



Louisiana Housing
Corporation

Board of Directors

Agenda Item #18

Supplemental resolution accepting the proposal of Community Housing Capital for the purchase of an additional One Million Four Hundred Ninety-five Thousand Dollars (\$1,495,000) above the previously approved \$4,500,000 Multifamily Housing Revenue Bonds for Lafitte 2017 located on 15 non-contiguous parcels as follows: 610 N. Johnson St., 928 N. Derbigny St., 1214 Columbus St., 1218 Columbus St., 1311 N. Roman St., 1449 N. Robertson St., 1454 Henriette Delille St., 1463 Henriette Delille St., 1608 Dumaine St., 1614 Laharpe St., 1647 N. Galvez St., 1726 Bayou Rd., 1818 Dumaine St., 1909 St. Anne St., 2508 St. Anne St., New Orleans, Orleans Parish, Louisiana, 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.

September 9, 2020

Lafitte 2017

New Orleans, Louisiana

Orleans Parish

Construction Type: Historic Rehab

Developer Contact: Terri North
Providence Community Housing
1050 S. Jefferson Davis Pkwy.
New Orleans, LA 70125

Buildings / Units: 15 / 23

Total Development Costs: \$6,982,715.00

Total Cost / Sq. Ft: \$278.51

Total Cost /Unit: \$303,596.30

Maximum TDC Limit: \$250,000.00

*Excluded from TDC Calculation - Reserves, Community Facilities Costs and Gov't Grants/Historic Proceeds

Narrative

Lafitte 2017 is proposed historic rehab multifamily development located on 15 non-contiguous parcels as follows: 610 N. Johnson St., 928 N. Derbigny St., 1214 Columbus St., 1218 Columbus St., 1311 N. Roman St., 1449 N. Robertson St., 1454 Henriette Delille St., 1463 Henriette Delille St., 1608 Dumaine St., 1614 Laharpe St., 1647 N. Galvez St., 1726 Bayou Rd., 1818 Dumaine St., 1909 St. Anne St., 2508 St. Anne St. in New Orleans, Louisiana. The project will consist of 6 one-bedroom units, 9 two-bedroom units and 8 three-bedroom units.

Reason for Requested Approval

Approval of a Supplemental Sale Resolution to increase the principal amount of bonds and tax credits in the amount of:

- \$1,495,000 in Multifamily Housing Revenue Bonds for a total of \$5,995,000
- \$107,797 in Low Income Housing Tax Credits for a total of \$350,029

Project History and Previous Board Action

Final Sale of Mortgage Revenue Bonds approved at the March 2018 Board Meeting
\$2,000,000 in CDBG Funds, \$242,232 in LIHTCs and \$4,500,000 in MRBs approved at the February 2018 Board Meeting

Development Team

Developer - Providence Community Housing - Terri North
Accountant - Novogradac & Co.
Architect - Metro Studio
Builder/Contractor - Gibbs Construction

Reprocessing Involves the Following Changes:

Construction Costs	Amount
Building Acquisition	\$280,000.00
Land Acquisition	\$75,000.00
Total Hard Costs	\$7,725,614.00
Construction Contingency	\$528,100.00
Total Developer's Fee	\$950,000.00
Total Soft Costs	\$1,713,779.00
Total Development Costs	\$11,272,493.00
Initial Reserves	(\$173,931.00)
Gov't. Grants/Historic Proceeds	(\$2,783,346.00)
Community Facilities Costs	(\$1,332,501.00)
Maximum TDC Limit	\$250,000.00
*Adjusted TDC	\$6,982,715.00

Development Costs	Approved	Reprocessing	Increase/Decrease
Building Acquisition	\$0.00	\$280,000.00	\$280,000.00
Land Acquisition	\$870,000.00	\$75,000.00	(\$795,000.00)
Total Hard Costs	\$6,233,790.00	\$8,253,714.00	\$2,019,924.00
Total Developer's Fee	\$950,000.00	\$950,000.00	\$0.00
Total Soft Costs	\$1,470,610.00	\$1,713,779.00	\$243,169.00
Exclusions from TDC	(\$4,119,425.00)	(\$4,289,778.00)	(\$170,353.00)
*Adjusted TDC	\$5,404,975.00	\$6,982,715.00	\$1,577,740.00
Total Cost/Unit	\$216,199.00	\$303,596.00	\$87,397.00
Total Cost/Sqft	\$199.00	\$279.00	\$80.00

*Excluded from TDC Calculation - Reserves, Community Facilities Costs and Gov't. Grants/Historic Proceeds

Develop. Specs	Approved	Reprocess	Incr/Decr
Total Units	25	23	-2
Total Buildings	16	15	-1
Total Square Feet	27165	25072	-2093

