



Louisiana Housing Corporation

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LHC Board of Directors

Board Meeting Minutes

Wednesday, December 12, 2018

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

Board Members Present

Lloyd "Buddy" Spillers
Jennifer Vidrine
Ron J. Henson (on behalf of Louisiana State Treasurer John M. Schroder)
Tammy P. Earles
Derrick Edwards
Stacy S. Head
Gillis R. Windham
Willie Rack
Donald B. Vallee

Board Members Absent

Larry Ferdinand
Byron L. Lee

Staff Present

Barry E. Brooks
Edselle Keith Cunningham, Jr.
Bradley Sweazy
Leslie C. Strahan
Terrell Dupard

Miriam Bowie
Plezetta West
Kevin Brady
Natasha Anderson
Na'Tisha Natt
Robby Bizot
Louis Russell
Carlos Dickerson
Lauren Hartley-Holmes

Others Present

See Guest Sign-In Sheet

CALL TO ORDER

Board Chairman Lloyd “Buddy” Spillers called the meeting to order at 10:13 a.m. Board Secretary Barry E. Brooks called the roll; there was a quorum.

APPROVAL OF MINUTES

Next item discussed was the November 14, 2018 Board Meeting Minutes.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Willie Rack, the Minutes of the November 14, 2018 LHC Board of Directors Meeting were unanimously approved.

BOARD CHAIRMAN’S REPORT

Board Chairman Lloyd “Buddy” Spillers noted that prior to the start of the Full Board Meeting, that the Board Members had attended and completed State Board Ethics Training for 2018.

LHC EXECUTIVE DIRECTOR’S REPORT

LHC Executive Director E. Keith Cunningham, Jr. delivered his report, noting that NCSHA Executive Director Stockton Williams had been invited to come and address the Board and meet with LHC at an upcoming BODM; that there was a recent Road Trip to the City of Franklin; that an update on the LHC Community Connections Initiative would be given at an upcoming BODM; that LHC participated at an elderly housing groundbreaking ceremony in Franklinton; that LHC had met with New Orleans officials to discuss their affordable housing and funding needs; that he had been selected to the Federal Home Loan Bank of Dallas Advisory Council; that LHC had met with District 58 officials to discuss their affordable housing needs; that a discussion regarding current budget versus

actuals report would be presented at an upcoming BODM; and, that LHC had met with representatives of Entergy regarding the LIHEAP.

Thereafter, Secretary Brooks distributed the LHC "Management Responses to FY 2018 Audit Findings" to the Board Members.

Board Member Donald B. Vallee noted his concern that Board Members were not invited to the meetings with CNO officials nor with Entergy.

LHC Executive Director Edselle Keith Cunningham, Jr. replied that future invites would be sent to the respective Board Member(s).

Board Member Derrick Edwards noted that he did not feel the Board Members should be invited to participate in ALL LHC external meetings.

Board Member Vallee acknowledged the recent death of former United States President George Herbert Walker Bush.

AGENDA ITEM #5

Next item discussed was the resolution regarding the purchase of \$57M LHC SFMRRB.

LHC Homeownership Administrator Brenda Evans went over the specifics of the matter, noting the staff was recommending approval thereof.

Board Member Ron J. Henson inquired since there was a dollar amount change from \$55M to \$57M whether the matter needed to be sent back to the State Bond Commission for re-approval. LHC Bond Counsel Wayne Neveu replied that such was not necessary since that matter was still selling at \$55M.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Willie Rack, the resolution accepting the parameter term proposal for the purchase of not exceeding Fifty-seven Million Dollars (\$57,000,000) of Louisiana Housing Corporation Single Family Mortgage Revenue and Refunding Bonds in one or more series or subseries; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; approving the form and directing the execution of the Bond Purchase Contract for said Bonds; 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 #6

Next item discussed was the resolution approving recommended strategies for awarding CDBG funds under the 2018 QAP.

LHC ED Cunningham and LHC Director of Disaster Housing Robby Bizot went over the specifics of the matter.

Mr. Charles Tate addressed the Board noting his concerns that the public had not seen the NOFA in order to be able to make any comments thereof.

ED Cunningham noted that the Action Plan had already been approved in 2008.

Board Member Stacy S. Head inquired as to when the Action Plan had been developed whether said Action Plan was the current primary guide in the use of the funds, and if said Action Plan was available for review.

Mr. Bizot noted that the Action Plan was in the Notice of Funding Award Summary.

There were further lengthy discussions between the Board Members and LHC staff on the matter.

Mr. David Harms addressed the Board and discussed the 4% Piggyback Round, and his concerns that the funding was not strong enough.

Board Member Vallee noted that he was still waiting for LHC's long-term plan. LHC COO Bradley Sweazy replied that such had been discussed during the recent Strategic Plan and Operating Budget discussions held with the Board.

Board Member Head noted that she would like to review future NOFAs in advance.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Derrick Edwards, the resolution authorizing and approving the Louisiana Housing Corporation ("LHC" or "Corporation") to proceed with the recommended strategies for awarding Community Development Block Grant ("CDBG") funds under the 2018 Qualified Action Plan; and providing for other matters in connection therewith, was moved to debate.

