



**Louisiana Housing**  
Corporation

# **Board of Directors**

## **Agenda Item #8**

**ACTION ITEM:** Resolution accepting the proposal of Cedar Rapids Bank and Trust Company or such other purchaser as may be designated by the Taxpayer for the purchase of not to exceed Thirty-four Million Dollars (\$34,000,000) Multifamily Housing Revenue Bonds for **The Reserve at Howell Place Project** located at 4201 Ford East Street, Baton Rouge, East Baton Rouge Parish 70811, in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds. **Staff recommends APPROVAL of this item.**

**January 12, 2022**

## The Reserve at Howell Place

### East Baton Rouge, Louisiana

### East Baton Rouge Parish

Construction Type: New Construction	Total Development Costs: \$60,323,780.00
Developer Contact: Thomas C. Delahaye	Total Cost / Sq. Ft: \$151.80
CST Land Developers, L.L.C.	Total Cost /Unit: \$201,079.27
Post Office Box 459	*Excluded from TDC - Reserves and Community Facilities Costs
Pierre Part, LA 70339	
Buildings / Units: 13 / 300	

### Narrative

Located in East Baton Rouge in a Qualified Census Tract, The Reserve at Howell Place is 300 units of multifamily housing consisting of 1-,2-, 3-, and 4-bedroom units affordable to households at 30% and 60% AMGI. Sixteen units at 30% AMGI are subsidized with project-based vouchers (PBV): 4, one-bedroom units, 4, two-bedroom units, 4, three-bedroom units, & 4 four-bedroom units; and 14 units at 60% AMGI are subsidized with PBV; thus, a total of 30 units are subsidized with PBV. The remaining 270 unsubsidized units are affordable to households at 60% AMGI. The project is situated on two tracts: 1) 11.18 acres; 2) 6.93 acres, for a total 18.11 acres with 192 units on tract 1 and 108 on tract 2. The residential buildings consist of three-story walkup buildings with hardiplank & brick exterior, shingle roofs, energy efficient windows, central heat, and air conditioning. The neighborhood has many amenities including a 1400-student IDEA Charter School situated between the two sites. Opportunities for employment include an Amazon distribution center, situated six miles from the site, set to employ approximately 1,200 people. City Council of East Baton Rouge has approved a Payment in Lieu of Taxes (PILOT) for \$5,000, which is a major financial incentive for the project in addition to the 30 PBV as Site amenities include swimming pools, dog parks, basketball courts, playgrounds, clubhouses and business centers, etc. According to HUD User, the poverty rate

## THE RESERVE AT HOWELL PLACE EAST BATON ROUGE, LOUISIANA

### Reason for Requested Approval

Requesting Approval of Final Sale of:

- \$34,000,000 in Multifamily Housing Revenue Bonds

### Project History and Previous Board Action

#### Development Team

Developer - CST Land Developers, L.L.C.  
Architect - The Architectural Studio  
Builder/Contractor - Block Builders, LLC  
Attorney - Alexander Sides  
Accountant - Novogradac & Company, LLP  
Management Company - CST Multifamily Group, LLC

### Project Specifics

Construction Costs	Amount
Land Acquisition	\$2,700,000.00
Total Hard Costs	\$39,934,198.00
Construction Contingency	\$2,000,000.00
Total Developer's Fee	\$7,570,000.00
Total Soft Costs	\$9,746,582.00
Total Development Cost	\$61,950,780.00
Initial Reserves	(\$1,627,000.00)
Maximum TDC Limit	\$206,946.64
Adjusted TDC	\$60,323,780.00

#### Unit Mix

0 BR	1 BR	2 BR	3 BR	4 BR
0	72	144	48	36

#### Development Costs

* Total Development Costs	\$60,323,780
Total Units	300
Total Buildings	13
Total Cost/Unit	\$201,079
Total Square Feet	397,400
Total Cost/Sqft	\$152

#### Funding Sources

Construction and Permanent Loan	\$32,965,000.00
Deferred Developer Fee	\$4,284,200.00
Estimated LIHTC Equity Proceeds	\$24,701,480.00
Other	\$100.00
Total Sources of Funds	\$61,950,780.00

## LOUISIANA HOUSING CORPORATION

The following resolution was offered by \_\_\_\_\_ and seconded by \_\_\_\_\_:

### RESOLUTION

**A resolution accepting the proposal of Cedar Rapids Bank and Trust Company or such other purchaser as may be designated by the Taxpayer for the purchase of not to exceed Thirty-four Million Dollars (\$34,000,000) Multifamily Housing Revenue Bonds for The Reserve at Howell Place Project located at 4201 Ford Street, Baton Rouge, East Baton Rouge Parish 70811, 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 with the foregoing.**

**WHEREAS**, the Board of Directors (the “**Board**”) of the Louisiana Housing Corporation (the “**LHC** or the “**Corporation**”) on November 10, 2021, adopted a resolution approving and authorizing the issuance of not exceeding Thirty-four Million Dollars (\$34,000,000) of Louisiana Housing Corporation Multifamily Housing Revenue Bonds (The Reserve at Howell Place Project) in one or more series (the “**Bonds**”) and authorized the publication of a Notice of Intention to Sell at Private Sale (the “**Notice**”) in connection therewith; and

**WHEREAS**, said Bonds are being issued for the purpose of providing funds to (i) pay the cost for the acquisition, construction, and/or equipping of a multifamily housing facility serving low and moderate income special needs households in Baton Rouge, East Baton Rouge Parish (the “**Project**”), (ii) fund such reserve accounts as may be required and (iii) pay the costs of issuance associated with the Bonds; and

