

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

**Tuesday, January 19, 2010
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
12:00 p.m.**

Commissioners Present

Guy T. Williams
Michael L. Airhart
Mayson H. Foster
Katie Anderson
Elsenia Young
Alice Washington obo John Kennedy
Jerome Boykin, Sr.
Donald B. Vallee
Susan W. Sonnier
Allison A. Jones
Joseph Scontrino, III
J. Mark Madderra
Neal Miller

Commissioners Absent

Tyrone A. Wilson
Walter O. Guillory

Legal Counsel Present

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

Staff Present

Barry E. Brooks
Milton Bailey
Charlette Minor
Loretta Wallace

Brenda Evans
Urshala Hamilton
Annie Clark
Roger Tijerino
Wendy Hall
Alex Stewart
Rene Landry
Louis Russell
Calvin Humble
Mary Antoon
Agnes Chambers
Pat Hampton
Jatis Harrington
Collette Mathis
Jeff DeGraff
Eddie Falgoust
Kip Anderson
Amy York
Joe Durnin
Janelle Dickey
Natasha Joseph

Others Present

See Sign-In Sheet Attachment

CALL TO ORDER

In the absence of a Chairman, Vice-Chair Allison A. Jones called the meeting to order at 12:15pm; Board Coordinator Barry Brooks did the roll call; a quorum was established. Next there was an introduction of guests.

CHAIRMAN'S REPORT

Interim Chair Jones noted for everyone that former BOC Chair Wayne E. Woods was no longer on the Board. She applauded his outstanding leadership. She advised everyone that he would be honored for his leadership and commitment at the February 2009 BOCM. It was also noted that the Vice-Chair would be serving as Interim Chair until the April 2010 elections.

IC Jones highlighted the recent trip to WashDC to the HFI Institute Conference she and other BOC and LHFA Staff attended recently. They participated in meetings with the various Congressional Delegates and discussed the pending 1602, Exchange, and PIS legislation matters.

IC Jones thanked LHFA Policy Director Annie Clark for having done the initial work in setting up the meetings and for networking to get the message out. She stressed the further need for continued advocacy for the GO Zone recovery initiatives.

IC Jones also noted the NSCHA Legislative Conference being held in WashDC the 2nd week in March. She stressed the need for everyone available to attend. She offered congratulations to LAAHP for their recent hire of John from Cornerstone to assist with efforts on the Hill. She urged the development community to continue their grassroots efforts and to contact their WashDC contacts and congressional delegates

IC Jones noted that she had been in an auto accident late 2009 and thanked Commissioner Guy Williams for serving as Interim Chair during her absence.

PRESIDENT'S REPORT

LHFA President Milton J. Bailey reiterated to the BOC the recent trip to Washington, DC and the meetings with members of the Congressional Delegation to discuss several pertinent pieces of pending legislation. He also noted that Senator Mary Landrieu was working diligently on the Exchange efforts and that there was strong bipartisan and bicameral support.

APPROVAL OF MINUTES

It was noted by Board Coordinator Barry Brooks that the Approval of Minutes on the Agenda had been inadvertently skipped.

On a motion by Commissioner Mayson H. Foster and seconded by Commissioner Guy T. Williams, the minutes of the Full Board Meeting held December 9 2009, were approved. There being no further discussions or oppositions, the motion passed unanimously.

ENERGY ASSISTANCE COMMITTEE

EAC Chair Katie Anderson advised the BOC that the EAC had met earlier received a report from LACAP representatives, and had no items needing BOC actions thereupon. She also noted that the Energy Program Updates were in the Board binders along with the LACAP monthly report.

She noted that the LIHEAP ARRA was going smoothly.

EA Program Manager Darleen Okammor went over the Energy Reports. She noted that \$1.2B would be available from DOE for LIHEAP with Louisiana getting an additional \$30 plus the previous \$15M for a total of \$45M; funds would be allocated as soon as possible as there are

currently nine (9) parishes that are out of funds; and that 12K households had been served in Louisiana; in the regular WAP 92% of the houses had been completed – 320/346 units.

