



**Louisiana Housing**  
Corporation

## **Board of Directors**

### **Agenda Item #7**

**Resolution of intention to issue not exceeding Five Million Five Hundred Thousand Dollars Multifamily Housing Revenue Bonds for Les Maisons de Bayou Lafourche located at 151 McCloud Road, City of Lockport, Lafourche Parish, Louisiana, in one or more series to finance the acquisition, construction, and equipping of a multifamily housing development within the State of Louisiana; to establish the maximum qualified basis and low-income housing credits to Les Maisons de Bayou Lafourche; 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 to provide for other matters in connection therewith.**

**October 9, 2019**

## LES MAISONS de BAYOU LAFOURCHE, Lockport, LA

- **New Construction Mixed Income Multifamily Development**
- **Developer Contact:** Kathy Laborde  
Gulf Coast Housing Partnership, 1610A Oretha  
Castle Haley Blvd, New Orleans, LA 70113
- **Bldgs. / Units:** 16 / 35
- **Total Development Costs:** \$9,292,719.00
- **Total Cost / Sq. Ft.:** \$274.12
- **Total Cost / Unit:** \$265,506.26

**\*Project exceeds TDC Limit of \$225,650/unit**

### Narrative

Les Maisons de Bayou Lafourche is a highly resilient community of 35 homes on a nine-acre site in Lockport, Louisiana. Les Maison will be designed with native plants, bioswales and retentions areas throughout the community to capture, infiltrate and filter the stormwater that reaches our site. These green infrastructure components will also connect the residents of the community to the inherent natural beauty of the parish and ground this community in its specific geography.

Residents will occupy the mix of one-, two- and three-bedroom units scattered across 16 duplex and triplex structures. These units will be constructed in a traditional south Louisiana vernacular with high performance metal gabled roofs sheltering deep-set, south-facing front porches. Open interior floor plans will encourage passive cross ventilation and will be constructed with more durable materials than the typical LIHTC project. Interior features include ceramic tile flooring, wood doors and trim, solid surface counters over plywood cabinetry, paperless drywall and high efficiency climate control systems with separate dehumidification. Each unit will also be equipped with an EnergyStar dishwasher, washer and dryer.

While these homes are designed to evoke the historic creole cottage archetype, their construction embodies the latest in contemporary understandings of high-performance building in a hot humid climate. Walls will be constructed with 2x6 plates and staggered 2x4 studs, virtually eliminating thermal bridging. Blown in fiberglass insulation in the walls and open cell foam in the attic rafters will create a tightly sealed, well-insulated envelope with ductwork inside of the conditioned space.

- \* Excluded from TDC - Reserves, Community Facility and Extraordinary Site Costs  
Project exceeds TDC Limit of \$225,650/unit; however, the Lafourche NOFA waived the TDC/Unit limit amount.

## Reason for Requested Approval

Requesting approval of:

- \$5,500,000 in Multifamily Housing Revenue Bonds
- \$230,468 in Low Income Housing Tax Credits

## Project History and Previous Board Action

- New Construction Mixed Income Multifamily Development
- Awarded \$6,750,000 in CDBG funds from the 2019 Lafourche Resilient Piggyback NOFA
- **Development Team** – Kathy Laborde, Developer - GCHP
- Property Management - LEDIC Realty Company, LLC.
- Accountant – Little and Associates
- Syndicator - Regions

## Project Specifics

### Construction Costs

Rehabilitation Hard Costs	
New Construction Costs	\$6,218,658.00
Total Soft Cost	\$1,336,651.00
Land Costs	\$352,000.00
Building Costs	
Construction Contingency	\$309,683.00
Developer Fee	\$1,168,790.00
Reserves	(\$93,063)
Community Facility	
Extraordinary Site Costs	

### Development Costs:

Total Development Cost	\$9,292,719.00
Total Units	35
Total Buildings	16
Total Cost/Unit	\$265,506.26
Total Square Feet	33,900
Total Cost/SF	\$274.12

### Property Value:

Appraisal Date	N/A
Est. Pre-Rehab Value	N/A
Est. Post-Rehab Value	N/A
Year Built	N/A
Occupancy Rate	N/A

Excluded from TDC - Reserves, Community Facility and Extraordinary Site Costs

\*Project exceeds TDC Limit of \$225,650/unit; however, the Lafourche NOFA waived the TDC/Unit limit amount.

