

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

**Wednesday, April 8, 2009
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
12:00pm**

Commissioners Present

Wayne E. Woods
Allison A. Jones
John Kennedy
Guy T. Williams
Michael L. Airhart
Mayson H. Foster
Joseph Scontrino, III
Katie Anderson
Jerome Boykin, Sr.
J. Mark Madderra
Tyrone A. Wilson

Commissioners Absent

Robert Pernell
Susan W. Sonnier
Walter O. Guillory

Legal Counsel Present

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

Staff Present

Milton J. Bailey
Barry E. Brooks
Charlette Minor
Loretta Wallace
Brenda Evans

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Jeff DeGraff
Eva Martinez
Louis Russell
Eddie Falgoust
Annie Clark
Annie Robinson
Collette Mathis
Joyce Jackson
Curtis Ferrara
Jatis Harrington
Rene Landry
Sterling Colomb
Juon Wilson
Denise Ackoury
Taryn Miceli
Tonika Jackson
Terrina Stripling
Nicole Carter
Kip Anderson
Amy York
LaTosha Overton
Desiree Armstead
Dr. Roger Tijerino
Ricky Patterson
Joe Durnin
Jatis Harrington
Carolyn McQuairter
Kesha Clark
Makeisha August

Others Present

See Sign-In Sheet Attachment

CALL TO ORDER

Chairman Wayne E. Woods called the meeting to order at 12:05pm; Board Coordinator Barry Brooks did the roll call; a quorum was established. Next there was an introduction of guests.

APPROVAL OF MINUTES

On a motion by Commissioner Guy T. Williams, and seconded by Commissioner Katie Anderson, the minutes of the Full Board Meeting held March 11, 2009, were approved. There being no further discussions or oppositions, the motion passed unanimously.

CHAIRMAN'S REPORT

Chairman Wayne Woods began the meeting by introducing Elsenia Young as the newest member to the LHFA Board of Commissioners.

Chairman Woods then administered the Oath of Office to Ms. Young.

Commissioner Young then introduced herself as a real estate broker and the owner of Young Real Estate Group and a member of the Realists Association of Louisiana (a minority trade association). She is also an Adjunct Professor at Southern University. As a strong proponent of affordable housing, Commissioner Young noted that 80% of her real estate clients are low-income individuals. Additionally, she has been a licensed real estate professional since 1975.

Next item was the Election of the 2009-2010 Officers.

Vice-Chair Jones opened the floor for elections of Board Chairman, Board Vice-Chairman, LHFA President, LHFA Vice-President, and Board Secretary-Treasurer for 2008-2009. The floor was then opened for nominations of the five (5) vacancies.

Commissioner Mark Madderra nominated Wayne Woods for Board Chairman, and was seconded by Commissioner Jerome Boykin. Since there were no other nominations for Chairman presented, Commissioner Mayson Foster moved the nominations thereof be closed, and was seconded by Commissioner Elsenia Young.

Chairman Woods then opened the floor for nominations for Vice-Chair. Commissioner Mayson Foster nominated Allison Jones for Vice-Chair, and was seconded by Commissioner Katie Anderson. Since there were no other nominations for Vice-Chair presented, Commissioner Tyrone Wilson moved the nominations thereof be closed, and was seconded by Commissioner Katie Anderson.

Chairman Woods then opened the floor for nominations for LHFA President. Vice-Chair Allison Jones nominated Milton Bailey for LHFA President, and was seconded by Commissioner Jerome Boykin. Since there were no other nominations for LHFA President presented, Commissioner Katie Anderson moved the nominations thereof be closed, and was seconded by Commissioner Elsenia Young.

Chairman Woods then advised the Board that the LHFA Vice-President position was still vacant, that resumes received are still pending further review, and therefore would need to be postponed.

On a motion by Commissioner Mayson Foster and seconded by Vice-Chair Allison Jones, the selection of a LHFA Vice-President was postponed until the May 2009 Board Meeting. There being no further discussions or oppositions, the matter was unanimously passed.

Chairman Woods then opened the floor for nominations for Board Secretary-Treasurer, noting that position was traditionally held by the LHFA President. Commissioner Vice-Chair Allison Jones nominated Milton Bailey for Board Secretary-Treasurer, and was seconded by Commissioner Joseph Scontrino, III. Since there were no other nominations for Board Secretary-Treasurer presented, Commissioner Katie Anderson moved the nominations thereof be closed, and was seconded by Commissioner Elsenia Young.

