



Louisiana Housing
Corporation

Board of Directors

Agenda Item #10

(Action) Approval of Resolution authorizing a change in the site design from seven (7) buildings and comprised of 40 units each buildings, to one (1) building comprised of 36 units for each project and a community center, for **Holly Square I and Holly Square II**, Hammond, Tangipahoa Parish. **This item was reported out of Committee FAVORABLY.**

February 09, 2022

Holly Square I Hammond, Louisiana Tangipahoa Parish

Construction Type: New Construction

Developer Contact: Chris H. Hughes

HughesSpellings, LLC
P.O. Drawer 30, 12890 Hwy 15 S. Bypas
Louisville, MS 39339

Buildings / Units: 1 / 36

Total Development Costs: \$9,543,769.00

Total Cost / Sq. Ft: \$262.19

Total Cost /Unit: \$265,104.69

*Excluded from TDC - Reserves and
Community Facility Costs

Narrative

THIS APPLICATION IS A REPROCESSING FOR ADDITIONAL CREDITS AND A FULL FORMAL REQUEST HAS BEEN SUBMITTED TO LHC DETAILING ALL CHANGES BEING REQUESTED:

Holly Square I and Holly Square II were LIHTC applications submitted in 2020 (Under the 2021 Qualified Allocation Plan [QAP]). Holly Square I received an award of 2021 credits (\$750,000) in the initial credit award cycle and Holly Square II was subsequently funded (\$750,000) from the waitlist and awarded 2022 credits (Under the Waitlist Set Aside in the 2022/23 QAP).

The development area for both tracts consisted of two separately owned parcels of land totaling approximately 21 acres. One tract consists of 16 acres and the other is a smaller five acre tract with frontage to E. Minnesota Park Drive.

Through diligence after the LIHTC awards, the development team discovered the 16- acre tract is mostly wet and undevelopable without astronomical costs and substantial time delays mandated by the Army Corps of Engineers. The contiguous 5-acre site has no material wetland issues and is in a position to move forward with no or limited mitigation efforts.

As a result of the site issues and potential mitigation costs, the applicants have made the following request to LHC:

The development team is requesting both projects be located on a different part of the site that was included in the original LIHTC application and allowed to utilize a different building configuration. Each project was originally proposed to have seven (7) buildings and comprised 40 units each. The revised site plan will consist of (1) building comprised of 36 units for each project and a community center.

Holly Square II Hammond, Louisiana Tangipahoa Parish

Construction Type: New Construction

Developer Contact: Chris H. Hughes

HughesSpellings, LLC
P.O. Drawer 30, 12890 Hwy 15 S. Bypas
Louisville, MS 39339

Buildings / Units: 1 / 36

Total Development Costs: \$8,143,769.00

Total Cost / Sq. Ft: \$223.73

Total Cost /Unit: \$226,215.81

*Excluded from TDC - Reserves and
Community Facility Costs

Narrative

THIS APPLICATION IS A REPROCESSING FOR ADDITIONAL CREDITS AND A FULL FORMAL REQUEST HAS BEEN SUBMITTED TO LHC DETAILING ALL CHANGES BEING REQUESTED:

Holly Square I and Holly Square II were LIHTC applications submitted in 2020 (Under the 2021 Qualified Allocation Plan [QAP]). Holly Square I received an award of 2021 credits (\$750,000) in the initial credit award cycle and Holly Square II was subsequently funded (\$750,000) from the waitlist and awarded 2022 credits (Under the Waitlist Set Aside in the 2022/23 QAP).

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**HOLLY SQUARE I
HAMMOND, LOUISIANA**

Reason for Requested Approval

Requesting approval of:

- Material change in the reduction in the number of buildings in each project from (6) six buildings to (1) one building.

Project History and Previous Board Action

Awarded \$750,000 of LIHTCs from the 2021 Credit Ceiling on March 1, 2021.

