:

RESOLUTION

A resolution approving an Amendment to all Qualified Allocation Plans relating to the re-allocation of returned credits during construction; and providing for other matters in connection therewith.

WHEREAS, the Board of Commissioners of the Louisiana Housing Finance Agency (the “Agency”) approved the publication of a Notice of Public Hearing relating to an Amendment to all Qualified Allocation Plans of the Agency including therein the following language as follows:

Re-Allocation of Returned Credits During Construction Period Following 25% Completion: Tax Credits which are returned by a Taxpayer with respect to a project in which at least 25% construction progress towards completion has been evidenced to the satisfaction of the Agency shall be reserved automatically to such Taxpayer for such Project in construction in an amount equal to the returned credits subject to satisfaction of the following conditions:

(i) *Receipt from the Taxpayer of a complete revised Project Application;*

(ii) *Receipt from the Taxpayer of a hold harmless and indemnification agreement acceptable to the Agency’s general counsel; and*

(iii) *an opinion of tax counsel to the Taxpayer that the re-allocation of the Taxpayer’s returned credits is permissible under the then existing federal income tax code and federal income tax regulations.*

Upon satisfaction of the foregoing conditions, the Agency and Officers will be authorized and directed to enter into a binding agreement to allocate the Taxpayer’s returned credits to such Taxpayer.

and

WHEREAS, said Notice of Public Hearing was published in the following newspapers on either January 8th or January 9th of 2009: (i) *The Advocate*, Baton Rouge, Louisiana; (ii) *Alexandria Daily Town Talk*, Alexandria, Louisiana; (iii) *Daily Advertiser*,

Lafayette, Louisiana; (iv) *The Times-Picayune*, New Orleans, Louisiana; *Shreveport Times*, Shreveport, Louisiana; (v) *Lake Charles American Press*, Lake Charles, Louisiana; (vi) *The News Star*, Monroe, Louisiana; and (vii) *The Houma Daily Courier*, Houma, Louisiana; and the public hearing was held on January 29, 2009; and

WHEREAS, the proposed amendment is required to be approved by the Agency and the Agency hereby desires to approve said amendment;

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 Agency's staff and Tax Credit Counsel are hereby authorized and directed to revise all Qualified Allocation Plans to add the following language:

“Re-Allocation of Returned Credits During Construction Period Following 25% Completion: Tax Credits which are returned by a Taxpayer with respect to a project in which at least 25% construction progress towards completion has been evidenced to the satisfaction of the Agency shall be reserved automatically to such Taxpayer for such Project in construction in an amount equal to the returned credits subject to satisfaction of the following conditions:

(i) *Receipt from the Taxpayer of a complete revised Project Application;*

(ii) *Receipt from the Taxpayer of a hold harmless and indemnification agreement acceptable to the Agency's general counsel; and*

(iii) *an opinion of tax counsel to the Taxpayer that the re-allocation of the Taxpayer's returned credits is permissible under the then existing federal income tax code and federal income tax regulations.*

Upon satisfaction of the foregoing conditions, the Agency and Officers will be authorized and directed to enter into a binding agreement to allocate the Taxpayer's returned credits to such Taxpayer.”

SECTION 2. The Chairman, Vice-Chairman, President, Vice-President and/or Secretary are hereby authorized to make such revision as may be necessary to accomplish the objectives of this resolution.

SECTION. 3. This resolution shall become effective upon its adoption.

The 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 11th day of February, 2009.

Secretary

Chairman

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing three (3) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on February 11, 2009, entitled: "A resolution approving an Amendment to all Qualified Allocation Plans relating to the re-allocation of returned credits during construction; 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 11th day of February, 2009.

Secretary

(SEAL)



Memorandum

Date: January 29, 2009
To: LHFA Board of Commissioners
From: Low Income Housing Tax Credit Department
Subject: 2009 Draft QAP

During the December 10, 2008 board meeting, staff was tasked to work with the development community to draft the upcoming 2009 QAP. Since then, a working group was formed and immediately started discussing issues involving the current QAP and solutions to rectify the problems.

The first conference call was held January 12, 2009 to discuss and establish goals of the working group. Everyone was asked to submit possible changes (at least 5) to the Agency by January 16th. Once all submissions were received, a summary of responses was drafted and distributed to the group. On January 22, 2009, the group had its second meeting to discuss the submissions and how to move forward with each.

The group plans to have another meeting to begin finalizing the suggestions submitted in order to draft the 2009 QAP; which should be completed by the March board meeting.

2009 QAP Working Group Meeting
Summary of responses received and follow up required
January 22, 2009

Objective: To discuss responses received from members of the working group and assign any follow up action required.