EACC Anderson noted that she had recently attended the LACAP Open Media Event and has gotten good testimonial from the clients after their homes had been weatherized.

LACAP representative Jane Killen and Keith Boeneke addressed the BOC. They gave updated on the current WAP; noted all of their contracted agencies are up to date in meeting their obligations; invited BOCM to come and tour their training facility; noted recent Open Media event and tour of their facilities in Baton Rouge; that LPB had recently aired a story about their services; that had begun airing television commercials on the WAP; they are having on-going Davis-Bacon Act training which is tracked by The Shaw Group.

IC Jones inquired as to how many non-producing reports they had in the past two (2) months. Ms. Killen replied there had been six (6), also noting that reports and databases are checked consistently in addition to monthly and quarterly monitoring audits; she noted she did not anticipate any future delays.

EACC Anderson went over the parameter specifics of the monitoring compliance aspects of the program, particularly that there are safeguards in place to ensure guidelines are adhered to.

Ms. Killen noted that she also maintains daily contact with the Agency.

Mr. Keith Boeneke with The Shaw Group addressed the BOC. He gave a report on the duties of Shaw and the scope of services performed; services included production and fiscal monitoring; he went over the training aspects, desk-top monitoring events, and on-site monitoring.

EACC Anderson and Ms. Killen noted that DOE was producing an interactive training video and had requested use of the LACAP facility in the video production.

IC Jones thanked Commissioner Anderson for her great leadership and everyone for their consistent hard work.

LEGAL COMMITTEE

Legal Committee Chair Allison Jones noted that the LC has met earlier and was recommending approval of the resolutions dealing with the RESTORE Programs in Ouachita and Richland Parishes.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Katie Anderson, the resolution providing ten (10) days from January 19, 2010, the date of the January Board meeting, for certain residents in the RESTORE program in Ouachita Parish to cooperate with Agency efforts to evaluate their property, to the satisfaction of

Staff and outside counsel, after which the Agency will cease to pay hotel expenses and will proceed with all legal action necessary and appropriate to protect the Agency's interest and providing that the Agency may proceed with such legal action as necessary, 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 J. Mark Madderra and seconded by Commissioner Joseph M. Scontrino, III, the resolution authorizing the Agency to use Agency funds to provide requested items for certain specific residents in the RESTORE program in Richland Parish, considering certain issues encountered by these specific residents, and under the unique circumstances presented, upon sufficient verbal or written evidence to prove the assertions of the residents, the sufficiency of which will be determined by Agency Counsel, and authorizing the Agency to make demand on the contractor whose representations appear to have led to the present situation, if in the opinion of Agency Counsel it is determined to be economical and prudent to do so; 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.

Last item discussed was the matter regarding Contract Documents for TCAP and 1602 Closings. LCC Jones noted that matter had been discussed in committee and approval was being recommended thereof.

On a motion by Commissioner Katie Anderson and seconded by Commissioner J. Mark Madderra, it was resolved that the closings for TCAP and 1602 Exchange be contained in the asset management contracts since the same contractor was awarded the asset management contract for both programs; 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.

SINGLE FAMILY COMMITTEE

SFC Chair Michael L. Airhart noted the SFC had met earlier.

Program Administrator Brenda Evans advised the BOC updates on the 2008A, 2009A, and Whole Loan Report was in their binders, noting no action was need thereof by the BOC.

SFCC Airhart and Ms. Evans next discussed the 201 Program Bond issue. They noted an anticipated roll forward with three (3) issues over the next year, per the advice of the Underwriter and Finance Team, in the amount of \$160M (\$40-\$50 each of three issues).

Next item discussed was the Line of Credit/Warehouse Facility matter. SFCC Airhart noted the matter if approved would fund mortgage loans. He briefly went over the specifics thereof.

