

BOBBY JINDAL
GOVERNOR



DON J. HUTCHINSON
INTERIM EXECUTIVE DIRECTOR

Louisiana Housing Corporation

LHC Board of Directors

Board Meeting Minutes

Wednesday, December 12, 2012

**2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
12:00 P.M.**

Board Members Present

Michael L. Airhart
Mayson H. Foster
Treasurer John N. Kennedy
Ellen M. Lee
Matthew P. Ritchie
Willie Spears
Malcolm Young

Board Members Absent

Dr. Daryl V. Burckel
Guy T. Williams, Jr.

Staff Present

Don J. Hutchinson
Bradley Sweazy
Barry E. Brooks
Brenda Evans
Loretta Wallace
Rene' Landry
Danny Veals
Jeff DeGraff
Terry Holden
Todd Folse

Edselle Keith Cunningham, Jr.
Christine Bratkowski
Leslie C. Strahan
Jessica Guinn
Victoria Hilton
Collette Mathis
Marjorianna Willman

Others Present

See Guest Sign-In Sheet

CALL TO ORDER

LHC Board Chairman Michael L. Airhart called the meeting to order at 12:07 p.m. Board Secretary Barry E. Brooks called the roll; there was a quorum.

APPROVAL OF MINUTES

On a motion by Board Member Ellen M. Lee and seconded by Board Member Willie Spears, the Minutes of the November 14, 2012 LHC Board of Directors meeting were approved unanimously.

LHC BOARD CHAIRMAN'S REPORT

Board Chairman Michael L. Airhart advised that the LHC Executive Director Search had been released and that ads had been posted in certain publications, and that feedback and probable candidates from the consultant should be available in mid-February 2013. He also noted that the six (6) Standing Committees had met earlier for their initial meetings.

It was moved by Vice-Chairman Mayson H. Foster and seconded by Board Member Malcolm Young, to suspend the rules and add to the Agenda a proclamation commending LHC Information Technology Director and Senior Master Sergeant Danny Ellsworth Veals upon his service to his country and his retirement from the United States Air Force; 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.

LHC INTERIM EXECUTIVE DIRECTOR'S REPORT

IED Don J. Hutchinson reported on the following items: Rural Housing, Cameron Parish Workforce Housing, LHC Strategic Plan, Mortgage Settlement Fund, Smart Summit Growth, QAP Public Hearing.

Chairman Airhart also acknowledged the LHC Employees for their handling of the transition from LHFA to LHC during 2012.

LOUISIANA DISASTER HOUSING TASK FORCE ON HURRICANE ISAAC

LHC Chief Operating Officer Bradley Sweazy advised that he would have a table of the LDHTF activities prepared for the January 2013 BODM.

Chairman Airhart requested that Secretary Brooks add the aforementioned matter to the January 2013 BODM Agenda.

Agenda Item #6 – Discussion regarding Office of Community Development Disaster Recovery Unit (“OCD/DRU”) Housing Programs Transition to LHC

Mr. Sweazy briefly discussed the various tasks that have been completed by the Reznick Group.

Chairman Airhart inquired as to how Mr. Sweazy envisioned paying for costs related to the Mid-City Gardens Apartments. Mr. Sweazy advised that since LHC owns the buildings, the LHA would be able to cost allocate any related expenses back to the programs, that furniture was being paid for by federal government, and that the utility costs would be prorated.

LHC Construction Todd Folsie advised that once solar panels are installed there would be a 12% decrease in the utility costs.

Agenda Item #7 – Discussion regarding status of LHC Compliant and Non-Compliant Properties

LHC Executive Counsel Keith Cunningham noted that the information thereof was pending completion, and that he would have such information ready for the January 2013 BODM. In particular, his report would include information on Tax Credit and Mixed Income development performance.

Agenda Item #8 – Discussion regarding the National Mortgage Servicing Settlement

Mr. Sweazy went over the specifics of the matter, noting that LHC Financial Advisor Gordon King met with the Attorney General's office and had ascertained that \$7 Million had been allocated to the Louisiana Senate with the remainder of the funds being allocated to the Attorney General's office for various foreclosure and housing issues; and that the AG was receptive to LHC partnering with them.

Chairman Airhart advocated the funds being administered by LHC to reduce duplication of efforts. He also requested that FA King ascertain how and where all monies received by Louisiana was being spent, and present such during the January 2013 BODM.

