Louisiana Housing Corporation

Board of Directors

Agenda Item #6

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 not to exceed Eight Million One Hundred Thousand Dollars ($8,100,000) Multifamily Housing Revenue Bonds (Lafayette Bottle Art Lofts Project located at 1506 Cameron Street, Lafayette, Louisiana 70501) 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.

May 6, 2020

LIHTC Project Synopsis

Bottle Art Lofts
Lafayette, Louisiana
Lafayette Parish

Construction Type:	Acquisition & Rehab	Total Development Costs:	$6,341,064.00
Developer Contact:	Chris Clement HRI Development, LLC 812 Gravier St. Suite 200 New Orleans, LA 70112	Total Cost / Sq. Ft:	$196.77
		Total Cost /Unit:	$158,526.60
Buildings / Units:	2 / 40		

Narrative

Lafayette Bottle Art Lofts, LLC is proposing to create a 40-unit adaptive re-use historic development, with a leasing preference for artists, in Lafayette Parish located at 1506 Cameron Street, Lafayette, LA. The Bottle Art Lofts development preserves an existing historic building located at the "Gateway" to downtown Lafayette and the University of Louisiana Lafayette, in an area known as the "Four Corners", which is a high priority development area for the City of Lafayette. The historic property, which is being listed on the National Register of Historic Places, was built in 1936 and was among Coca-Colas' first bottling plants located in the State of Louisiana. The bottling enterprise was eventually relocated to an industrial area in the 1970's, which left the site underutilized and eventually vacant and blighted.

The redeveloped project will provide 40 residential units and will be 100% affordable for residents with family incomes at or below 60% of the area median income. The unit mix includes thirty-five (35) one-bedroom and five (5) two-bedroom affordable housing units. There will be two (2) units set aside as permanent supportive housing (PSH) units with incomes restricted to 20% AMI (these units will have project based PSH vouchers), ten (10) units will be set aside as 50% AMI units, and the remaining 28 units will be restricted as 60% AMI units.

Louisiana Housing Corporation
2415 Quail Drive Baton Rouge, LA 70808

BOTTLE ART LOFTS
LAFAYETTE, LOUISIANA

Reason for Requested Approval

Final approval of sale of:

- $8,100,000 in Multifamily Housing Revenue Bonds

Project History and Previous Board Action

Mortgage Revenue Bonds approved at February 2020 Board Meeting
Historic Rehab/Adaptive Reuse of a Multifamily Development

Development Team

Developer - HRI Development, LLC - Chris Clement
Architect - HCI Architecture, Inc.
Builder/Contractor - Palmisano Contractors
Attorney - Elkins, PLC
Accountant - LeBlanc & Associates, LLC
Management Company - HRI Management, LLC

Project Specifics

Construction Costs	Amount
Building Acquisition	$758,384.00
Land Acquisition	$171,616.00
Total Hard Costs	$11,457,750.76
Construction Contingency	$183,711.57
Total Developer's Fee	$1,897,064.00
Soft Costs / Other	$638,743.91
Total Development Cost	$15,925,359.40
Initial Reserves	$107,957.50
Extraordinary Site Costs	$8,976,338.00
Community Facilities Costs	$500,000.00
Community Service Facility Costs	$0.00
Excess Costs	$0.00
Maximum TDC Limit	$170,267.63
Adjusted TDC/ % of Max TDC Limi	$6,341,064.00

Unit Mix

0 BR	1 BR	2 BR	3 BR	4 BR
0	35	5	0	0

Development Costs

* Total Development Costs	$6,341,064
Total Units	40
Total Buildings	2
Total Cost/Unit	$158,527
Total Square Feet	32,226
Total Cost/Sqft	$197

*Excluded from TDC - Reserves Community Facilities and Extraordinary Site Costs

Funding Sources

Non-LHC loan #1 (identify lender): JP	$600,000.00
LHC HOME Loan (Forgiven at maturity	$0.00
LHC NHTF Loan (Forgiven at maturity)	$0.00
CDBG-DR Gap Financing Loan	$5,000,000.00
Deferred Developer Fee	$0.00
Federal Historic Tax Credits and Equity	$1,945,020.00
State Historic Tax Credits and Equity	$2,066,790.00
Estimated LIHTC Equity Proceeds	$4,278,549.00
Other	$2,035,000.00
Total Sources of Funds	$15,925,359.00

