

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

**Wednesday, July 14, 2010
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
12:00 p.m.**

Commissioners Present

Michael L. Airhart
Mayson H. Foster
Donald B. Vallee
Elsenia Young
Katie Anderson
Joseph Scontrino, III
J. Mark Madderra
Walter O. Guillory
Neal Miller
Alice Washington

Commissioners Absent

Allison A. Jones
Tyrone A. Wilson
Susan Sonnier
Jerome Boykin, Sr.
Guy T. Williams

Legal Counsel Present

Wayne Neveu, Foley & Judell
Edselle Keith Cunningham, Jr.
Christine Bratkowski
Leslie C. Strahan
Jessica Guinn

Staff Present

Barry E. Brooks
Milton Bailey
Alesia Wilkins-Braxton
Charlette Minor
Loretta Wallace
Brenda Evans
Rebekah Ward
Annie Clark
Roger Tijerino
Wendy Hall
Alex Stewart
Rene Landry
Mary Antoon
Collette Mathis
Jeff DeGraff
Eddie Falgoust
Amy York
Joe Durnin
Marjorianna Willman

Others Present

See Sign-In Sheet

CALL TO ORDER

In the absence of Chairwoman Allison A. Jones, Vice Chairman Michael L. Airhart called the meeting to order at 12:00pm; Board Coordinator Barry Brooks did the roll call; BC Brooks advised VC Airhart that a quorum was established. There was thereafter an introduction of guests.

APPROVAL OF MINUTES

On a motion by Commissioner Donald B. Vallee, and seconded by Commissioner Joseph M. Scontrino, III, the minutes of the Full Board Meeting held June 9, 2010 were approved. There being no further discussions or oppositions, the motion passed unanimously.

CHAIRMAN'S REPORT

VC Airhart thanked the LHFA staff, BOC, and everyone else who has been instrumental in the LHFA 2010 Fan Drive being a success. Kudos was also extended to PIO Director Jeff DeGraff for the excellent series of Homeownership Fairs he conducted throughout the state.

PRESIDENT'S REPORT

LHFA Policy Director Annie Clark who gave a brief update on PIS and the Extension legislation pending at Capitol Hill, noting both matters were still pending at the Capitol.

Commissioner Donald B. Vallee advised everyone that the LRA surplus funding may be taken back since it has not yet been allocated; he also noted that HB 1414 almost made it through the recent Louisiana Legislative Session, and wanted everyone to be aware that the legislature feels there should be some changes at the Agency and everyone needs to do better with their interaction with the legislature and the community at large; noted he was a pro-active person and wants the Agency to take a more pro-active stance in its operations.

LEGAL COMMITTEE

VC Airhart noted that the Legal Committee had met earlier and went into Executive Session to discuss pending litigation matters.

BUDGET AND FINANCE COMMITTEE

BFC Chair Mayson H. Foster advised everyone that the Committee had met earlier and discussed the LHFA Procurement Policy. He noted the matter still needed some further review, analysis, and discussion. He noted that the BFC was recommending the item be DEFERRED until the August BOCM, and also send the PP had not been disseminated to the BOC in accordance with the Seven Day Policy.

On a motion by Commissioner Mayson H. Foster and seconded by Commissioner Katie Anderson, the agenda item dealing with a resolution to adopt the LHFA Procurement Policy, was DEFERRED until the August 2010 BOCM; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

BFC Foster noted that staff had prepared a binder on the HOME Program, and that a presentation had been done early by Program Administrator Charlette Minor. During said presentation there were requests for more details on professional fees in 2008, in addition to a spreadsheet showing

cash flow in and cash flow out, and info on which programs are subsidized with HOME fundings.

Commissioner Vallee noted that he had reviewed Ms. Minor's HOME presentation and thereafter complimented her on an excellent job. He asked that the presentation be put on a CD and also made available to the public via the LHFA website.

INTERNAL AUDIT COMMITTEE

CFO Rene Landry went briefly over the specific parameters of the Louisiana Audit Compliance Questionnaire item.

IAC Chair Joseph M. Scontrino, III, noted there had been no quorum of the IAC earlier and so the items were being fully discussed during the Full BOCM. He noted that he and the IAC were recommending approval of the matter, similar to previous years' protocol.

