

LHC Board of Directors

Board Meeting Minutes

Wednesday, October 12, 2016

**2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
10:30 A.M.**

Board Members Present

Lloyd S. “Buddy” Spillers
Michael T. Anderson
Tammy P. Earles
Elton M. Lagasse
Nancy T. Montoya
Willie Rack
Christopher Trahan (official designee for Treasurer John N. Kennedy)
Donald B. Vallee
Gillis R. Windham

Board Members Absent

Larry Ferdinand
Jennifer Vidrine

Staff Present

Barry E. Brooks
Edselle Keith Cunningham, Jr.
Bradley Sweazy
Brenda Evans
Loretta Wallace
Janel Young
Jatis Harrington
Rene Landry
Leslie C. Strahan

Christine Bratkowski
Barbara Stoetzner
Carlette Powell
Liza Bergeron
Marjorianna Willman
Nicole Sweazy

Others Present

See Guest Sign-In Sheet

CALL TO ORDER

Board Chairman Lloyd S. “Buddy” Spillers called the meeting to order at 10:50 a.m. Board Secretary Barry E. Brooks called the roll; there was a quorum.

APPROVAL OF MINUTES

On a motion by Board Member Michael T. Anderson and seconded by Board Member Willie Rack, the Minutes of the September 14, 2016 LHC Board of Directors Meeting were moved for approval.

Board Member Donald B. Vallee requested that the Minutes under the section “LHC Board Chairman’s Report” in the second paragraph be corrected to reflect his entire verbatim dialogue and not a summary of the discussions thereof.

There was discussion between Board Member Vallee and Secretary Brooks regarding the purpose of Minutes and how to best properly denote lengthy meeting proceeding dialogue.

Board Member Gillis Windham noted that he did not want a full verbatim transcription of the Board Meetings in the Minutes, since such was readily available upon request.

Board Member Vallee offered an Amendment to Table the September 14, 2016 LHC Board of Directors Meeting Minutes. His motion DIED for lack of a second.

On a motion by Board Member Michael T. Anderson and seconded by Board Member Willie Rack, the Minutes of the September 14, 2016 LHC Board of Directors Meeting were moved for approval; and there being no further discussion, opposition, or public comment, a vote was taken, and the motion passed with one (1) NO vote from Board Member Donald B. Vallee.

LHC BOARD CHAIRMAN'S REPORT

Chairman Spillers advised that he would not be presenting a Chairman's Report in order to conserve meeting time.

AGENDA ITEM #4

Next item discussed was the resolution regarding approving changes to Brook Pointe Apartments.

LHC Administrator of Housing Production Marjorianna Willman briefly went over the specifics thereof.

Board Member Vallee offered an Amendment reflective that the resolution be amended to reduce total development costs to \$150K per unit.

Project Developer Scott Bryan addressed the Board and noted that he was opposed to any changes in the resolution as it would possibly delay the closing and would also cause concerns from the investors.

There were further discussions on the matter by Ms. Willman, Mr. Cunningham, Mr. Bryan, and Board Members Vallee and Elton M. Lagasse.

Thereafter, Board Member Vallee WITHDREW his aforementioned Amendment.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Gillis R. Windham, the resolution approving changes to Brook Pointe Apartments located at 516 North Pierce Street, Lafayette, Lafayette Parish, Louisiana from 2905 Louisiana Avenue, Lafayette, Lafayette Parish, Louisiana authorizing the Corporation staff and counsel to prepare the forms of such documents and agreements as may be necessary; 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.

AGENDA ITEM #5

Next item discussed was the resolution regarding the purchase of \$22M LHC MHRB for Brook Pointe Apartments Project.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Willie Rack, the resolution accepting the proposal of Deutsche Bank AG, New York Branch or such other purchaser as may be designated by the Developer for the purchase of not to exceed Twenty-two Million Dollars (\$22,000,000) Louisiana

Housing Corporation Multifamily Housing Revenue Bonds (Brook Pointe Apartments Project located at 516 North Pierce Street, Lafayette, Lafayette Parish, Louisiana 70501) 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 therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

AGENDA ITEM #6

Next item discussed was the resolution regarding approving an increase in 4% LIHTCs and changes to Cyrus Homes.

LHC Administrator of Housing Production Marjorianna Willman briefly went over the specifics thereof.

Project Developer Larry Hoss addressed the Board noting problems he had with the City of Jennings, as well as the adverse effects of the recent floods on the project.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Michael T. Anderson, the resolution authorizing and approving the issuance of an addition of forty-six thousand, eight hundred eighteen dollars (\$46,818.00) for a total reservation of two hundred eighty-eight thousand, eight hundred and eighteen dollars (\$288,818.00) in 4% Non-Competitive Low Income Housing Tax Credits to Cyrus Homes, (939 McKinley Street, Jennings, Jefferson Davis Parish, 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.

