



**Louisiana Housing**  
Corporation

# **Board of Directors**

## **Agenda Item #12**

Resolution accepting the proposal of Home Bank, N.A. or such other purchaser as may be designated by the Taxpayer for the purchase of not to exceed Six Million Six Hundred Thousand Dollars (\$6,600,000) Multifamily Housing Revenue Bonds for **Grove Place** located on a square city block at the corner of Earhart Boulevard and Monroe Street, New Orleans, Orleans Parish, Louisiana 70118, 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.

**July 14, 2021**

## Grove Place New Orleans, Louisiana Orleans Parish

Construction Type: Acquisition & Rehab

Developer Contact: Paul Irons

NOD Group, LLC

501 N. Jeff Davis Parkway # 791015

New Orleans, LA 70119

Buildings / Units: 19 / 32

Total Development Costs: \$7,576,178.00

Total Cost / Sq. Ft: \$263.17

Total Cost /Unit: \$236,755.56

\*Excluded from TDC Limit Calculation: Reserves, Community Facilities and Extraordinary Site Costs

### Narrative

Grove Place will be situated on the square city block at the corner of Earhart in Monroe Street. The proposed development has a total of 32 residential units in the development. The development will include 23 historic rehabilitated units and 9 newly constructed units in a new building. It is proposed that all units will share a community green space that will open at the rear of each unit. Off-street parking will also be provided. Grove Place LLC has been conditionally awarded the \$3M in Home Funds from the City of New Orleans. This project also aligns with the city's Place Based Strategy as outlined by the City of New Orleans 2017-2021 Consolidated Plan. State and Federal Historic tax credit incentive will also be utilized and the project has already received Part 1 approvals. The objective is to create a high-quality neighborhood housing community that will enhance and improve the housing stock in Hollygrove by redeveloping this block which has been vacant before Katrina. We believe that this development will encourage and spark new interest to other developers, which will only enhance and increase the quality of life for this community that has long been overlooked.

**GROVE PLACE  
NEW ORLEANS, LOUISIANA**

**Reason for Requested Approval**

Requesting Approval of Final Sale of:

- \$6,600,000 in Multifamily Housing Revenue Bonds

**Project History and Previous Board Action**

Acquisition Rehab Multifamily Project with Historic Preservation

**Development Team**

Developer - NOD Group, LLC  
 Architect - HRI Architecture  
 Builder/Contractor - Landis Construction Co. LLC  
 Attorney - Coats Rose  
 Accountant - LeBlanc and Associates  
 Management Company - HRI Management

**Project Specifics**

<b>Construction Costs</b>	<b>Amount</b>
Building Acquisition	\$883,000.00
Land Acquisition	\$467,000.00
Total Hard Costs	\$5,552,386.00
Construction Contingency	\$555,239.00
Total Developer's Fee	\$1,651,630.00
Total Soft Costs / Other	\$1,571,487.00
Total Development Cost	\$10,680,742.00
Maximum TDC Limit	\$216,296.50
*Adjusted TDC	\$7,576,178.00

**Unit Mix**

<b>0 BR</b>	<b>1 BR</b>	<b>2 BR</b>	<b>3 BR</b>	<b>4 BR</b>
0	16	16	0	0

**Development Costs**

* Total Development Costs	\$7,576,178
Total Units	32
Total Buildings	19
Total Cost/Unit	\$236,756
Total Square Feet	28,788
Total Cost/Sqft	\$263

\*Excluded from TDC Limit Calculation: Reserves, Community Facilities Costs and Extraordinary Site Costs

**Funding Sources**

Home Bank	\$2,088,038.00
Federal Historic Tax Credits and Equity	\$615,456.00
State Historic Tax Credits and Equity	\$1,078,080.00
Estimated LIHTC Equity Proceeds	\$3,899,168.00
Other	\$3,000,000.00

**2021 Application /  
Grove Place 4% LIHTC - May, 2021**

<b>Total Development Cost</b>	<b>\$ 10,680,742</b>	<b>\$ 9,029,112.00</b>	<b>Total cost net developer fee</b>
			<b>18.29% Developer fee percent</b>
<b>Developer Fee Rehab</b>	<b>35% \$ 5,552,386</b>		
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<b>Total Allowable Developer Fee</b>	<b>\$ 1,943,335</b>	<b>35% of rehab line item</b>	
<b>Total Developer Fee</b>	<b>\$ 1,651,630</b>		

## LOUISIANA HOUSING CORPORATION

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

### RESOLUTION

**A resolution accepting the proposal of Home Bank, N.A. or such other purchaser as may be designated by the Taxpayer for the purchase of not to exceed Six Million, Six Hundred Thousand Dollars (\$6,600,000) Multifamily Housing Revenue Bonds for Grove Place located on a square city block at the corner of Earhart Boulevard and Monroe Street, New Orleans, Orleans Parish, Louisiana 70118, 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 May 12, 2021, adopted a resolution approving and authorizing the issuance of not exceeding Six Million Six Hundred Thousand Dollars (\$6,600,000) of Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Grove Place 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 (Grove Place Project)” in the aggregate principal amount of not to exceed Six Million, Six Hundred Thousand Dollars (\$6,600,000) (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 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 Bonds; and

**WHEREAS**, as set forth in said resolution, the Notice of Sale was published on July 5, 2021 in “*The Advocate*” and in the “*The Daily Journal of Commerce*” for an amount not to exceed Six Million, Six Hundred Thousand Dollars (\$6,600,000); and

**WHEREAS**, in accordance with the aforesaid resolution adopted by the LHC on May 12, 2021, the sale of the Bonds was scheduled for July 14, 2021; and

**WHEREAS**, the LHC did meet on July 14, 2021, at 10:00 a.m., Louisiana time, for the purpose of receiving and considering the proposal of Home Bank, N.A. or such other purchaser (the “**Purchaser**”) as may be designated by Grove Place, LLC, a Louisiana limited liability company (the “**Taxpayer**”), and taking action with respect to the parameter sale of not

exceeding Six Million, Six Hundred Thousand Dollars (\$6,600,000) 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 Home 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 (Grove Place Project)” in on more series in the aggregate principal amount of not exceeding Six Million, Six Hundred Thousand Dollars (\$6,600,000), 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 a trustee to be determined (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 Chairperson, Interim 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 May 12, 2021, 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.** A bank is to be designated by the Taxpayer or LHC 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 Chairperson, Interim 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, shall effect the delivery of the Bonds to the Purchaser in accordance with the Indenture, and shall deposit the same with the Trustee under the Indenture in accordance with the provisions thereof.

**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.

**SECTION 5.** The Bonds shall be subject to redemption in accordance with the Indenture.

**SECTION 6.** 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.** 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 14<sup>th</sup> day of July, 2021.

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Chairperson

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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 July 14, 2021, entitled: “A resolution accepting the proposal of Home Bank, N.A. or such other purchaser as may be designated by the Taxpayer for the purchase of not to exceed Six Million, Six Hundred Thousand Dollars (\$6,600,000) Multifamily Housing Revenue Bonds for Grove Place located on a square city block at the corner of Earhart Boulevard and Monroe Street, New Orleans, Orleans Parish, Louisiana 70118, 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 14<sup>th</sup> day of July, 2021.

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Secretary

(SEAL)