



Louisiana Housing Corporation

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LHC Board of Directors

Board Meeting Minutes

Wednesday, August 9, 2017

**2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
10:00 A.M.**

Board Members Present

Lloyd S. "Buddy" Spillers
Jennifer Vidrine
Michael T. Anderson
Tammy P. Earles
Lynnel Ruckert (obo Treasurer Ron Henson)
Elton M. Lagasse
Willie Rack
Donald B. Vallee
Gillis R. Windham
Andreanecia M. Morris

Board Members Absent

Larry Ferdinand

Staff Present

Barry E. Brooks
Edselle Keith Cunningham, Jr.
Bradley Sweazy

Jessica Guinn
Brenda Evans
Loretta Wallace
Janel Young
Rene Landry
Leslie C. Strahan
Miriam Bowie
Robby Bizot
Marjorianna Willman
Nicole Sweazy
Kevin Brady
Natasha Anderson
Na'Tisha Natt

Others Present

See Guest Sign-In Sheet

CALL TO ORDER

Board Chairman Lloyd S. "Buddy" Spillers called the meeting to order at 10:11 a.m. Board Secretary Barry E. Brooks called the roll; there was a quorum.

Chairman Spillers welcomed newly appointed Board Member Ms. Andreanecia M. Morris. Ms. Morris gave a brief self-introduction.

APPROVAL OF MINUTES

Next item discussed were the July 12, 2017 Board Meeting Minutes.

On a motion by Board Member Willie Rack and seconded by Board Vice-Chairwoman Jennifer Vidrine, the Minutes of the July 12, 2017 LHC Board of Directors Meeting were unanimously approved.

LHC BOARD CHAIRMAN'S REPORT

Chairman Spillers discussed the blighted and adjudicated properties problems in Louisiana, and noted that there would be future dialogue between LHC and its various external partners, municipal and police jury associations, legislature, legal community, etc., to seek solutions and recommendations regarding the matter.

Board Member Donald B. Vallee suggested talking with NORA on the aforementioned matter.

Board Vice-Chairwoman Jennifer Vidrine suggested perhaps providing incentives to municipalities who find useful purposes for vacant lots.

Board Member Elton M. Lagasse suggested conferring with realtors and loan companies for recommendations on ways to relinquish outstanding property taxes.

Board Member Andreanecia M. Morris suggested conferring with Louisiana Applesseed and the Southwest Legal Services.

There were further discussions on the aforementioned matters. Subsequently, there was a Board consensus to create a discussion group.

LHC EXECUTIVE DIRECTOR'S REPORT

LHC ED Cunningham thanked in advance the Governor's Office of Coastal Activities and Coastal Protection Restoration Authority for their upcoming presentation to everyone regarding the 2017 Coastal Master Plan; noted his recent attendance at the NCSHA HFA Executive Directors Conference; that LHC had met with HUD official on their recent HOME audit – there being the 1st time since 2011 of a “No Findings” of the HOME Program; that in September there would be a \$6M Katrina/Rita funds NOFA, as well as a \$4M Plaquemines Parish NOFA; that a September Board Governance event was being planned that would include an overview of two (2) LHC programs.

Board Member Vallee requested the status of his previously requested report detailing Source Use and Funds over the past five (5) years for the programs that LHC administers; and he thanked staff for the other information items sent to him as requested, including the LHC Org Chart with salaries.

Vice-Chairwoman Vidrine commended LHC Disaster Recovery Program Administrator Robby Bizot for his very informational presentation at the recent Louisiana Municipal Association event, and that she looks forward to future presentations by LHC.

ED Cunningham continued -- he welcomed the new LHC Director of Public Affairs Ms. Na'Tisha Natt. Ms. Natt did a brief self-introduction.

Board Member Vallee inquired as to who would be the attendees for the upcoming visit by HUD Secretary Ben Carson. ED Cunningham noted such was still pending details of the event from HUD officials.

AGENDA ITEM #6

Next there was a very illustrative and informative presentation on the 2017 Coastal Master Plan by Bren Haase and Charles Sutcliffe from the Governor's Office of Coastal Activities and Coastal Protection Restoration Authority.

