

LHC Board of Directors

Board Meeting Minutes

Wednesday, February 11, 2015

**2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
12:00 P.M.**

Board Members Present

Mayson H. Foster
Michael L. Airhart
Dr. Daryl V. Burckel
Larry Ferdinand
Treasurer John N. Kennedy
Ellen M. Lee
Matthew P. Ritchie
Guy T. Williams, Jr.
Malcolm Young, Jr.

Board Members Absent

Willie Spears

Staff Present

Fred Tombar
Michelle Thomas
Barry E. Brooks
Brenda Evans
Loretta Wallace
Janel Young
Terry Holden
Todd Folse
Edselle Keith Cunningham, Jr.
Leslie C. Strahan
Jessica Guinn
Christine Bratkowski

Rebekah Ward
Collette Mathis
Marjorianna Willman

Others Present

See Guest Sign-In Sheet

CALL TO ORDER

LHC Board Chairman Mayson H. Foster called the meeting to order at 12:24 p.m. Board Secretary Barry E. Brooks called the roll; there was a quorum.

APPROVAL OF MINUTES

On a motion by Board Member Dr. Daryl V. Burckel and seconded by Board Vice-Chairman Larry Ferdinand, the Minutes of the December 10, 2014 LHC Board of Directors Meeting were approved unanimously.

LHC BOARD CHAIRMAN'S REPORT

Board Chairman Foster introduced Office of Community Development Executive Director Pat Forbes, and both presented a plaque to former LHC Interim-Executive Director Don J. Hutchinson, acknowledging his 30 years of exemplary State service and leadership. Mr. Hutchinson thanked everyone for their kind words and accolades.

Board Member Michael L. Airhart gave a brief overview of the NOVOGRADAC Tax Credit Developers Conference he attended on January 8-9, 2015.

ADMINISTRATIVE COMMITTEE

AC Chairman Malcolm Young, Jr. advised that the Committee had met earlier, and was recommending approval of the resolution regarding the Board's Travel Policy, subject to revisions as discussed and concurred on during the Committee meeting.

On a motion by Board Member Malcolm Young, Jr. and seconded by Board Member Michael L. Airhart, the resolution approving a policy for the reimbursement of reasonable travel expenses incurred by members of the Board of Directors of the Louisiana Housing Corporation in connection with the discharge of their duties; and providing for other matters in connection therewith, was moved to

debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

The next item discussed was the resolution regarding the CEA between LSU Public Administration Institute (PAI) and LHC. Chairman Young went over the specifics of the matter.

Dr. Shi from LSU School of Construction Management and Dr. Jim Richardson from LSU PAI addressed the Board and discussed the Housing Needs Assessment project.

There was lengthy discussion thereafter on the aforementioned matter.

On a motion by Board Member Malcolm Young, Jr. and seconded by Board Member Treasurer John N. Kennedy, the resolution authorizing the continuation of the work contemplated under the Cooperative Endeavor Agreement entered into by and between the Louisiana Housing Corporation and Louisiana State University E.J. Ourso College of Business Public Administration Institute; and providing for other matters in connection therewith, was moved to debate.

There being no further discussion, opposition, or public comments, a Roll Call Vote was taken at the request of Chairman Foster and the motion PASSED via 7 (YES) to 2 (NO). The votes were as follows:

YES (Michael L. Airhart, Dr. Daryl V. Burckel, Vice-Chairman Larry Ferdinand, Treasurer John N. Kennedy, Ellen M. Lee, Matthew P. Ritchie, Malcolm Young).

NO (Guy T. Williams, Jr., Chairman Mayson H. Foster).

The next item discussed was the 1st Annual LHC Affordable Housing Conference. LHC Chief Administrative Officer Michelle Thomas went over the specifics thereof, noting it would be held in New Orleans on August 26 – 28, 2015.

Board Member Ellen M. Lee moved to Suspend the Rules to Add to the Agenda a resolution regarding approving the 1st Annual LHC Affordable Housing Conference in August 2015, and was seconded by Board Vice-Chairman Larry Ferdinand.

There being no further discussion, opposition, or public comments, a Roll Call Vote was taken at the request of Chairman Foster and the motion FAILED via 7 (NO) to 2 (YES). The votes were as follows:

NO (Michael L. Airhart, Dr. Daryl V. Burckel, Vice-Chairman Larry Ferdinand, Ellen M. Lee, Matthew P. Ritchie, Malcolm Young, Chairman Mayson H. Foster).

YES (Treasurer John N. Kennedy, Guy T. Williams, Jr.).

