



Board of Directors

Agenda Item #2

**Minutes of the March 14,
2018 LHC Board of Director's
Full Board Meeting**

April 11, 2018



Louisiana Housing Corporation

A verbatim transcript as well as an audio recording of these proceedings is available upon request by contacting the LHC

LHC Board of Directors

Board Meeting Minutes

Wednesday, March 14, 2018

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

Board Members Present

Lloyd S. "Buddy" Spillers
Tammy P. Earles
Derrick Edwards
Thomas Enright (obo Treasurer John M. Schroder)
Larry Ferdinand (left meeting at 12:50pm)
Byron L. Lee
Willie Rack
Donald B. Vallee (arrived to meeting at 12:23pm)

Board Members Absent

Jennifer Vidrine
Michael T. Anderson (resigned February 15, 2018)
Gillis R. Windham

Staff Present

Barry E. Brooks
Edselle Keith Cunningham, Jr.
Bradley Sweazy
Jessica Guinn
Brenda Evans

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Leslie C. Strahan
Miriam Bowie
Nicole Sweazy
Kevin Brady
Natasha Anderson
Na'Tisha Natt
Robby Bizot
Louis Russell
Jatis Harrington

Others Present

See Guest Sign-In Sheet

CALL TO ORDER

Board Chairman Lloyd S. "Buddy" Spillers called the meeting to order at 12:20 p.m. Board Secretary Barry E. Brooks called the roll; there was a quorum.

Chairman Spillers noted that earlier there was a very emotional and heart-warming tribute in memoriam of Mr. Robert Clark, Jr., the long-serving and endearing LHFA/LHC's Security Guard. Mr. Clark's wife and children were presented with an engraved plaque acknowledging Mr. Clark's exemplary service and dedication.

Chairman briefly reintroduced new Board Member Mr. Byron Lee. He also noted that Mr. Lee's Oath of Office had been administered by LHC Executive Counsel Jessica Guin. during the earlier Administrative and Finance Committee Meeting.

APPROVAL OF MINUTES

Next item discussed were the February 7, 2018 Board Meeting Minutes.

On a motion by Board Member Tammy Earles and seconded by Board Member Thomas Enright, the Minutes of the February 7, 2018 LHC Board of Directors Meeting were unanimously approved.

BOARD CHAIRMAN'S REPORT

None.

EXECUTIVE DIRECTOR'S REPORT

LHC Executive Director E. Keith Cunningham, Jr. distributed his detailed Executive Director's Report to the Board to review at their leisure; and, he briefly discussed the recent Louisiana Congressional Delegation visits whilst the Board and Staff were attending the 2018 NCSHA Legislative Conference in Washington; he noted the many recent television and radio appearances by LHC; he discussed the Piggyback NOFA and HOME NOFA; that he'd meet with FANO Executive Director and Vice-President; meetings with SMILE and Louisiana State Senator Gerald Boudreaux; that there was an LWC Annual Summit upcoming; he'd attended the FHLB Affordable Housing Workshop in New Orleans; there was a meeting with Enterprise and LAAHP regarding upcoming tax assessment legislation; that the LIHEAP Audit was upcoming; and, that three (3) Single Family Program associates (Mary Antoon, Brenda Evans, and Mary Boudreaux) had successfully passed the Nationwide Mortgage Licensing System Test.

Board Member Vallee inquired as to the purpose and who were the attendees for the aforementioned meeting regarding tax assessment legislation. Executive Director Cunningham replied that the meeting was to related to how tax assessors tax LIHTC properties, and that LHC only provided information regarding the matter.

For the Record, Board Member Vallee noted "...I'm just disclosing it. I'm a friend of Mr. Williams. I have discussed these issues with him in the past. In fact just recently I happen to (inaudible) transaction we wanted to see. I was nominated for the Tax Commission – I'm just disclosing. I'm privy to those discussions that take place and pros and cons of this. I just wanted to disclose that to you."

Executive Counsel Jessica Guinn requested Board Member Vallee put in writing his aforementioned disclosure statement. He replied "...No, no, you heard it. It's in the minutes."