AGENDA ITEM #7

The next item discussed was the resolution regarding the Louisiana Compliance Questionnaire for Audit Engagements of Governmental Entities

ED Cunningham briefly went over the specifics of the matter.

On a motion by Board Member Donald B. Vallee and seconded by Vice-Chairwoman Jennifer Vidrine, the resolution to adopt the completed Louisiana Compliance Questionnaire for Audit Engagements of Governmental Entities, labeled as Exhibit A; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

AGENDA ITEM #8

Next item discussed was the resolution regarding the Louisiana 2018 LIHEAP Grant Application.

LHC Housing Finance Deputy Administrator Loretta Wallace briefly went over the matter.

Board Vice-Chairwoman Vidrine inquired as to if there were any pertinent changes from the previous year to this year's LIHEAP Grant Application. Ms. Wallace noted no changes thereof, but that she and her staff were reviewing future changes that would be discussed prior to the 2019 LIHEAP Grant Application.

Board Member Vallee inquired on training of the subrecipients. Ms. Wallace gave a brief overview of the current and future trainings.

On a motion by Board Member Donald B. Vallee and seconded by Board Vice-Chairwoman Jennifer Vidrine, the resolution approving the Louisiana 2018 Low Income Home Energy Assistance Program ("LIHEAP") Grant Application (labeled as "Exhibit A"); and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

AGENDA ITEM #9

Next item discussed was the resolution regarding issuing \$6M MHRB for Pine Trace I.

LHC Housing Program Administrator Marjorianna Willman briefly went over the specifics of the matter.

Board Member Vallee inquired as to whether a waiver request had been received. Ms. Willman replied affirmatively, noting the project was a PHA rehab property.

Thereafter, there was extensive discussion as why Foley Judell was not noted as Bond Counsel in the resolution.

Ms. Willman noted that the aforementioned was because "...we had to amend a resolution because Bond Counsel was listed, so on all the resolutions going forward it was decided not to list the Bond Counsel, that the applicant could select whomever they wanted to select as Bond Counsel." ED Cunningham concurred thereof. Both also noted that Foley Judell was not as a standard always listed as Bond Counsel in the resolutions.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Michael T. Anderson, the resolution of intention to issue not exceeding Six Million Dollars (\$6,000,000) Multifamily Housing Revenue Bonds for Pine Trace Homes I, #2017-107BF (1015 Union Avenue, Bogalusa, Louisiana 70427) in one or more series to finance the acquisition, construction, rehabilitation, and equipping of a multifamily housing development within the State of Louisiana; to establish the maximum qualified basis and low-income housing credits to Pine Trace Homes I; to authorize the staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate 4% Low-Income Housing Tax Credits to such facilities; and approving a waiver of the Minimum Square Footage and Full Bathrooms Per Unit Type required in the 2017 Qualified Allocation Plan; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

AGENDA ITEM #10

Next item discussed was the resolution regarding issuing \$7M MHRB for Pine Trace II.

Ms. Willman briefly went over the specifics of the matter.

Board Member Vallee requested that Donnie Cunningham with Jones Walker Law Firm be invited to address the Board regarding Bond Counsel being listed in the resolution.

Mr. Cunningham noted that "...I think you should defer to the Developer's wishes on Bond Counsel as an open policy...."

Board Member Vallee then requested that Wayne Neveu with Foley Judell be invited to address the Board on the aforementioned.

Mr. Neveu noted "...I think Donnie well stated it, and frankly it's important that you specify in the resolution Bond Counsel that's recommended by the Developer and it's a

proceeding that then has to be submitted as Mr. Cunningham says to the Attorney General for approval....”

Kelly Longwell with Coats Rose Law firm addressed the Board, noting “...y’all have always had an open door policy and it has been usually left to the Developer as to who they wanted to be Bond Counsel...and I do disagree with what Mr. Cunningham said...There are Issuer’s Counsel which is separate and apart from Bond Counsel.”