Development Team

Management Company - Hughes Management Company, Inc.
Developer - HughesSpellings, LLC
Architect - Dyke Nelson Architecture
Builder/Contractor - Hughes Construction Company, Inc.
Attorney - Brunini, Grantham, Grower & Hewes, PLLC
Accountant - Little & Associates, LLC

Reprocessing Involves the Following Changes:

Construction Costs	Amount
Land Acquisition	\$314,500.00
Total Hard Costs	\$7,313,700.00
Construction Contingency	\$317,500.00
Total Developer's Fee	\$1,260,000.00
Total Soft Costs	\$767,521.00
Total Development Cost	\$9,973,221.00
Initial Reserves	(\$129,452.00)
Community Facilities Costs	(\$300,000.00)
Maximum TDC Limit	\$233,028.89
Adjusted TDC/ % of Max TDC Limi	\$9,543,769.00

Development Costs	Approved	Reprocessing	Increase/Decrease
Land Acquisition	\$421,000.00	\$314,500.00	(\$106,500.00)
Total Hard Costs	\$4,319,160.00	\$7,313,700.00	\$2,994,540.00
Construction Contingency	\$185,000.00	\$3,175,000.00	\$2,990,000.00
Total Developer's Fee	\$1,400,000.00	\$1,260,000.00	(\$140,000.00)
Soft Costs/Other	\$696,181.00	\$638,069.00	(\$58,112.00)
Initial Reserves	\$155,354.00	\$129,452.00	(\$25,902.00)
Total Development Cost	\$7,176,695.00	\$9,973,221.00	\$2,796,526.00

Funding Sources	Approved	Reprocessing	Increase/Decrease
Perm Financing Capital Magnet Fun	\$755,000.00	\$1,362,403.00	\$607,403.00
Deferred Developer Fee	\$47,970.00	\$12,538.00	(\$35,432.00)
Estimated LIHTC Equity Proceeds	\$6,373,725.00	\$8,598,280.00	\$2,224,555.00
Total	\$7,176,695.00	\$9,973,221.00	\$2,796,526.00

Develop. Specs	Approved	Reprocess	Incr/Decr
Buildings	6	1	-5
Units	40	36	-4
Square Footage	42400	36400	-6000

Unit Mix

0 BR	1 BR	2 BR	3 BR	4 BR
	4	16	16	

**HOLLY SQUARE II
HAMMOND, LOUISIANA**

Reason for Requested Approval

Requesting approval of:

- Material change in the reduction in the number of buildings in each project from (6) six buildings to (1) one building.

Project History and Previous Board Action

Awarded \$750,000 of LIHTCs from the 2022 Credit Ceiling on August 9, 2021

Development Team

Developer - HughesSpellings , LLC
Architect - Dyke Nelson Architecture
Builder/Contractor - Hughes Construction Company, Inc.
Attorney - Brunini, Grantham, Grower & Hewes, PLLC
Accountant - Little & Associates, LLC
Management Company - Hughes Management Company, Inc.

Reprocessing Involves the Following Changes:

Construction Costs	Amount
Land Acquisition	\$314,500.00
Total Hard Costs	\$5,913,700.00
Construction Contingency	\$317,500.00
Total Developer's Fee	\$1,250,000.00
Total Soft Costs	\$777,521.00
Total Development Cost	\$8,573,221.00
Initial Reserves	(\$129,452.00)
Maximum TDC Limit	\$233,028.89
Adjusted TDC/ % of Max TDC Limi	\$8,443,769.00

Development Costs	Approved	Reprocessing	Increase/Decrease
Land Acquisition	\$421,000.00	\$314,500.00	(\$106,500.00)
Total Hard Costs	\$4,319,160.00	\$5,913,700.00	\$1,594,540.00
Construction Contingency	\$185,000.00	\$317,500.00	\$132,500.00
Total Developer's Fee	\$1,400,000.00	\$1,250,000.00	(\$150,000.00)
Initial Reserves	\$155,354.00	\$129,452.00	(\$25,902.00)
Soft Costs/Other	\$696,181.00	\$648,069.00	(\$48,112.00)
Total Development Costs	\$7,176,695.00	\$8,573,221.00	\$1,396,526.00

