

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

**Wednesday, November 10, 2010
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
12:00 p.m.**

Commissioners Present

Allison A. Jones
Michael L. Airhart
Guy T. Williams
Donald B. Vallee
Elsenia Young
Katie Anderson
J. Mark Madderra
Jerome Boykin, Sr.
John N. Kennedy
Joseph M. Scontrino, III
Adena R. Boris

Commissioners Absent

Neal P. Miller
Mayson H. Foster
Tyrone A. Wilson

Legal Counsel Present

Wayne Neveu, Foley & Judell
Terri Porche Ricks
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

Chairwoman Jones called the meeting to order at 12:05pm; Board Coordinator Barry Brooks did the roll call; BC Brooks advised Chair Jones 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 Guy T. Williams, the minutes of the Full Board Meeting held October 13, 2010, were approved. There being no further discussions or oppositions, the motion passed unanimously.

CHAIRMAN'S REPORT

Chairwoman Jones advised everyone that the meeting would begin with a presentation from HANO/HUD, similar to the one prefaced during the Multifamily Committee meeting earlier.

There was next a brief presentation and discussion between the BOC and HANO/HUD representatives and others, including Fred Tombar, David Gilmore, Judith Moran, Robin Zimpler, Lisa Gomez, Michelle Whetten, Matt Moran, and Jim Kelley

Mr. Fred Tombar from HUD noted the many trips by HUD Secretary Donovan and his ongoing commitment to Gulf Coast Recovery efforts; he talked about one-for-one replacement aspects; supporting the PIS extension and tax credit pending legislation; and noted HUD's unwavering commitment to the idea of affordable housing.

Chair Jones thanked all of the guests for coming to express their commitment to satisfy what LHFA promised for one-to-one redevelopment, and also that she thinks Lafitte was a prime example.

Commissioner Mark Madderra thanked the guests for coming likewise, and noted that he felt that the project was totally contingent on HUD's commitment to the one-to-one replacement aspects; He also noted the investment of CDBG and tax credit funding, and inquired what the effect on the project would be if the pending tax credit extension legislation is not agreed upon.

Mr. Tombar noted the arduous tasks of getting a full message and support from all of congress, but that he feels it is moving forward and he was confident that it would move continue progressing positively, again noting Secretary Donovan's commitment to affordable housing endeavors.

LHFA President Milton Bailey followed up on the matter noting the \$32M in tax credit set asides and his concern about the Big Four fulfilling their original mission objectives. He also inquired on what to do if the Agency loses the funds if the Extenders and PIS legislations are not passed.

Mr. Tombar replied that he would like to further explore said aforementioned issues and the ramifications thereof after he talks more with WashDC officials.

Commissioner Madderra noted that HUD's commitment was critical otherwise the funds may be sought after for other matters.

David Gilmore from HANO noted he was sent to HANO to make it a functioning housing authority and to make the Big Four a success; he noted there were no preconceived suggestions of non-commitment to Lafitte, even though there are some programmatic differences.

Jim Kelley and Mr. Gilmore furthered the discussion informing everyone about the aspects of the building units earmarked, potentially unsaleable, vacant, and unoccupied; he went over the extensive document production phases noting that after all the debate and discussions they had decided to opt for market rate renters if there were unsuccessful in initial endeavors; and discussed funding swaps.

Chair Jones inquired as to what steps had been taken to market the units initially.

Mr. Tombar noted that had explored many measures and efforts to make the borrowers' credit worthy and viable to participate in the programs and resources for affordable home ownership, but that after all attempts there were unsuccessful and would like to move to market rate options.

Commissioner Guy Williams inquired as to what would be the market rate rents range.

Ms. Robin Zimble noted \$65K for 1st mortgages; noted credit counseling for 1-2 years; and 60% AMI.

Mr. Gilmore noted the need to demonstrate the ability to market and get the units sold first, and he also discussed lease to purchase possible future options.

Mr. Matt Moran went over the 47 units' certificate of occupancy phase parameters, noting that 19 is their threshold points for buyer loan commitments, with nine-month vacancy aspects.

Mr. Gilmore noted that the discussion should also take into account the other successful HANO models, especially those that included credit counseling. He also discussed some of the other financial service dilemmas facing some of the prospective tenants.

Commissioner Donald Vallee requested the OCD comment on the matter, and inquired on the project's construction timelines.

Ms. Zimble noted that the previously mentioned 47 units has already started their pile driving construction phase, with a December 2011 completion date.

Ms. Robin Gomes noted that they were working with banks on down payment assistance and other assistance and incentives.

Mr. Kelley advised that the rental and home ownership units are identical from the exterior.

Mr. Bailey inquired on how the 47 units would flow to future 600 units; how they would in nine-months sell 19; could the 620 credit scores be reached in nine-months; and would there be FHA concessions to lower the credit scores.

Ms. Gomez discussed the on-going preparedness efforts to assist those with credit scoring issues, and she reiterated everyone's commitments to successful home ownership.

Commissioner Elsenia Young inquired as to any plans to list the units in MLS.