Agenda Item #9 – Discussion regarding LHC 2013 Draft Strategic Plan

Chairman Airhart briefly went over the specifics of the matter, noting that the draft has been sent to the Board to review the previous night; he also noted his disappointment in the Plan; that he wants more comments on the Plan from the Board and that he would be forming a Review Group; and that he anticipated the Plan would be ready for submission to the Board to approve sometimes in early 2013.

Board Member Ellen M. Lee requested that she be included in the Review Group.

Agenda Item #10 – Resolution regarding \$8.5 Million MHRB for Windsor Court

Ms. Brenda Evans went over the specifics of the matter, noting that the development would consist of 120 affordable housing units in St. Gabriel; that David Strange was the developer; that there would be fifteen (15) separate buildings; that total cost per square foot was \$120; and that staff was recommending approval thereof.

Chairman Airhart noted that the RFP for the matter listed it as a multifamily development, and he commended Mr. Strange for having reduced the costs associated with the project.

Treasurer Kennedy inquired on the number of bedrooms and square footage. Mr. Strange advised that for a two (2) bedroom the cost was \$200 per square foot and for the one (1) bedroom it was \$109 per square foot; that 100% of the units would be designated as affordable units; and that he had been able to hold the costs down as the project was not a historical rehabilitation.

On a motion by Vice-Chairman Mayson H. Foster Board Member and seconded by Treasurer John N. Kennedy, the resolution of intention to issue not exceeding Eight Million Five Hundred Thousand Dollars (\$8,500,000) Multifamily Housing Revenue Bonds (Windsor Court Project) in one or more series to finance the acquisition, construction and

equipping of a multifamily housing development within the State of Louisiana; 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 – Resolution regarding Award of the 2013 Housing Credit Ceiling

Ms. Evans briefly went over the specifics of that matter, noting that staff was recommending approval thereof.

On a motion by Treasurer John N. Kennedy and seconded by Board Member Willie Spears, the resolution establishing the maximum qualified basis and low-income housing credits to Windsor Court; authorizing 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 and CDBG Funds to such facilities; and providing for other matters in connection with the foregoing, 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 – Resolution regarding a material change for Claiborne Lofts

Ms. Evans went over the specifics of the matter, noting that the property had been previously damaged by a lightning strike and Hurricane Isaac; that staff did an on-site field inspection; that the QAP allows for material changes that are due to circumstances outside of the developer's control; that the developer Sarah Mills was present to answer any questions; that no other development would be disadvantaged; and that staff was recommending approval thereof.

There were lengthy discussions between Ms. Evans, Ms. Mills, and Treasurer Kennedy regarding costs associated with the project.

Thereafter, Treasurer Kennedy advised that he would not be able to support the project due to the costs associated therewith.

Board Member Ellen M. Lee requested that staff do an analysis of costs of developments around the state (i.e., rural versus urban, mixed income versus affordable development, historical districts costs, etc.).

Chairman Airhart sternly advised everyone present to expect an upcoming low per square foot development cost policy in the next QAP.

Treasurer Kennedy called for the question on the pending matter. After being advised by Secretary Brooks that offering such would stop all debate and comments and result in an immediate vote on the matter, Treasurer Kennedy withdrew his motion.

Thereafter, there were further discussions on the matter by Board Member Matthew P. Ritchie, Ms. Mills, and Ms. Kelly Longwell from LAAHP.

Treasurer Kennedy offered a Substitute Motion to DENY a material change in the project. The substitute motion FAILED for lack of a second.

On a motion by Board Member Ellen M. Lee, and seconded by Vice-Chairman Mayson H. Foster, the resolution authorizing the material change to Claiborne Lofts as stipulated in the 2011/2012 Qualified Allocation Plan (QAP) by the Louisiana Housing Corporation with respect to the project submitting a request for such material change and a waiver to the TDC limit; and providing for other matters in connection with the foregoing, was moved to debate.

There being no further discussion, opposition, or public comments, a Roll Call Vote was taken, and the motion passed 4 (YES) to 2 (NO), and 2 ABSENT. The votes were as follows:

YES (Mayson H. Foster, Ellen M. Lee, Willie Spears, Malcolm Young); NO (John N. Kennedy, Matthew P. Ritchie); ABSENT (Dr. Daryl V. Burckel, Guy T. Williams, Jr.)

Agenda Item #13 – Resolution regarding amendment to NSP CEA

Program Administrator Charlette Minor briefly went over the specifics of the matter.

Thereafter, EC Cunningham advised that there was an error in the language of the aforementioned resolution, in particular the last sentence regarding invoice submissions needed to be omitted.

Chairman Airhart requested the matter be corrected and brought back to the Board once completed.