Members Present

Louis Russell (LHFA)
Urshala Hamilton (LHFA)
Nicole Carter (LHFA)
Kelly Longwell (Coats Rose, LAAHP)
Kerry Banks (Rural Rental Housing Association of Louisiana/Developer)
Todd Little (Little & Associates, LAAHP)
Wayne Neveu (Foley & Judell)
Yvonne Emerson (Rural Development)
Aron Weisner (Enterprise)
James Freeman (LAAHP/Developer)
Tom Crumley (Developer)
Murray Calhoun (Rural Rental Housing Association of Louisiana/Developer)
Brenda Evans (LHFA)

Members Absent

Mark Turrentine (represented by James Freeman)
James Perry, Louisiana Housing Alliance
Martha Kegal, Unity of Greater Baton Rouge
Ashley Heard, LANO
Richard Murray, Louisiana Housing Council

Board Members Present

Mark Maddera, Multi-Family Chairman

Initial Comments on Set asides/Pool set up

- Update the QAP to ensure the pool types still apply to housing needs of Louisiana and the requirements to meet the pool requirements are reasonable.
- Congressional districts-Previously the Agency has divided the credits evenly among the congressional districts in the state. LHFA should instead put a greater percentage to the districts with the most need and less for the area that doesn't.

- Contingency Pool-The Agency should establish a “contingency pool” to make certain previous funded projects can be completed if extra financial help is needed.

Follow up

Everyone agrees LHFA should have Rural Development (RD), Permanent Supportive Housing (PSH), and the required Non-Profit set aside pools included in the upcoming QAP. The contingency pool is not a priority; the purpose of this pool would have to be researched further. Instead of the funds of the contingency pool coming from the 2009 credit ceiling, it was suggested funding for the contingency pool would be generated by returned credits received by the Agency. Kelly Longwell will draft language to use if this type of contingency funding is approved.

Initial Comments on Rural Development Projects

- Set Aside Pool-Establish a Statewide Rural Development pool specifically for the revitalization and rehabilitation of properties financed through USDA Rural Development
- Waivers-Waive any requirements for amenities such as dishwasher, washers, dryers, etc... for existing RD properties. Many of these projects do not have the space needed to accommodate such amenities.
- Market Study- Eliminating the need for the market study requirement for RD projects with at least 80% occupancy. The appraisal for the project would be used in lieu of market study.

Follow up:

Everyone concurs with the direction Rural Development would take within the QAP. However, the market study requirement is a Section 42 regulation that cannot be changed. Staff will review regulations to requiring market study requirements.

Initial Comments on Project Schedules

- Generic project schedules- Currently project schedules submitted by developers at the time of application are very unrealistic when it comes to the actual dates inputted on the worksheet. One solution is having a generic project schedule, based upon the date of the reservation letter, be submitted by the developer (closing within 6 months, construction commencement within 8 months of the reservation letter, etc.) or the LHFA determine the required timeframes.
- Having a progress report requirement (Mississippi) - this requires developers to give an update as to the progress of their development. A timeline needs to be set to meet certain thresholds and dates set for developers to submit progress reports

(i.e. 6 months from reservation date; 1 year from reservation date; 18 months from reservation, etc.)

Follow up:

The group will research other ways to satisfy the Agency's requirement for the project schedule as it is and the developers concern for realistic deadlines to uphold. This could be accomplished by a special format that would be developed by the group.

Initial Comments on Selection Criteria

- Too many items-This section of the application has grown into a “catch all” for extra points for the funding rounds. It should go back to having only relevant options that a project can choose from (i.e. points for modular housing, green space, etc). The Agency should consider either removing some of the selection criteria items that are irrelevant, add as a threshold item, or reducing the number of points given for an item.
- Eliminate daycare facility as a point criterion- It is an unnecessary expense on the development budget; in addition, it makes investors nervous about the additional risk associated with maintaining the day care for the full compliance period.
- Eliminate points for special needs/ supportive services- The cost of supportive services drives up operating cost which reduces debt supported on the project.
- PHA referral agreement- Eliminate the need for an executed PHA referral agreement; instead replace with a certification from the developer that the project will accept local PHA referrals.

Follow up:

The group decided to individually dissect the selection criteria to determine items that could be eliminated and discuss the outcome at a later date. Note: Section 42 requires agencies to include certain items within the selection criteria and the group will have to work around these items.

Initial Comments on Permanent Supportive Housing (PSH)

- The definition should be changed to include 60% AMI households or limit the income of the tenant to 30% AMI and provide a subsidy in the form of a project based voucher that will pay the 60% rent for the designated PSH units. In today's financial market, investors are looking for straight 60% deals without all the social engineering in place.
- Other ways to fulfill the Agency goals of PSH units in each project should include: providing points for including PSH units in their development, provide direct and generous financial incentives or have a specific pool for PSH projects.

Follow up:

The QAP would include PSH as a set-aside pool. Developers will have to create their own subsidy if they would like to participate in this pool; CDBG funds will most likely not be available in the next funding round. The 5% per project requirement and the selection criteria points would be removed in lieu of a set-aside pool.