Thereafter, Board Member Larry Ferdinand discussed Best Practices. He further inquired as to how LHC performs relative to its fellow-HFA counterparts. Mr. Cunningham and LHC COO Bradley Sweazy noted LHC's uniqueness and slight difference compared to the majority of the other national HFAs.

Board Member Ferdinand advocated for more concrete benchmarks. He noted that if such was not available, that he'd do some research and bring back some comparisons at a future Board Meeting.

Chairman Spillers concurred with Board Member Ferdinand noting "...We mention all the time and we ask questions all the time about this. Larry's correct in asking, what are other doing?"

Board Member Ferdinand then inquired "Going back to the letter that was asked and you supplied and I appreciated that, okay, relative to the commitment to HRI, and my

question on that is, is that similar to other administrative decisions that y'all have made" - in other words, that is – that was normal practice?"

Executive Director Cunningham replied "...It was not an administrative decision to allocate the funding."

There were further dialogues between Board Member Ferdinand and Executive Cunningham on the aforementioned matter.

Chairman Spillers advised that since the matter was not on the Agenda, that he would be proceeding with the orders of the day as noted on the Agenda.

Executive Counsel Guinn reiterated the need for the Board to stick to the items as prescribed in the Agenda. And, that there would need to be a unanimous vote of the Board to Suspend the Rules and Add to the Agenda.

Board Member Ferdinand inquired "...Do we have to notify the public if I'm asking about the performance of the Director?"

Executive Counsel Guinn replied "...The performance of the Director, absolutely sir. Because any discussions or character or competence under Open Meetings Law, you have to give 24-hour written notice that's set to be discussed - - it's performance, it's the same."

Chairman Spillers advised the Board "...We're not discussing it anymore."

Board Member Vallee stated "...allegations made."

Executive Director Cunningham replied "...There have not been allegations made, sir. There have not been allegations made. Let me be clear with you, there have not been any allegations made. No one has come to me with anything. And so anything that is fair about and back-door and whatever conversations you want to have about it, I'd love an opportunity to address it with you."

Executive Counsel Guinn sternly reiterated "...I'm really at this point in time, my job is to protect this Agency and we're getting far outside of the lines of anything that we have on this Agenda today outside of Open Meetings Law, Civil Service. The Board has a responsibility and things that go outside of your duties as a Board Member can bring liability upon you as well as this Agency. So I would highly suggest that this moment in time we continue what's on the Agenda."

AGENDA ITEM #7

The next item discussed was the resolution regarding issuing \$7.8M of Multifamily Housing Governmental Notes for Briarwood Apartments and Barton Drive Manor.

Board Chairman Spillers noted that the Multifamily and Assets Committee had met earlier, and were recommending approval of the matter.

LHC Executive Management Officer Mr. Louis Russell briefly went over the specifics of the matter noting it had been approved by State Bond Commission at their October 2017 meeting, and that staff was likewise recommending approval.

On a motion by Board Member Derrick Edwards and seconded by Board Member Byron L. Lee, the Resolution authorizing the issuance of its not to exceed \$7,800,000 Multifamily Housing Governmental Notes to finance the acquisition, rehabilitation and equipping of Briarwood Apartments and Barton Drive Manor (located at 4223 Greenbriar Drive, Shreveport, Caddo Parish, Louisiana) and Barton Drive Manor (located at 1625 Barton Drive, Shreveport, Caddo Parish, Louisiana; accepting the proposal of Citibank, N.A. or such other purchaser as may be designated by the Borrower for the purchase thereof; fixing the parameter terms of said note or notes; 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 issuing \$4.5 Multifamily Housing Revenue Bonds for Lafitte 2017.

Mr. Russell went over the specifics of the matter noting that the Multifamily and Assets Committee as well as staff were recommending approval thereof.

