

LHC EXECUTIVE DIRECTOR EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is made effective as of the 11th day of January, 2017 between the **LOUISIANA HOUSING CORPORATION** (the "Corporation/LHC") and **EDSELLE KEITH CUNNINGHAM, JR.** (the "Employee").

Section 1. Employment. The Corporation hereby agrees to employ the Employee as its Executive Director and the Employee agrees to be employed by the Corporation for the term set forth in Section 2 upon the terms and conditions set forth in this Agreement.

Section 2. Term. Subject to Section 8 below, the initial term of this Agreement shall begin on January 11, 2017 and continue until June 30, 2020 (the "Initial Term"), and may be extended for successive one-year periods (each, an "Additional Period") if the Employee's employment as Executive Director is extended by the Board.

Section 3. Duties. The Employee shall serve as the Corporation's Executive Director responsible for management of the day-to-day operations of the business of the Corporation (as described in greater detail in Exhibit A), subject to the policies, control, and direction of the Corporation's Board of Directors ("Board"). The Employee shall devote his entire time, attention, and energies to the duties set forth herein and shall not, during the term of this Agreement, be engaged in any other business or commercial activity, whether or not such business activity is pursued for gain, profit, or other pecuniary advantage. The Employee understands and agrees that his position entails certain responsibilities which necessarily will require him to work in excess of forty (40) hours per week. The hours worked in excess of forty (40) hours per week shall not result in any additional compensation beyond the salary set forth in Section 4 of this Agreement.

Section 4. Compensation. For all services rendered by the Employee during the Initial Term, the Corporation will pay the Employee an annual salary in the amount of \$179,000.00, less applicable federal and state withholding and other deductions required by law, payable bi-weekly according to the Corporation's regular policy.

On an annual basis, consideration may be given to granting the Employee a salary increase based upon meritorious service. Any such increase shall be reasonable, at the sole discretion of the Board, and available only upon a showing of compliance with the performance objectives identified during the evaluation process required by Section 7 of this Agreement. Any modifications to Employee's compensation shall be reduced to writing as a supplement to this Employment Agreement.

Section 5. Benefits. In addition to the compensation payable to the Employee pursuant to Section 4 above, the Employee shall be entitled to the following benefits during the term of this Agreement:

- a) Participation in the health insurance, leave entitlements, retirement, and other employee benefit programs in accordance with the Corporation's regular policies; and
- b) Assignment and use of one of the automobiles from the Corporation's fleet of vehicles, which usage may be taxable and reportable as income on the employee's W-2 form; and
- c) Reimbursement for all reasonable business expenses incurred by the Employee in accordance with the Corporation's regular policies; and
- d) Employee shall have the option to participate in any educational opportunity which will enhance the Employee's ability to perform his job functions; and
- e) Corporation shall reimburse Employee for reasonable payments made as dues, fees, and continuing legal education requirements to the Louisiana State Bar Association for the maintenance of the Employee's Louisiana Bar License.

Section 6. The Corporation's Policies and Handbook. The Employee shall adhere to the policies set forth in the Corporation's Employee Handbook and otherwise adopted by the Corporation, including, but not limited to, the credit card policy of the Corporation, reimbursement of the Employee's expenses, regular hours of operation, annual leave, sick leave, leaves of absence and disability, and that all of these policies are incorporated herein by this reference as if more fully set forth. The Employee agrees to be bound by the personnel policies of the Corporation as they exist and as amended by the Corporation from time to time.

Section 7. Evaluation. The Employee's performance shall be evaluated after six (6) months of full-time employment by the Employee, and after each twelve (12) months thereafter. The process of evaluation shall be as follows:

- A. The Employee shall prepare a written self-appraisal in which he discusses his performance of stated objectives, assesses his skills in management of the Corporation and its employees, and proposes a set of personal performance objectives for the next appraisal period.
- B. The Chair of the Board of Directors (or his/her designee) shall consult with each member of the Board of Directors on the Employee's performance, and shall write an appraisal based upon the information.

- C. The Employee and the Chair shall meet together to discuss, consolidate and reconcile the two (2) appraisal documents, including the performance objectives for the subsequent appraisal period.
- D. The Chair shall present the completed appraisal to the Board of Directors in executive session as allowed by law.

Section 8. Termination of Agreement.

(A) *Termination for Cause.* The Corporation shall have the right to terminate this Agreement for Cause at any time. For purposes of this Agreement, "Cause" shall mean, but will not be limited to:

- i. Willful misconduct by the Employee involving the business and affairs of the Corporation;
- ii. Dereliction of the Employee's duties to the Corporation;
- iii. The commission of a felony by the Employee;
- iv. The commission by the Employee of an act constituting financial dishonesty; the Employee conducting himself in an unprofessional, immoral or fraudulent manner or in such manner as discredits the Corporation or is detrimental to the reputation of the Corporation; or
- v. The Employee is unable to fulfill his duties hereunder because of his death or disability. For purposes of this paragraph, "Disability" shall mean a physical or mental condition that renders the Employee substantially unable to perform his duties as determined in good faith by a physician selected by the Board of Directors of the Corporation.

(B) *Termination for Convenience.* Notwithstanding the Term set forth in Section 2 and the provisions of Section 8(A) above, either party hereto may terminate this Agreement at any time and without reason, explanation, or cause, during the Initial Term or any Additional Period by giving thirty (30) days' notice, in writing, to the other party.

