



Louisiana Housing Corporation

LHC Board of Directors

Board Meeting Minutes

Wednesday, October 8, 2014

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

Board Members Present

Mayson H. Foster
Michael L. Airhart
Dr. Daryl V. Burckel
Larry Ferdinand
Treasurer John N. Kennedy
Matthew P. Ritchie
Willie Spears
Guy T. Williams, Jr.

Board Members Absent

Ellen M. Lee
Malcolm Young

Staff Present

Fred Tombar
Michelle Thomas
Bradley Sweazy
Barry E. Brooks
Brenda Evans
Loretta Wallace
Janel Young
Terry Holden
Todd Folse
Edselle Keith Cunningham, Jr.
Leslie C. Strahan
Jessica Guinn

Christine Bratkowski
Rebekah Ward
Collette Mathis
Marjorianna Willman

Others Present

See Guest Sign-In Sheet

CALL TO ORDER

LHC Board Chairman Mayson H. Foster called the meeting to order at 12:04 p.m. Board Secretary Barry E. Brooks called the roll; there was a quorum.

APPROVAL OF MINUTES

On a motion by Board Member Dr. Daryl V. Burckel and seconded by Board Vice-Chairman Larry Ferdinand, the Minutes of the August 13, 2014 LHC Board of Directors Meeting were approved unanimously.

LHC BOARD CHAIRMAN'S REPORT

Board Chairman Foster noted that the recent Marais Apartments Opening event was a success; that he had met with newly appointed HUD Secretary Julian Castro in New Orleans on August 29th; and he advised of the upcoming LAAHP Conference in Baton Rouge on November 13 – 14.

Chairman Foster presented former Chairman Michael L. Airhart with a plaque recognizing all the exemplary contributions he had made during his previous two (2) terms.

ADMINISTRATIVE COMMITTEE

In the absence of AC Chairman Malcolm Young, Board Member Michael L. Airhart advised that the Committee had met earlier, and was recommending approval of the resolution regarding selection of a Master Servicer. Mr. Airhart went over the specifics of the matter.

On a motion by Board Member Michael L. Airhart and seconded by Board Member Guy T. Williams, Jr., the resolution authorizing the Louisiana Housing Corporation (“Corporation”) to contract with Standard Mortgage to serve as Master Servicer;

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.

The next item discussed was the resolution selecting a Housing Program Underwriter. Mr. Airhart went over the specifics of the matter.

On a motion by Board Member Michael L. Airhart and seconded by Board Member Dr. Daryl V. Burckel, the resolution authorizing the Louisiana Housing Corporation (“Corporation”) to contract with Government Consultants to serve as Housing Program Underwriter; 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.

The next item discussed was the LHC Operating Budget. Board Chairman Foster noted that a brief presentation on the matter would be presented quarterly going forward.

The last item discussed was the External Audit Results for Fiscal Year ending June 30, 2014. It was noted that there were no significant findings in the Audit as performed.

MULTIFAMILY COMMITTEE REPORT

MC Chair Guy T. Williams, Jr. noted that the Committee had met earlier, and the first item they were recommending for approval was the resolution regarding Fairview Crossing. He went over the specifics, noting the Committee was recommending approval thereof.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Member Dr. Daryl V. Burckel, the resolution establishing the maximum qualified basis and low-income housing credits to Fairview Crossing located at 4249 5th Ave, Lake Charles, Louisiana; authorizing the Louisiana Housing Corporation (the “Corporation”) Corporation 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; approving a waiver of the Minimum Square Footage and Full Bathrooms Per Unit Type required in the 2014 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.

The next items discussed were resolutions regarding Soft Funds Strategy. Chairman Williams went over the specifics, noting the Committee was recommending approval thereof.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Member Willie Spears, the resolution authorizing the Louisiana Housing Corporation (“Corporation”) to create policy limiting the awarding of soft funds to multi-family developments, such as HOME, CDBG and NSP funds, only to those developments which also receive an allocation of 4% Low Income Housing Tax Credits (LIHTCs) and approval with subsequent closure of Tax Exempt Bonds through the Corporation; 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.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Vice-Chairman Larry Ferdinand, the resolution approving staff’s recommended strategies for awarding HOME, CDBG and NSP funds; 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.

The next item discussed was the resolution regarding the Draft 2015 QAP. Chairman Williams went over the specifics, noting the Committee was recommending approval thereof.

Treasurer Kennedy inquired as to what the primary difference(s) were in the 2015 QAP versus previous versions. ED Tombar and MC Chairman Williams noted that primarily cost containment was a more prevalent parameter.

Chairman Foster went over the Funding Round Timeline to make sure everyone was fully aware of the dates and deadlines.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Vice-Chairman Larry Ferdinand, the resolution providing for approval of the State's 2015 Draft Qualified Allocation Plan and Funding Round Timeline; 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.

The next item discussed was the resolution regarding a Gap Financing Policy. Chairman Williams went over the specifics, noting the Committee was recommending approval thereof.