Thereafter, the matter proceeded as a Discussion item.

Board Chairman Foster asked the Board Members to ponder a possible Special Meeting to discuss the AHC, which would also allow LHC staff to gather more specifics related to the event, and in particular, the detailed costs related thereof.

MULTIFAMILY COMMITTEE REPORT

MC Chairman Guy T. Williams, Jr. noted that the Committee had met earlier, and the first item was the resolution regarding awarding Soft Funds in a NOFA to CHDOs. He went over the specifics, noting the Committee was recommending approval thereof.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Member Dr. Daryl V. Burckel, the resolution approving staff's recommended strategies for awarding Soft Funds in a Notice of Funding Availability (NOFA) to Community Housing Development Organizations (CHDO); and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

The next item discussed was the resolution regarding awarding Soft Funds in a NOFA for Non-Competitive LIHTCs. Chairman Williams went over the specifics, noting the Committee was recommending approval thereof.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Member Dr. Daryl V. Burckel, the resolution approving the issuance of a Notice of Funding Availability for awarding CDBG funds in Plaquemines Parish; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

The next items discussed were the resolutions regarding Port Royal Apartments. Chairman Williams went over the specifics, noting the Committee was recommending approval thereof.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Vice-Chairman Larry Ferdinand, the resolution establishing the maximum qualified basis and low-income housing credits to Port Royal Apartments, #TC2014-104BF (6430 Airline Highway, Baton Rouge, East Baton Rouge Parish, Louisiana 70805); authorizing the 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 therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Member Dr. Daryl V. Burckel, the resolution of intention to issue not exceeding Thirteen Million Six Hundred Fifty Thousand Dollars (\$13,650,000) Multifamily Housing Revenue Bonds (Port Royal Apartments Project) in one or more series to finance the acquisition, construction and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

The next items discussed were the resolutions regarding Paddock at Shadows Bluff. Chairman Williams went over the specifics, noting the Committee was recommending approval thereof.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Vice-Chairman Larry Ferdinand, the resolution establishing the maximum qualified basis and low-income housing credits to Paddock at Shadows Bluff, #TC2014-105BF (2890 Shadow Bluff Drive, Lafayette, Lafayette Parish, Louisiana 70501); authorizing the 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 therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Vice-Chairman Larry Ferdinand, the resolution of intention to issue not exceeding Thirteen Million Eight Hundred Fifty Thousand Dollars (\$13,850,000) Multifamily Housing Revenue Bonds (Paddock at Shadow Bluff Project) in one or more series to finance the acquisition, construction and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

The next items discussed were the resolutions regarding Iberville On-Site Phase IV. Chairman Williams went over the specifics, noting the Committee was recommending approval thereof.

Board Member Ellen M. Lee recused herself from participation concerning these matters, and read into the record the following: “I am the Director of Housing Policy and Community Development for the City of New Orleans, and we have committed to the Iberville On-Site Phase IV project. Because of my indirect interest in this project as the Director of HPCD for the City of New Orleans, and pursuant to Louisiana Revised Statute 40:600:90(H), I hereby recuse myself from participation in the actions of the Corporation and the Board related to Iberville On-Site Phase IV and Artspace Bell

School Lofts, including but not limited to discussion and voting on any issue concerning these projects.”

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Vice-Chairman Larry Ferdinand, the resolution establishing the maximum qualified basis and low-income housing credits to Iberville On-Site Phase IV, #TC2014-107BF (1575 Iberville Street, New Orleans, Orleans Parish, Louisiana 70112); authorizing the 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 therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Vice-Chairman Larry Ferdinand, the resolution of intention to issue not exceeding Twenty-two Million Dollars (\$22,000,000) Multifamily Housing Revenue Bonds (Iberville On-Site Phase IV Project) in one or more series to finance the acquisition, construction, rehabilitation and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

The next items discussed were the resolutions regarding Villages at Eagle Pointe VII. Chairman Williams went over the specifics, noting the Committee was recommending approval thereof.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Member Dr. Daryl V. Burckel, the resolution establishing the maximum qualified basis and low-income housing credits to Villages at Eagle Pointe VII, #TC2014-108BF (2334 Riverwood Drive, Bossier City, Bossier Parish, Louisiana 71111); authorizing the 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 therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Member Dr. Daryl V. Burckel, the resolution of intention to issue not exceeding Five Million Nine Hundred Thousand Dollars (\$5,900,000) Multifamily Housing Revenue Bonds (Villages at Eagle Pointe VII Project) in one or more series to finance the acquisition, construction and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

