

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

**Wednesday, June 8, 2011
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
12:00 p.m.**

Commissioners Present

Allison A. Jones
Michael L. Airhart
Donald B. Vallee
Katie Anderson
Adena R. Boris
Mayson H. Foster
Frank H. Thaxton, III
Jerome Boykin, Sr.
Elsenia Young
Guy T. Williams

Commissioners Absent

John N. Kennedy
Neal P. Miller

Staff Present

Barry E. Brooks
Alesia Wilkins-Braxton
Brenda Evans
Loretta Wallace
Rebekah Ward
Annie Clark

Rene Landry
Mary Antoon
Marjorianna Willman
Ricky Patterson
Joseph Durnin
Ruth Wesley
Jonathan Wesley
Collette Mathis
Calvin Humble
Danny Veals
Jeff DeGraff
Agnes Chambers
Natasha Anderson
Chevonne Payne
Demetria Farve
Terri Porche Ricks
Edselle Keith Cunningham, Jr.
Christine Bratkowski
Leslie C. Strahan
Jessica Guinn

Others Present

See Sign-In Sheet

CALL TO ORDER

Chairwoman Allison A. Jones called the meeting to order at 12:40pm. Board Secretary and Coordinator Barry E. Brooks called the roll; there was a quorum. Due to time constraints there was not an introduction of guests.

APPROVAL OF MINUTES

On a motion by Commissioner Frank H. Thaxton, III, seconded by Commissioner Katie Anderson, the minutes of the Full Board Meeting held May 11, 2011, were approved unanimously.

CHAIRPERSON'S REPORT

Chair Jones opened up the floor to discuss and clarify the Board's previous approval of a resolution regarding expenditures, travel, and hiring.

Commissioner Mayson H. Foster offered a motion to supersede the May 11, 2011, resolution. Specifically stating that "...Madam Chair, I'm aware that last month we were talking about the need to cooperate with the Governor's Executive Orders and, you know, I did make the motion last month that I believe that it needs some clarifications that was not exactly clear. And, so to that end I would like to make a motion that would supersede the motion that I made last month and that was actually passed. Madam Chair, I move that the Louisiana Housing Finance Agency fully cooperate in the implementation of the provisions of the Executive Orders BJ 1106 and 1107, and in doing so that the Acting President is encouraged to carefully consider the expenditures of the Agency in keeping with the spirit of the Executive Orders."

On a motion by Commissioner Mayson H. Foster and seconded by Commissioner Donald B. Vallee, the Board approved to supersede the motion passed by the Board on May 11, 2011, and to clarify the intention of the Board that the LHFA fully cooperate in the implementation of the provisions of Executive Orders BJ 11-06 and 11-07 and in doing so, that the President/Acting President be encouraged to carefully consider the expenditures of the Agency in keeping with the spirit of the Executive Orders; and providing for other matters in connection with the foregoing, was moved to debate. There being no further discussion, opposition, or public comments the matter passed unanimously.

Chair Jones next advised the BOC of the upcoming NCSHA 2011 Housing Credit Conference in Atlanta from June 13-16, and that she'd be attending as a Board Member.

Chair Jones also encouraged attendance of the BOC for the NCSHB Education and Development Workshop in Santa Fe on August 14-16.

VICE-PRESIDENT'S REPORT

Ms. Alesia Wilkins-Braxton advised everyone that the Agency was closely monitoring pending legislations and that SB 249 had passed with amendments. And, that LHFA would continue to operate under its current statutory authority but as a subsidiary of the new created Louisiana Housing Corporation until June 20, 2012.

Ms. Wilkins-Braxton also noted that HB 477 had left committee with an amendment requesting funds from the Agency in the amount of \$25.1M.

Thereafter, Commissioner Vallee requested to Amend the Agenda so that the Multifamily Rental Committee could go next. Chair Jones advised him that the MFC was actually next on the Agency, and therefore no need for a motion was necessary.

Chair Jones reiterated the need for the BOC to review the meeting materials that are sent to them seven (7) days in advance in preparations thereof.

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 Cypress Springs Senior Apartments Project, of which the Committee was recommending approval.