On a motion by Commissioner Joseph M. Scontrino, III and seconded by Commissioner Katie Anderson, the resolution approving and authorizing a Line of Credit/Warehouse Facility not exceeding Two Hundred Million Dollars (\$200,000,000) for Louisiana Housing Finance Agency through the Federal Home Loan Bank of Dallas; requesting the State Bond Commission to approve the Line of Credit/Warehouse Facility through the Federal Home Loan Bank of Dallas; 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.

Last item discussed was the selection of the Financial Advisor. SFCC Airhart noted that the matter had been discussed by the Special Subcommittee, and they were recommending that CSG Advisors be the Agency's sole Financial Advisor.

Commissioner Donald Vallee noted he had earlier raised the issue of leaning towards a Louisiana entity and the need for a co-Financial Advisor, and that he had a close score between CSGA and Caine Mitter, but would prefer Caine Mitter, but will also acquiesce to the Special Subcommittee's recommendation.

On a motion by Commissioner Michael L. Airhart and seconded by Commissioner Guy T. Williams, the resolution approving and authorizing the selection of CSG Advisors Incorporated as Financial Advisor, and providing for other matters connected therewith; and providing for other matters in connection with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter passed 12 (YEA) to 1 (NAY). There was one DISSENTION VOTE from Alice Washington obo Commissioner John N. Kennedy.

SPECIAL PROGRAMS HOME COMMITTEE

Commissioner Joseph M. Scontrino, III noted that in the absence of SPHC Chair Walter Guillory, that he would giving the Committee's report.

SP Programs Administrator Loretta Wallace advised the BOC that the Unity Village Subdivision and the Evangeline Pointe Apartments HTF matters were moving forward, and that no action was needed thereof.

Next item discussed was the resolution regarding the redevelopment plan for the 202 projects. Ms. Wallace went over the specifics and historical aspects thereof. She noted that HUD had suggested alternate sites for three (3) of the projects; noted that annual interest on the properties was due in April 2010; FEMA was paying for the redevelopment of the units; HUD cannot finance the deals; and that staff was recommending approval of the matter.

Commissioner Vallee inquired as to whether there was still a need for the projects in the area. Mr. Adams (?) addressed the BOC stating the need was substantiated as there were currently waiting lists for housing in St. Bernard Parish.

Commissioner Vallee further inquired as to why not seek less costly developments. President Bailey noted that the properties in question were actually owned by the LHFA. Ms. Evans also noted that there was a potential loss of \$6M to LHFA if the areas were not redeveloped.

There were further lengthy discussions on the need thereof for the properties to be redeveloped.

Commissioner Scontrino offer a friendly amendment that if any additional expenditures are requests that the BOC be informed thereof. LHFA General Counsel Terri Ricks noted that the resolution before the BOC denoted a mandate that if other funds were need they would have to be approved first by the BOC.

On a motion by Commissioner Neal P. Miller and seconded by Commissioner Katie Anderson, the resolution authorizing and directing staff and counsel to cooperate with HUD and the 202 nonprofit owners in completing a redevelopment plan for the 202 Projects at existing or alternate sites; 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.

HOME Program Administrator Charlette Minor gave the HOME Reconciliation Update PR-27.

Next item discussed was the resolution de-obligating NSP funds to Mid City Redevelopment Alliance and the St. Mary Community Development Corporation. Commissioner Scontrino went over the specifics thereof.

Commissioner Airhart inquired as to why the groups had returned the funds. NSP Program Manager Agnes Chambers noted that the groups were looking for a grant not a loan.

