

LHC Board of Directors

Board Meeting Minutes

Wednesday, April 13, 2016

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

Board Members Present

Ellen M. Lee
Michael L. Airhart
Larry Ferdinand
Tammy P. Earles
Elton M. Lagasse
Willie Rack
Lloyd S. "Buddy" Spillers
Donald B. Vallee
Jennifer Vidrine
Gillis R. Windham

Board Members Absent

Treasurer John N. Kennedy

Staff Present

Michelle L. Thomas
Barry E. Brooks
Brenda Evans
Loretta Wallace
Janel Young
Todd Folse
Jatis Harrington
Edselle Keith Cunningham, Jr.

Leslie C. Strahan
Christine Bratkowski
Jessica A. Guinn
Liza Bergeron
Marjorianna Willman
Nicole Sweazy

Others Present

See Guest Sign-In Sheet

CALL TO ORDER

In the absence of a Board Chairman, LHC Board Vice-Chairwoman Ellen M. Lee called the meeting to order at 12:07 p.m. Board Secretary Barry E. Brooks called the roll; there was a quorum.

Next were the official Swearing-In and taking the Oath of Office of the seven (7) newly appointed Board Members: Ms. Tammy P. Earles, Mr. Willie Rack, Mr. Lloyd S. “Buddy” Spillers, Mr. Gillis R. Windham, Mr. Donald B. Vallee, Mr. Elton M. Lagasse, and Ms. Jennifer Vidrine.

APPROVAL OF MINUTES

On a motion by Board Member Michael L. Airhart and seconded by Board Member Larry Ferdinand, the Minutes of the March 9, 2016 LHC Board of Directors Meeting were approved unanimously.

LHC BOARD CHAIRMAN’S REPORT

Vice-Chairwoman Lee thanked everyone for attending the meeting, and welcomed the new Board Members, as well as acknowledging the service and leadership of the former Board Members: Mr. Mayson H. Foster, Dr. Daryl V. Burckel, Mr. Matthew P. Ritchie, Mr. Willie Spears, Mr. Guy T. Williams, Jr., and Malcolm Young, Jr.

VC Lee noted that the LHC was Chairing the Louisiana Disaster Housing Task Force – of which 35 parishes had received disaster area declarations; that responses to the RFP for Financial Advisors were due to LHC by April 18th by 2:00pm; that a Board Orientation-Retreat was being planned; and that the LHC Operating Budget for 2016-2017 would be presented at the May and/or June Board Meeting.

There was a brief self-introduction by the new Board Members.

MULTIFAMILY COMMITTEE REPORT

VC Lee noted that the Committee met earlier, and recommended approval of the resolutions regarding Gabriel Villa Apartments Preservation Rehab.

Board Member Jennifer Vidrine RECUSED herself from participating concerning this matter, and read the following statement into the Record: “I am Mayor of the City of Ville Platte. As such, I have an indirect interest in the Gabriel Villa, namely the Gabriel Villa Apartments Preservation Rehab Project located at North Latour Street, Ville Platte, Louisiana. As such, 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 the award of the 2015 Housing Credit Ceiling of Low Income Housing Tax Credits, including but not limited to discussion and voting on any issues concerning this matter.”

However, the correct RECUSAL was intended to be read as follows: “I am Mayor of the City of Ville Platte. As such, I have an indirect interest in the Gabriel Villa, namely the Gabriel Villa Apartments Preservation Rehab Project located at North Latour Street, Ville Platte, Louisiana. Therefore, 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 the intention to issue multifamily housing revenue bonds to the Gabriel Villa Apartments Reservation Rehab Project, including but not limited to discussion and voting on any issue concerning this matter.”

On a motion by Board Member Donald B. Vallee and seconded by Board Member Airhart, the resolution establishing the maximum qualified basis and low-income housing credits to Gabriel Villa Apartments Preservation Rehab, #TC2015-105BF (806 North Latour Street, Ville Platte, Evangeline Parish, Louisiana 70586); 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.

Next item discussed was the resolution regarding \$4.5M MHRB for Gabriel Villa Apartments Reservation Rehab Project.

Board Member Vidrine RECUSED herself from participating concerning this matter, and read the following statement into the Record: I am Mayor of the City of Ville Platte. As such, I have an indirect interest in the Gabriel Villa, namely the Gabriel Villa Apartments Preservation Rehab Project located at North Latour Street, Ville Platte, Louisiana. Therefore, 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 the intention to issue multifamily housing revenue bonds to the Gabriel Villa Apartments Reservation Rehab Project, including but not limited to discussion and voting on any issue concerning this matter.”