2019 Application / 4% LIHTC
Lafayette Bottle Arts

Total Development Cost			**$ 15,925,359.00**	
Less:	**Acquisition**		**(930,000.00)**	
	Developer Fee		**(1,897,064.00)**	
	Reserves:		**(107,958.00)**	
	Builder Profit/OH IOI		**0.00**	
Developer Fee Base			**12,990,337.00**	
Developer Fee Rehab		**15%**	**$ 1,948,550.55**	
Developer Fee Acquisition		**5%**	**$ 379.00**	**379**
Total Allowable Developer Fee			**$ 1,948,929.55**	

11.91% ***of the total development cost***

LOUISIANA HOUSING CORPORATION

The following resolution was offered by _____________ and seconded by _________________:

RESOLUTION

A 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 not to exceed Eight Million, One Hundred Thousand Dollars ($8,100,000) Multifamily Housing Revenue Bonds (Lafayette Bottle Art Lofts Project located at 1506 Cameron Street, Lafayette, Louisiana 70501) 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 February 12, 2020, adopted a resolution approving and authorizing the issuance of not exceeding Eight Million, One Hundred Thousand Dollars ($8,100,000) of Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Lafayette Bottle Art Lofts Project) in one or more series and authorized the publication of a Notice of Intention to Sell at Private Sale (the "**Notice**") in connection therewith; and

WHEREAS, said bonds are being designated as "Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Lafayette Bottle Art Lofts Project)" in the aggregate principal amount of not to exceed Eight Million, One Hundred Thousand Dollars ($8,100,000) (the "**Bonds**") and are being issued for the purpose of providing funds to (i) pay the cost for the acquisition, construction, rehabilitation and/or equipping of a multifamily housing facility serving low and moderate income special needs households in Lafayette, Lafayette Parish (the "**Project**"), (ii) fund such reserve accounts as may be required and (iii) pay the costs of issuance associated with the Bonds; and

WHEREAS, as set forth in said resolution, the Notice of Sale was published on April 20, 2020 in "*The Advocate*" and in the "*The Daily Journal of Commerce*" for an amount not to exceed Eight Million, One Hundred Thousand Dollars ($8,100,000); and

WHEREAS, in accordance with the aforesaid resolution adopted by the LHC on February 12, 2020, the sale of the Bonds was scheduled for May 6, 2020; and

WHEREAS, the LHC did meet on May 6, 2020, at 10:00 a.m., Louisiana time, for the purpose of receiving and considering the proposal of JPMorgan Chase Bank, N.A. or such other purchaser (the "**Purchaser**") as may be designated by Lafayette Bottle Art Lofts, LLC, a Louisiana liability company (the "**Taxpayer**"), and taking action with respect to the parameter sale of not exceeding Eight Million, One Hundred Thousand Dollars ($8,100,000) of the Bonds pursuant thereto;

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

SECTION 1. The parameter written terms submitted this day by JPMorgan Chase Bank, N.A. or such other purchaser as may be designated by the Taxpayer, for the purchase of bonds designated "Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Lafayette Bottle Art Lofts Project)" in on more series in the aggregate principal amount of not exceeding Eight Million, One Hundred Thousand Dollars ($8,100,000), 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 Hancock Whitney 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 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. As provided in the resolution adopted by the LHC on February 12, 2020, 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, and 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. Hancock Whitney Bank has been designated by the Taxpayer as Trustee and Paying Agent with respect to the Bonds in accordance with the provisions of the Indenture.

SECTION 3. 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 4. The Bonds will be dated, will be in the denominations 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. The Bonds shall be subject to redemption in accordance with the Indenture.

SECTION 5. 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.

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 6. 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.

SECTION 7. 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 6th day of May 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 five (5) pages constitute a true and correct copy of a resolution adopted by said Board of Directors on May 6, 2020, entitled: "A 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 not to exceed Eight Million, One Hundred Thousand Dollars ($8,100,000) Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Lafayette Bottle Art Lofts 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 6th day of May 2020.

____
Secretary

(SEAL)