Louisiana Housing Corporation

Board of Directors

Agenda Item #8

Resolution accepting the **proposal of U.S. Bank National Association or such other purchaser as may be designated by the Taxpayer for the purchase of a not to exceed Eight Million, Eight Hundred Thousand Dollars ($8,800,000) Multifamily Housing Governmental Note (Lee Hardware & United Jewelers Apartments Project) located at 719 Edwards Street and 301 Crocket Street, Shreveport, Caddo Parish, Louisiana 71101**; fixing the parameter terms of said governmental note and otherwise providing with respect to said governmental note; and providing for other matters in connection therewith.

May 12, 2021

Louisiana Housing Corporation

LIHTC Project Synopsis

Lee Hardware & United Jewelers Apartments

Shreveport, Louisiana

Caddo Parish

Construction Type:	Historic Rehabilitation / Multi Fam	Total Development Costs:	$17,283,022.00
Developer Contact:	Chris Clement HRI Development, LLC 812 Gravier Street, Suite 200 New Orleans, LA 70112	Total Cost / Sq. Ft:	$147.88
		Total Cost /Unit:	$158,559.83
		*Excluded from TDC Limit Calculation: Reserves	
Buildings / Units:	2 / 109		

Narrative

Lee Hardware & United Jewelers Apartments is proposed redevelopment of a 109 unit mixed income apartment complex located at 719 Edwards Street and 301 Crocket Street in Shreveport, Louisiana. The project will consist of 73 one-bedroom units and 36 two-bedroom units of which 55 units will be affordable and the remaining 54 units will be market rate units.

Louisiana Housing Corporation
2415 Quail Drive Baton Rouge, LA 70808

LEE HARDWARE & UNITED JEWELERS APARTMENTS
SHREVEPORT, LOUISIANA

Reason for Requested Approval

Requesting Approval of Final Sale of:

- $8,800,000 in Multifamily Housing Revenue Bonds

Project History and Previous Board Action

Mortgage Revenue Bonds approved at the August 2020 Board Meeting
Historic Rehab of a Multifamily Development located in Shreveport, LA

Development Team

Developer - Historic Restoration Inc.
Syndicator - US Bancorp Community Development
Accountant - LeBlanc & Associates, LLC
Architect - HCI Architecture, Inc.
Management Company - HRI Management
Builder/Contractor - Palmisano Contractors

Project Specifics

Construction Costs	Amount
Building Acquistion	$5,157,000.00
Land Acquisition	$447,000.00
Total Hard Costs	$8,253,826.00
Construction Contingency	$767,970.00
Total Developer's Fee	$1,741,300.00
Total Soft Costs	$2,768,906.00
Total Development Cost	$19,136,002.00
Less Reserves	($1,026,023.00)
Maximum TDC Limit	$180,695.00
*Adjusted TDC	$17,283,022.00

Unit Mix

0 BR	1 BR	2 BR	3 BR	4 BR
	73	36		

Development Costs

* Total Development Costs	$17,283,022
Total Units	109
Total Buildings	2
Total Cost/Unit	$158,560
Total Square Feet	116,870
Total Cost/Sqft	$148

*Excluded from TDC Limit Calculation: Reserves

Funding Sources

CDBG	$6,125,000.00
Berkadia FMAC Loan	$2,700,000.00
City of Shreveport HOME (Existing)	$2,624,000.00
Low Income Housing Tax Credit Equity	$4,001,486.00
Federal Historic Tax Credit Equity	$1,736,512.00
State HTC Proceeds	$1,822,981.00
Cash Flow During Development	$60,000.00
RR Reserve Transfer	$66,023.00
Total Sources of Funds	$19,136,002.00

2018 Application / HOME NOFA - Reprocessing Application 4/20/2021
Lee Hardware 4% LIHTC

Total Development Cost			$ 19,136,002.00
Less:	Acquisition - Bldg.		(5,132,500.00)
	Land		(447,000.00)
	Developer Fee		(1,741,300.00)
	Reserves:		(769,429.00)
	Builder Profit/OH IOI		0.00
Developer Fee Base			11,045,773.00
Developer Fee Rehab		15%	$ 1,656,865.95
Developer Fee Acquisition		5%	$ 257,850.00
Total Allowable Developer Fee			$ 1,914,715.95
Total Developer Fee			1,741,300.00

LOUISIANA HOUSING CORPORATION

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

RESOLUTION

A resolution accepting the proposal of U.S. Bank National Association or such other purchaser as may be designated by the Taxpayer for the purchase of a not to exceed Eight Million, Eight Hundred Thousand Dollars ($8,800,000) Multifamily Housing Governmental Note (Lee Hardware & United Jewelers Apartments Project) located at 719 Edwards Street and 301 Crocket Street, Shreveport, Caddo Parish, Louisiana 71101; 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 August 12, 2020, adopted a resolution approving and authorizing the issuance of not exceeding Eight Million, Eight Hundred Thousand Dollars ($8,800,000) of Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Lee Hardware & United Jewelers 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 (Lee Hardware & United Jewelers Apartments Project)" in the aggregate principal amount not to exceed Eight Million, Eight Hundred Thousand Dollars ($8,800,000) (the "**Governmental Note**") 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 households in Shreveport, Caddo 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 April 26, 2021 in "*The Advocate*" and in the "*The Daily Journal of Commerce*" for an amount not to exceed Eight Million, Eight Hundred Thousand Dollars ($8,800,000); and

WHEREAS, in accordance with the aforesaid resolution adopted by the LHC on August 12, 2020, the sale of the Governmental Note was scheduled for May 12, 2021; and

WHEREAS, the LHC did meet on May 12, 2021, at 10:00 a.m., Louisiana time, for the purpose of receiving and considering the proposal of U.S. Bank National Association or such other purchaser (the "**Purchaser**") as may be designated by New Shreveport Renewal, LLC, a

Louisiana limited liability company (the "**Taxpayer**"), and taking action with respect to the parameter sale of a not exceeding Eight Million, Eight Hundred Thousand Dollars ($8,800,000) 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 U.S. Bank National Association 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 (Lee Hardware & United Jewelers Apartments Project)" in on more series in the aggregate principal amount not exceeding Eight Million, Eight Hundred Thousand Dollars ($8,800,000), 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 U.S. Bank National Association, a fiscal agent (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, Vice-Chairperson, 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 August 12, 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. U.S. Bank National Association, has been 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, Vice-Chairperson, 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, Vice-Chairperson 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, Vice-Chairperson, 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, Vice-Chairperson, 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 12th day of May, 2021.

_____	_____
Vice-Chairperson	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 May 12, 2021, entitled: "A resolution accepting the proposal of U.S. Bank National Association or such other purchaser as may be designated by the Taxpayer for the purchase of a not to exceed Eight Million, Eight Hundred Thousand Dollars ($8,800,000) Multifamily Housing Governmental Note (Lee Hardware & United Jewelers Apartments Project) located at 719 Edwards Street and 301 Crocket Street, Shreveport, Caddo Parish, Louisiana 71101; 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 12th day of May, 2021.

_____
Secretary

(SEAL)
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