On a motion by Board Member Vallee and seconded by Board Member Willie Rack, the resolution of intention to issue not exceeding Four Million, Five Hundred Thousand Dollars (\$4,500,000) Multifamily Housing Revenue Bonds (Gabriel Villa Apartments Preservation Rehab, located at 806 North Latour Street, Ville Platte, Evangeline Parish, Louisiana) 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.

Next items discussed were the resolutions regarding Robinson Place II Project.

VC Lee noted that the Committee was recommending the resolutions issuing 4% LIHTC and \$5M MHRB.

On a motion by Board Member Elton M. Lagasse and seconded by Board Member Vallee, the resolution establishing the maximum qualified basis and low-income housing credits to Robinson Place II, #TC2015-106BF (Robinson Drive Area, Monroe, Ouachita Parish, Louisiana 71202); 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 Airhart and seconded by Board Member Lloyd S. “Buddy” Spillers, the resolution of intention to issue not exceeding Five Million Dollars (\$5,000,000) Multifamily Housing Revenue Bonds (Robinson Place II, located at Robinson Drive Area, Monroe, Ouachita Parish, Louisiana) 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.

Next items discussed were the resolutions regarding Olive Grove Senior Apartments Project.

VC Lee noted that the Committee was recommending approval of the resolutions issuing 4% LIHTC and \$3.5M MHRB.

On a motion by Board Member Ferdinand and seconded by Board Member Spillers, the resolution establishing the maximum qualified basis and low-income housing credits to Olive Grove Senior Apartments, #TC2015-107BF (7500 Block of Line Avenue, Shreveport, Caddo Parish, Louisiana 71106); 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 Ferdinand and seconded by Board Member Vidrine, the resolution of intention to issue not exceeding Three Million, Five Hundred Thousand Dollars (\$3,500,000) Multifamily Housing Revenue Bonds (Olive Grove Senior Apartments-located at 7500 Block of Line Avenue, Shreveport, Caddo Parish, Louisiana) 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.

Lastly, VC Lee noted that the Non-Closed Projects Update was in the Board binders for review.

Next, Board Member Vallee moved to Suspend the Rules to Add to the Agenda the “Resolution accepting the proposal of Stifel, Nicolaus & Company, Inc. for the purchase of not to exceed \$28M MHRB for the Villages of Versailles Project, and providing for all matters in connection therewith,” which was seconded by Board Member Lagasse.

VC Lee requested any members of the audience requesting to make a public comment to approach the podium and identify themselves, and each person would have two (2) minutes with which to speak so that everyone would be given a chance to speak on the matter.

Public comments were made by the following: Erica Buher, representing VAYLA, noted that since the matter was not previously on the Final Agenda that the community did not have advance notice and time to prepare thereof.

There were no further public comments on the matter of Amending the Agenda to Add the Villages of Versailles Project matter.

VC Lee advised the Board that there must be a unanimous affirmative vote in order for the item to be added to the Agenda.

On a motion by Board Member Vallee and seconded by Board Member Lagasse, the motion to Suspend the Rules and Add to the Agenda the “purchase of not to exceed \$28M MHRB for Villages of Versailles matter”; 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 and the motion FAILED via 8(YES) to 2(NO). The votes were as follows:

YES (Michael L. Airhart, Elton M. Lagasse, Willie Rack, Lloyd S. Spillers, Donald B. Vallee, Jennifer Vidrine, Gillis R. Windham, and Ellen M. Lee).

NO (Larry Ferdinand and Tammy P. Earles).

Board Member Vallee inquired to LHC IED Thomas as to when the matter would be put on the Agenda. Ms. Thomas replied such would be done for the May 11, 2016 Board Meeting Agenda.

After further comments from the developers, Kristi Morgan and Clay Tanner, Board Member Ferdinand (due to pending project deadlines discussed) offered a motion to Reconsider the previously Failed motion, which was seconded by Board Member Lagasse.

Board Member Earles said she also supported the motion to Reconsider as she was not fully aware of what the previous motion entailed.

Board Member Vidrine noted her support for the motion to Reconsider so as to allow the public a chance to speak on the matter.

Public comments were thereafter made by the following: Tujen Nguyen, Angelo Kingvalsky, Erica Buher, Edward Blouin, Dawn Hebert, Westwego Mayor Johnny Chatinger, Amanda Wells, Clay Tanner, Kristi Morgan, Brian Lawlor, Amanda Wells, Stephen Kennedy, Kim Wiltz, and many unidentified speakers, in addition to the presence in the audience of a large contingency of community members from where the project would be built.

On a motion by Board Member Ferdinand and seconded by Board Member Lagasse, the motion to Reconsider the previously Failed motion to Suspend the Rules and Add to the Agenda the purchase of not to exceed \$28M MHRB for Villages of Versailles matter; and providing for other matters in connection therewith, was moved to debate.