Additionally, the set-aside pool will ensure that projects will be thoroughly developed with permanent supportive housing issues in mind, rather than as an afterthought.

Initial Comment on Developers' fees

- In order to encourage for-profit developers to partner with CHDO's, the Agency should allow up to 18% in developer fees when a for-profit partners with a CHDO.

Follow up:

Everyone agrees this should be implemented.

Initial Comment on Developer experience

- Should be a requirement that at least one principal of the development team must have successfully developer, operated and maintained in compliance either one LIHTC project and still be in good standing with the allocating agency.

Follow up:

This suggestion should be included under the selection criteria in some fashion. Currently the Agency uses only management experience under the selection criteria. The group will review North Carolina's guidelines regarding developer's experience as a template for the QAP.

Initial Comments on Policies

- Returned Credits (Voluntary or involuntary) - Although the Agency has a written policy in place, it should be included in the QAP. It should detail the process of voluntary returning credits (signed letter of return, the reason why or other requirements) and the action the Agency will take if recapturing credits is necessary.
- Material Change/ Relief from selection criteria selected- LAAHP has previously provided language to be included in any new QAP that provides penalties for a material change or a request to not be bound to selection criteria.

Follow up:

Policies should be added to QAP, everyone concurs.

Initial Comment on Waiting List

- Since the Agency doesn't have a waiting list, this section of the QAP should be removed.

Follow up:

Will remove from QAP.

Initial Comment on Feasibility and Viability Review

- The F&V should not be able to reduce items to what is arbitrarily determined to be reasonable. Each deal has nuances that are specific to that transaction and the reduction of particular item without the notification of the developer or the project representative is unfair and detrimental to the transaction as a whole.

Follow Up:

The main concern is how one determines reasonable costs. Todd Little will research Mississippi's policy and draft language in response to this suggestion. The group will review at a later date to discuss further.

Initial Comment on Final Rank and Score

- In the past, the Final Awards list was not distributed until the board meeting, after final approval. This action does not allow time for the developer to address the board at that time to argue their case. The list should be posted online prior to the board meeting in order for the developer to prepare to address the board before final approval of the list.

Follow Up:

Group agrees this action will allow for smoother board meetings and the Agency will work to have this plan implemented.

Initial Comment on Cost Certification

- QAP states the cost certifications must be submitted by April 1st of the year following the date the project is placed in service. This actual date is not necessary and should be based on a length of time (i.e. six months from PIS date) to give all deals an equal amount of time.

Follow up:

The purpose of this policy is not to hurt the developers with deadlines, but instead ensure the Agency will have enough time to reallocate the credits if necessary later in the year. The group will look into other possible solutions and discuss findings at a later date.

Initial Comment on Per Project maximum allocation

- Raise the maximum allocation per project from \$700,000 to \$800,000 would encourage other national investors to invest in Louisiana projects.

Follow up:

The option of raising the maximum per project is still under review. A limit of \$1m may be a viable option; however, the group would like to further discuss the pros and cons of raising the maximum.

Initial Comment on Equity pricing

- The Agency should perform a market survey of investor to determine an average market equity pricing for credits. This would allow developers to better underwrite their deal based on actual market conditions opposed to encouraging aggressively priced commitments just to obtain higher point through the syndication efficiency scoring criteria. This selection criterion is not necessary and very difficult to enforce.

Follow up:

Everyone agreed on a flat rate equity price would be beneficial for the Agency; however it is unclear at this time if removal of this item from the selection criteria would be in violation of Section 42 code. Everyone agreed that the efficiency points in the selection criteria should be removed, because it is too hard to enforce.

Initial Comment on Pro-forma cash flow

The requirement under the pro-forma cash flow to fall between a 1.1-1.4 debt service requirement should be modified to read, “the average debt service ratio over the 15 year compliance period must fall between 1.1-1.4”

Follow up:

Group will research Mississippi’s pro-forma policy and Todd little will draft possible language to add to QAP.

Initial Comment on incorporation of Section 42 updates

- The updated QAP should also include Section 42 law changes.

Follow up:

Will gather updates regarding Section 42 and include in QAP

Initial Comments on Market Study

- Option 1: To ensure the Agency is receiving an unbiased market study, the Agency should consider contracting the services from a third party market study analyst once applications are received. The cost of these market studies would still be paid for by the developer (developer would receive copy). The commissioned market studies would take 4-6 weeks for completion.
- Option 2: The Agency should completely overhaul current list of qualified market analysts. The current list is extremely old and unreliable. Putting a new protocol in place (i.e. analyst submit application, sample work, references, etc.) should give the Agency more control over who is placed on this list and the type of market study received (quality). In addition, if the Agency feels the market analyst does not adhere to policies established, the analyst can be removed and/ or barred at the Agency’s discretion.
- The QAP should also include language that although the project may be deemed marketable by the market analyst, the Agency can still elect not to award that project.