Program Administrator Ms. Brenda Evans briefly went over the specifics of the project noting staff had received the matter and was recommending approval.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Donald B. Vallee, the resolution of intention to issue not exceeding Eight Million, Six Hundred Thousand Dollars (\$8,600,000) of Multifamily Housing Revenue Bonds (Cypress Springs Senior Apartments Project) in one or more series to finance the acquisition, construction and equipping of a single- multifamily housing development within the State of Louisiana; and providing for other matters in connection with the foregoing, was moved to debate. There being no further discussion, opposition, or public comments the matter passed unanimously.

Next item discussed was the State's 2011/2012 Per Capita Qualified Allocation Plan.

MFC Chair Williams advised that the Committee was recommending approval thereof.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Jerome Boykin, Sr., the resolution providing for approval of the State's 2011 and 2012 Per Capita Qualified Allocation Plan; and providing for other matters in connection with the foregoing, was moved to debate.

Commissioner Vallee offered an Alternative Motion to not forward allocate, which was seconded by Commissioner Frank H. Thaxton, III.

Thereafter, Commissioner Thaxton requested additional comments from the public be entertained.

Chair Jones opened up the floor for public comments for anyone in favor of not forward allocating.

Mr. Brian Juno of Lake Cheramie noted he was against forward allocating.

Mr. Todd Little of LAAHP noted he was in favor of forward allocating.

Via a Voice Vote, Commissioner Vallee's Alternative Motion to not forward allocate FAILED.

Commissioner Vallee offered a motion that was seconded by Commissioner Thaxton “...that we increase the informational pool to \$2M and that we utilize the funds over the next four (4) years’ allocations including these two (2) years here and to forward allocate out of the PHA allocation.” Chair Jones opened up the floor for discussion.

Commissioner Katie Anderson noted for the record that she “...was not for this transformational project being funded out of the PHA pool; that I feel that if it is an important enough thing for this Board to pass then it should be considered from all pools; and I want to make sure that everyone in the audience understands that even whether or not this project is won by a PHA or not because it can actually – I understand there’s a difference in opinion about who can actually apply; however, I do believe that it does allow for competition and someone else may get this project if it is passed as such that I think that it is a shared cost amongst all of the pools that we have because if we feel it’s important enough to do, then everyone should be able to participate in that manner. So I just want that on the record. Thank you.”

Commissioner Thaxton noted his preference that the pool be shared equally.

After further brief discussions, Chair Jones advised that the current pending amended motion before the Board was “...that the transformational pool will be increased by two years; it will be funded \$1M in the 2011 tax credits to be shared pro-rata by all pools with the exception of the CHDO pool; \$1M to be funded in the 2012 tax credits to be shared pro-rata by all pools with the exception of the CHDO pools. That is the motion as amended on the table.”

Ms. Kelly Longwell noted her support that the developers be capped at \$2M.

Mr. Greg Gachassin of Cartesian Company noted his opposition to increasing the transformation pool to \$2M, and that during the MFC there was a recommendation that the amount be \$1.5M.

Mr. Todd Little of LAAHP noted his opposition to the matter, as previously had been done earlier.

Ms. Gionne Jordan of Michael’s Development Company noted she was against the transformational pool as well as was the Greater New Orleans Housing Alliance.

Commissioner Thaxton requested Legal review the ramifications if the matter was extended for four (4) years instead of two (2) years and the risks associated thereof.

Bond Counsel Wayne Neveu advised that there would be risks, the most significant of which would be tax reform and a flat tax and elimination of low income housing credits.

Commissioner Vallee requested a Call to Question on the pending Motion.

ROLL CALL VOTES on the matter regarding that the transformational pool will be increased by two years; it will be funded \$1M in the 2011 tax credits to be shared pro-rata by all pools with the exception of the CHDO pool; \$1M to be funded in the 2012 tax credits to be shared pro-rata by all pools with the exception of the CHDO pools; and providing for other matters in connection therewith:

2 YES – Scontrino, Vallee

7 NO – Airhart, Anderson, Boris, Boykin, Foster, Thaxton, Williams

1 ABSENT – Young

The aforementioned matter FAILED.

Commissioner Foster offered a friendly amendment to his motion, seconded by Commissioner Scontrino, to reduce the amount of the tax credit in the transformational pool to \$1.5M.

Commissioner Vallee requested a Call to Question on the pending Motion.