**WHEREAS**, as set forth in said resolution, the Notice of Sale was published on December 20, 2021 in “*The Advocate*” and in the “*The Daily Journal of Commerce*” for an amount not to exceed Thirty-four Million Dollars (\$34,000,000); and

**WHEREAS**, in accordance with the aforesaid resolution adopted by the LHC on November 10, 2021, the sale of the Bonds was scheduled for January 12, 2022; and

**WHEREAS**, the LHC did meet on January 12, 2022, at 10:00 a.m., Louisiana time, for the purpose of receiving and considering the proposal of Cedar Rapids Bank and Trust Company or such other purchaser (the “**Purchaser**”) as may be designated by The Reserve At Howell Place, LLC, a Louisiana limited liability company (the “**Taxpayer**”), and taking action with respect to the parameter sale of not exceeding Thirty-four Million Dollars (\$34,000,000) of the Bonds pursuant thereto;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the LHC, acting as the governing authority of said LHC, that:

**SECTION 1.** The parameter written terms submitted this day by Cedar Rapids Bank and Trust Company or such other purchaser as may be designated by the Taxpayer, for the purchase of bonds designated “Louisiana Housing Corporation Multifamily Housing Revenue Bonds (The Reserve at Howell Place Project)” in on more series in the aggregate principal amount of not exceeding Thirty-four Million Dollars (\$34,000,000), at an interest rate not exceeding 12% per annum, and for a maturity not exceeding 40 years, authorized under and pursuant to the provisions of a Bond Trust Indenture (the “**Indenture**”), by and between a trustee to be determined (the “**Trustee**”), and the LHC be, and the same are hereby awarded to the Purchaser; provided, however, that the sale and delivery of the Bonds are conditioned upon satisfaction of the parameter terms and conditions approved by the Louisiana State Bond Commission and compliance with any and all approvals and/or certifications required by the Louisiana Attorney General. The sale of the Bonds in accordance with said Indenture is hereby authorized and approved. The Chairman, Interim Executive Director and/or Secretary of the Corporation are hereby authorized and directed for, on behalf of and in the name of the LHC, to execute, deliver and approve such instruments, documents, and certificates as may be required or necessary, convenient or appropriate to the financing described herein, including, but not limited to, the following described documents for the Bonds on file with the LHC:

- (i) Bond Trust Indenture,
- (ii) Financing Agreement, and
- (iii) Tax Regulatory Agreement.

The aforesaid officers are additionally authorized to approve any changes in the aforementioned documents provided such changes are in accordance with Chapter 3-G of Title

40 of the Louisiana Revised Statutes of 1950, as amended, and with the approval of Counsel to the LHC or Bond Counsel. As provided in the resolution adopted by the LHC on November 10, 2021, the costs of financing the Project will be paid out of the proceeds from the sale of the Bonds, in one or more series, which shall be special, limited obligations of the LHC, payable solely out of the revenues derived by the LHC with respect to the Project for which financing is made available, and the Bonds and the interest thereon shall never constitute the debt or indebtedness of the LHC, the State of Louisiana (the “**State**”), or any political subdivision thereof within the meaning of any provision or limitation of the Constitution or statutes of the State, nor shall the same give rise to a pecuniary liability of the LHC or the State or any political subdivision thereof or a charge against their general credit or taxing power, and such limitation shall be plainly stated on the face of the Bonds.

**SECTION 2.** A bank is to be designated by the Taxpayer or LHC as Trustee and Paying Agent with respect to the Bonds in accordance with the provisions of the Indenture.

**SECTION 3.** In order to accomplish the sale of the Bonds in accordance with the terms of this resolution, the Chairman, Interim Executive Director, and/or Secretary of the Corporation, be and they are hereby authorized and directed to execute and deliver, for and on behalf of the LHC, the Indenture and Financing Agreement in substantially the forms which are filed with the Secretary of this Board of Directors with such revisions or changes as may be approved by Bond Counsel, and shall effect the delivery of the Bonds to the Purchaser in accordance with the Indenture, and shall deposit the purchase price of the Bonds with the Trustee under the Indenture in accordance with the provisions thereof.

**SECTION 4.** The Bonds will be dated, will be in the denominations and will have all the terms set forth in the Indenture. The Bonds are limited obligations of the Corporation and

will be payable solely out of the income, revenues and receipts derived from the Project and funds and accounts held under and pursuant to the Indenture and pledged therefor.

**SECTION 5.** The Bonds shall be subject to redemption in accordance with the Indenture.

**SECTION 6.** By virtue of LHC's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.", adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

**SECTION 7.** This resolution shall take effect immediately.

This resolution having been submitted to a vote, the vote thereon was as follows:

**YEAS:**

**ABSTAIN:**

**NAYS:**

**ABSENT:**

And the resolution was declared adopted on this, the 12<sup>th</sup> day of January, 2022.

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Chairman

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Secretary

**STATE OF LOUISIANA**

**PARISH OF EAST BATON ROUGE**

I, the undersigned Secretary of the Board of Directors of the Louisiana Housing Corporation (the “LHC”), do hereby certify that the foregoing pages constitute a true and correct copy of a resolution adopted by said Board of Directors on January 12, 2022, entitled: “A resolution accepting the proposal of Cedar Rapids Bank and Trust Company or such other purchaser as may be designated by the Taxpayer for the purchase of not to exceed Thirty-four Million Dollars (\$34,000,000) Multifamily Housing Revenue Bonds for The Reserve at Howell Place Project located at 4201 Ford East Street, Baton Rouge, East Baton Rouge Parish 70811, 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 with the foregoing.”

**IN FAITH WHEREOF**, witness my official signature and the impress of the official seal of the LHC on this, the 12<sup>th</sup> day of January, 2022.

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Secretary

(SEAL)  
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