VC Lee advised everyone that there must be a unanimous affirmative vote in order for the item to be added to the Agenda.

There being no further discussion, opposition, or public comments, a Roll Call Vote was taken and the motion PASSED via 10 (YES) to 0(NO). The votes were as follows:

YES (Michael L. Airhart, Tammy P. Earles, Larry Ferdinand, Elton M. Lagasse, Willie Rack, Lloyd S. Spillers, Donald B. Vallee, Jennifer Vidrine, Gillis R. Windham, and Ellen M. Lee).

NO (None).

LHC IED Thomas read into the record a letter dated September 8, 2015 from five (5) community-based organizations opposing the Villages of Versailles Project.

There were further discussions amongst the Board Members, LHC staff, and additional comments from the public.

On a motion by Board Member Vallee and seconded by Board Member Vidrine, the Resolution accepting the proposal of Stifel, Nicolaus & Company, Inc. or such other purchaser as may be designated by the Borrower for the purchase of not to exceed \$28,000,000 Multifamily Housing Revenue Bonds (Villages of Versailles Project) in one or more series; fixing the parameter terms of said bonds; 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 (YEAS – Airhart, Ferdinand, Earles, Lagasse, Rack, Spillers, Vallee, Windham; NAYS – Vidrine; ABSTAIN – Lee).

SINGLE FAMILY COMMITTEE REPORT

In the absence of a Single Family Committee Chairman, Board Member Airhart noted that he had chaired the meeting, and that the Committee was recommending approval of the resolution regarding issuing an RFP seeking proposals for Contract Loan Servicer.

On a motion by Board Member Airhart and seconded by Board Member Ferdinand, the resolution authorizing the Louisiana Housing Corporation to issue a Request for Proposals seeking proposals for Contract Loan Servicer for its Homeownership Second Mortgages; 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.

It was noted that the Single Family Program Updates had been discussed during the Committee meeting, and were in the Board binders for review.

ASSETS AND INVESTMENTS COMMITTEE

VC Lee advised there had been no AIC meeting earlier, and that the normal Updates were in the board binders.

It was further noted that the 404-units Willowbrook Apartments was at 94% occupancy; that the 220-units Village de Jardin was at 98-99% occupancy; and that the 60-units MidCity Gardens Apartments was at 92-93% occupancy but would be revised to 90% after the completion of five (5) pending move-outs.

Board Member Vallee requested that the budget and expenses be more detailed in the reports, and that a copy of the property management contract with Latter & Blum be provided.

There was a discussion between Board Member Vallee and Ms. Helena Cunningham as to whether any of the aforementioned properties could be sold, and if so who would be able to receive the proceeds/profits thereof.

SUSTAINABLE HOUSING COMMITTEE

VC Lee noted that the Committee met earlier, and that the first item discussed was a resolution regarding recognizing April as Fair Housing Month; and that the Committee was recommending approval thereof.

On a motion by Board Vice-Chairwoman Lee and seconded by Board Member Airhart, the resolution recognizing and declaring the month of April, 2016 as “Fair Housing Month”; 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 releasing an RFP for Consulting Services for Permanent Supportive Housing. VC Lee noted that the Committee was recommending approval thereof.

On a motion by Board Vice-Chairwoman Lee and seconded by Board Member Ferdinand, the resolution to approve and authorize staff of the LHC to proceed with the issuance of a Request for Proposals (“RFP”) for Permanent Supportive Housing (“PSH”) Consulting Services; 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 accepting the Louisiana WAP Year 2016 State Plan. VC Lee noted that the Committee was recommending approval thereof.

On a motion by Board Vice-Chairwoman Lee and seconded by Board Member Ferdinand, the resolution approving and accepting the Louisiana Weatherization Assistance Program (“WAP”) Year 2016 State Plan (labeled as “Exhibit A”); 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.

VC Lee concluded by noting that the Program Updates were in the Board binders for review.

Mr. Pat Forbes, Office of Community Development Executive Director, addressed the Board clarifying that when Disaster Housing Recovery Programs came to the LHC, such was funded and paid for by OCD and that no LHC operating funds were used for said Programs.

LHC REPORT

Ms. Thomas welcomed the new Board Members; advised that LHC was busy responding to the recent March floods and was chairing the Louisiana Disaster Housing Task Force; that at the end of the 3rd Quarter of March 31, 2016 the LHC revenues had exceeded expenses by \$238,210, but historically the figures are cyclical – and that year end projections were expected to be in the positive by \$703,382; and that the current LHC employee headcount was 105.

Board Member Vallee requested a list of all employees, previous promotions, current salaries (including last raises), and a copy of the organization chart. Also requested was Ms. Cunningham’s report regarding the proposed LHC Layoff Measures. Additionally, he noted that he felt LHC doesn’t have enough qualified staff currently, that there is no growth capacity, that more cross-training of staff is needed, and that LHC needs to get ahold of its finances.