On a motion by Board Member Guy T. Williams, Jr. and seconded by Board Member Dr. Daryl V, Burckel, the resolution establishing a gap financing policy with respect to how LHC Program Resources will finance development budget gaps caused by an excess property purchase cost determined to exist when a development property sale is between a seller and a taxpayer who are related or have an identity of interest; 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.

Finally, Chairman Williams noted that the Non-Closed Projects update was in the Board binders for review.

SINGLE FAMILY COMMITTEE REPORT.

SF Chairman Matthew P. Ritchie noted that the Committee had met earlier but that there were no action items needing Board approval.

SF Chairman Ritchie noted that the Single Family Program Updates were in the Board binders for review.

SUSTAINABLE HOUSING COMMITTEE

In the absence of SHC Chairwoman Ellen M. Lee, Board Member Willie Spears advised that the Committee had met earlier, and that there were two (2) action items needing Board approval.

The first item discussed was the resolution regarding expanding the Homeowner Rehabilitation Program. Mr. Spears went over the specifics of the matter, noting the Committee was recommending approval thereof.

On a motion by Board Member Willie Spears and seconded by Board Member Vice-Chairman Larry Ferdinand, the resolution to authorize the expansion of the Homeowner Rehabilitation Program; and providing for other matters in connection therewith; 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.

The next item discussed was the resolution regarding the RFP for an IREC accredited training program for Quality Control Inspector Specifications for the statewide WAP. Mr. Spears went over the specifics of the matter, noting the Committee was recommending approval thereof.

On a motion by Board Member Willie Spears and seconded by Board Member Dr. Daryl V. Burckel, A resolution authorizing the Louisiana Housing Corporation (“Corporation”) to release a Request for Proposals (“RFP”) to select an IREC accredited training program for Quality Control Inspector Certifications for the statewide Weatherization Assistance Program (“WAP”); 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.

The next time discussed was a partnership with Foundation For Louisiana. Mr. Spears noted that the concept proposals regarding the matter were in the Board binders for review. There was a lengthy discussion on the aforementioned matter. Treasurer Kennedy requested a prospectus and due diligence be done by LHC staff.

Finally, Mr. Spears noted that the Program Updates were in the Board binders for review.

ASSETS AND INVESTMENTS COMMITTEE

AIC Chairman Dr. Daryl V. Burckel noted that the Committee had not met earlier, that there were no action items needing Board approval, and that updates were in the Board binders.

There was a report given by Jason Streatly from Latter & Blum regarding Willowbrook Apartments. He noted that net income was \$96K over budget for Willowbrook; and that Village De Jardin was at 87% occupancy.

There was a report given by Thomas Cann regarding Mid-City Gardens. He noted that the project was operating at a deficit due to external costs, in particular LHA staff occupancy on site, as well as other costs including security for the premises.

LHC EXECUTIVE DIRECTOR'S REPORT

ED Frederick Tombar, III discussed the following: that his visit with HUD Secretary Castro had been very beneficial; that the Veterans Homelessness Initiative had been added to Baton Rouge and Shreveport and previously to New Orleans; that the HOME Program in Louisiana had move up the ranks from 41st to 37th in the country; introduced several new LHC employees and recent staff promotions; and he noted that Mid-City Gardens has earned Gold Level LEED certification.

The next item on the Agenda was a presentation of the Housing Needs Assessment ("HNA") by Louisiana State University ("LSU") Public Administration Institute ("PAI").

There was an informative and interactive presentation and discussion by Dr. Roy Heidelberg and Dr. James Richardson from LSU PAI. Thereafter, there were lengthy discussions with the Board and Guests regarding various analytical parameters on making sure the HNA is as detailed and comprehensive as possible.

Treasurer Kennedy requested that a matter be added to the Agenda on how best to proceed with the future work that LSU needs to do on the HNA.

On a motion by Board Member Treasurer John N. Kennedy and seconded by Board Chairman Mayson Foster, the Board approved Suspending the Rules to Add to the Agenda the item related to extending the LSU PAI services related to the HNA for ninety (90) days.

There being no further discussion, opposition, or public comments, a Roll Call Vote was taken and the motion PASSED via 6 (YES) to 0 (NO) with 4 (ABSENT). The votes were as follows:

YES (Michael L. Airhart, John N. Kennedy, Matthew P. Ritchie, Willie Spears, Guy T. Williams, Jr., and Chairman Mayson H. Foster).

NO (None)

ABSENT (Dr. Daryl V. Burckel, Larry Ferdinand, Ellen M. Lee, and Malcolm Young).

On a motion by Board Member Treasurer John N. Kennedy and seconded by Board Member Matthew P. Ritchie, to extend the LSU PAI services as related to the HNA for ninety (90) days; 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

None.

ADJOURNMENT

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

The Full Board meeting adjourned at 2:05 p.m.



Chairman



Secretary