PRESIDENT'S REPORT

President Milton Bailey began by thanking the Board for their Vote of Confidence and that he would strive to continue move the mission of the Agency forward.

He also acknowledged the Agency's Contract Administration Group for their recent HUD Review Audit resulting in an ALL CLEAR determination.

He also advised that the Tax Credit Group would be moving forward with TCAP Exchange Program pending guidance from Treasury and parameters as set forth in the ARRA.

Also, the Board was advised to complete the Ethics Disclosure Forms and send directly to the Ethics Board no later than May 15, 2009.

Additionally, in an effort to have the Board Meetings run more smoothly and to be more transparent, the Agency would be trialing the use of a projection camera so that the audience would be able to see documents on the overhead screens as they are discussed.

President Bailey also thanked everyone for their grassroots efforts on the GO Zone Tax Credit initiative and for everyone who had sent in letters of support and made visits to WashDC.

He introduced Mr. Phil Hoffman, President of the Louisiana Home Builders Association. Mr. Hoffman discussed the HBA members, goals, ARRA potential benefits, and how his organization could partner with LHFA in various housing endeavors.

President Bailey advised the Board that the Professional Services Contract for Workforce Housing Research would be **DEFERRED** pending further analysis thereof.

LEGAL COMMITTEE

Legal Committee Chair Allison Jones advised everyone that the Committee had met but there was no Board action needed therefore.

She briefly discussed the GNOFHAC versus St. Bernard Parish Opinion noting the NIMBYism and moratorium aspects of the case. She acknowledged there was a good use of expert testimony by the litigants in the case matter.

LCC Jones advised the Board that on the issue of gratuitous donation of public funds dealing with nonrefundable fees in the QAP, there was no need for further discussion as the matter was self-explanatory, hence the use of the word “nonrefundable”.

HUMAN RESOURCES COMMITTEE

HR Committee Chair Tyrone Wilson advised the Board that 76 applications had been received for the Agency Vice President position and that the Selection Committee had rounded it down to three (3) candidates and interviews and selection thereof would commence in the upcoming week, with a candidate selected and Board approval thereof at the May 2009 Board Meeting.

INTERNAL AUDIT COMMITTEE

IAC Chair Scontrino advised the Board the only item needing Board approval was a resolution regarding contracted audit services for the combined financials and single family MRB. He noted that the Committee had discussed the matter and was recommending approval thereof.

On a motion by Commissioner Joseph Scontrino, III, and seconded by Vice-Chair Allison > Jones, a resolution was adopted to accept the proposal of Duplantier, Hrapmann, Hogan & Maher, LLP to perform the annual audits of and prepare the resulting reports for the combined financial statements of the LHFA and its Single Family and Multi-Family Mortgage Revenue Bond Issues through September 1, 2011 for an annual base fee of \$7,500 plus \$1,000 per bond issue per year; and providing for all matter in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

BUDGET AND FINANCE COMMITTEE

BFC Chair Mayson Foster advised the Board that the Committee did not meet due to inability to form a quorum, and that there were no items needing Board action.

He furthered that those in attendance at the BFC had discussed the Agency’s expenses and that CFO Rene Landry would be sending out additional information thereof to the Board, and that the Agency Full Budget would be discussed at the May 2009 Board Meeting and would need Board approval thereof.

ENERGY COMMITTEE

Vice-Chair Jones noted that EC Chair Robert Pernel was not in attendance, and noted also for the Board that the Committee had met earlier. She noted that the only item taken up at the EC was the directive to RFP the regular LIHEAP WAP programs as issued by the Board at the February 2009 Board Meeting, wherein there was still some question as to the validity thereof. She noted there had been some discussions on the matter thereafter and there were some issues needing further review based on HUD and ARRA parameters.

On a motion by Vice-Chair Jones and seconded by Commissioner Tyrone Wilson, the directive to Agency staff to RFP the Regular LIHEAP and WAP programs was rescinded pending further notice from the Board; and providing for all matter in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

Vice-Chair Jones also noted that the update info on the Stimulus Package was in the Board binders.

Commissioner Kennedy inquired as to how the ARRA monies would be administered. Program Administrator Charlette Minor noted the partnerships with LWC, DNR, DOE, and other to adequately administer the funds and program parameters thereof.

Commissioner Kennedy advocated the need to make sure that as much funding would be allocated for the actual weatherization and to minimize the administrative and overhead costs associated thereof wherein possible.