ROLL CALL VOTES on the matter regarding that the Agency fund the transformational pool with a cap of \$1.5M to be funded in each tax credit year of 2011 and 2011 each as \$750K; that amount is to be shared pro-rata with all pools except the CHDO; and providing for other matters in connection therewith:

8 YES – Anderson, Boris, Boykin, Foster, Scontrino, Thaxton, Vallee, Williams

1 NO – Airhart

1 ABSENT – Young

The aforementioned matter PASSED.

MFC Chair Williams advised everyone that during the committee meeting there had been some amendments to the QAP. Specifically, to push the application date back to August 29, along with pushing back all other dates similarly; that for the rural pool, half of it would be reserved for rural development rehab; and for historic projects, the cap was pushed from 200 to 250. And, that the MFC was recommending approval thereof.

Commissioner Frank H. Thaxton, III, offered a friendly amendment motion that the requirement noting consent/support of the Governor be removed, seconded by Commissioner Katie Anderson; and providing for other matters in connection with the foregoing, was moved to debate. There being no further discussion, opposition, or public comments the matter passed unanimously

Mr. Gachassin addressed the Board again and discussed total development costs and the desire not to create any inferior projects. He also noted that superior design components were costly.

Ms. Sarah Meadows of Gulf Coast Housing Partnership discussed the transformation of communities via place based development projects.

Mr. Little addressed the Board again and advised that the definition of scattered sites was misleading and the problems some developers have with zoning parameters.

Commissioner Scontrino offered a motion, seconded by Commissioner Thaxton, to amend the QAP to follow the 203B FHA Program limits.

Chair Jones directed staff to ascertain the specifics of the 203B limits and that she'd hold the aforementioned motion pending the info before she calls a vote on it.

Mr. Charles Tate addressed the Board and advised that he needed help with syndicators on had to put together projects; and suggested raising the cap on developer fees for rural CHDO projects.

Mr. Neveu explained Mr. Tate's proposed premise to encourage partnerships with CHDO's.

Chair noted, having received the 203B Program limits info from staff, advised that the total development cost was \$203K for scattered sites.

Mr. Neveu advised that the info given to the Chair may be incorrect.

Commissioner Scontrino suggested a threshold for total development costs of \$185K

Commissioner Vallee Called to Question the aforementioned pending motion.

Chair Jones advised that the pending motion was to increase the total development costs to \$185K.

On a motion by Commissioner Joseph M. Scontrino, III, and seconded by Commissioner Frank H. Thaxton, III, the Board approved amending the QAP to increase the total development costs to \$185K for scattered sites; and providing for other matters in connection with the foregoing, was moved to debate. There being no further discussion, opposition, or public comments the matter passed unanimously.

Mr. Tate addressed the Board again and discussed the general pool criteria and point penalties involved with scattered sites projects.

Mr. Vanessa Bridges of VOA noted her opposition to a reduction of development cap limits.

Mr. Brian Juneau discussed adequate and past management experience components and prerequisites.

Commissioner Scontrino offered a motion, seconded by Commissioner Vallee, that current management experience is not required as long as there is a demonstration of past management experience, that the developer is still in compliance, and is not in violation of any post QAP's; and providing for other matters in connection with the foregoing, was moved to debate. There being no further discussion, opposition, or public comments the matter passed unanimously.

Ms. Longwell addressed the Board again and asked that there not be an exception for the developer cap and the developer cap is raised to \$1.5M to be consistent.

Commissioner Vallee offered a motion, seconded by Commissioner Scontrino, to limit the cap to each per calendar year to \$1M for a total of \$2M; and providing for other matters in connection with the foregoing, was moved to debate.

Commissioner Foster noted his objection to said motion, being that he felt \$1M was sufficient.

After further discussions with the Board and Mr. Neveu, Commissioner Foster advised that he'd be okay with \$1M per project.

Chair Jones advised the Board that matter to be voted on was a motion by Commissioner Valle, and seconded by Commissioner Scontrino, that the cap in the general pool be raised to \$1M for each developer project in each funding round in 2011 credits and \$1M cap of 2012 credits; and providing for other matters in connection with the foregoing, was moved to debate. There being no further discussion, opposition, or public comments the matter passed unanimously.

