



Board of Directors

AGENDA ITEM #2

Sept 14, 2016 Board Meeting Minutes

October 18, 2016

LHC Board of Directors

Board Meeting Minutes

Wednesday, September 14, 2016

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

Board Members Present

Lloyd S. "Buddy" Spillers
Jennifer Vidrine
Michael T. Anderson
Tammy P. Earles
Elton M. Lagasse
Nancy T. Montoya
Willie Rack
Donald B. Vallee
Gillis R. Windham

Board Members Absent

Larry Ferdinand
John N. Kennedy

Staff Present

Barry E. Brooks
Edselle Keith Cunningham, Jr.
Bradley Sweazy
Brenda Evans
Loretta Wallace
Janel Young
Jatis Harrington
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 10:31a.m.
Board Secretary Barry E. Brooks called the roll; there was a quorum.

APPROVAL OF MINUTES

On a motion by Board Vice-Chairwoman Jennifer Vidrine and seconded by Board Member Willie Rack, the Minutes of the August 10, 2016 LHC Board of Directors Meeting were approved unanimously.

LHC BOARD CHAIRMAN’S REPORT

Chairman Spillers noted for the record that the legislation that created LHC allowed for those in Non-Profit areas to be able to sit as appointed members on the Board; that Board Members have to complete Financial Disclosure Statements; that his understanding is that as long as a member does not have a financial interest in a project funded with LHC funds with a direct financial benefit, that a member may participate in the discussion and review for approval of the project; that he was requesting an Ethics Hearing as to whether there are any conflicts with his being President/CEO of the Macon Ridge Community Development Corporation and also serving on the LHC Board of Directors, and that if he is not cleared or if Macon Ridge is not cleared, that he would thereafter leave the Board; that he was aware that Board Member Donald B. Vallee had completed his Tier 2.1 Financial Disclosure without noting that he has five (5) loans with OCD that are now under LHC – and as such that he would be filing an Ethics Complaint accordingly against Board Member Vallee; he also noted Board Member Vallee’s previous challenges to Charles Tate’s selection as LHC Executive Director.

Board Member Vallee addressed that Board and noted that he has a "...real problem in that we all got on this Board with intentions..." and that he did not feel recusals are good for the LHC Board; he discussed the status of his OCD Disaster Recovery loans; and stated that he has correctly filed the necessary Financial Disclosure Statements multiple times with multiple entitles.

There were further very lengthy discussions between Chairman Spillers and Board Member Vallee.

AGENDA ITEM #4

Next item discussed was the pending appointment of Charles E. Tate as LHC Executive Director.

Mr. Tate noted that his primary concern was "...the 107,000 folks who are documented to be 30% AMI and less that don't have housing that they can afford in Louisiana...."

Mr. Tate gave an overview of his education and work experience as related to his being qualified to serve as LHC Executive Director; and he discussed his clearance by Ethics, as well as matters related to his pending HUD conflict of interest clearance.

There were further very lengthy discussions amongst the Board Members, Mr. Tate, LHC Interim Executive Director Edselle Keith Cunningham, Jr., and several audience members (Ms. Almetra Franklin, Mr. Tom Aswell, and Mr. Jack Toldson).

AGENDA ITEM #5

Next item discussed was the request to Rescind Appointment of Charles E. Tate as LHC Executive Director

On a motion by Board Member Donald B. Vallee, the matter to Rescind Appointment of Charles E. Tate as LHC Executive Director DIED for lack of a second.

AGENDA ITEM #6

Next item discussed was the resolution regarding authorizing the LHC Board Chairman to request an HUD Conflict Exception for Charles E. Tate.

Board Vice-Chairwoman Jennifer Vidrine offered an amendment that was seconded by Board Member Willie Rack, to authorize the Chair to get any and all clarifications to seek Charles E. Tate; 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 with one (1) NO vote from Board Member Donald B. Vallee.

On a motion by Board Member Elton M. Lagasse and seconded by Board Vice-Chairwoman Jennifer Vidrine, the resolution to authorize the LHC Board Chairman to obtain any and all authorization and/or clearances to seat Charles E. Tate as the Executive Director of the Louisiana Housing Corporation; 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 with one (1) NO vote from Board Member Donald B. Vallee.

AGENDA ITEM #7

Next item discussed was the motion appointing a Search Committee to select an LHC Executive Director.

Board Member Donald B. Vallee noted that he wished to WITHDRAW the matter. There being no further discussion, opposition, or public comment, Chairman Spillers accepted said Withdrawal request via unanimous consent.

AGENDA ITEM #8

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

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

Board Vice-Chairwoman Jennifer Vidrine RECUSED herself from participating concerning this matter, and read the following statement into the Record: I am the Mayor of the City of Ville Platte. As such, I have an indirect interest in the proposal of JPMorgan Chase Bank, N.A., project located at 806 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 JPMorgan Chase Bank, N.A. 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 Elton M. Lagasse, the resolution accepting the proposal of JPMorgan Chase Bank, N.A. or such other purchaser as may be designated by the Developer for the purchase of not to exceed 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; 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 #9

Next item discussed was the resolution regarding \$4.5M MHRB for Olive Grove Senior Apartments Project.