There were further discussions between Ms. Minor, Commissioner Kennedy, General Counsel Terri Ricks, and the Board on the parameters of the WAP.

Commissioner Kennedy reiterated the need to make sure that fees, contract negotiations, program administration costs, etc., are all done in a concerted effort to reduce costs to allow for maximization of actual weatherization of homes.

SINGLE FAMILY COMMITTEE

SF Committee Chair Michael L. Airhart advised the Board that the SFC and the Finance Team has met earlier. He then went over the 2008B, 2008A and Whole Loan Report updates.

Program Administrator Evans Airhart discussed the National Foreclosure Mitigation Counseling Program (NFMC) and Consultant RFP. She noted that after an RFP only one response had been received, and therefore it was being recommended to allow the Agency to administer the program internally with a cost savings to the Agency of \$60K and with no need for additional staffing thereof.

SFCC Airhart advised the Board that the next items on the Agenda, 2009 Distressed Housing Acquisition Programs and 2009 Market Rate Purchase Money Program, were being **DEFERRED** until the May 2009 Board Meeting.

Next item discussed was the Minimum Credit Score for the Agency's 2009 Programs. SFCC Airhart advised the Board that the matter needed further review and would be **DEFERRED** until the May 2009 Board Meeting.

Lastly, there were updates on the Homeownership Fairs to be held in Baton Rouge, Shreveport, and New Orleans. It was noted that the events are still in the pre-planning phases and that more information would be forthcoming as the planning progressed.

Commissioner Foster inquired as to whether there were any new bond proposals pending. SFCC Airhart advised that there were no new proposals due to the lack of adequate revenue streams and that further information would be available at the May 2009 Board Meeting.

Ms. Evans advised the Board that Finance Team Meetings were being held regularly. Thereafter Commissioner Kennedy requested that he be advised of said meetings and any meetings wherein discussions involved fees for underwriters and/or financial advisors.

Commissioner Kennedy issued a directive to staff to send to him the seven(7) previous bond deals and the original proposals from all those paid thru the bond deal including the lawyers, underwriters, and financial consultants. Also to include the original proposal and any counter offers or other negotiations involved thereof.

Last item on the SFC Agenda, a 31% Front End Debt Ration for HOME/MRB and CDBGMRG Program Loans, was **DEFERRED**.

SPECIAL PROGRAMS HOME COMMITTEE

SPHC Chair Joseph Scontrino, III, asked Ms. Minor to update the Board on the HOME Reconciliation Report PR-27.

Next item was a discussion of the NSP Awards. SPHC Chair Scontrino advised the Board that the listing thereof was in their Board binders.

On a motion by Commissioner Joseph M. Scontrino, III, the resolution was adopted accepting the Louisiana Housing Finance Agency Neighborhood Stabilization Program (NSP) Awards (attached Exhibit A, entitled "Louisiana Housing Finance Agency Recommended Awards") to be used in the implementation of the Louisiana Housing Finance Agency Neighborhood Stabilization Program and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Next item discussed was the Village de Jardin matter. It was noted by Agency Architect Dr. Roger Tijerino that \$300K was saved from the original costs but due to budget shortfalls would need to be put back into the costs associated with the project.

On a motion by Commissioner Joseph M. Scontrino, III, the resolution was adopted to amend, revise and supersede the resolution passed on March 11, 2009 by the Board of Commissioners of the Louisiana Housing Finance Agency (“Board”) and to authorize the Louisiana Housing Finance Agency (“Agency”) to commit funding not to exceed four million two hundred eighty thousand three hundred fifteen dollars (\$4,280,315.00) to support the construction of the Agency’s senior village, *Village de Jardin*, (formerly “Gaslight Apartments”) located at 8800 South Service Road, New Orleans, Louisiana; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Last item, the Housing Trust Fund, involved no Board action and therefore there were no discussions thereupon.

MULTIFAMILY RENTAL HOUSING COMMITTEE REPORT

MFC Chair J. Mark Madderra discussed the first item -- a resolution approving an increase in the cost related to GMF – Louisiana Chateau Project.

MFC Chair Madderra advised the Board that the matter had been discussed in Committee, and he was recommending approval thereof. He also noted that any increases thereof would be paid for by the developers.