Agenda Item #14 – Resolution regarding extension to NRPP and PPNP

Program Administrator Janel Young briefly went over the specifics of the matter.

On a motion by Board Member Ellen M. Lee and seconded by Board Member Willie Spears, the resolution authorizing the Louisiana Housing Corporation (the “Corporation”) to execute amendments to the Cooperative Endeavor Agreements (“CEAs”) entered into with the State of Louisiana Office of Community Development Disaster Recovery Unit (“OCD-DRU”) for the Non-Profit Rebuilding Pilot Program (“NRPP”) and Plaquemines Parish Non-Profit Rebuilding Pilot Program (“PNRPP”); and providing for other matters

in connection with the foregoing, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

Agenda Item #15 – Resolution approving a CEA between OCD and LHC

Mr. Sweazy and Mr. Cunningham briefly went over the specifics of the matter, noting the matter was administrative in nature.

On a motion by Board Member Malcolm Young and seconded by Board Member Willie Spears, the resolution authorizing the Louisiana Housing Corporation (the “Corporation”) to enter into a Cooperative Endeavor Agreement (“CEA”) with the State of Louisiana Office of Community Development Disaster Recovery Unit (“OCD-DRU”) for Implementing a Grant under the Community Development Block Grant Disaster Recovery Program; and providing for other matters in connection with the foregoing, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

Agenda Item #16 – Updates and Reports

Reports and/or Updates were given by Ms. Evans for Tax Credit Program.

Ms. Evans advised of the new format for the Not Closed Projects report being more detailed in presentation; next she went over the Wait List and advised that she was working on the 2014 QAP.

Chairman Airhart requested Ms. Evans send to the Board the comments received regarding the 2010/2011 QAP along with any comments received at the recent public hearing; he also applauded Ms. Marjorianna Willman on the new format for the NCP report.

Ms. Evans gave an update on the Single Family Department (Production Report, Delinquency Reports, and Whole Loan Report), and advised that the SF television ads were going well.

Let the record reflect that Treasurer Kennedy left the meeting and was thereafter represented by his designee, Ms. Alice Washington. Chairman Airhart thanked LHC Public Information Director Jeff DeGraff for running the ads on television.

Agenda Item #13 – Resolution regarding amendment to NSP CEA (continued)

Chairman Airhart read verbatim the revised Resolution.

On a motion by Vice-Chairman Mayson H. Foster and seconded by Board Member Ellen M. Lee, the resolution authorizing an amendment to the Neighborhood Stabilization Program (“NSP”) Cooperative Endeavor Agreement (“CEA”) entered into between the Louisiana Housing Corporation (the “Corporation”) and the State of Louisiana Office of Community Development (“OCD”); and providing for other matters in connection with the

foregoing, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed unanimously.

Agenda Item #16 – Updates and Reports (continued)

The Sustainable Housing Department Report was given by LHC Program Administrator Ms. Janel Young.

The Louisiana Housing Authority Report was given by LHC Program Administrator Ms. Nicole Sweazy. She advised that the LHA's move to Mid-City Gardens was ongoing with cost associated thereof to be paid with program administrative funds.

LHC Program Administrator Charlette Minor gave updates on the HOME PR-27 Report and NSP. She noted the release in March 2013 of a NOFA for the remaining funds of \$8.2 Million.

Ms. Wallace went over the Energy Programs Activity, and LACAP and ARRA WAP MAX matters.

Ms. Wallace also discussed Willowbrook Apartments, noting that occupancy rate was around 95.83%.

Ms. Wallace briefly discussed Village de Jardin.

Ms. Wallace discussed Mid-City Gardens, noting that there would be three (3) residents already moved in, and that she anticipated nine (9) tenants by end of the year from the 60 available units.

Mr. Folsie advised that the fence at MCG would be completed by end of day.

Chairman Airhart inquired on the parking for the property. Mr. Cunningham advised there were pending discussions regarding a resolution thereof with the City of Baton Rouge, the BR Redevelopment Authority, and BREC.

OTHER BUSINESS

Board Member Lee thanked the Chair and Vice-Chair for moving forward with Standing Committees structure.

Chairman Airhart advised that he would have Committee Members appointed hopefully by end of the week.

Merry Christmas and Happy Holidays was extended to ALL!


ADJOURNMENT

There being no other matters to discuss, Board Member Matthew P. Ritchie offered a motion for adjournment that was seconded by Board Member Ellen M. Lee. There being no discussion or opposition, the matter was unanimously passed.

The Full Board meeting adjourned at 2:05 P.M.



Vice-Chairman



Secretary