Follow up:

Group favors both options; requiring the Agency to request market studies directly and the qualified market analysts list overhauled to include only analysts who are a

member of the National Council of Affordable Housing Market Analysts. There is a question as to the timing of the market studies requested by the Agency. Developers want to ensure that their project will be considered if submitted.

Initial Comments on Site Visits

- With the new addition to the construction department, the Agency now views and inspects projects during the construction phase. After researching several housing agencies, some states list site visits under the selection criteria, visits after the preliminary review, a threshold item or visits the project anytime during the construction period.
- The Agency should consider making scheduled site visits a threshold item in the QAP to ensure the project is on schedule and if any modifications to plans and specs originally submitted to the Agency are noticed quickly and action can be taken.

Follow up:

Site visit information/policy will be added to the QAP in addition to more details regarding the submission of plans and specs, architecture certifications, and electronic formatting.

Initial Comments on Community Notification

- Currently, the notice runs in the local newspaper where the potential project would be located and runs for three (3) consecutive days prior to the application deadline. In many cases, this notice runs 3 days prior to the application deadline, giving anyone who is opposed to the project not enough time to voice its concern prior to the application deadline. The suggestion of changing the requirement to run the ad prior to the application deadline to a maximum of 15 days and a minimum of 12 days prior to the application deadline, should allow time for written grievances to be received by the Agency.
- In addition, the developer is not required to list the Agency on the notice indicating possible tax credit funding. The developer should be required to notify the public that they are competing for 9% tax credits provided by LHFA.

Follow Up:

A discussion was had to whether changing this policy would be beneficial. The possibly of NIMBYism and other strategies used to derail projects before the application is submitted are some of the concerns that were brought to the groups attention. The Agency would like to allow the community more time to respond

to the public notice before the application is received. The group will discuss other possible solutions at a later date.

Initial Comments on Various/Other

- The new QAP should be easy to read. The table of contents in the North Carolina QAP (page 1 & 2) is clear and well organized. It also places the items in priority order.
- The market study process needs to be improved. I favor the North Carolina approach of having the HFA order the report (see page 12).
- Site and Market Evaluation need greater emphasis both in selection criteria and threshold requirements. Commenter favored the North Carolina approach which places this first and is the largest point category (Section IV A).
- Applicant review must be emphasized. The North Carolina QAP (Section IV D) considers both experience and disqualifications.
- The new QAP should contain provisions for an LHFA architectural review and inspections by an industry professional. It must also have clear Design Standards for both new and rehab projects. This is well written in the NC QAP (Section IV G & H).

Follow up:

The Agency will use the North Carolina QAP for formatting the 2009 QAP.

Next tasks:

- 1) Compile, distribute and review follow-up information from the members.
- 2) Prepare draft QAP for presentation at the March meeting.



Memorandum

Date: January 27, 2009
To: LHFA's Board of Commissioners
From: Low Income Housing Tax Credit Staff
Subject: Project Monitoring Schedules/Pipeline Reports

Expected Completion Dates evidenced on the Louisiana Housing Pipeline Report are taken from the projects' most recent Project Schedules. Project Schedules may be submitted at any time by the developer, or upon Agency request.

The following criteria have been established to provide for a more accurate reporting of projects' statuses.

- ❖ **CLOSED** = Agency has received sufficient closing documentation
- ❖ **UNDER CONST.** = Project has made no updates to its Project Schedule and is purported to be adhering to the dates outlined within the Schedule and/or the Agency's Construction Dept has confirmed that the project is under construction through a site visit.
- ❖ **PIS** = Agency has received the official Placed-In-Service documentation (Final Syndication Certification, Certification of Actual Costs, and Final Financing Certification).

Out of the 255 9% LIHTC projects listed on the 1/1/09 Louisiana Housing Pipeline Report, 68 projects have Expected Completion Dates that have either passed or are forthcoming before 2/28/09 and are not marked as being PIS. Staff has requested that the developers 1) Provide written confirmations that they have met or will meet their Expected Completion Dates and have yet to submit their documentation; or 2) That they have not met or will not meet the evidenced dates and will submit updated Project Schedules. Regarding the latter, if any updates are beyond the 90-day period as outlined in the Qualified Allocation Plan, the Agency will bring such projects before LHFA's Board of Commissioners for approval. This methodology will continue to be used quarterly.

The next issuance of the Louisiana Housing Pipeline Report will have all updates incorporated.

The Agency's Construction Department has visited 57 of the project sites listed as under construction on the pipeline report. At last estimate, the Construction Department felt comfortable stating that in the next 6 months an additional 100 inspections would be completed based upon an average of 15-20 sites per month.