



Louisiana Housing
Corporation

Board of Directors

Agenda Item #8

Supplemental Resolution accepting the proposal of JPMorgan Chase Bank, N.A. for the purchase of an additional One Million One Hundred Thousand Dollars (\$1,100,000) above the previously approved \$4,400,000 Multifamily Housing Revenue Bonds (Elysian III Project located at 1145 North Street Baton Rouge, Louisiana 70802) 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 with the foregoing.

February 12, 2020

Elysian III, Baton Rouge, LA

- New Construction Mixed Income Multifamily Development
- Developer Contact: Kathy Laborde, Gulf Coast Housing Partnership
- Bldgs. / Units: 2/42
- Total Development Costs: \$10,028,106.00
- Total Cost / Sq. Ft.: \$307.23
- Total Cost / Unit: \$229,324.81

Excluded from TDC Per Unit Calculations – Reserves and Community Facility

Narrative

The Elysian 3 is a proposed new construction development of 42 units on two sites located at 1145 North St and 1092 Spanish Town Rd in Baton Rouge, LA. Of these 42 total units, 21 units will be one-bedroom units, 18 units will be two-bedroom units, and three will be three-bedroom units. Twenty units will be available at market rate, three units will be available to households earning up to 80% of area median income and 19 units will be available to households earning 20%-60% of area median income and will include provisions for households containing individuals with disabilities. Appropriate supportive services, a walking path, and a community facility will be provided. The project will be competing for CDBG funds and 4% Low Income Housing Tax Credits provided by the Louisiana Housing Corporation.

Waiver Request

The project exceeds TDC Limit of 150,000/unit. The developer has requested a waiver of the TDC limits due to extraordinary site costs such as two site development costs, topography costs, elevation requirements and local infrastructure requirements on the project sites and the additional soft costs related to the layering of CDBG funds with tax-exempt bonds, the related legal fees, as well as the soft cost categories such as architecture fees, contingency, and other underlying hard costs.

Reason for Requested Approval

Approval of a supplemental sale resolution to increase the principal amount of bonds in the amount of:

- \$1,100,000 in Multifamily Housing Revenue Bonds for a total of \$5,500,000 in Multifamily Housing Revenue Bonds.
- Requesting a Waiver of QAP TDC Limit

Reprocessing Involves the Following Changes

Construction Costs	
Hard Costs	\$6,325,633.00
Total Soft Costs	\$1,803,128.00
Construction Contingency	\$309,131.00
Land Costs	\$350,000.00
Developer Fee	\$1,240,214.00
Reserves	(\$246,464.00)
Community Facility	(\$150,000.00)

Unit Mix	
0 Bedrooms	
1 Bedrooms	21
2 Bedroom Units	18
3 Bedroom Units	3
4 Bedroom Units	
Total Units	42

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

Project History and Previous Board Action

- Approval of Sale of Bonds (\$4,400,000) at the December 2019 Board Meeting
- Mortgage Revenue Bonds approved at the September 2019 Board Meeting
- Awarded \$3,679,255 in CDBG funds from the 2018 Piggyback NOFA 2nd Funding Round
- New Construction Mixed Income Multifamily Development
- **Development Team** – Kathy Laborde, Developer - GCHP
- Property Management - GCHP Management, LLC.
- Accountant – Little and Associates
- Syndicator - Raymond James Tax Credit Funds

	Approved	Reprocessing	Increase/(Decrease)
Total Development Cost	\$7,512,694.00	\$10,028,106.00	\$2,515,412.00
Exclusions from TDC	(\$337,430.00)	(\$396,464.00)	(\$59,034.00)
Total	\$7,175,264.00	\$9,631,642.00	\$2,456,378.00
Total Units	42	42	0
Total Buildings	2	2	0
Total Cost/Unit	\$170,839.62	\$229,324.81	\$58,485.19
Total Square Feet	31,800	31,350	-450
Total Cost/SF	\$225.64	\$307.23	\$81.59

* Excluded from TDC Per Unit Calculations: Reserves and Community Facility

Funding Sources:	Approved	Reprocessing	Increase/(Decrease)
Permanent First Mortgage			
Tax Credit Equity	\$836,729.00	\$1,394,988.00	\$558,259.00
CDBG Funds	\$3,679,255.00	\$4,200,000.00	\$520,745.00
Tax Exempt Bond	\$2,124,200.00	\$2,489,000.00	\$364,800.00
GCHP Self - Financing	\$785,347.00	\$1,944,118.00	\$1,158,771.00
PHA Loan	\$0.00	\$0.00	\$0.00
Total	\$7,425,531.00	\$10,028,106.00	\$2,602,575.00

LOUISIANA HOUSING CORPORATION

The following resolution was offered by Board Member _____ and seconded by Board Member _____:

RESOLUTION

A supplemental resolution accepting the proposal of JPMorgan Chase Bank, N.A. for the purchase of an additional One Million One Hundred Thousand Dollars (\$1,100,000) above the previously approved \$4,400,000 Multifamily Housing Revenue Bonds (Elysian III Project located at 1145 North Street Baton Rouge, LA 70802) 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 with the foregoing.