### Unit Mix

0 Bedrooms	
1 Bedrooms	9
2 Bedroom Units	12
3 Bedroom Units	14
4 Bedroom Units	
5 Bedroom Units	
Total Units	35

### Funding Sources:

First Mortgage CDBG/HOME	\$677,000.00
Tax Credit Equity	\$1,958,782.00
LHC CDBG Loan	\$6,750,000.00
HOME	
Cash Flow Loan	
Deferred Developer Fee	
Total	\$9,385,782.00

### Estimated Economic Impact\*

\*Estimated using the National Association of Home Builders (NAHB) economic model, Qualified Allocation Plan and State Bond Commission Fee Schedules

Total Bonds Delivered  
\$ 5,500,000.00

### Area Demographic Profile

Source: U.S. Census Bureau, American Fact Finder

Lafourche Parish	\$52,705
Median Household Income	\$52,705
People living in poverty	16%
People living at or above poverty	84%
Households earning \$14,999 or less	14%

### Examples of Occupations in the 50-60% AMI Category

Source Citation: Louisiana Workforce Commission, Market Study

Construction	Bus Drivers	Management	Arts & Recreation
Administrative Assistants	Office Clerks	Maintenance	Firefighters
Industrial/ Manufacturing	Medical Assistants	Bank Tellers	Security Guards
Wholesale Trade	Childcare Workers	Para-professionals	Retail Sales

Family Tax Credit Development	During Construction (One-Year Impact)	Post-Construction (Annual Impact)
Local Employment Income	\$2,765,000	\$840,000
Local Employment Taxes	\$289,450	\$154,350
Local Jobs	43	11
Zoning/Impact Fees/Permits	NA	-
SBC/MRB/Tax Credit Application Fees	\$7,500	-
MRB Closing Fees	\$5,500	-
Annual Administrative Fee	\$5,500	-
LHC Compliance Monitoring Fee	\$1,400	\$1,400

### Occupancy Profile

Source Citation: U.S. Department of Housing and Urban Development (HUD) AMI Limits as of 12/11/2012

No. of Units	AMI	Annual Qualifying Income Limit
28	20%	
7	50% -60%	
35	Unrestricted	

### Projected Major Area Employers

Private Industry	Professional Services
Local Government	Construction

## LOUISIANA HOUSING CORPORATION

The following resolution was offered by Board Member \_\_\_\_\_ and seconded by Board Member \_\_\_\_\_:

### RESOLUTION

**A resolution of intention to issue not exceeding Five Million Five Hundred Thousand Dollars (\$5,500,000) Multifamily Housing Revenue Bonds for Les Maisons de Bayou Lafourche located at 151 McCloud Road, City of Lockport, Lafourche Parish, Louisiana, in one or more series to finance the acquisition, construction, and equipping of a multifamily housing development within the State of Louisiana; to establish the maximum qualified basis and low-income housing credits to Les Maisons de Bayou Lafourche; 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 to provide for other matters in connection therewith.**

**WHEREAS**, the Louisiana Housing Corporation (the "**Corporation**") is authorized by Chapter 3-G of Title 40 of the Louisiana Revised Statutes of 1950, as amended (the "**Act**"), and other constitutional and statutory authority supplemental thereto, to issue revenue bonds to finance residential housing in the State of Louisiana (the "**State**"); and

**WHEREAS**, developer listed in Schedule I hereto, (the "**Developer**") has met with officials of the Corporation and has advised the Corporation of the Developer's interest in the acquisition, construction, and equipping of a multifamily housing facility, more particularly described in Schedule I hereto (the "**Project**") within the State, subject to the willingness of the Corporation to finance the Project by the issuance of revenue bonds pursuant to the Act; and

**WHEREAS**, the Corporation deems it necessary and advisable that it takes such action as may be required under applicable statutory provisions to authorize and issue revenue bonds in one or more series to finance the cost of the Project set forth in Schedule I hereto, together with costs incident to the authorization, issuance and sale of the bonds, the aggregate costs of the Project and costs of authorization, issuance and sale of the bonds being presently estimated to be the amount set forth in Schedule I hereto; and