Ms. Zimble noted she thinks said policy could work, but only after all public policy, OCD, HANO, FANO, and HUD issues are in sync.

Mr. Tombar discussed HUD's current strategic plan and their 203H Disaster Recovery Program parameters.

Mr. Kelley noted the Catholic Charities commitments to the area; noted tasks will not be easy but are possible with all parties working together; noted the need for PIS and Exchange legislation to pass; mission will eventually be accomplished; noted the successes of the Treme' development; noted that within a one-half-mile vicinity of Lafitte there was tremendous economic developments in the area; that new schools, roads, hospitals, and economic development in addition to great public support, would ensure a very successful project; and that 250 former Lafitte residents had submitted pre-applications in order to come back home.

Mr. Gilmore stressed the need for an amicable relationship between LHFA and HANO.

Chair Allison thanked everyone again for coming and for the continued need for future dialogue between all parties concerned.

There was future discussion between everyone and a PowerPoint presentation.

Mr. Kelley noted that the 60 Katrina Cottages would be online in March 2011, and he also discussed the other off-site status parameters for both homeownership and rental matters; he discussed the community gardens; and noted that the Ford Foundation's interest in contributing in addition to the Kellogg and Rockefeller Foundations.

Commissioner Madderra noted his concerns about the concentration of poverty aspects of the development, and that things did not appear to be very income level stratified.

Mr. Thomas LaTour of OCD addressed the BOC, acknowledging Robin Keegan's commitment to State service; he also noted OCD's commitment to the Lafitte development; he discussed swap-out funding aspects as evidence of OCD's commitment to the project.

Next was a brief presentation by LHBA. Commissioner Joey M. Scontrino, III, noted that the LHBA was requesting a partnership with the LHFA and asking for \$140K to said endeavors.

Chair Jones thanked the LHBA for following thru with the proposal specifics post-SPC.

Commissioner John N. Kennedy noted his previous meeting with LHBA was good and that he feels the need to re-educate everyone was necessary.

Mr. Billy Ward and Jack Gautreau of LHBA addressed the BOC, and went over the co-partnership proposal aspects, and also noted that housing has been the past catalyst for recession recovery, that the partnership would be good for work housing aspects, and that the proposal would be a good avenue for more successful 1st time home ownership attributes. They thanked the BOC for the opportunity to co-partner with LHFA. They also noted the proposed program would be effective for their entire LHBA membership, including their 13 local organizations within the state. And, that they also provide consistent training and education opportunities for their members.

Chair Jones inquired as to where the funding would be found; suggested putting said item for discussion at future BOCM after all issues and concerns have been vetted. Commissioner Scontrino concurred on the need for further analysis at the SPH Committee level.

Support for the LHBA proposal was noted by Commissioners Kennedy, Young, Valle, Airhart, and Chairwoman Jones. Chair Jones requested matter be put on a future BOCM agenda and that the matter would be referred to the SPCH Committee for further review and recommendation.

Chair Jones noted that she'd meet with several Commissioners and that she still needed to resolve the issue of how the proposed Asset Management Committee would affect the other committees; she requested DEFERRAL of said matter until the December BOCM.

Chair Jones reminded all of the upcoming Nov 16-17 BOC Retreat, and requested full participation and dedication during said event. She also noted the event would be a public meeting and she encouraged all to attend.

PRESIDENT'S REPORT

President Milton J. Bailey noted that in the interest of time that he'd reserve any comments for the December BOCM.

BUDGET AND FINANCE COMMITTEE

In the absence of BFC Chair Mayson H. Foster, it was noted that Commissioner Donald B. Vallee would be Interim BFC Chair.

Interim BFC Chair Vallee noted that the Agency's Investment Advisor Jeff Tanquis of Hancock Bank had presented a report earlier. The detailed report was in the binders and would be available to everyone at a later date online. He also requested that the BOC be given the ability to go online and access any activity and/or trading associated with the Agency's account(s).

He also discussed that a report had been given on HUD disposition properties, including Willowbrook and Gaslight; that a vendor breakdown of where the Agency's monies were being spent was in the binders, in addition to the 202 Risk Share Properties HUD report timelines.

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 she would like to do a December BOCM presentation on the status of the Energy Programs

SINGLE FAMILY COMMITTEE

SFC Chair Michael L. Airhart noted that the 2010A Program and Whole Loan Report was in the binders.

On a motion by Commissioner Joseph M. Scontrino, III, and seconded by Commissioner Elsenia Young, the resolution approving and authorizing the selection of Bank of America, N. A., as Master Servicer; 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.

SPECIAL PROGRAMS HOME COMMITTEE

Commissioner Scontrino noted that in lieu of recently resigned Commissioner Walter Guillory that he had served as Interim Chair.

The next item regarding the recommended awards for the HOME Rural Rental Affordable Housing NOFA was **DEFERRED** during the SPHC Committee, per Program Administrator Charlette Minor.

Ms. Minor went over the specifics of the resolution regarding the Southwest Louisiana NRPP Recommended Awards List.