There were further discussions on the matters of related fees by Bond Counsel Wayne Neveu, Program Administrator Loretta Wallace, and Commissioners Kennedy and Madderra.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Katie Anderson, the resolution was adopted for an increase in the costs of issuance relating to an issue of not exceeding fifty-seven million five hundred thousand dollars (\$57,500,000) Multifamily Housing Revenue Bonds (GMF-Louisiana Chateau Project) in one or more series to finance the acquisition, rehabilitation and equipping of multiple multifamily housing developments within the State of Louisiana; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Next item discussed as a resolution regarding AAmagin Property Group Projects. MFC Chair Madderra advised the Board that the matter had been discussed in Committee, and he was recommending approval thereof.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Katie Anderson, the resolution of intention was adopted to issue not exceeding Twenty-Four Million Nine Hundred Thousand Dollars (\$24,900,000) Multifamily Housing Revenue Bonds (AAMagin Property Group Projects) in one or more series to finance the acquisition, rehabilitation and equipping of multiple multifamily housing developments within the State of Louisiana; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

MFCC Madderra requested that the next five (5) items on the Agenda be **DEFERRED** until the May 2009 Board Meeting. He noted that all involved the need for 4% LITCH due to incomplete applications.

Next item on the Agenda, Canterbury House, was likewise **DEFERRED**, per MCFM Madderra.

Next item to be discussed was the Sugar Hill Crossing site change resolution. The project is located in St. James Parish. Ms Evans advised the Board that the project involved \$9.5M CDBG funds and that during the MFC several of the St. James Parish Council were present and acknowledged their support of the site change request. MFCC Chair Madderra also noted that staff had reviewed the matter and the Committee was recommending approval thereof.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Tyrone Wilson, the resolution was adopted regarding Sugar Hill Crossing #08(GO)-35 (Highway 44 West of Parent Road, Convent, LA 70723) and the developer's request for a site change; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Next item discussed was the resolution for a change in design feature and for PIS extension for Crescent Garden Homes. MFCC Madderra gave the Board a brief historical analysis of the project. He noted that the request for waiver of brick stucco requirement to a hardy plank exterior, and was necessary so that the project could remain in compliance with State Preservation Historical Society parameters. He noted that staff had reviewed the matter, and that the Committee was recommending approval thereof.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Joseph M. Scontrino, III, the resolution was adopted with respect to a change in design feature and request for placed in service extension made by the developers of Crescent Garden Homes #07/08(FA)-38 (multiple addresses, New Orleans, LA); and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Next item discussed was a resolution regarding an Amendment to the 2007/2008 GO Zone and Per Capita Credit QAP to take advantage of provisions of the ARRA.

Ms. Evans went over the specifics thereof and MFCC Madderra advised the Board that the Committee was recommending approval thereof.

Robert Dennison addressed the Board and discussed the Sabine Pointe Subdivision need for help to prevent bank foreclosure and the potential eviction of fifty (50) families, noting the interest payment each month was \$30K.

The Board thereafter requested the LAAHP to start a congressional grassroots effort to WashDC to join in the fight thereof and to advocate the legal parameters likewise.

On a motion by Commissioner J. Mark Madderra and seconded by Commission Guy Williams, the resolution was adopted regarding an Amendment of the 2007/08 GO Zone and Per Capita Credit Qualified Allocation Plans to take advantage of the provisions of the American Recovery and Reinvestment Act of 2009 (the "Stimulus Bill") to distribute competitively a portion of the Capital Funds and the Treasury Grants under the Stimulus Bill; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Last item discussed was the 2009 Per Capita QAP resolution.

Ms. Evans went over the specifics thereof for the Board.

Vice-Chair Jones advised everyone that the matter had been discussed during the MFC and that public comment had been received and would be considered accordingly.

Ms. Evans noted that the final version would be presented to the Board at the May 2009 Board Meeting, that applications would be due by June 22, 2009, and that the awards would be announced on September 9, 2009. She also advised that there are included in the parameters minimum project thresholds and development team experience aspects.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Katie Anderson, the resolution was adopted providing for approval of the State's draft 2009 Per Capita Qualified Allocation Plan; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

OTHER BUSINESS

Vice-Chair advised everyone that via the stupendous efforts of Public Information Director Jeff DeGraff, LHFA would be featured on WAFB-TV Channel in Baton Rouge on Thursday at 6:30pm.

ADJOURNMENT

There being no other matters to discuss, Commissioner Tyrone Wilson offered a motion for adjournment that was seconded by Commissioner Katie Anderson. There being no further discussion or opposition, the matter was unanimously passed. **The Full Board meeting adjourned at 2:15 PM.**

Chairman

Secretary