



Louisiana Housing Corporation

LHC Board of Directors

Multifamily and Assets Committee ("MAC") Meeting Minutes

Monday, May 22, 2019

**2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
10:00 A.M.**

MAC Members Present

Gillis R. Windham
Derrick Edwards
Byron L. Lee
Willie Rack

MAC Members Absent

Larry Ferdinand
Stacy S. Head

Board Members Present

Tammy P. Earles (arrived at 10:16am)
La. State Treasurer John M. Schroder
Donald B. Vallee
Lloyd "Buddy" Spillers

Board Members Absent

Jennifer Vidrine

Staff Present

Barry E. Brooks
Edselle Keith Cunningham, Jr.
Bradley Sweazy
Jessica Guinn
Leslie C. Strahan
Plezetta West
Miriam Bowie
Terrell Dupard
Linda Rushing

Louis Russell
Lionel Dennis
Wendy Hall
Winona Connor
Robby Bizot

Others Present

See Guest Sign-In Sheet

CALL TO ORDER

MAC Chairman Gillis R. Windham called the meeting to order at 10:10am. Board Secretary Barry E. Brooks called the roll; there was a quorum.

APPROVAL OF MINUTES

Next item discussed was the November 14, 2018 MAC Meeting Minutes.

On a motion by Mr. Vallee and seconded by Mr. Rack, the Minutes of the November 14, 2018 LHC MAC Meeting were unanimously approved.

APPROVAL OF MINUTES

Next item discussed was the March 18, 2019 MAC Meeting Minutes.

On a motion by Mr. Rack and seconded by Mr. Edwards, the Minutes of the March 18, 2019 MAC Meeting Minutes were unanimously approved.

AGENDA ITEM #4 – Hollywood Acres Project

Next item discussed was the resolution regarding \$4M MHRB for Hollywood Acres Project located in Baton Rouge LA.

LHC Housing Development Administrator Louis Russell introduced the matter and went over the specifics, noting staff was recommending approval thereof.

On a motion by Mr. Lee and seconded by Mr. Rack, the Committee approved recommending to the Full Board FAVORABLE approval of the Hollywood Acres Project matter.

AGENDA ITEM #5 – Hollywood Heights Project

Next item discussed was the resolution regarding \$4M MHRB for Hollywood Heights Project located in Baton Rouge LA.

LHC Housing Development Administrator Louis Russell introduced the matter and went over the specifics, noting that it would be new construction of 45 units for the elderly, and that staff was recommending approval thereof.

On a motion by Mr. Vallee and seconded by Mr. Edwards, the Committee approved recommending to the Full Board FAVORABLE approval of the Hollywood Heights Project matter.

AGENDA ITEM #6 – Drakes Landing

Next item discussed was the resolution regarding \$30M MHRB for Drakes Landing located in Baton Rouge LA.

LHC Housing Development Administrator Louis Russell introduced the matter and went over the specifics, noting that it would consist of 216 units, and that staff was recommending approval thereof.

On a motion by Mr. Vallee and seconded by Mr. Spillers, the Committee approved recommending to the Full Board FAVORABLE approval of the Drakes Landing matter.

AGENDA ITEM #7 – Carryover Allocation Documentation

LHC Housing Development Administrator Louis Russell introduced the matter and went over the specifics, noting staff was recommending approval thereof.

Further information was provided by LHC Executive Director E. Keith Cunningham, Jr.

On a motion by Mr. Vallee and seconded by Mr. Edwards, the Committee approved recommending to the Full Board FAVORABLE approval of the Carryover Allocation Documentation matter.

AGENDA ITEM #8 – 2019 Draft QAP

Next item was a discussion regarding the 2019 Draft QAP.

LHC Director of Policy and Strategic Initiatives Janel Young introduced the matter. Ms. Young discussed the Full Listing of Public Comments and the Final Staff Recommendations and Responses.

Mr. Vallee complimented the staff's reviews and replies, and noted that good public comments had been received.

Additionally, Ms. Young discussed the 25% Rural Set-Asides and Project Threshold Requirements.

Mr. Lee noted that he supported Option One from the staff's recommendations.

Ms. Young further discussed washers and dryers, Green Communities and LEED, noted that staff was recommending removal of the negative neighborhood characteristics, that staff was recommending that the minimum rehabilitation threshold be increased from 6K to 25K, discussed Underwriting criteria, discussed reserves, discussed placing a cap on developer fees, etc.

Mr. Vallee noted that he did not feel cutting developers fees was good – he suggested staying at 15%.

Mr. Spillers noted that he too was “...opposed to cutting developers fees now and for the future.”

ED Cunningham noted that the rationale for recommendation of placing a cap on developer fees was to control development costs, and to use Best Practices for developer fees.

Mr. Lee noted he was in opposition to placing a cap on developer fees, and stated “...if it is not broke then don’t fix it.”. Additionally, Mr. Lee. noting that he concurred with Mr. Spillers’ comments, and that he would not support reducing the developer fees.

Mr. Edwards noted that even with a decrease in developer fees the LHC would still remain profitable.

Mr. Vallee moved sending a recommendation to the Full Board selecting Option One, 15% developer fee, and accepting the design changes as recommended by staff.

Mr. Vallee subsequently WITHDREW his motion, noting that due to time constraints (Full Board Meeting scheduled to begin at 11:00am) he would hold his motion for voting during the Full BODM.

OTHER BUSINESS

None.

ADJOURNMENT

There being no other matters to discuss, Mr. Spillers moved for adjournment.

The MAC meeting adjourned at 10:59 a.m.