IC Scontrino noted that the Committee was recommending approval of said matter.

On a motion by Commissioner Joseph M. Scontrino, III, and seconded by Commissioner Elsenia Young, A resolution awarding one million, two hundred fifteen thousand, five hundred fifty-two dollars and sixty-four cents (\$1,215,552.64) in Community Development Block Grant (“CDBG”) funds remaining after the termination of the Southwest Louisiana Non-Profit Rebuilding Pilot Program grant agreement with Louisiana Family Recovery Corps (“LFRC”), to projects on the attached “Southwest Louisiana Non-Profit Rebuilding Pilot Program Recommended Awards List” (labeled as Exhibit A); and providing for other matters in connection therewith.

IC Scontrino went over the specifics for the resolution regarding the Plaquemines Parish NRPP Recommended Awards List, noting that the Committee was recommending approval of said matter.

On a motion by Commissioner Joseph M. Scontrino, III, and seconded by Commissioner Elsenia Young, the resolution awarding one million, four hundred sixty thousand, three hundred ninety-three dollars and eighty cents (\$1,460,393.80) in Community Development Block Grant (“CDBG”) funds remaining after the termination of the Plaquemines Parish Non-Profit Rebuilding Pilot Program grant agreement with Louisiana Family Recovery Corps (“LFRC”), to projects on the attached “Plaquemines Parish Non-Profit Rebuilding Pilot Program 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.

Program Administrator Loretta Wallace went over the specifics for the next time discussed, specifically being to amend the LHTF Guidelines reflective of a change to the terms on the 1st mortgage from 30 years to 33 years so as to be in line with the USDA product that is being offered to some homebuyers.

IC Scontrino noted that the Committee was recommending approval of said matter.

On a motion by Commissioner Joseph M. Scontrino, III, and seconded by Commissioner Elsenia Young, the resolution adopting the recommendations of the Housing Trust Fund Advisory Council regarding an amendment to the 2007-2008 Louisiana Housing Trust Fund Guidelines; 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.

IC Scontrino went over the specifics for the resolution regarding the Raymond Joseph Drive matter, noting that the Committee was recommending approval of said matter.

On a motion by Commissioner Joseph M. Scontrino, III, and seconded by Commissioner Elsenia Young, the resolution to grant an extension until June 30 , 2011 to complete construction of the remaining single family homes at Raymond Joseph Drive (New Orleans, 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.

Commissioner Vallee requested an update on the Global Green Initiative, and also info on projects not progressing smoothly. PA Wallace advised said update would be presented at the December BOCM.

MULTIFAMILY RENTAL HOUSING COMMITTEE

MFC Chair Guy T. Williams noted that the Committee had met earlier and that the first item to be discussed was a resolution regarding the Blue Plate Lofts, and that the Committee was recommending approval of said matter.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Katie Anderson, the resolution accepting the proposal of Capital One, NA or such other purchaser as may be designated by the Developer for the purchase of not to exceed \$15,000,000 (Fifteen Million Dollars) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Blue Plate Lofts Project) in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

MFCC Williams next discussed the resolution regarding the recapture/reallocation of GO Zone, and noted that the Committee was recommending approval of said matter.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Katie Anderson, the resolution providing for the recapture and reallocate GO Zone Credits previously reserved/allocated to projects identified in Exhibit A, due to non-conformance with the Agency's deadline for submitting the GO Zone reprocessing application and failing to evidence the project's ability to be placed in service by December 31, 2010; 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, Chair Jones requested future pools and QAPs clarify the rural definition parameters for consistency.

MFCC Williams lastly discussed the resolution regarding the Fifth Competitive TCAP, and noted that the Committee was recommending approval of said matter.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Katie Anderson, the resolution providing for an award of Tax Credit Assistance Program Funds ("TCAP Funds") to certain residential rental facilities with existing TCAP funds that have increased construction costs as evidenced in a change order approved by Agency staff or Asset Manager; authorizing the Agency's staff, General Counsel, and Foley & Judell, L.L.P as the Agency's TCAP Asset Manager, to prepare the forms of such documents and agreements as may be necessary to award TCAP Funds in accordance with HUD Notice CPD-09-03 – REV issued May 4, 2009 but revised July 27, 2009 (the "HUD TCAP Notice"); 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.

OTHER BUSINESS

Chair Jones informed everyone that a replacement for Commissioner Walter Guillory, who has recently resigned, was pending so she was going to have to revise the proposed new Committee

Assignments, and that said matter would be further reviewed and discussed during the December BOCM.

Chair Jones also noted that Commissioner Joseph M. Scontrino, III, would be the SPHC Interim Chair.

On a motion by Commissioner Katie Anderson and seconded by Commissioner Michael L. Airhart, the BOC approved that Commissioner Joseph M. Scontrino, III, would be the Interim Chair of the Special Programs HOME Committee; 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.

ADJOURNMENT

There being no other matters to discuss, Commissioner Guy T. Williams, 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 2:21 PM.**

Chairman

Secretary