



**Louisiana Housing**  
Corporation

# **Board of Directors**

## **Agenda Item #11**

**Resolution accepting the proposal of Churchill Mortgage Construction LLC or such other purchaser as may be designated by the Taxpayer for the purchase of a not to exceed Ten Million Dollars (\$10,000,000) Multifamily Housing Governmental Note for 4948 Chef Menteur Apartments located at 4960 Chef Menteur Hwy., New Orleans, Orleans Parish, Louisiana 70126, in one or more series; fixing the parameter terms of said governmental note and otherwise providing with respect to said governmental note; and providing for other matters in connection with the foregoing.**

**November 18, 2020**

## 4948 Chef Menteur Apartments New Orleans, Louisiana Orleans Parish

Construction Type: New Construction

Developer Contact: Rhett J. Holmes

Integrity Development Partners, LLC  
1709 A Gornto Rd. PMB #343  
Valdosta, GA. 31601

Buildings / Units: 1 / 42

\*Total Development Costs: \$9,400,940.00

Total Cost / Sq. Ft: \$258.27

Total Cost /Unit: \$223,831.90

Maximum TDC Limit: \$193,488.71

\*Excluded from TDC Calculation - Reserves and Gov't.  
Grants/Historic Proceeds

\*Square Footage waiver requested due to the historic nature of the project.

### Narrative

4948 Chef Menteur Apartments is a proposed 42 unit, historic rehab/new construction development located at 4960 Chef Menteur Highway in New Orleans, Louisiana. The development will consist of 10 one-bedroom units and 32 two-bedroom units.

**4948 CHEF MENTEUR APARTMENTS**  
**NEW ORLEANS, LOUISIANA**

**Reason for Requested Approval**

Final approval of sale of:

- \$10,000,000 in Multifamily Housing Revenue Bonds

**Project History and Previous Board Action**

Mortgage Revenue Bonds approved at the September 2020 Board Meeting

**Development Team**

Developer - Integrity Development Partners, LLC  
 Architect - TERRELL-FABACHER Architects, LLC  
 Builder/Contractor - Ryan Gootee General Contractors, LLC  
 Attorney - Coats Rose  
 Accountant - TIDWELL Group  
 Management Company - Latter & Blum

**Project Specifics**

Construction Costs	Amount
Building Acquisition	\$614,000.00
Land Acquisition	\$336,000.00
Total Hard Costs	\$8,293,110.00
Construction Contingency	\$829,000.00
Total Developer's Fee	\$1,635,000.00
Soft Costs / Other	\$2,072,890.00
Total Development Cost	\$13,780,000.00
Initial Reserves	(\$295,680.00)
Extraordinary Site Costs	(\$4,083,380.00)
Maximum TDC Limit	\$193,488.71
Adjusted TDC/ % of Max TDC Limi	\$9,400,940.00

**Unit Mix**

0 BR	1 BR	2 BR	3 BR	4 BR
0	10	32	0	0

**Development Costs**

* Total Development Costs	\$9,400,940
Total Units	42
Total Buildings	1
Total Cost/Unit	\$223,832
Total Square Feet	36,400
Total Cost/Sqft	\$258

\*Excluded from TDC Calculation - Reserves and Gov't. Grants/Historic Proceeds

**Funding Sources**

Tax Exempt 1st Mortgage	\$3,300,000.00
Deferred Developer Fee	\$109,620.00
Federal Historic Tax Credits and Equit	\$2,018,000.00
State Historic Tax Credits and Equity	\$2,065,380.00
Estimated LIHTC Equity Proceeds	\$3,537,000.00
Other	\$2,750,000.00
Total Sources of Funds	\$13,780,000.00

**2019 Application / QAP**

**Chef Menture Reprocessing August, 2020**

<b>Total Development Cost</b>		<b>\$ 13,780,000.00</b>
<b>Less:</b>	<b>Acquisition - Land</b>	<b>(336,000.00)</b>
	<b>Bldg.</b>	<b>(614,000.00)</b>
	<b>Developer Fee</b>	<b>(1,635,000.00)</b>
	<b>Reserves:</b>	<b>(295,680.00)</b>
	<b>Builder Profit/OH IOI</b>	<b>0.00</b>
		<hr/> <hr/>
<b>Developer Fee Base</b>		<b>10,899,320.00</b>
<b>Developer Fee Rehab</b>	<b>15%</b>	<b>\$ 1,634,898.00</b>
<b>Developer Fee Acquisition</b>	<b>5% or 8%</b>	<b>\$ 614,000.85</b>
		<hr/> <hr/>
<b>Total Allowable Developer Fee</b>		<b>\$ 2,248,898.85</b>