**WHEREAS**, the Developer has stated its willingness to arrange for the acquisition, construction, and equipping of the Project and to enter into contracts therefore; and

**WHEREAS**, the income tax regulations prescribed by the Internal Revenue Service require that the issuer of tax exempt bonds adopt a resolution with respect to such bonds or take the other similar "official action" towards the issuance of the bonds prior to the commencement of the a acquisition, construction, and equipping of an exempt facility bond project; and

**WHEREAS**, one purpose of this resolution is to satisfy the requirements of said income tax regulations with respect to the Project set forth in Schedule I hereto; and

**WHEREAS**, the Corporation approved certain application and other forms, documents and proceedings related to the Low-Income Housing Tax Credits Program, including credits available to projects financed with tax-exempt bonds under Section 142(d) of the Internal Revenue Code (the “**Code**”) pursuant to Section 42(h)(4) of the Code; and

**WHEREAS**, the staff of the Corporation has processed the application for the Project in accordance with the Qualified Allocation Plan and is prepared, based upon the preliminary feasibility analysis to recommend low-income housing tax credits (“**LIHTCs**”) for the Project:

**NOW THEREFORE BE IT RESOLVED** by the Board of Directors of the Louisiana Housing Corporation, that:

**SECTION 1.** Pursuant to the authority of the Act, and other constitutional and statutory authority supplemental thereto, the Project is hereby approved and the financing of the acquisition, construction, and equipping thereof through the issuance of revenue bonds of the Corporation pursuant to the Act is hereby authorized not exceeding **Five Million Five Hundred Thousand Dollars (\$5,500,000)** aggregate principal amount of Multifamily Housing Revenue Bonds (Les Maisons de Bayou Lafourche Project) in one or more series (the “**Bonds**”) and in a sufficient principal amount presently estimated as set forth in Schedule I hereto. It is the intent of this resolution to induce the financing of the Project. This resolution is the affirmative official action of the Corporation acting by and through its Board of Directors towards the issuance of its special, limited obligation revenue bonds in accordance with the Constitution and statutes of the State and the United States Treasury Department Regulations, Section 1.150-2. It is recognized and agreed that the Developer may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) the Developer itself; (ii) any “related person” as defined in Section 147(a)(2) of the Internal Revenue Code of 1986, as amended (the “**Code**”); or

(iii) any legal successor thereto, respectively, subject to approval of the Corporation's Bond Counsel, hereinafter employed.

**SECTION 2.** The costs of financing the Project will be paid out of the proceeds from the sale of the Bonds, in one or more series, which shall be special, limited obligations of the Corporation, payable solely out of the income revenues, and receipts derived from the Project for which financing is made available. The Bonds and the interest thereon shall never constitute obligations, either general or special of the State, or of any political subdivision of the State or give rise to a pecuniary liability of the State or of any political subdivision of the State within the meaning of any provision or limitation of the Constitution or statutes of the State. The Corporation does not have the power to pledge the general credit or taxing power of the State or of any political subdivision of the State.

**SECTION 3.** The issuance of the Bonds pursuant to the Act, and other constitutional and statutory authority supplemental thereto, be and the same is hereby authorized and approved. The Bonds shall mature not later than forty (40) years from their date of issuance and shall bear interest per annum at a rate not in excess of twelve (12.0%) per annum. In authorizing the issuance of the Bonds, the Corporation will make no warranty, either expressed or implied, that the proceeds of the Bonds will be sufficient to pay the cost of the Project or that the Project will be suitable for the Developer's purposes or needs. The Bonds shall be sold by the Corporation on such date as may be determined by the Chairman of the Board of Directors of the Corporation, in accordance with the requirements of the Act, and pursuant to the provisions of the Notice of Intention to Sell at Private Sale attached hereto as **Exhibit I**.

**SECTION 4.** The Project is hereby preliminarily approved for LIHTCs in the amount of **Two Hundred Thirty Thousand Four Hundred Sixty-eight Dollars (\$230,468)** in accordance

with the preliminary feasibility analysis report (the “**F&V Report**”) of the Corporation's tax credit underwriter (the “**Tax Credit Underwriter**”), provided, however, that staff is hereby further authorized and directed to adjust such LIHTCs based upon (a) any reprocessing submitted by the taxpayer/owner and the LIHTCs recommended and approved in a supplemental F&V Report of the Underwriter and/or (b) the final audited cost certification review of the Project by the Tax Credit Underwriter following the placement in service of the Project as required by Section 42(m) of the Internal Revenue Code of 1986, as amended (the “**Code**”).