WHEREAS, the Board of Directors (the “**Board**”) of the Louisiana Housing Corporation (the “**LHC** or the “**Corporation**”) on September 11, 2019, adopted a resolution approving and authorizing the issuance and sale of not exceeding Four Million Four Hundred Thousand Dollars (\$4,400,000) of Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Elysian III Project) in one or more series to JPMorgan Chase Bank, N.A. or such other purchaser (the “**Purchaser**”) to finance a 42-unit multifamily housing facility located in Baton Rouge, East Baton Rouge Parish (the “**Project**”); and

WHEREAS, the Louisiana State Bond Commission approved Four Million Four Hundred Thousand Dollars (\$4,400,000) of bonds on October 17, 2019; and

WHEREAS, GCHP - Elysian III, LLC, a Louisiana limited liability company (the “**Taxpayer**”) has submitted an amended bond application requesting an increase of One Million One Hundred Thousand Dollars (\$1,100,000) above the Four Million Four Hundred Thousand Dollars (\$4,400,000) to cover additional costs of the Project so that the aggregate principal amount of bonds will not exceed Five Million Five Hundred Thousand Dollars (\$5,500,000) (the “**Bonds**”); and

WHEREAS, a Supplemental Notice of Sale was published on January 27, 2020 in “*The Advocate*” and in the “*The Daily Journal of Commerce*” for the sale of an aggregate amount not to exceed Five Million Five Hundred Thousand Dollars (\$5,500,000); and

WHEREAS, the LHC did meet on February 12, 2020, at 10:00 a.m., Louisiana time, for the purpose of receiving and considering the proposal of the Purchaser, and taking action with respect to the supplemental parameter sale of not exceeding Five Million Five Hundred Thousand Dollars (\$5,500,000) of the Bonds pursuant thereto; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the LHC, acting as the governing authority of said LHC, that:

SECTION 1. Subject to the approval by the Louisiana State Bond Commission for the additional One Million One Hundred Thousand Dollars (\$1,100,000) of bonds, the parameter written terms submitted this day by JPMorgan Chase Bank, N.A. for the purchase of bonds designated “Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Elysian III Project)” in on more series in the aggregate principal amount of not exceeding Five Million Five Hundred Thousand Dollars (\$5,500,000), at an interest rate not exceeding 12% per annum, and for a maturity not exceeding 40 years, authorized under and pursuant to the provisions of a Bond Trust Indenture (the “**Indenture**”), by and between Regions Bank (the “**Trustee**”), and the LHC be, and the same are hereby awarded to the Purchaser; provided, however, that the sale and delivery of the Bonds are conditioned upon approval by the State Bond Commission of the additional One Million One Hundred Thousand Dollars (\$1,100,000) of bonds and compliance with any and all approvals and/or certifications required by the Louisiana Attorney General. The sale of the Bonds in accordance with said Indenture is hereby authorized and approved. The Chairman, Executive Director and/or Secretary of the Corporation are hereby authorized and directed for, on behalf of and in the name of the LHC, to execute, deliver and approve such instruments, documents and certificates as may be required or necessary, convenient or appropriate to the financing described herein, including, but not limited to, the following described documents for the Bonds on file with the LHC:

- (i) Bond Trust Indenture,
- (ii) Financing Agreement, and
- (iii) Tax Regulatory Agreement.

The aforesaid officers are additionally authorized to approve any changes in the aforementioned documents provided such changes are in accordance with Chapter 3-G of Title 40 of the Louisiana Revised Statutes of 1950, as amended, and with the approval of Counsel to the LHC or Bond Counsel. 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 LHC, payable solely out of the revenues derived by the LHC with respect to the Project for which financing is made available. The Bonds and the interest thereon shall never constitute the debt or indebtedness of the LHC, the State of Louisiana (the "State"), or any political subdivision thereof within the meaning of any provision or limitation of the Constitution or statutes of the State, nor shall the same give rise to a pecuniary liability of the LHC or the State or any political subdivision thereof or a charge against their general credit or taxing power, and such limitation shall be plainly stated on the face of the Bonds.

SECTION 2. In order to accomplish the sale of the Bonds in accordance with the terms of this resolution, either the Chairman, Executive Director and/or Secretary of the Corporation, acting on his behalf, be and they are hereby authorized and directed to execute and deliver, for and on behalf of the LHC, the Indenture in substantially the form thereof which is now before this LHC and filed with the Secretary of this Board of Directors with such revisions or changes as may be approved by Bond Counsel.

SECTION 3. The Bonds will be dated, will be in the denominations, be subject to redemption, and will have all the terms set forth in the Indenture. 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.

SECTION 4. The Chairman, Executive Director and/or Secretary of the Corporation are hereby approved, authorized and directed to execute and deliver or cause to be executed and delivered all documents required to be executed on behalf of the LHC and delivered to effect delivery of the Bonds to the Purchaser or deemed by any of them necessary or advisable to implement this resolution or the Indenture, or to facilitate the sale of the Bonds.

The Chairman, Executive Director and/or Secretary of the Corporation shall cause to be executed for and on behalf of the LHC the aforementioned Bonds in accordance with the Indenture and shall effect the delivery thereof to the Purchaser in accordance with the Indenture. The Chairman, Executive Director and/or Secretary of the Corporation of the LHC shall receive from the Purchaser for the account of the LHC the purchase price of the Bonds and shall deposit the same with the Trustee under the Indenture in accordance with the provisions thereof.

By virtue of LHC'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 5. This resolution shall take effect immediately.

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

YEAS:

ABSTAIN:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 12th day of February 2020.

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Directors of the Louisiana Housing Corporation (the "LHC"), do hereby certify that the foregoing (four) pages constitute a true and correct copy of a resolution adopted by said Board of Directors on February 12, 2020, entitled: "A supplemental resolution accepting the proposal of JPMorgan Chase Bank, N.A. or such other purchaser as may be designated by the Taxpayer for the purchase of an additional One Million One Hundred Thousand Dollars (\$1,100,000) Multifamily Housing Revenue Bonds (Elysian III Project) 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 with the foregoing."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the LHC on this, the 12th day of February 2020.

Secretary

(SEAL)