Thereafter, there were further lengthy discussion between the Board and the various Counsels in attendance regarding the matter.

On a motion by Board Member Donald B. Vallee and seconded by Board Vice-Chairwoman Jennifer Vidrine, the resolution of intention to issue not exceeding Seven Million Dollars (\$7,000,000) Multifamily Housing Revenue Bonds for Pine Trace Homes II, #2017-108BF (1200 Highland Park, 700 River Terrace Drive and 915 East 4th Street, Bogalusa, Louisiana 70427) in one or more series to finance the acquisition, construction, rehabilitation, and equipping of a multifamily housing development within the State of Louisiana; to establish the maximum qualified basis and low-income housing credits to Pine Trace Homes II; to authorize the staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate 4% Low-Income Housing Tax Credits to such facilities; and approving a waiver of the Minimum Square Footage and Full Bathrooms Per Unit Type required in the 2017 Qualified Allocation Plan; and providing for other matters in connection therewith, was moved to debate.

Thereafter again, there were further discussions on the aforementioned matter.

Board Member Vallee **moved to Amend his Motion to Approve** “...to revert that we go back to the forms that we’ve used historically and in the future after we look at all this stuff and something else needs to be changed on policy that we talk about changing. But let’s stay with what we’ve been doing.” Thereafter, there was discussion regarding the proper Parliamentary manner in which the Amendment was offered. Accordingly, Board Member Vallee **WITHDREW** his aforementioned Amendment.

ED Cunningham noted for the RECORD, “...we’re making the change because of the technical nature of the issue. It is not the Agency’s position around who is the Issuer’s Counsel....”

Ms. Willman also noted “...the resolution will be amended to include the name of the selected Bond Counsel by the applicant....”

Board Member Andreanecia M. Morris suggested that staff briefly convene together and reach a consensus on what is being recommended to the Board for consideration and approval.

LHC Executive Counsel Jessica Guinn advised the Board that it was okay to approve the matter with the "...exception that the selected Bond Counsel be added..." Noting that staff could add in the necessary information prior to it being presented to the Bond Counsel for approval.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Elton M. Lagasse, the resolution of intention to issue not exceeding Seven Million Dollars (\$7,000,000) Multifamily Housing Revenue Bonds for Pine Trace Homes II, #2017-108BF (1200 Highland Park, 700 River Terrace Drive and 915 East 4th Street, Bogalusa, Louisiana 70427) in one or more series to finance the acquisition, construction, rehabilitation, and equipping of a multifamily housing development within the State of Louisiana; to establish the maximum qualified basis and low-income housing credits to Pine Trace Homes II; to authorize the staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate 4% Low-Income Housing Tax Credits to such facilities; and approving a waiver of the Minimum Square Footage and Full Bathrooms Per Unit Type required in the 2017 Qualified Allocation Plan; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

AGENDA ITEM #11

Next item discussed was the resolution regarding issuing \$7.8M MHRB for Barton Drive Manor and Briarwood Village.

Ms. Willman briefly went over the specifics of the matter.

Board Member Vallee inquired as to the approvals process between LHC and the State Bond Commission.

Thereafter, Mr. Neveu gave a brief overview of the SBC approval process.

Board Member Vallee requested that ED Cunningham invite Mr. Neveu to a future Board Orientation to give a more detailed review of the SBC approval process.

On motion by Board Member Elton M. Lagasse and seconded by Board Vice-Chairwoman Jennifer Vidrine, the resolution of intention to issue not exceeding Seven Million Eight Hundred Thousand Dollars (\$7,800,000) Multifamily Housing Revenue Bonds for Barton Drive Manor and Briarwood Village Apartments, #2017-104BF (1625 Barton Drive, Shreveport, Caddo Parish, Louisiana 71107 and 4223 Greenbriar Drive, Shreveport, Caddo Parish, Louisiana 71109) in one or more series to finance the acquisition, construction, rehabilitation and equipping of two multifamily housing developments within the State of Louisiana; to establish the

maximum qualified basis and low-income housing credits to Barton Drive Manor and Briarwood Village Apartments; to authorize the staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate 4% Low-Income Housing Tax Credits to such facilities; and approving a waiver of the Minimum Square Footage and Full Bathrooms Per Unit Type required in the 2017 Qualified Allocation Plan; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

AGENDA ITEM #12

Next item discussed was the resolution regarding issuing \$9.5 MHRB for Iberville On-Site Phase VII.

