



Louisiana Housing Corporation

LHC Board of Directors

**Board Strategic Plan Review Meeting
Minutes**

Wednesday, April 9, 2014

**2415 Quail Drive
LHC Building – 2nd Floor Conference Room
Baton Rouge, LA 70808
8:30 A.M.**

Board Members Present

Michael L. Airhart
Larry Ferdinand
Mayson H. Foster
Ellen M. Lee
Willie Spears
Guy T. Williams, Jr.
Malcolm Young

Board Members Absent

Dr. Daryl V. Burckel
Matthew P. Ritchie
Treasurer John N. Kennedy

Staff Present

Frederick Tombar, III, LHC Executive Director
Barry E. Brooks, Board Coordinator and Secretary

Others Present

Larry Hoss, Our Plan B
Randy Oliver, Our Plan B
Tomas Oliver, Our Plan B

CALL TO ORDER

LHC Board Chairman Michael L. Airhart called the meeting to order at 9:15 a.m. Board Secretary Barry E. Brooks called the roll; there was a quorum.

HOUSING NEEDS ASSESSMENT

ED Tombar advised that the HNA was still in draft form and that he would like comments and/or suggestions from the Board Members to send to LSU for incorporation into the draft.

Board Member Willie Spears inquired as what other agencies/entities (HUD, HFA, etc.) include in their HNAs.

Guy requested that the HNA denote areas where people want to live but that have a mix-match of affordable housing and to look at how the state can accommodate these needs.

Chairman Airhart requested that the HNA summarize the areas of the greatest need.

Chairman Airhart and Board Member Malcolm Young noted that the housing needs for the workers on the Deep Water Port near Port Fouchon should be addressed in the HNA, in addition to how housing will be addressed in possible flood areas that have to be built higher post-hurricanes.

Board Member Willie Spears requested the HNA address the difference between need versus demand, as well as addressing owner affordability levels for workforce housing, and average price of a house and affordability versus moderate income and flood insurance obstacles, and issues of front/back ratio of first time homebuyer credit levels.

Board Member Guy T. Williams, Jr. noted the problem often encountered by service workers who cannot document their income but still want to be homebuyers. He noted that a twenty percent (20%) down payment equates to a less than five percent (5%) default.

ED Tombar noted that if the program is profitable and protects reserves then it can help provide leverage to those not normally able to meet all home buying criteria.

LHC DRAFT STRATEGIC PLAN

ED Tombar noted that there were 142 modules, with 46 representing current data, which would be updated quarterly. He then went over the Performance Indicators, noting that there are no resources allocated to some areas that are still being reviewed, that are evolutionary, or that will have future milestones.

Chairman Airhart applauded the efforts of the LHC staff in developing the Strategic Plan and Operational Plan, but also noted that the Board still needed to weigh in on what the specific measurable and deliverables would be for LHC in putting housing on the ground.

Board Member Young requested that the red areas have a short footnote explanation or earmark, and that it distinguish between on-going versus one-time programs.

Chairman Airhart inquired about Sunset data. ED Tombar noted such was already in the report.

Vice-Chairman Foster noted that audit measurements should be included for each program, and that also included are specific financial incomes versus program costs data.

Chairman Airhart noted the need for profit-loss analysis of each program, given his concern regarding subsidizing programs.

Board Member Ellen M. Lee advocated that if a need is being met and the program costs more than its allocations, that there should be further consideration of the program before considering cancelling it.

Chairman Airhart requested a more vocal and visible presence of the Internal Audit Department at the Board meetings.

Board Member Spears requested more quantifiable results and outcomes, and that an analysis of efficiency comparisons of how LHC ranks related to other HFAs be included in the plan.

Board Member Ferdinand requested more attention be given to monitoring and compliance.

Chairman Airhart noted the need for more profit-making opportunities to be explored.

Board Member Lee discussed whether there was a need for monthly Board meetings, and asked that ED Tombar put together a list of key timetable events at LHC (i.e., budget deadlines, legislation deadlines, QAP, etc.). She also discussed the benefits of creating an Executive Committee.

Chairman Airhart inquired of the members as to whether they had any concerns about having fewer Board meetings. Board Member Young noted his support for such as did Vice-Chairman Foster, who noted he would prefer a Board meeting every other month with the ability to schedule Special Meetings as necessary, and that the Executive Committee could meet in alternate months with the Board authorizing the Executive Committee to act on behalf of the Full Board.

ED Tombar noted that the LHC was only required to hold a meeting in July – which is when Board elections take place; he also noted that the current law does not give authority to LHC to create an Executive Committee, but that pending state legislation could be amended to allow LHC to form such.

Chairman Airhart and Board Member asked that a review be done concerning how many other HFAs utilized Executive Committees and what their powers and functions are.

On a motion by Vice-Chairman Mayson H. Foster and seconded by Board Member Willie Spears, the Board directed Executive Director Tombar to contact the Chair of the House Municipal and Parochial Affairs Committee and recommend changing the law to allow LHC Board to establish an Executive Committee and to take actions deemed necessary and/or refer actions to Full Board when appropriate, 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.

Board Member Lee suggested the need to unlock private reserves to enhance LHC funds and capital. Board Member Williams noted that soft seconds is the best option thereof.

Chairman Airhart noted the need to try to convene the Housing Transportation Planning and Coordinating Commission. ED Tombar noted that the HTPCC was combined with the Interagency for Homelessness and that he was seeking to get the two to operate separately again.

Board Member Willie Spears requested that the Board's Innovation Committee be eliminated. Chairman Airhart noted that such would be noticed at the May BODM with a vote thereupon at the June BODM.

QAP

Board Member Williams noted the need for positive/negative point parameters.

Board Members Young and Lee advised that they felt points for historic properties were still needed.

Chairman Airhart introduced the option of not doing a 2015 QAP since the credits are already forwarded allocated.

Board Member Williams and Vice-Chairman Foster suggested a 2-year funding round; with Mr. Williams thereafter noting he would prefer doing it this year.

Board Member Spears inquired as to what the impact would be on developers.

Board Members Lee and Ferdinand noted they simply wanted consistency.

ED Tombar noted that there would be other opportunities to produce housing even if the 2015 QAP was delayed.

Chairman Airhart requested that Secretary Brooks include a discussion related to the 2015 QAP on the May Board Agenda so that the Board could ascertain how best to proceed on the matter.

ED Tombar suggested a draft QAP in November 2014 with Board approval in February 2015 and an application deadline of April 2015.

Board Member Ferdinand noted that he supports any Housing Trust Fund initiatives.

LEGISLATION

Chairman Airhart noted that he would seek guidance in the form of a written opinion from Executive Counsel Keith Cunningham on the laws related to Board Members addressing LHC-related legislation during the current Legislation Session.

PUBLIC COMMENTS

Chairman Airhart opened up the meeting for any public comments.

Mr. Larry Hoss commented on the Global Green matter, noting that it is a hard sell to build LEED from a banking perspective.

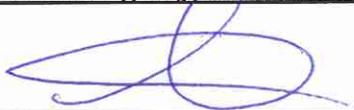
Mr. Hoss also noted that he felt he would need four (4) months lead time to submit a QAP application, given the need to get a letter of support from a parish's city council.

Board Member Williams noted that he would be in agreement with eliminating the need for a letter of support.

ADJOURNMENT

There being no other matters to discuss, Chairman Michael L. Airhart offered a motion for adjournment that was seconded by Board Member Guy T. Williams, Jr. There being no discussion or opposition, the matter was unanimously passed.

The meeting adjourned at 10:30 A.M.



Chairman



Secretary