Ms. Jordan addressed the Board again and wanted to reflect on the record that "...I understand that you're going to take up superior design a little bit later, but we want to go on the record stating that we do believe that the characteristics of what constitutes superior design should be defined in the glossary of the QAP."

Commissioner Foster Called to Question the resolution approving the QAP, as amended.

On a motion by Commissioner Guy T. Williams and seconded by Commissioner Jerome Boykin, Sr., the Board approved the State's 2011 and 2012 Per Capita Qualified Allocation Plan; and providing for other matters in connection with the foregoing, was moved to debate. There being no further discussion, opposition, or public comments the matter passed. There was one ABSTAIN vote from Commissioner Michael L. Airhart.

Next item discussed was the resolution regarding selection of the Architect for review of superior design submittals. Ms. Evans briefly went over the specifics of the matter, noting there would be a workshop on June 16th.

On a motion by Commissioner Joseph M. Scontrino, III, and seconded by Commissioner Katie Anderson, the resolution awarding the contract for the Architect for review of Superior Design; and providing for other matters in connection with the foregoing, was moved to debate. There being no further discussion, opposition, or public comments the matter passed unanimously.

ASSET MANAGEMENT COMMITTEE

Asset Management Committee (AMC) Chair Donald Vallee noted that they had met earlier, and that they had discussed the status of Willowbrook Apartments. He advised that expected proceeds from Willowbrook Apartments should be around \$1.3M.

Next item briefly discussed was the Willowbrook Apartment Contract Extension resolution.

On a motion by Commissioner Donald B. Vallee and seconded by Commissioner Joseph M. Scontrino, III, the resolution authorizing the Louisiana Housing Finance Agency (“Agency”) to extend the contract for the property management of the Agency owned property, Willowbrook Apartment Community; and providing for other matters in connection with the foregoing, was moved to debate. There being no further discussion, opposition, or public comments the matter passed unanimously.

Next item discussed was a Status Update on Capital City South. AMC Chair Vallee advised since the matter was an NSP project, the Agency would not get any revenues therefore.

Next item discussed was a Status Update on Village de Jardin Apartments. AMC Chair Vallee noted that there had been a meeting with the LSU Medical Team and their Nursing Group who are going to occupy and furnish a 2K square foot area clinic within the facilities to services the needs of the residents. LSU will be charged \$1 a year, per a previous Board action.

Last item discussed was the LHFA Main Office Building Assets. AMC Chair Vallee advised that they had discussed the need to upgrade the generator and fuel capacity and cooling systems. And, that the AMC was recommending approvals thereof.

Ms. Charlotte Bourgeois addressed the Board and inquired on the total development costs for the Capital City South (\$245,613 per unit) and Village de Jardin (\$219,886 per unit) Projects.

AMC Chair Vallee advised Ms. Bourgeois that since Village De Jardin was done as a FEMA development via FEMA funds through Facility Planning, that the Agency had no control over any associated costs.

Chair Jones and Ms. Charlette Minor advised Ms. Bourgeois that for Capital City South the actual unit cots also included the other common areas.

ENERGY ASSISTANCE COMMITTEE

Energy Assistance Committee (EAC) Chair Katie Anderson noted that the EAC had met earlier, had no action items to discuss, and that the Energy Programs Activity reports were in the Board binders.

BUDGET AND FINANCE COMMITTEE

Budget and Finance Committee (BFC) Chair Mayson H. Foster noted that the BFC had met earlier and discussed the Operating Budget for FYE June 30, 2012. BFC Chair Foster prefaced that the budget was a "...living, moving document that can be amended at any point in time."

On a motion by Commissioner Mayson H. Foster and seconded by Commissioner Joseph M. Scontrino, III, the Board adopted the Louisiana Housing Finance Agency Operating Budget for the Fiscal Year Ending June 30, 2012 (with Exhibit A, entitled "Louisiana Housing Finance Agency Fiscal Year Ending June 30, 2012 Operating Budget"); and providing for other matters in connection with the foregoing, was moved to debate. There being no further discussion, opposition, or public comments the matter passed unanimously.

Thereafter, BFC Chair Foster noted the need to make some improvements in the Agency's building in the amount of \$155K, and directed Agency IT Director Danny Veals to proceed with said necessary improvements.