On a motion by Commissioner Neal P. Miller and seconded by Commissioner Michael L. Airhart, the resolution to de-obligate Neighborhood Stabilization Program (NSP) funds initially awarded to two applicants: Mid City Redevelopment Alliance in the amount of four hundred forty-two thousand dollars (\$442,000.00), and St. Mary Community Development Corporation in the amount of one million, three hundred sixty-three thousand, eight hundred dollars (\$1,363,800.00) and setting up a manner of awarding the returned one million, eight hundred five-thousand, eight hundred dollars (\$1,805,800.00) Neighborhood Stabilization Program funds; 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.

Last item discussed was an update on the Capitol City South Project.

Agency Architect Dr. Roger Tijerino addressed the BOC. He noted that the Agency had selected Post Architects as the project's architect, and that Allied Remediation had been selected to handle the asbestos abatement for the project.

IC Jones requested that the BOC be kept fully informed of all matters on the project to ensure its success.

SINGLE FAMILY COMMITTEE (revisited)

SFCC Airhart requested the BOC take and review the binders given to them which contained the RFP documents from the Agency's Financial Advisor, Bond Counsel, and Bond Underwriter.

MULTIFAMILY RENTAL HOUSING COMMITTEE REPORT

MFC Chair Guy T. Williams noted that the Committee had met earlier and that the first item to be discussed was a resolution regarding Oak Villa I and II request to return and reallocate \$175 in credits. Ms. Evans went over the specifics of the resolution, noting staff was recommending approval thereof subject to F&V approvals and with a caveat of no additional funding request, and the return of the credits if there is no successful Exchange legislation passed.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner J. Mark Madderra, the resolution approving the request of Oak Villa II, #08(GO)-61, (located on the West Bank of New Orleans) to transfer One Hundred Seventy-Five Thousand Dollars (\$175, 000) in GO-Zone Low Income Housing Tax Credits to Oak Villa I, #07/08(FA)-49, (located on the West Bank of New Orleans); 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 with the foregoing, was adopted. There being no further discussions, oppositions, or public comments the matter unanimously passed.

Next item to be discussed was the resolution regarding Woodcrest Apartments.

Ms. Evans went over the specifics of the matter, noting that staff was recommending approval thereof, subject to a favorable F & V analysis.

MFCC Williams concurred, noting the committee was likewise advising approval.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner J. Mark Madderra, the resolution accepting the proposal of MMA Financial or such other purchaser as may be designated by the Agency or the initial owner/operator of the Woodcrest Apartments, (1900 Lobdell Avenue, Baton Rouge, Louisiana); for the purchase of not exceeding Seven Million, Eight Hundred Seventy-Two Thousand Dollars (\$7,872,000) Louisiana Housing Finance Agency Multifamily Housing Revenue Bonds (Woodcrest Apartments Project) in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and establishing the maximum qualified basis and low-income housing credits to Woodcrest Apartments; authorizing the Agency

staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate 4% Low Income Housing Tax Credits to such facilities; 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.

Last item discussed was the resolution regarding TCAP, 1602 Exchange, and GO Zone Credits and Project Schedules. Ms. Evans went over the specifics parameter of the resolution, noting that staff was recommending approval thereof.

MFCC Williams concurred, noting the committee was likewise advising approval.

Commissioner Foster inquired as to if the allocation of additional credits would affect and of the applicants.

Ms. Evans noted that as long as the 8609's have not been completed they would qualify and that the offering letters would denote such when they are sent out.

IC Jones noted that the resolution before the BOC would only approve the procedure/policy and not a particular project.

Commissioner Madderra requested the status on how the projects would be progressing forward.

OTHER BUSINESS

Commissioner Vallee complimented the staff for being responsive to his various informational requests and thanked them for their esteemed professionalism.

IC Jones urged the developers to contact their Congressional Delegates.

ADJOURNMENT

There being no other matters to discuss, Commissioner Katie Anderson offered a motion for adjournment that was seconded by Commissioner Joseph M. Scontrino, III. There being no further discussion or opposition, the matter was unanimously passed. **The Full Board meeting adjourned at 1:39 PM.**

Chairman

Secretary