



Louisiana Housing Finance Agency

**Full Meeting Minutes
Board of Commissioners
Louisiana Housing Finance Agency**

**Wednesday, March 11, 2009
2415 Quail Drive
V. Jean Butler Board Room
Baton Rouge, LA 70808
11:30am**

Commissioners Present

Wayne E. Woods
John Kennedy
Guy T. Williams
Michael L. Airhart
Mayson H. Foster
Joseph Scontrino, III
Katie Anderson
Jerome Boykin, Sr.
J. Mark Madderra
Susan W. Sonnier
Walter O. Guillory

Commissioners Absent

Allison A. Jones
Robert Pernell
Tyrone A. Wilson

Legal Counsel Present

Wayne Neveu, Foley & Judell
Terri Porche Ricks
Edselle Keith Cunningham, Jr.
Christine Bratkowski
Leslie C. Strahan

Staff Present

Milton J. Bailey
Barry E. Brooks
Charlette Minor
Loretta Wallace
Brenda Evans

Jeff DeGraff
Eva Martinez
Louis Russell
Eddie Falgoust
Annie Clark
Annie Robinson
Collette Mathis
Joyce Jackson
Curtis Ferrara
Jatis Harrington
Rene Landry
Sterling Colomb
Juon Wilson
Denise Ackoury
Taryn Miceli
Tonika Jackson
Terrina Stripling
Nicole Carter
Kip Anderson
Amy York
LaTosha Overton
Desiree Armstead
Dr. Roger Tijerino

Others Present

See Sign-In Sheet Attachment

CALL TO ORDER

Chairman Wayne E. Woods called the meeting to order at 11:35 AM; Board Coordinator Barry Brooks did the roll call; a quorum was established. Next there was an introduction of guests.

APPROVAL OF MINUTES

On a motion by Commissioner Guy T. Williams, and seconded by Commissioner Joseph M. Scontrino, III, the minutes of the Full Board Meeting held February 11, 2009, were approved. There being no further discussions or oppositions, the motion passed unanimously.

CHAIRMAN'S REPORT

Chairman Wayne Woods began the meeting by updating everyone on their recent trip to Washington DC and the various discussions held with IRS, HUD, FEMA, Louisiana Congressional Delegation, Congressional Leadership, and other entities. He thanked the Board members who were in attendance, even during the times of inclement weather. He noted that

the event was very productive and that a similar trip would be scheduled in the upcoming months.

PRESIDENT'S REPORT

President Milton Bailey reiterated the success of the recent Washington DC and noted that he met with IRS officials to discuss the GO Zone Tax Credit reallocations and whether they qualify for 1602 exchanges; that he met with Jon Sheiner who indicated his view of the Treasury's exchange intent and that there was a concerted effort to get the Treasury to change their position thereof; and, that he is working on trying to schedule a meeting with Treasury Secretary Tim Geithner and Domestic Policy Presidential Advisor Melody Barnes. He requested that all in attendance continue to remain diligent in sending letter of support of getting a change in the Treasury exchange position.

President Bailey also advised the Board that additional funds were enroute to Louisiana via the Stimulus Plan: \$39.9M for Housing Credit Gap, \$17.5M for NSP, \$12B to be distributed nationally for Nonprofits an HFA's, and \$52.7M for Weatherization.

HUMAN RESOURCES COMMITTEE

Chairman Wayne Woods advised that HRC Chair Tyrone Wilson was unable to attend, but that the applications for the Agency Vice President job position were due by March 20th. He also noted that a VP selection committee would review the applications and select candidates for interviews and then present to the Board a candidate for recommendation to hire. He also noted that the search was valid and that no one candidate had already been pre-selected, contrary to rumor, and that all applications would be scrutinized the same.

PRESIDENT'S REPORT

President Bailey realized he had not completed items on his portion of the Agenda. He then advised the board that at the February Board Meeting the Board requested the Agency to do RFP's on the various Professional Services Contracts for advocacy in federal legislation, a state policy advisor, and for doing a contract for workforce housing research on NIMBYism problems in the state and resolution thereof.

Staff Attorney Christine Bratkowski went over the selection process and how the RFP's received were competitively graded.

Chairman Woods inquired as to whether the fees involved were negotiated. Ms. Bratkowski noted that the workforce housing research and federal policy advisor matters fees had been negotiated, but that the state policy advisor fee had not been negotiated.