HUMAN RESOURCES COMMITTEE

In the absence of HRC Chair Jerome M. Boykin, Sr., BOC Chair Jones advised that the HRC had met earlier and was recommending approvals of the Staffing Plan for FYE June 30, 2012.

On a motion by Commissioner Donald B. Vallee and seconded by Commissioner Guy T. Williams, the Board adopted the Staffing Plan for the Fiscal Year Ending June 30, 2012 (Exhibit A, entitled "LHFA Staffing Plan FY 2011/2012"); and providing for other matters in connection with the foregoing, was moved to debate. There being no further discussion, opposition, or public comments the matter passed unanimously.

SINGLE FAMILY COMMITTEE

Due to time constraints, Single Family Committee Chair Joseph M. Scontrino, III, advised that the only action item they had to discuss was the resolution regarding \$3.7M LHFA SFMRRB Series

2011. Ms. Evans briefly went over the specifics thereof, advising that the Finance Team and staff were recommending approval thereof.

On a motion by Commissioner Joseph M. Scontrino, III, and seconded by Commissioner Donald B. Vallee, the resolution approving and authorizing the issuance of not exceeding Three Million Seven Hundred Thousand (\$3,700,000) of Louisiana Housing Finance Agency Single Family Mortgage Revenue Refunding Bonds, Series 2011 in one or more series or subseries to refund the refundable portions of the outstanding Louisiana Housing Finance Agency Single Family Mortgage Revenue Bonds (Home Ownership Program) Series 1998B Bonds; approving the forms of the Series Supplemental Trust Indenture in connection with the aforesaid Bonds; approving a Notice of Intention to Sell at Private Negotiated Sale and authorizing the publication thereof; requesting the State Bond Commission to approve the aforesaid documents and approve the issuance, sale and delivery of the Bonds; and providing for other matters in connection with the foregoing, was moved to debate. There being no further discussion, opposition, or public comments the matter passed unanimously.

SFC Chair Scontrino briefly discussed the BOA Conversion, noting the process should be completed in the next 45 days.

Ms. Evans advised that the Finance Team was advising adjusting the assisted rate to 4.75% to 4.99%, and to get rid of the .75% origination fee, and that the unassisted rate would be 4.25%.

SFC Chair Scontrino advised the adjustments are so that the Agency can remain competitive; and he also noted that production is still up and positive.

ENERGY ASSISTANCE COMMITTEE (contined)

Chair Jones inquired if there had been anything inadvertently left out of the previous EAC report.

Energy Assistance Committee (EAC) Chair Katie Anderson reiterated that the EAC had met earlier, had no action items to discuss, and that the Energy Programs Activity reports were in the Board binders, and that the Programs were progressing well.

Commissioner Vallee requested an audit be done of the Energy Assistance Program's department and operations.

Ms. Wilkins-Braxton advised that the Internal Audit Committee would be giving a report at the July BOCM announcing their audit reviews for the next year.

SPECIAL PROGRAMS COMMITTEE

In the absence of Special Programs Committee (SPC) Chair Neal P. Miller, BOC Chair Jones noted that the Committee had met earlier, and was recommending approval of the Recommended Awards for the HOME 2010/2011 NOFA Second Release.

On a motion by Commissioner Donald B. Vallee and seconded by Commissioner Joseph M. Scontrino, III, the resolution adopting the recommended awards (attached Exhibit A, entitled "HOME 2010/2011 NOFA Second Release Recommended Awards List") for the HOME 2010/2011 Notice of Funding Availability (NOFA) Second Release; and providing.
BOC Chair Jones advised that there had also been given a report on the Defaulted 202s.

Commissioner Vallee advised that an extension on the 202's was given but that no future extensions would be granted.

OTHER BUSINESS

Commissioner Thaxton and Chair Jones directed staff to review how to make the BOCM process more "green-friendly" and to encourage the use of more electronic document reviews and submissions.

Mr. Veals advised the Board that such was possible but would definitely require more financial resources.

Chair Jones requested that a proposal be prepared and presented to the Board at the July BOCM.

ADJOURNMENT

There being no other matters to discuss, Commissioner Guy T. Williams, offered a motion for adjournment that was seconded by Commissioner Joseph M. Scontrino, III. There being no discussion or opposition, the matter was unanimously passed.

The Full Board meeting adjourned at 2:19 PM.

Chairman

Secretary