**SECTION 5.** The operation of the Project, as well as the financing of the Project, will comply with all Federal, State and local laws and regulations and the Developer will obtain all necessary approvals and permits required thereunder.

**SECTION 6.** The Chairman and/or Executive Director of the Corporation are authorized and directed to call for a public hearing with respect to the Project and the proposed revenue bonds to finance same in accordance with the requirements of Section 147(f) of the Code, and cause to be published appropriate notice of each public hearing in accordance with the Code.

**SECTION 7.** The Chairman and Executive Director of the Corporation are authorized and empowered to take any and all further action and to sign any and all documents, instruments and writings as may be necessary to carry out the purposes of this resolution and to file, on behalf of the Corporation, with any governmental board or entity having jurisdiction over the Project, such applications or requests for approval thereof as may be required by law, including an application to the State Bond Commission for approval of the financing.

By virtue of the Corporation's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further

resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.", adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

**SECTION 8.** All commitments by the Corporation herein with respect to the Project are subject to the condition that on or before 36 months from the date of adoption hereof, the Corporation and the Developer shall have agreed to mutually acceptable terms for the financing documents and the sale and delivery of the Bonds or other obligations.

**SECTION 9.** That it is recognized that a real necessity exists for the employment of bond counsel in connection with the issuance of the Bonds and accordingly Foley & Judell, L.L.P., Bond Counsel, New Orleans, Louisiana, be and they are hereby employed as bond counsel to the Corporation to do and to perform comprehensive, legal and coordinate professional work with respect thereto. The fee to be paid Bond Counsel shall be an amount based on the Attorney General's then current Bond Counsel Fee Schedule and other guidelines for comprehensive, legal and coordinate professional work in the issuance of revenue bonds applied to the actual aggregate principal amount issued, sold, delivered and paid for at the time the Bonds are delivered, together with reimbursement of out-of-pocket expenses incurred and advanced in connection with the issuance of the Bonds, subject to the Attorney General's written approval of said employment and fee.

**SECTION 10.** The Developer will comply with all rules, regulations and reviews of the Corporation in effect or undertaken from time to time.

This resolution having been submitted to a vote, the vote thereon was as follows:

**YEAS:**

**NAYS:**

**ABSENT:**

**ABSTAIN:**

And the resolution was declared adopted on this, the 9<sup>th</sup> day of October, 2019.

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Chairman

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Secretary

**SCHEDULE I**

**DEVELOPER:** Gulf Coast Housing Partnership, Inc.  
**INITIAL OWNER/OPERATOR:** Les Maisons de Bayou Lafourche, LLC  
**BOND AMOUNT:** Not exceeding \$5,500,000

<b>PROJECT NAME</b>	<b>LOCATION</b>	<b>ESTIMATED NUMBER OF UNITS</b>	<b>ESTIMATED TOTAL COST</b>
Les Maisons de Bayou Lafourche	151 McCloud Road, City of Lockport, Lafourche Parish, Louisiana	35	Approximately \$9,385,782

I, as authorized representative of the Taxpayer, have reviewed the information above and hereby certify this Schedule I to be accurate and complete as of this date.

**LES MAISONS DE BAYOU LAFOURCHE, LLC,**  
a Louisiana limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

## EXHIBIT I

### NOTICE OF INTENTION TO SELL AT PRIVATE SALE

**NOT EXCEEDING \$5,500,000**  
**LOUISIANA HOUSING CORPORATION**  
**MULTIFAMILY HOUSING REVENUE BONDS**  
**(LES MAISONS DE BAYOU LAFOURCHE PROJECT)**