(C) *Resignation by the Employee.* If the Employee resigns or otherwise terminates his employment as Executive Director prior to the expiration or the termination of this Agreement, the Corporation's obligation to pay the Employee his salary and benefits pursuant to the terms of this Agreement shall terminate upon the Employee ceasing to perform the services required herein or at the time agreed and designated by both parties.

Section 9. Notice. Any notice or other communication required by this Agreement to be in writing shall be deemed to have been received by the person or entity to whom it is addressed (a) on the date it is personally delivered to that person or entity, or to that person or entity's duly authorized agent or representative, or (b) two (2) business days after it is deposited in the United States mail, postage prepaid and return receipt requested, and addressed to that person or entity at its last known address.

Section 10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana.

Section 11. Entire Agreement. This Agreement and Exhibits "A" and "B" contain the entire understanding of the parties, all previous negotiations, agreements, representations and warranties being merged herein, and may not be modified except by writing signed by both parties.

Section 12. Waiver. The waiver or inaction by the Corporation regarding any breach of any provision of this Agreement by the Employee shall not operate or be construed as a waiver of any subsequent breach of the same or any other provision of this Agreement.

Section 13. No Assignment; Successors. The Employee acknowledges that services to be rendered by him are unique and personal; therefore, the Employee may not assign or delegate any of his duties or obligations under this Agreement. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Corporation.

Section 14. Rights and Confidentiality. The Employee shall have no right, title or interest in any of the trade names, trade secrets, customer lists, vendor lists, pricing data or any other assets or information of the Corporation, and the Employee hereby agrees to maintain in confidence any information concerning or relating to the Corporation in any way which is clearly not intended to be disclosed to others. This paragraph shall survive the termination of this Agreement.

Section 15. Captions. The captions appearing at the beginning of each paragraph of this Agreement are for convenience only, are not a part of this Agreement, and do not in any way limit or amplify the terms and provisions of this Agreement.

Section 16. Severability. If any part of this Agreement is for any reason held to be unenforceable or excessively broad as to time, duration, geographical scope, activity or subject, it will be construed, by limiting or reducing it, so as to be enforceable to the extent allowed by law. In such event, all other parts of this Agreement will remain in full force and effect notwithstanding a determination that another part must be construed, by limiting or reducing it, so as to be enforceable pursuant to applicable law.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

Corporation:

LOUISIANA HOUSING CORPORATION

By: _____

Lloyd S. "Buddy" Spillers

Chairman, LHC Board of Directors

EMPLOYEE:

Edselle Keith Cunningham, Jr.

EXHIBIT A

SPECIFIC RESPONSIBILITIES

Responsibilities of the Executive Director of the Louisiana Housing Corporation ("LHC") include but are not limited to:

- Attend all Board meetings, assist in preparing Board meeting agendas, keep records of the proceedings of the Board, and maintain all books, documents, records and papers filed with the LHC.
- Implement and supervise the conduct and marketing of the LHC's programs, including, but limited to:
 - A. The Single Family Program, in which the LHC issues bonds and uses the proceeds to purchase loans (or mortgage-backed securities evidencing such loans) for low-and moderate-income persons/families, originated and serviced by private lenders;
 - B. The Low Income Housing Tax Credit Program under which the LHC administers the allocation of federal income tax credits to developers of multifamily rental housing for lower-income persons and monitors federal tax law and LHC plan compliance;
 - C. The administration of Section 8 rental subsidy contracts on behalf of the federal Department of Housing and Urban Development ("HUD").
 - D. The administration of HOME Funds through LHC's Restore Share Grant Program, Rehab Louisiana Share Grant Program, Tenant Based Rental Assistance and the Home Rental Housing Program.
 - E. The administration of Weatherization Assistance and Low Income Energy Assistance with funds provided by the U.S. Department of Energy.
 - F. HUD's Mark to Market and Risk Sharing Program.
 - G. Federal Community Development Block Grant funds which are being allocated to the State and the State asks LHC to administer.
 - H. The administration of the Louisiana Housing Authority ("LHA"), and all other separate programming which is operated under the LHA.

I. Other programs in which the Board of Directors of the Corporation chooses to participate.

- Work with the Board of Directors to develop LHC's five (5) year Strategic Plan.
- Manage the LHC staff, including submitting a staffing plan to the Board for its approval and implementing the same,
- Manage the Corporation's infrastructure including planning, finances, use of technology, program development and evaluation, and human resources;
- Manage the overall operation of the Corporation's production facilities and equipment.
- Establish and oversee training programs for Staff that promote internal development
- Pursue and incorporate additional revenue sources through a variety of options made available through the operation of state and or federal programs consistent with the mission statement of the Corporation.
- Report to the Board at such times and with respect to such matters as the Board may request.
- Oversee the preparation of the annual LHC budget and submit it to the Board for approval.
- Coordinate the LHC's programs with other federal (especially HUD), state and local agencies.
- Develop and maintain strong relationships with the State legislature and Governor's office.
- Develop and maintain strong relationships with the real estate lending and development industries.
- Represent the LHC at public meetings and the National Council of State Housing Agencies ("NCSHA") meetings.
- Structure and implement bond issues with investment bankers and legal advisors to access the national capital markets.
- Consult with the Board on the development and implementation of the LHC's investment policy.

- Consult with the Board on the development and implementation of ideas and concepts designed to provide a coordinated approach and clear statewide policy regarding residential and multi-family housing.
- Keep informed of trends, issues, events, and developments within the affordable housing community through professional peer contacts, conference attendance, etc.
- Take reasonable steps to see that the Corporation remains in compliance with its enabling statute, rules and regulations and other laws which may govern or affect the operations of the Corporation.