There was further extensive discussions on the specifics of the three (3) aforementioned matters including the expertise of those selected, specifics of the application review and grading criteria, composition of the review and selection committee, purpose of the three contracts, whether there were any alternate options outside of approving said contracts, whether Governor's Office was aware of the three projects, primary function and benefit to Agency and the State in approving the contracts, who the individuals would report to and hierarchical parameters thereof, etc.

President Bailey advised the Board that any decisions or directives to the aforementioned group would be subject to Board approvals thereof.

On a substitute motion by Commissioner Mayson H. Foster and seconded by Commissioner Jerome Boykin, Sr., the Board resolved to defer the three (3) resolutions (contract for a Federal Policy Advisor, contract for a State Policy Advisor, and PSC for Workforce Housing Research) until the April 2009 Board Meeting; and providing for all matter in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

INTERNAL AUDIT COMMITTEE

Committee Chair Joseph Scontrino advised the Board that the resolution for an amendment to the current contract for Audit Services for the General Fund Audit had been discussed earlier, and that the IAC was recommending Board approval thereof.

On a motion by Commissioner Joseph Scontrino, III, and seconded by Commissioner Katie Anderson, a resolution was approved to amend the current contract for Contracted Audit Services for the General Fund Audit via the Louisiana Legislative Auditor's Office; and providing for all matter in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

BUDGET AND FINANCE COMMITTEE

BFC Chair Mayson Foster requested CFO Rene Landry address the Board.

CFO Rene Landry thereafter went over the Projected 2010 Revenues noting that amount to be \$12.965M. He advised the Board that he present the Projected 2010 Expenses at the April BOCM, and that the 2010 Budget would be presented to the Board for approval thereof at the May BOCM.

BFC Chair Foster noted that until such time as the allocations from the Stimulus Package could be verified they were not included in the current Projected 2010 Revenues information.

ENERGY COMMITTEE

Commissioner Foster noted that EC Chair Robert Pernell was not in attendance, and noted also for the Board that the Committee had met earlier, and no action thereof was needed from the Board.

SINGLE FAMILY COMMITTEE

SF Committee Chair Michael L. Airhart advised the Board that the SFC and the Finance Team has met earlier. He noted that there were available funds of 5% available for homebuyers.

Program Administrator Brenda Evans thereafter went over the 2008B, 2008A and Whole Loan Report updates.

Chair Airhart noted that there had been a successful Homebuyer Open House on March 8th at LHFA. He then went over the parameters of the next three (3) Homeownership Fairs to be held in Shreveport, New Orleans, and Baton Rouge – and the need to charge a fee from booth vendors and sponsorships to offset the associated costs.

There were further discussions between the Board and Agency Staff on the specific costs parameters of the Homeownership Fairs. It was also suggested that the Agency co-partner with other housing entities and associations in the planning of said events.

Chairman Woods requested Staff prepare a Proposed Budget for the Board to approve at the April BOCM. It was noted by Staff that the current FY budget has monies previously allocated to handle any expenses thereof.

On a motion by Commissioner Michael Airhart and seconded by Commissioner Katie Anderson, a resolution was approved regarding LHFA's participation in National Homeownership Month by hosting Homeownership Fairs in Shreveport, New Orleans, and Baton Rouge; and providing for all matter in connection thereof. There being no further discussions or oppositions, the matter unanimously passed.

SFC Chair Airhart next discussed the National Foreclosure Mitigation Counseling Program (NFMCP) and Consultant RFP. He noted a recent visit with NeighborWorks President Wade during the Washington DC meetings. It was also acknowledged that LHFA was receiving \$210K from NeighborWorks for foreclosure mitigation.

Brenda Evans thereafter went over the specific parameters of the NFMCP and Consultant RFP. She noted that RFP's were due March 13th; thereafter would be the selection of the consultant and execution of the NFMCP agreement; a status report is due by May 2009 noting the specifics of the program parameters for NFMCP review and approvals thereof.

There was further discussion on the program specifics, in particular the hourly costs for the consultant, between the Board and staff.