On a motion by Commissioner Joseph M. Scontrino, III, the resolution to adopt the completed Louisiana Compliance Questionnaire for Audit Engagements of Governmental Entities, labeled as Exhibit A; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

IAC Scontrino next discussed the Audit of FY ending June 30, 2010. He noted the Entrance Conference with audit firm of Duplantier Hrapmann, et. al., went well and there was no further action need on the matter.

Commissioner Donald B. Vallee noted for the record that the IAC reports directly to the BOC, in addition to the Agency Vice-President as well.

ENERGY ASSISTANCE COMMITTEE

EAC Chair Katie Anderson noted that the EAC had met earlier, and that the Energy Programs Activity reports were in the Board binders, and that there were no action items.

She noted that were some pending issues with the LACAP Independent Auditor's Report and that staff was working on a plan of action; no major issues that were not already know to staff; and that the programs are running well and are either on target or exceeding their goals.

Commissioner Donald B. Vallee requested the LACPA IAR be posted to the LHFA website.

SINGLE FAMILY COMMITTEE

LHFA Program Administrator Brenda Evans noted that the 2010A Program and Whole Loan Report items were in the binders, and she briefly discussed them.

Next item discussed were the Bond Counsel contracts. PA Evans and VC Airhart briefly discussed the matter, noting the Multifamily Rental Housing Committee recommended approval.

On a motion by Commissioner Joseph M. Scontrino, III, and seconded by Commissioner Katie Anderson, the resolution approving the contracts for co-bond counsel services by and between the Louisiana Housing Finance Agency and the firms Foley & Judell, LLP, and Breithaupt, Dunn, Dubos, Shafto and Wolleson/Peck Shaffer for the Single Family Mortgage Revenue Bond Program; and providing for other matters in connection therewith.

Next item discussed was the resolution for the selection of Underwrite(s). Ms. Evans went over the specific parameters of the matter. She noted that the Selection Committee had met on Tuesday July 10th and that the invited firms had made presentations. She noted that the Selection Committee was not ready to make three recommendations, as referenced in the resolution.

VC Airhart noted that the Selection Committee consisted of himself, Financial Advisor Tim Rittenhouse, Bond Counsels Wayne Neveu and Sue Jo Patel, and Brenda Evans obo LHFA President Milton Bailey. He also noted how impressed he was with the levels of experience and expertise of the firms that presented.

On a motion by Commissioner Donald B. Vallee and seconded by Commissioner Joseph M. Scontrino, III, the resolution approving and authorizing the selection of Morgan Keegan, George K. Baum, and J.P. Morgan as rotating Co-Senior Managing Bond Underwriters, and providing for other matters in connection therewith; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Thereafter, Commissioner Joseph M. Scontrino, III, referenced an earlier discussion involving vacant lots and requested PA Evans get an actual appraisal of value to further review of the matter.

SPECIAL PROGRAMS HOME COMMITTEE

SPHC Chair Walter O Guillory and LHFA Program Administrator Charlette Minor briefly went over the specifics of the three NSP resolutions. Thereafter, SPHCC Guillory requested the items be adopted ***In Globo***.

On a motion by Commissioner Walter O. Guillory and seconded by Commissioner Joseph M. Scontrino, III, the resolution to de-obligate/recapture Neighborhood Stabilization

Program (“NSP”) award funds from certain existing subgrantees who have not complied or will be unable to comply with the terms and conditions of their written agreements regarding the timely performance of their obligations, identified on the Recommended List of NSP Awards to be Recaptured (labeled as “Exhibit A”); and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

On a motion by Commissioner Walter O. Guillory and seconded by Commissioner Joseph M. Scontrino, III, the resolution to de-obligate/recapture Neighborhood Stabilization Program (“NSP”) funds which have been voluntarily returned by certain existing subgrantees, identified on the Recommended List of NSP Awards Returned (labeled as “Exhibit A”); and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

On a motion by Commissioner Walter O. Guillory and seconded by Commissioner Joseph M. Scontrino, III, the resolution to award Neighborhood Stabilization Program (“NSP”) funds voluntarily returned and/or de-obligated/recaptured to those projects selected through a competitive process, identified on the attached NSP Recommended Awards List (labeled as “Exhibit A”); and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Next item discussed was the resolution granting an additional 30 days extension to Unity Village.