Funding Sources	Approved	Reprocessing	Increase/Decrease
Perm Financing Capital Magnet Fun	\$755,000.00	\$1,387,597.00	\$632,597.00
Deferred Developer Fee	\$47,970.00	\$0.00	(\$47,970.00)
Estimated LIHTC Equity Proceeds	\$6,373,725.00	\$6,448,710.00	\$74,985.00
Other	\$0.00	\$736,914.00	\$736,914.00
Total	\$7,176,695.00	\$8,573,221.00	\$1,396,526.00

Develop. Specs	Approved	Reprocess	Incr/Decr
Buildings	6	1	-5
Units	40	36	-4
Square Footage	42400	36400	-6000

Unit Mix

0 BR	1 BR	2 BR	3 BR	4 BR
	4	16	16	

LOUISIANA HOUSING CORPORATION

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

RESOLUTION

A resolution authorizing a changes in the site designs from (7) buildings and comprised of 40 units each buildings to (1) building comprised of 36 units for each project and a community center for Holly Square I and Holly Square II, both located in Tangipahoa Parish, Louisiana; authorizing the Corporation staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate Credits to such facilities; and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Corporation (the “**Corporation**”) has been ordered and directed to act on behalf of the State of Louisiana (the “**State**”) in allocating and administering programs and/or resources made available pursuant to Section 42 of the Internal Revenue Code ; and

WHEREAS, the Corporation approved the form of certain applications, documents, agreements and proceedings related to the Housing Tax Credit Program; and

WHEREAS, the credits were reserved to Holly Square I and Holly Square II , both located in Tangipahoa Parish, Louisiana, said projects being a Multi-Family Scattered Site development consisting of 36 units for Holly Square I and 36 units for Holly Square II units; and

WHEREAS, the taxpayer has contacted staff regarding changes in the site plans for both properties from that submitted in the original applications; and

WHEREAS, the requested changes constitutes a material changes pursuant to the provisions of the QAP and therefore requires the concurrence of the Board of Directors, and;

WHEREAS, staff has considered the requests, staff does hereby recommend acceptance of the requested material changes subject to receipt of a new applications reflecting the proposed site change and current feasibility and viability analyses.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Louisiana Housing Corporation (the “**Board**”), acting as the governing authority of said Corporation that:

SECTION 1. Holly Square I and Holly Square II are hereby granted the requested changes in their site designs, with the number of buildings and the unit mix as expressed in the new applications.

SECTION 2. Staff and Corporation's General Counsel are authorized and directed to prepare the forms of such documents and agreements as may be necessary in approval of the requested material change.

SECTION 3. The Chairman, Vice Chairman, Executive Director and/or Secretary of the Corporation be and they are hereby authorized, empowered and directed to execute any forms and/or documents required to be executed on behalf of and in the name of the Corporation, the terms of which are to be consistent with the provisions of this resolution as approved by the Corporation's General Counsel.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

ABSTAIN:

And the resolution was declared adopted on this, the 9th day of February, 2022.

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 “**Corporation**”), do hereby certify that the foregoing two (2) pages constitute a true and correct copy of a resolution adopted by said Board of Directors on February 9, 2022, captioned, “A resolution authorizing a changes in the site designs from (7) buildings and comprised of 40 units each buildings to (1) building comprised of 36 units for each project and a community center for Holly Square I and Holly Square II, both located in Tangipahoa Parish, Louisiana; authorizing the Corporation staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate Credits to such facilities; and providing for other matters in connection therewith..”

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Corporation on this, the 9th day of February, 2022.

Secretary

(SEAL)