Ms. Willman went over the specifics of the matter.

Chris Clements representing HRI Properties gave a brief overview of the project.

Board Member Vallee inquired as to whether the community facility would be open to the public.

Mr. Clements replied affirmatively, noting the community facility would be free of use for both the tenants and the general public.

There was further discussion between Board Member Vallee and Mr. Clements regarding the projects specifics and project construction deadlines.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Willie Rack, the resolution of intention to issue not exceeding Nine Million Five Hundred Thousand Dollars (\$9,500,000) Multifamily Housing Revenue Bonds for Iberville On-Site Phase VII, #2017-109BF (1511 Conti Street, Orleans Parish, Louisiana 70112) in one or more series to finance the leasing, construction, rehabilitation, and equipping of a multifamily housing development within the State of Louisiana; to establish the maximum qualified basis and low-income housing credits to Iberville On-Site Phase VII; to authorize the staff and counsel to prepare the forms of such documents and agreements as may be necessary to allocate 4% Low-Income Housing Tax Credits to such facilities; and providing for other matters in connection therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

AGENDA ITEM #13

Next item discussed was regarding the recommended strategies for awarding HOME funds under the CHDO Annual Awards Program ("CHAAP").

Ms. Willman went over the specifics of the matter.

Board Member Vallee requested that the Board be given additional time to review the matter and submit comments. There was a Board consensus thereof.

AGENDA ITEM #14

Next item discussed was regarding the recommended strategies for awarding HOME funds under the 2017 Small Project Continuation NOFA.

Ms. Willman went over the specifics of the matter, noting that the matter would be further discussed at the September 13, 2017 Board Meeting.

AGENDA ITEM #15

Next item discussed was regarding the 2017 LIHTC Funding Round.

Ms. Willman went over the specifics of the matter, noting that 67 applications had been received representing 29 different parishes. Also, that preliminary scores had been issued and the process was currently in the “challenge period” from August 8 – August 22.

Board Chairman noted that further discussions on the matter would take place at the September 13, 2017 Board Meeting.

James Freeman representing Standard Mortgage addressed the Board and asked that “forward allocation” be considered.

Chairman Spillers noted he was not in favor of forward allocation, but open to any dialogue thereof. He stressed that LHC has less and less funding sources, but that the demand for affordable housing was increasing overwhelmingly.

AGENDA ITEM #16

Next item discussed was the Recycled Funds Proposal.

Director of Recovery Housing Bizot went over the specifics of the matter, noting that there was \$800K of repurpose funding to offset loan gaps.

Board Member Vallee inquired as to any restrictions on how the funds could be utilized.

Mr. Bizot noted that the funds were under the sole authority of LISC (“Local Initiatives Support Corporation”).

OTHER BUSINESS

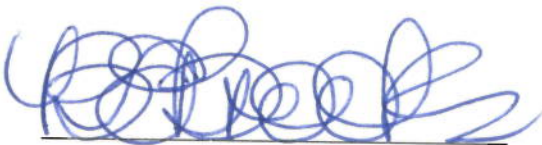
Board Member Vallee requested that time during the September 13, 2017 BODM be allocated for an in-depth discussion of the Updates and Program Reports. In particular, that a discussion was needed regarding the status of the three (3) LHC-owned properties, as well as the Louisiana Housing Authority Reports.

ADJOURNMENT

There being no other matters to discuss, Board Member Donald B. Vallee offered a motion for adjournment that was seconded by Board Member Michael T. Anderson. There being no discussion or opposition, the motion passed unanimously.

The Full Board meeting adjourned at 11:59 a.m.


Chairman


Secretary