On a motion by Board Member Derrick Edwards seconded by Board Member Byron Lee, the resolution of intention to issue not exceeding Four Million Five Hundred Thousand Dollars (\$4,500,000) Multifamily Housing Revenue Bonds for Lafitte 2017, (multiple addresses located in New Orleans, Orleans Parish, Louisiana) in one or more series to finance the acquisition, construction, rehabilitation, and equipping of a multifamily housing development within the State of Louisiana; to establish the maximum qualified basis and low-income housing credits to Lafitte 2017; to authorize 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.

AGENDA ITEM #9

Next item discussed was resolution regarding the issuance of \$16M Multifamily Housing Revenue Bonds for Holy Cross Apartments.

Mr. Russell went over the specifics of the matter noting that the Multifamily and Assets Committee as well as staff were recommending approval thereof.

On a motion by Board Member Derrick Edwards and seconded by Board Member Byron L. Lee, the resolution of intention to issue not exceeding Sixteen Million Dollars (\$16,000,000) Multifamily Housing Revenue Bonds for Holy Cross Apartments, (located at 4950 Dauphine Street, New Orleans, Orleans Parish, Louisiana 70117); in one or more series to finance the acquisition, construction, rehabilitation, and equipping of a multifamily housing development within the State of Louisiana; to establish the maximum qualified basis and low-income housing credits to Holy Cross Apartments; to authorize 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.

AGENDA ITEM #10

Next item discussed was the matter regarding the Draft 2018 Qualified Allocation Plan ("QAP").

Mr. Russell went over the specifics of the matter, noting that staff was recommending approval thereof.

Public Comments were received on the Draft 2018 QAP.

Mr. Jay Daniels addressed the Board noting there were ten (10) points for CNI in the 2017 QAP, but such had been removed in the Draft 2018 QAP.

Executive Director Cunningham advised that there would be ample time for submission of comments related to the Draft 2018 QAP.

On a motion by Board Member Derrick Edwards and seconded by Board Member Thomas Enright, the resolution providing for approval of the State's 2018 Draft

Qualified Allocation Plan; 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 regarding the LHC Strategic Plan 2017-2020.

Chairman Spillers and Executive Director Cunningham noted that the matter was discussed and was moved favorably in the Administrative and Finance Committee meeting.

On a motion by Board Member Thomas and seconded by Board Member Derrick Edwards, the resolution adopting the Louisiana Housing Corporation (the “LHC” or “Corporation”) Strategic Plan for 2017-2020 (labeled as Exhibit A, entitled “Strategic Plan”); 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 Vallee, noting “...My comments at this time is that I didn’t feel that I got enough information on what the Agency has done in the past, what it plans to do in the future recommended by the staff to live up to a strategic plan which they’ve been begging us to come up with. I think we need to know where we came from, what we’ve done, how we use our money, what source are available, what sources are going to come available into the future, that we can be consistent and plan where we go...I just don’t think it’s enough to have a final strategic plan and I voted no.”

AGENDA ITEM #12

Next item discussed was the matter regarding the LHC Operating Budget versus Actual End of 2nd Quarter.

Chairman Spillers noted that the matter had been discussed earlier during the Administrative and Finance Committee Meeting.

Board Member Vallee noted that he had several questions about the budget but would wait until the April Board Meeting.

Board Member Vallee furthered that due to recent departure of LHC department heads to “...please incorporate in there a new staffing plan with the support and as Mr. Ferdinand asked some time ago...was a history of the dates of employment, the dates of any increases or job descriptions...But for overall, just give us the information and we can look at what you’re doing and where we’re going.”

OTHER BUSINESS

Board Member Vallee noted "...I'd like to bring some business up that you don't want to bring up and so did Mr. Ferdinand. I don't know when the time and the place can it be brought up."

Board Member Edwards inquired "...Is it on the Agenda?"

Board Member Vallee replied "...I don't know why it has to be on the Agenda if the Board Members want to discuss something."

Executive Guinn replied "...The law requires it to be on the Agenda."

ADJOURNMENT

There being no other matters to discuss, Board Member Byron L. Lee offered a motion for adjournment that was seconded by Board Member Derrick Edwards. There being no discussion or opposition, the motion passed unanimously.

The Full Board meeting adjourned at 1:07 p.m.

Chairman

Secretary