There being no further discussion, opposition, or public comment, a Roll Call Vote was taken, and the motion passed 5 YES to 4 NO.

**The votes were as follows: YES (Vidrine, Earles, Edwards, Rack, Windham).
NO (Spillers, Henson, Head, Vallee).**

AGENDA ITEM #7

Next item discussed was the resolution regarding issuing \$11M MHRB for Valencia Park.

LHC Housing Development Administrator Louis Russell went over the specifics, and noted that staff was recommending approval thereof.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Derrick Edwards, the resolution of intention to issue not exceeding Eleven Million Dollars (\$11,000,000) Multifamily Housing Revenue Bonds for Valencia Park, in one or more series to finance the acquisition, construction, and equipping of a multifamily housing development within the State of Louisiana; to establish the maximum qualified basis and low-income housing credits to (Valencia Park, 1400 block of Gayosa St., Baton Rouge, Louisiana 70802); 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 #8

Next item discussed was the resolution regarding the purchase by Citibank, N.A. of \$11.5M MHRB for La Playa Apartments Project.

LHC Housing Development Administrator Louis Russell went over the specifics, and noted that staff was recommending approval thereof.

Developer Samantha Cullen briefly addressed the Board.

On a motion by Board Member Derrick Edwards and seconded by Board Member Willie Rack, the resolution accepting the proposal of Citibank, N.A. or such other purchaser as may be designated by the Taxpayer for the purchase of not to exceed Eleven Million Five Hundred Thousand Dollars (\$11,500,000) Multifamily Housing Revenue Bonds (La Playa Apartments Project, 6515 Hanks Drive, Baton Rouge, Louisiana 70812) 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 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 the proposal of Cedar Rapids Bank & Trust to purchase \$9M of MHRB for Cypress Pointe Project.

LHC Housing Development Administrator Louis Russell went over the specifics, and noted that staff was recommending approval thereof.

On a motion by Board Member Willie Rack and seconded by Board Member Derrick Edwards, the resolution accepting the proposal of Cedar Rapids Bank & Trust or such other purchaser as may be designated by the Taxpayer for the purchase of not

to exceed Nine Million Dollars (\$9,000,000) Multifamily Housing Revenue Bonds (Cypress Pointe Project, 700 Redmond; 1115 North Royal; and Ontario at Rio Grande, Bogalusa, Louisiana 70427) 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 therewith, was moved to debate. There being no further discussion, opposition, or public comment, a vote was taken, and the motion passed. There was one (1) NO vote from Board Member Donald B. Vallee

AGENDA ITEM #10

Next item discussed was the resolution regarding the purchase by JPMorgan Chase Bank N.A. of \$3M MHRB for Hammond Eastside Project.

LHC Housing Development Administrator Louis Russell went over the specifics, and noted that staff was recommending approval thereof.

Board Member Head inquired as to whether the project was receiving any historic tax credits. Mr. Russell replied affirmatively.

Chairman Spillers requested that the Record reflect the comment from Board Member Head that "...I just think this is awesome. I just love this kind of project. Throw that out there. It's environmental friendly, it's good for the world. Our children will be able to have a world that's not as polluted as it would be otherwise. It's exciting."

On a motion by Board Member Donald B. Vallee and seconded by Board Member Derrick Edwards, the resolution accepting the proposal of JPMorgan Chase Bank, N.A. or such other purchaser as may be designated by the Taxpayer for the purchase of not to exceed Three Million Dollars (\$3,000,000) Multifamily Housing Revenue Bonds (Hammond Eastside Project, 107 South Orange Street, Hammond, Louisiana 70403) 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 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 FMSbonds Inc. purchase of \$13.5 MHRB for Peace Lake Towers.

LHC Housing Development Administrator Louis Russell went over the specifics, and noted that staff was recommending approval thereof.

On a motion by Board Member Donald B. Vallee and seconded by Board Member Gillis R. Windham, Resolution accepting the proposal of FMSbonds, Inc. or such other purchaser as may be designated by the Borrower for the purchase of its not to exceed Thirteen

Million Five Hundred Thousand Dollars (\$13,500,000) Multifamily Housing Revenue Bonds (Peace Lake Towers Apartments, 9025 Chef Menteur Highway, New Orleans, LA 70127); fixing the parameter terms of said Bonds; 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.

OTHER BUSINESS

Board Vice-Chairwoman Jennifer Vidrine noted for the Record that "...this is just a note of information going back to the Executive Director's Report when it was noted that he did not inform the Board. We just approved the Minutes if you would look at the Minutes on page 2 that Mr. Cunningham did inform the Board that there would be a November 19th meeting with the City of New Orleans and that he would bring a report at this meeting."

Board Member Head followed with "...And again, your 100% right. I had written December, got the month's wrong...."


Board Member Vallee inquired if the October 24, 2018 Report from the External Auditors would be discussed more in-depth at a future Board Meeting. ED Cunningham replied that Secretary Brooks had earlier distributed a detailed document related thereof.

ADJOURNMENT

There being no other matters to discuss, Board Member Gillis R. Windham offered a motion for adjournment that was seconded by Board Vice-Chairwoman Jennifer Vidrine. There being no discussion or opposition, the motion passed unanimously.

The Full Board meeting adjourned at 11:20 a.m.


Chairman


Secretary