AGENDA ITEM #7

Next item discussed was the resolution regarding an increase in 4% LIHTCs and changes to Choctaw Lodge.

LHC Administrator of Housing Production Marjorianna Willman briefly went over the specifics thereof.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Tammy P. Earles, the resolution authorizing and approving the issuance of an addition of thirty-nine thousand, eight hundred twenty-nine dollars (\$39,829.00) for a total reservation of three hundred sixteen thousand, five hundred and eleven dollars (\$316,511.00) in 4% Non-Competitive Low Income Housing Tax Credits to Choctaw Lodge, (4115, 4150 and 4202 Mohican-Prescott Crossover, Baton Rouge,

East Baton Rouge Parish, 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.

AGENDA ITEM #8

Next item discussed was the resolution regarding approving the LHC 2017 QAP and Funding Round Timeline.

LHC Administrator of Housing Production Marjorianna Willman briefly went over the specifics thereof.

There were further lengthy discussions on the aforementioned resolution.

Board Member Vallee requested a financial analysis of timeline Option A versus Option B.

Board Member Montoya requested the pros and cons of each Option and how each would affect stakeholders.

Ms. Willman noted that Option B was more aggressive with respect to workshops and public hearings.

Chairman Spillers noted that many of the stakeholders had mentioned to him the need to push back the timeframes in order to allow them to find better sites and to be better able to submit more effective applications.

Gordon King of Government Consultants addressed the Board, noting that he felt both Options were viable, but that Option B gives the developers more time.

There were further discussions between Board Member Vallee, Mr. Cunningham, and Mr. King on the matter.

Charles Tate addressed the Board, noting that he likes the workshops aspects and would prefer a later application deadline.

Kelly Longwell representing LAAHP addressed the Board, noting that both Options only had a 45-day submittal timeframe and that her members were advocating for a 90-day minimum submittal timeframe, and that she was not sure that the workshops offered a lot of benefits for the developers.

Charlette Minor addressed the Board, advocating that the public comments received after the 1st workshop be released prior to the 2nd workshop.

Lindsey Lewis representing GHCHA addressed the Board, and read a prepared statement.

James Freeman from Standard Enterprises addressed the Board, noting that Option A was too aggressive, and that Option B gives more time, and that pre-set scheduling for future QAPs would be preferred.

Amber Seely-Marks from Renaissance addressed the Board, noting she prefers Option B and also having 60-90 days to prepare an application.

On a motion by Board Member Elton Lagasse and seconded by Board Member Nancy T. Montoya, the resolution providing for approval of the Timeline for the State's 2017 Qualified Allocation Plan for the Low Income Housing Tax Credit 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.

AGENDA ITEM #9

Next item discussed was the Stifel proposal on Tax Exempt Mortgage Backed Securities ("TEMS").

Toby Cortez of Stifel addressed the Board, and went over the specifics of the matter along with Brenda Evans, LHC Director of Housing Development.

AGENDA ITEM #10

Next item discussed were the Single Family Program updates.

Ms. Evans and Single Family Committee Chair Michael T. Anderson briefly discussed the HFA Advantage Program, Top Lenders by Loans, Delinquency Rates, LHC Marketing Representative, Loan Production Report, Federal Home Loan Bank, Freddie Mac, etc.

AGENDA ITEM #11

Next item discussed was the LHC FY 2016-2017 Operating Budget.

Administrative and Finance Committee Chair Elton M. Lagasse complimented LHC staff on a NO FINDINGS external audit on the Agency's Financials.

AGENDA ITEM #12

Next item discussed was the matter regarding the contract between LHC and National Housing Consultant Services.

There was a Board consensus to discuss the matter at the November BODM.

LHC REPORT

IED Cunningham briefly discussed the LHDTF, Restore Task Force, eHome America, LHA and exemplary efforts in flood recovery projects (thereafter Mr. Mark Johnston read into the record a complimentary letter from Ann Oliva of HUD – letter available upon request), \$11M City of Baton Rouge Housing Program Partnership, new NCSHA Board Members Montoya and Vidrine, LAAHP Sept 28th Annual Conference, and reminded the Board of the October 18th Board Orientation, etc.

OTHER BUSINESS

Ms. Amanda Wells of Baker Donelson addressed the Board and presented a proposal seeking a QAP Policy waiver request for the Howell Place Project.

There were further lengthy discussions on the aforementioned matter.

There was a Board consensus that they would not entertain a vote on the matter due to its late submission to the Board for review and there also being no staff recommendations on the matter.

Chairman Spillers requested that the matter be put on the Agenda for the November BODM. Board Member Vallee requested IED Cunningham prepare for the Board an analysis of the request with staff recommendations thereof.

ADJOURNMENT

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

The Full Board meeting adjourned at 12:34 pm.

Chairman

Secretary