**LOUISIANA HOUSING CORPORATION**

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

**RESOLUTION**

**A resolution accepting the proposal of Churchill Mortgage Construction LLC or such other purchaser as may be designated by the Taxpayer for the purchase of a not to exceed Ten Million Dollars (\$10,000,000) Multifamily Housing Governmental Note for 4948 Chef Menteur Apartments located at 4960 Chef Menteur Hwy., New Orleans, Orleans Parish, Louisiana 70126, in one or more series; fixing the parameter terms of said governmental note and otherwise providing with respect to said governmental note; 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 9, 2020, adopted a resolution approving and authorizing the issuance of not exceeding Ten Million Dollars (\$10,000,000) of Louisiana Housing Corporation Multifamily Housing Revenue Bonds (4948 Chef Menteur Apartments 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 issued and designated as a “Louisiana Housing Corporation Multifamily Housing Governmental Note (4948 Chef Menteur Apartments Project)” in the aggregate principal amount not to exceed Ten Million Dollars (\$10,000,000) (the “**Governmental Note**”) for the purpose of providing funds to (i) pay the cost for the acquisition, construction, and/or equipping of a multifamily housing facility serving low and moderate income households in New Orleans, Orleans Parish (the “**Project**”), (ii) fund such reserve accounts as may be required and (iii) pay the costs of issuance associated with the Governmental Note; and

**WHEREAS**, as set forth in said resolution, the Notice of Sale was published on October 26, 2020 in “*The Advocate*” and in the “*The Daily Journal of Commerce*” for an amount not to exceed Ten Million Dollars (\$10,000,000); and

**WHEREAS**, in accordance with the aforesaid resolution adopted by the LHC on September 9, 2020, the sale of the Governmental Note was scheduled for November 18, 2020; and

**WHEREAS**, the LHC did meet on November 18, 2020, at 10:00 a.m., Louisiana time, for the purpose of receiving and considering the proposal of Churchill Mortgage Construction LLC or such other purchaser (the “**Purchaser**”) as may be designated by 4948 Chef Menteur Apartments, LP, a Louisiana limited partnership (the “**Taxpayer**”), and taking action with

respect to the parameter sale of a not exceeding Ten Million Dollars (\$10,000,000) of the Governmental Note 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 Churchill Mortgage Construction LLC or such other purchaser as may be designated by the Taxpayer, for the purchase of the Governmental Note designated “Louisiana Housing Corporation Multifamily Housing Governmental Note (4948 Chef Menteur Apartments Project)” in on more series in the aggregate principal amount not exceeding Ten Million Dollars (\$10,000,000), 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 Funding Loan Agreement (the “**Funding Loan Agreement**”), by and between the LHC, the Purchaser, and a fiscal agent to be determined (the “**Fiscal Agent**”), and the LHC be, and the same are hereby awarded to the Purchaser; provided, however, that the sale and delivery of the Governmental Note 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 Governmental Note in accordance with said Funding Loan Agreement 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 Governmental Note on file with the LHC:

- (i) Funding Loan Agreement,
- (ii) Project Loan 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 September 9, 2020, the costs of financing the Project will be paid out of the proceeds from the sale of the Governmental Note, 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 Governmental Note 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 Governmental Note.

**SECTION 2.** A bank is to be designated by the Taxpayer or LHC as Fiscal Agent and Paying Agent with respect to the Governmental Note in accordance with the provisions of the Funding Loan Agreement.

**SECTION 3.** In order to accomplish the sale of the Governmental Note in accordance with the terms of this resolution, either the Chairman, Executive Director and/or Secretary of the Corporation, are hereby authorized and directed to execute and deliver, for and on behalf of the LHC, the Funding Loan Agreement 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 Governmental Note will be dated, will be in the denominations and will have all the terms set forth in the Funding Loan Agreement. The Governmental Note is a limited obligation 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 Funding Loan Agreement and pledged therefor.

**SECTION 5.** The Governmental Note shall be subject to repayment in accordance with the Funding Loan Agreement.

**SECTION 6.** 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 Governmental Note to the Purchaser or deemed by any of them necessary or advisable to implement this resolution or the Funding Loan Agreement, or to facilitate the sale of the Governmental Note.

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 7.** The Chairman, Executive Director and/or Secretary of the Corporation shall cause to be executed for and on behalf of the LHC the aforementioned Governmental Note in accordance with the Funding Loan Agreement, and shall effect the delivery thereof to the Purchaser in accordance with the Funding Loan Agreement. 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 Governmental Note and shall deposit the same with the Fiscal Agent under the Funding Loan Agreement in accordance with the provisions thereof.

**SECTION 8.** 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 18<sup>th</sup> day of November, 2020.

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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 (the “LHC”), do hereby certify that the foregoing pages constitute a true and correct copy of a resolution adopted by said Board of Directors on November 18, 2020, entitled: “A resolution accepting the proposal of Churchill Mortgage Construction LLC or such other purchaser as may be designated by the Taxpayer for the purchase of a not to exceed Ten Million Dollars (\$10,000,000) Multifamily Housing Governmental Note for 4948 Chef Menteur Apartments located at 4960 Chef Menteur Hwy., New Orleans, Orleans Parish, Louisiana 70126, in one or more series; fixing the parameter terms of said governmental note and otherwise providing with respect to said governmental note; 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 18<sup>th</sup> day of November, 2020.

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Secretary

(SEAL)  
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