It was noted that the SPHC was extending the request to 90 days to give the group more time to conclude the matter, noting that no further extensions would be granted to Unity Village.

On a motion by Commissioner Walter O. Guillory and seconded by Commissioner Donald B. Vallee, the resolution to grant an additional extension of ninety (90) days to Unity Village (1222 East Maple Avenue, Eunice, Louisiana); and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

MULTIFAMILY RENTAL HOUSING COMMITTEE REPORT

Commissioner J. Mark Madderra and PA Evans noted that the Committee had met earlier and that the first item to be discussed was a resolution regarding a withdrawal of general partner from Crescent Garden Homes. Ms. Evans went over the specifics of the matter. Both noted that similar requests had been approved in the past, and that the Committee was recommending approval.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Mayson H. Foster, the resolution conditionally authorizing the removal of the Co-General Partner, Olsen Securities Corporation (OSC), from CGH Partners 2007, L.P. (Scattered Site, Orleans Parish), with respect to project's submitting a request for such removal of the General Partnership; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Next item discussed was the State's Draft 2010 Qualified Allocation Plan. Commissioner J. Mark Madderra noted there would be a public hearing on July 29th for any comments thereof. He also asked PA Evans to send an outline synopsis of changes for the BOC to review and analyze. Additionally, he noted that the Draft would be posted on the LHFA website and sent to everyone via email blasts. Finally, that the Committee was recommending approval of the matter.

VC Airhart reiterated the need for the development community to submit their comments.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Donald B. Vallee, the resolution providing for preliminary approval of the State's 2010 Per Capita Draft Qualified Allocation Plan; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Next item discussed was the LIHTC Market Analysts. PA Evans went over the specifics of the matter.

On a motion by Commissioner Donald B. Vallee and seconded by Commissioner J. Mark Madderra, the resolution awarding contracts for Market Analysts; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Next item discussed was the LITHC Underwriter. PA Evans went over the specifics of the matter, noting that staff was recommending Foley Judell to do the F & V Analyses. Commissioner Madderra noted that the MFC was recommending approval also.

Commissioner Mayson H. Foster inquired as to who was Mr. Wayne Neveu's backup associates at Foley Judell. Mr. Neveu noted that he has three (3) associates, two of them having advanced degrees and MBA's, to handle any matters in his absence, in addition to other capable staff.

Commissioner Foster inquired as to what was the estimated analyses timeframe. Mr. Neveu replied 3-4 hours per project.

Thereafter, Mr. Neveu, Commissioner Foster, and Commissioner Vallee had further discussions on the aforementioned matters.

Commissioner Foster noted that he had some concern about the amount of time it takes and wondered why there could not be a backup firm to assist to streamline the processing time. VC Airhart noted that said matter would be taken under advisement for MFC Chair Guy Williams, who was absent, to review.

Commissioner Vallee noted that he had asked Mr. Neveu to help train Agency staff to learn the F & V Analysis process so that said matters would eventually be done at the Agency internally.

Commissioner Foster requested a time frame criteria be established for no more than two-weeks. VC Airhart noted that said matter could be proposed at the August BOCM for further discussion and resolve.

Mr. Neveu noted that he and his staff work very diligently and oftentimes very late hours to ensure that no deadlines are missed.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Katie Anderson, the resolution awarding the contract for the Low Income Housing Tax Credit Program Financial Analysis Underwriting Consultant; and providing for other matters in connection therewith; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Next item discussed was the LIHTC Special Tax Counsel matter. PA Evans went over the specifics, noting that staff was recommending approval. Commissioner Madderra likewise noted that the MF Committee was recommending approval.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Donald B. Vallee, the resolution awarding the contract for the Low Income Housing Tax Credit Program Special Tax Counsel; and providing for other matters in connection therewith; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Commissioner Vallee advised the BOC that he was aware that no other firms would apply for the matter because of the perception that Foley & Judell will always be selected by the Agency.

Last item discussed was the Additional TCAP Allocations matter. Commissioner Madderra discussed the matter, noting there was a public hearing being planned for July 29th.

OTHER BUSINESS

N/A

ADJOURNMENT

There being no other matters to discuss, Commissioner Donald B. Vallee 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 1:00 PM.**

Chairman

Secretary