VC Lee noted that she feels the former and current-held-over Board Members did do their jobs, and noted that the Board is a policy overseer and only hires the Executive Director.

Board Member Ferdinand noted that the upcoming Board Retreat would be the proper venue to discuss Mr. Vallee’s concerns and observations.

Audience member Mr. Charles Tate requested that the upcoming Board Retreat be an open public meeting forum.

Audience member Mr. Steven Kennedy discussed the Hudson Initiative which was created to help small businesses.

OTHER BUSINESS

Board Member Spillers moved to Suspend the Rules to Add to the Agenda the “Selection of a LHC Board Chairman,” which was seconded by Board Member Vidrine.

VC Lee advised everyone that there must be a unanimous affirmative vote in order for the item to be added to the Agenda,

For clarity, Board Member Vallee noted that the Chairman selected would only serve until the July 2016 Annual Meeting Elections.

On a motion by Board Member Spillers and seconded by Board Member Vidrine, the motion to Suspend the Rules and Add to the Agenda the “Selection of a LHC Board Chairman”; 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 and the motion FAILED via 9 (YES) to 1 (NO). The votes were as follows:

YES (Michael L. Airhart, Larry Ferdinand, Tammy P. Earles, Elton M. Lagasse, Willie Rack, Lloyd S. Spillers, Donald B. Vallee, Jennifer Vidrine, and Gillis R. Windham).

NO (Ellen M. Lee).

Next, Board Member Spillers moved to Suspend the Rules to Add to the Agenda the “Selection of a new LHC Interim Executive Director”, which was seconded by Board Member Vallee.

VC Lee advised everyone that there must be a unanimous affirmative vote in order for the item to be added to the Agenda.

On a motion by Board Member Spillers and seconded by Board Member Vallee, the motion to Suspend the Rules and Add to the Agenda the “Selection of a new LHC Interim Executive Director”; 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 and the motion FAILED via 8 (YES) to 2(NO). The votes were as follows:

YES (Michael L. Airhart, Tammy P. Earles, Elton M. Lagasse, Willie Rack, Lloyd S. Spillers, Donald B. Vallee, Jennifer Vidrine, and Gillis R. Windham).

NO (Larry Ferdinand and Ellen M. Lee).

Next Board Member Spillers requested clarity in the process to call for a Special Board Meeting in that any three (3) Board Members could request such in writing to the acting Chair, and thereafter such would have to be held within ten (1) days. LHC Executive Counsel Edselle Keith Cunningham Jr. was directed to prepare said request for those Board Members wishing to sign and effectuate the SBM request.

Board Member Spillers asked that an audio copy of the Board Meeting be provided.

EXECUTIVE SESSION

Board Member Airhart moved that pursuant to La. R.S. 42:17 that the Board enters into Executive Session for the purpose of discussion strategy regarding concerning the following litigation:

- ***Rowan Court Subdivisions 2013 Limited Partnership et al vs The Louisiana Housing Corporation et al, United States District Court, Middle District Court Civil Action No. 3:15-CV-00870-JWD-RLB***
- ***Dianah Hanson vs. Frederick Tombar, III and Louisiana Housing Corporation, United States District Court, Middle District Court Civil Action No. 16-5-JWD-RLB.***

The motion to enter into Executive Session was seconded by Board Member Vice-Chairwoman Lee.

A Roll Call was done to Enter Executive Session. Votes were as follows:

YES (Ms. Lee, Mr. Airhart, Mr. Ferdinand, Mr. Earles, Mr. Lagasse, Mr. Rack, Mr. Spillers, Mr. Vallee, Ms. Vidrine, Mr. Windham).

NO: None.

The motion passed unanimously.

The Board entered into Executive Session at 3:00 p.m.

On a motion by Board Member Airhart and seconded by Board Member Ferdinand, the Board exited Executive Session at 3:16 p.m.

A Roll Call was done to Exit Executive Session. Votes were as follows:

YES (Ms. Lee, Mr. Airhart, Mr. Lagasse, Mr. Rack, Mr. Spillers, Ms. Vidrine, and Mr. Windham).

NO: None.

ABSENT: Mr. Ferdinand, Ms. Earles, and Mr. Vallee.

The motion passed unanimously.

Ms. Thomas advised the Board that she had been informed that the last shelter had closed and there were no remaining disaster shelters open from the floods.

ADJOURNMENT

There being no other matters to discuss, Board Member Airhart offered a motion for adjournment that was seconded by Board Member Lagasse. There being no discussion or opposition, the motion passed unanimously.

The Full Board meeting adjourned at 3:18p.m.

Chairman

Secretary