Unit Mix

0 BR	1 BR	2 BR	3 BR	4 BR
	6	9	8	

Funding Sources	Approved	Reprocessing	Increase/Decrease
CHC	\$0.00	\$1,937,000.00	\$1,937,000.00
HANO	\$0.00	\$1,970,000.00	\$1,970,000.00
Federal & State HTC	\$1,192,000.00	\$1,271,840.00	\$79,840.00
Deferred Developer Fee	\$220,400.00	\$140,600.00	(\$79,800.00)
Cash Flow Loan	\$1,690,000.00	\$0.00	(\$1,690,000.00)
Estimated LIHTC Equity Proceeds	\$2,277,000.00	\$3,115,255.00	\$838,255.00
Donated Land Value	\$795,000.00	\$0.00	(\$795,000.00)
Home Bank Loan	\$1,350,000.00	\$0.00	(\$1,350,000.00)
LHC CDBG Funds	\$2,000,000.00	\$2,837,798.00	\$837,798.00
Total	\$9,524,400.00	\$11,272,493.00	\$1,748,093.00

2017 Application / QAP
Lafitte

Total Development Cost		\$ 11,242,493.00
Less:	Acquisition - Land	(75,000.00)
	Bldg.	(280,000.00)
	Developer Fee	(950,000.00)
	Reserves:	(173,931.00)
	Builder Profit/OH IOI	<u>0.00</u>
Developer Fee Base		9,763,562.00
Developer Fee Rehab	15%	\$ 1,464,534.30
Developer Fee Acquisition	5%	<u>\$ 14,000.00</u>
Total Allowable Developer Fee		\$ 1,478,534.30

LOUISIANA HOUSING CORPORATION

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

RESOLUTION

A supplemental resolution accepting the proposal of Community Housing Capital for the purchase of an additional One Million, Four Hundred Ninety-five Thousand Dollars (\$1,495,000) above the previously approved \$4,500,000 Multifamily Housing Revenue Bonds for Lafitte 2017 located on 15 non-contiguous parcels as follows: 610 N. Johnson St., 928 N. Derbigny St., 1214 Columbus St., 1218 Columbus St., 1311 N. Roman St., 1449 N. Robertson St., 1454 Henriette Delille St., 1463 Henriette Delille St., 1608 Dumain St., 1614 Laharpe St., 1647 N. Galvez St., 1726 Bayou Rd., 1818 Dumaine St., 1909 St. Anne St., 2508 St. Anne St., New Orleans, Orleans Parish, Louisiana, 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 March 14, 2018, adopted a resolution approving and authorizing the issuance and sale of not exceeding Four Million, Five Hundred Thousand Dollars (\$4,500,000) of Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Lafitte 2017 Project) in one or more series to Community Housing Capital or such other purchaser (the “**Purchaser**”) to finance a 23-unit multifamily housing facility located in New Orleans, Orleans Parish (the “**Project**”); and

WHEREAS, the Louisiana State Bond Commission approved Four Million, Five Hundred Thousand Dollars (\$4,500,000) of bonds on May 17, 2018; and

WHEREAS, Lafitte 2017, LLC, a Louisiana limited liability company (the “**Taxpayer**”) has submitted an amended bond application requesting an increase of One Million, Four Hundred Ninety-five Thousand Dollars (\$1,495,000) above the Four Million, Five Hundred Thousand Dollars (\$4,500,000) to cover additional costs of the Project so that the aggregate principal amount of bonds will not exceed Five Million, Nine Hundred Ninety-five Thousand Dollars (\$5,995,000) (the “**Bonds**”); and

WHEREAS, as a consequence of the additional costs and reprocessing of the Low-Income Housing Tax Credit Application, the Project qualifies for additional low-income housing tax credits (“**LIHTCs**”) so that the aggregate amount of LIHTCs to be allowed the Project is now **Three Hundred Fifty Thousand, Twenty-nine Dollars (\$350,029)**; and

WHEREAS, a Supplemental Notice of Sale was published on August 31, 2020 in “*The Advocate*” and in the “*The Daily Journal of Commerce*” for the sale of an aggregate amount not to exceed Five Million, Nine Hundred Ninety-five Thousand Dollars (\$5,995,000); and

WHEREAS, the LHC did meet on September 9, 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, Nine Hundred Ninety-five Thousand Dollars (\$5,995,000) 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, Four Hundred Ninety-five Thousand Dollars (\$1,495,000) of bonds, the parameter written terms submitted this day by Community Housing Capital for the purchase of bonds designated “Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Lafitte 2017 Project)” in on more series in the aggregate principal amount of not exceeding Five Million, Nine Hundred Ninety-five Thousand Dollars (\$5,995,000), 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, Four Hundred Ninety-five Thousand Dollars (\$1,495,000) 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.

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 6. 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 9th day of September 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 pages constitute a true and correct copy of a resolution adopted by said Board of Directors on September 9, 2020, entitled: “A supplemental resolution accepting the proposal of Community Housing Capital for the purchase of an additional One Million, Four Hundred Ninety-five Thousand Dollars (\$1,495,000) above the previously approved \$4,500,000 Multifamily Housing Revenue Bonds for Lafitte 2017 located on 15 non-contiguous parcels as follows: 610 N. Johnson St., 928 N. Derbigny St., 1214 Columbus St., 1218 Columbus St., 1311 N. Roman St., 1449 N. Robertson St., 1454 Henriette Delille St., 1463 Henriette Delille St., 1608 Dumain St., 1614 Laharpe St., 1647 N. Galvez St., 1726 Bayou Rd., 1818 Dumaine St., 1909 St. Anne St., 2508 St. Anne St., New Orleans, Orleans Parish, Louisiana, 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 9th day of September 2020.

Secretary

(SEAL)
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