Ms. Willman briefly went over the specifics of the matter.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Michael T. Anderson, the resolution accepting the proposal of Citibank, N.A. or such other purchaser as may be designated by the Developer for the purchase of not to exceed Four Million Five Hundred Thousand Dollars (\$4,500,000) Multifamily Housing Revenue Bonds (Olive Grove Senior Apartments Project located at 7500 Block of Line Avenue, Shreveport, Caddo Parish, Louisiana 71106) 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 #10

Next item discussed was the resolution regarding \$19M MHRB for Meadows at Nicholson Project.

Ms. Willman briefly went over the specifics of the matter.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Michael T. Anderson, the resolution accepting the proposal of R4 Capital Funding LLC or such other purchaser as may be designated by the Developer for the purchase of not to exceed Nineteen Million Dollars (\$19,000,000) Multifamily Housing Revenue Bonds (Meadows at Nicholson Project located at the Southeast Corner of Nicholson Drive and Gardere Lane, Baton Rouge Parish, Louisiana 70810) 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.

SUSPENSION OF AGENDA

Due to time constraints, Chairman Spillers requested SUSPENSION of the Agenda to allow a brief presentation by Mr. Chuck Maskell from FEMA, and also that Agenda Item #13 could be thereafter discussed.

On a motion by Board Member Elton M. Lagasse and seconded by Board Vice-Chairwoman Jennifer Vidrine, the Board approved Suspending the Agenda to allow for a brief presentation by Mr. Chuck Maskell from FEMA, and thereafter to discuss Agenda Item #13; 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.

Mr. Maskell gave an update on the FEMA Programs post-flood; he talked about the \$33K cap on FEMA funds per household; that the goals were not to make everyone “whole again”; that FEMA has inspected 95% of those currently registered; and that FEMA had funds available for multifamily projects with five (5) or more units.

Thereafter, audience member Ms. Charlette Minor addressed the Board regarding the Louisiana Recovery Task Force.

AGENDA ITEM #13

Next item discussed was the resolution regarding obligating \$3M of CDBG funds to LHC Distressed LIHTC Projects.

LHC Chief Operating Officer Bradley R. Sweazy briefly went over the specifics of the matter.

There was discussion between Mr. Sweazy and Board Member Vallee on the matter.

There was also discussions from audience members Ms. Minor requesting consideration be given to rural and urban areas, Ms. Kelly Longwell discussed soft funds and the award parameters, and Mr. Jack Toldson discussed splitting cash flows and interest rates.

On a motion by Board Member Donald B. Vallee and seconded by Board Vice-Chairwoman Jennifer Vidrine, the resolution to authorize the LHC to obligate three million dollars (\$3,000,000.00) of Community Development Block Grant Funds “CDBG funds” for LHC Distressed Low Income Housing Tax Credit Projects, authorizing the LHC staff and counsel to prepare the forms of such documents and

agreements as may be necessary to allocate funds to such projects; 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 #11

Next item discussed was the resolution \$4M of MHRB for Beau Sejour Apartments.

Ms. Willman briefly went over the specifics of the matter.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Michael T. Anderson, the resolution accepting the proposal of JPMorgan Chase Bank, N.A. or such other purchaser as may be designated by the Developer for the purchase of not to exceed Four Million Dollars (\$4,000,000) Multifamily Housing Revenue Bonds (Beau Sejour Apartments Project located at 125 Ola Street, Carencro, Lafayette Parish, Louisiana 70520) 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 #12

Next item discussed was the resolution regarding changes to River South.

Ms. Willman briefly went over the specifics of the matter.

On a motion by Board Member Elton M. Lagasse and seconded by Board Member the resolution approving a change in the number of buildings and approving a request to waive the 2014 QAP provision regarding determining total development costs (1667 Highland Road, Baton Rouge, East Baton Rouge 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 #14

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

Board Member Donald B. Vallee suggested the matter be discussed at a Special Administrative & Finance Committee Meeting to be scheduled in the next two (2) weeks.

AFC Chairman Elton M. Lagasse said he'd prefer to review staff recommendations on the matter.

IED Cunningham noted that for the Record, "...at the last Board Meeting there was an Agenda item regarding this matter and it was presented to staff to review and make a recommendation to the Board regarding payment and final position of the contract. We have made contact with Ms. Cunningham as late as last Thursday to discuss some of these issues, and we are setting up meetings to go through some of these matters in particular detail."

Thereafter, in view of IED Cunningham's handling of the matter, Board Member Donald B. Vallee thereafter Withdrew his request for a Special Administrative & Finance Committee Meeting, and deferred the matter to Board Member Lagasse.

LHC REPORT

IED Cunningham discussed the recent floods and their impact on himself as well as LHC staff; that some Board Members and staff would be attending the upcoming September NCSHA Annual Conference; that in October there would be a LHC Operating Budget Report presented; he introduced Mr. Kevin Brady, the new LHC Human Resources Director; and he introduced Ms. Cassie McMurray, the new LHC Marketing Representative; etc.

OTHER BUSINESS

Board Member Lagasse suggested that Board Orientation be held in October; and he thanked the staff for keeping LHC operational during the recent flood events.

Board Member Vallee requested that an Administrative & Finance Committee be held in October.

Board Vice-Chairwoman asked for a moment of silence in reflection of the recent floods.

ADJOURNMENT

There being no other matters to discuss, Board Member Michael T. Anderson offered a motion for adjournment that was seconded by Board Member Gillis R. Windham. There being no discussion or opposition, the motion passed unanimously.

The Full Board meeting adjourned at 12:39 pm.

Chairman

Secretary