The next items discussed were the resolutions regarding Artspace Bell School Lofts. Chairman Williams went over the specifics, noting the Committee was recommending approval thereof.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Vice-Chairman Larry Ferdinand, the resolution establishing the maximum qualified basis and low-income housing credits to Artspace Bell School Lofts, #TC2014-106BF (1010 North Galvez Street, New Orleans, Orleans Parish, Louisiana 70116); authorizing the 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 therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Vice-Chairman Larry Ferdinand, the resolution of intention to issue not exceeding Eighteen Million Three Hundred Thousand Dollars (\$18,300,000) Multifamily Housing Revenue Bonds (Artspace Bell School Lofts Project) in one or more series to finance the acquisition, construction, rehabilitation and equipping of a multifamily housing development within the State of Louisiana; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

Finally, Chairman Williams noted that the Non-Closed Projects update was in the Board binders for review.

Board Member Airhart thanked LHC staff for the DashBoard Reports that are included the Board Materials. He also asked that they include the developers' and principals' information going forward.

SINGLE FAMILY COMMITTEE REPORT.

SF Chairman Matthew P. Ritchie noted that the Committee had not met earlier, and that there were no action items needing Board approval.

SF Chairman Ritchie noted that the Single Family Program Updates were in the Board binders for review.

SUSTAINABLE HOUSING COMMITTEE

SHC Chairwoman Ellen M. Lee advised that the Committee had met earlier, and that the first item discussed was the resolution regarding expanding the Homeowner Rehabilitation Program.

Executive Director Frederick Tombar, III, briefly went over the specifics.

On a motion by Board Member Ellen M. Lee and seconded by Board Vice-Chairman Larry Ferdinand, the resolution to authorize the expansion of the Homeowner Rehabilitation Program; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

Chairwoman Lee next briefly discussed a partnership with Foundation for Louisiana, noting that further discussions on the matter were pending.

Chairwoman Lee concluded by noting that the Program Updates were in the Board binders for review, and that a recent audit of the Energy Program concluded No Findings.

ASSETS AND INVESTMENTS COMMITTEE

AIC Chairman Dr. Daryl V. Burckel noted that the Committee had not met earlier, that there were no action items needing Board approval, and that updates were in the Board binders.

LHC Program Administrator Loretta Wallace updated the Board on Willowbrook Apartments, Village de Jardin, and Mid-City Gardens Apartments.

The Property Managers of the aforementioned properties presented their Quarterly Status Report. Chris Riggs of Latter & Blum noted that Willowbrook was at 88% occupancy and was off by 1/2 % on income projections and that expenses were down by 10%; that Village de Jardin was at 99% occupancy and income was up 6 1/2 % and that expenses were down by 5%. Kenneth Tann of Multifamily Mission Ministries noted that Mid-City Gardens was at 99% occupancy and that a software transition had caused the income to appear as a negative instead of a positive.

LHC EXECUTIVE DIRECTOR'S REPORT

ED Tombar highlighted the following: discussed Housing Trust Fund Initiatives, HUD Worse Case Housing Needs, Fannie Mae product, Proposed FY 2016 Budget by the Obama Administration, Bond Fund Cap, Executive Order BJ15-2, new LHC website, and the launch of LHC's *La Maison* newsletter.

EXECUTIVE SESSION

Board Member Dr. Daryl V. Burckel moved to enter into Executive Session, pursuant to La. R.S. 42:17, for the purpose of discussing strategies concerning the following pending litigation:

- ***Rowan Court Subdivision 2013 Limited Partnership vs. The Louisiana Housing Corporation, 19th Judicial District Court, Court Docket No. C626645, Section 23, Parish of East Baton Rouge, State of Louisiana.***

The motion to enter into Executive Session was seconded by Board Vice-Chairman Larry Ferdinand. A roll call vote was taken and the motion passed unanimously as follows:

YES – Airhart, Burckel, Ferdinand, Kennedy, Lee, Ritchie, Williams, Young, Foster.

NO – None.

The Board entered into Executive Session at 1:53 p.m.

On a motion by Board Vice-Chairman Larry Ferdinand and seconded by Board Member Dr. Daryl V. Burckel, the Board exited Executive Session at 2:04 p.m.

OTHER BUSINESS

None.

ADJOURNMENT

There being no other matters to discuss, Board Member Ellen M. Lee offered a motion for adjournment that was seconded by Board Vice-Chairman Larry Ferdinand. There being no discussion or opposition, the motion passed unanimously.

The Full Board meeting adjourned at 2:05 p.m.

Chairman

Secretary