NOTICE IS HEREBY GIVEN in compliance with the provisions of Chapter 3-G of Title 40 of the Louisiana Revised Statutes of 1950, as amended (the “Act”), that the Louisiana Housing Corporation (the “Corporation”), proposes to sell its Multifamily Housing Revenue Bonds (Les Maisons de Bayou Lafourche Project) in one or more series (the “Bonds”) maturing not later than forty (40) years from their date of issuance in aggregate principal amount of **Five Million Five Hundred Thousand Dollars** in one or more series at a rate or rates not exceeding twelve percentum (12.0%) per annum. The Bonds are to be sold to **JPMorgan Chase Bank, N.A.** or such other purchaser to be determined by the Corporation at a later date to finance the acquisition, construction, and equipping of **Les Maisons de Bayou Lafourche**, located in Lockport, Lafourche Parish, Louisiana (the “Project”) at a meeting of the Board of Directors of the Corporation scheduled for **November 13, 2019**, at ten (10:00) o’clock a.m., Louisiana time, at the offices of the Louisiana Housing Corporation, 2415 Quail Drive, Baton Rouge, Louisiana 70808. The Corporation reserves the right to postpone the date, hour and place set forth above for the sale of the Bonds (without any further publication of notice of the change in the sale date, time and/or location). In the event the sale is postponed as provided above, anyone desiring written notice of the subsequent date and time which said sale is to be accomplished must request such notice from the Chairman of the Board of Directors of the Corporation. The Bonds will be sold pursuant to the terms of a resolution to be adopted by the Corporation and a Trust Indenture (the “Indenture”) to be executed by and between the Corporation and a trustee bank.

The Bonds are being issued pursuant to the Act and the Indenture for the purpose of financing the acquisition, construction, and equipping of a multifamily housing project and paying the costs of issuance associated with the Bonds. The Bonds are limited obligations of the Corporation and will be payable solely out of the income, revenues, and receipts derived from the Project and funds and accounts held under and pursuant to the Indenture and pledged therefor. As provided in the Act and the Indenture, the Bonds do not constitute an obligation, either general or special, of the State of Louisiana, any municipality or any other political subdivision thereof.

The principal of and interest on the Bonds will be payable at the principal office of the paying agent or agents selected by the Corporation in accordance with the provisions of the Indenture.

The Bonds will be dated as provided in the Indenture, will bear interest at such rate or rates established at the time of sale of the Bonds (not in excess of twelve percent (12.0%)), payable on such dates as set forth in the Indenture, and will mature no later than forty (40) years from date of issuance.

The Bonds will be issued in fully registered form in the denominations as provided in the Indenture. Bonds will be transferable as provided in the Indenture.

This Notice of Sale of Bonds is being published in accordance with the requirements of the Louisiana Constitution, applicable statutes and the Act. For a period of thirty (30) days from the date of publication hereof, any person or persons in interest shall have the right to contest the legality of this notice, the resolution, any provision of the Bonds to be issued pursuant to it, the provisions securing the Bonds, and the validity of all other provisions and proceedings relating to the authorization and issuance of the Bonds. If no action or proceeding is instituted within the thirty (30) days, no person may contest the validity of the Bonds, the provisions of the resolution pursuant to which the Bonds were issued, the security of the Bonds, or the validity of any other provisions or proceedings relating to their authorization and issuance, and the Bonds shall be presumed conclusively to be legal. Thereafter no court shall have authority to inquire into such matters.

For further information relative to the Bonds and not contained in this Notice, address Foley & Judell, L.L.P., Bond Counsel, One Canal Place, Suite 2600, 365 Canal Street, New Orleans, LA 70130.

BY ORDER OF THE BOARD OF DIRECTORS, acting as the governing authority of the Corporation.

**LOUISIANA HOUSING CORPORATION**

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Chairman

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Secretary

**STATE OF LOUISIANA**

**PARISH OF EAST BATON ROUGE**

I, the undersigned Secretary of the Board of Directors of the Louisiana Housing Corporation, do hereby certify that the foregoing pages constitute a true and correct copy of a resolution adopted by said Board of Directors on October 9, 2019, entitled: "A resolution of intention to issue not exceeding Five Million Five Hundred Thousand Dollars Multifamily Housing Revenue Bonds for Les Maisons de Bayou Lafourche, in one or more series to finance the acquisition, construction, and equipping of a multifamily housing development within the State of Louisiana; to establish the maximum qualified basis and low-income housing credits to Les Maisons de Bayou Lafourche; 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 to provide for other matters in connection therewith."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Corporation on this, the 9<sup>th</sup> day of October, 2019.

(SEAL)

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Secretary