On a motion by Commissioner Michael Airhart and seconded by Commissioner Guy Williams, a resolution was approved authorizing the National Foreclosure Mitigation Counseling Program (NFMC) and Consultant RFP; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter passed, with ONE (1) DISSENTION VOTE from Commissioner John Kennedy.

SFC Chair Airhart and Ms. Evans then went over the specific parameters of development and implementation of a 2009 Taxable Single Family Deed Restriction Program.

Commissioner Kennedy inquired as to who comprised the Financial Team for the Program. Ms Evans replied it would be composed of representatives from Morgan Keegan, George K. Baum, Seifert Bradford, CSG Advisors, and Foley Judell. Commissioner Kennedy requested that he be included in future meetings of the Finance Team.

SFC Chair Airhart advised the Board that the intent of the resolution was to develop the Program and then get Board approval for implement during the April BOCM.

On a motion by Commissioner Michael Airhart and seconded by Commissioner Joseph Scontrino, III, a resolution was approved for the Agency to develop a 2009 Taxable Single Family Deed Restriction Program and recommendation for Board approval at the April 2009 BOCM for implementation thereof; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Last item on the SFC Agenda, a 31% Front End Debt Ration for HOME/MRB and CDBGMRG Program Loans, was **DEFERRED**.

Chairman Woods thanked Commissioner Airhart for all the hard work the SFC has been doing; and he also reiterated that he'd like to see more initiatives, inclusion thereof, and developments of the Rural Areas of the State.

LEGAL COMMITTEE

It was noted by the committee's Chair, Vice-Chair Allison Jones, that there were no items to discuss or actions needed thereof.

SPECIAL PROGRAMS HOME COMMITTEE

SPHC Chair Joseph Scontrino, III, asked Ms. Minor to update the Board on the HOME Reconciliation Report PR-27.

Next item was a discussion of the Distressed Projects by Commissioner Walter Guillory.

On a motion by Commissioner Joseph Scontrino, III, and seconded by Commissioner Jerome Boykin, Sr., a resolution was approved authorizing awards/contracts for successful applicants through competitive funding round from Distressed Projects; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Next item discussed was the Village de Jardin resolution. Chairman Woods gave a brief historical perspective on the development. He also noted the project was targeted to the elderly population.

Agency Architect Dr. Roger Tijerino discussed the specific parameters of the development, noting it would eventually cost \$50M.

Commissioner Scontrino advised the Board of his support for the project, and noted his recommendation thereof.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Joseph Scontrino, III, a resolution was approved authorizing the LHFA to commit funding not to exceed \$2,991,887.00 to support the construction of the Agency's senior village, Village de Jardin, (formerly "Gaslight Apartments") located at 8800 South Service Road, New Orleans, Louisiana; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Ms. Minor briefly updated the Board on the NSP, noting the matter was still on course with 59 applications having recently been received. She advised the Board that a recommendation on the final awards would be presented to the Board at the April BOCM.

MULTIFAMILY RENTAL HOUSING COMMITTEE REPORT

MFC Chair J. Mark Madderra discussed the first item -- a resolution establishing the maximum qualified basis and low-income housing credits to Belmont Village Apartments. Ms. Evans advised the Board that total development costs thereof were \$16.5M.

MFC Chair Madderra advised the Board that the matter had been discussed in Committee, and he was recommending approval thereof.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Guy Williams, a resolution was adopted establishing the maximum qualified basis and low-income housing credits to Belmont Village Apartments #09-04BF (720 Carrollwood Village Drive Gretna, LA 70056; authorizing the Agency 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 thereof. There being no further discussion or opposition, the matter unanimously passed.

Next item discussed was the Gardens Senior Apartments. MFC Chair Madderra advised the Board that the matter had been discussed in Committee, and he was recommending approval thereof.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Katie Anderson, a resolution was adopted establishing the maximum qualified basis and low-income housing credits to The Gardens Senior Apartments #08-09BF (Corner of Hooper and Harding, Baton Rouge, LA 70811); authorizing the Agency 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 thereof. There being no further discussion or opposition, the matter unanimously passed.

Next item discussed was Levy Gardens. MFC Chair Madderra advised the Board that the matter involved a request for a six (6) month extension to the Placed In Service date to December 31, 2009, due to unforeseen construction delays.

MFC Chair Madderra advised the Board that the matter had been discussed in Committee, that the request thereof was within the parameters of similar requests, and that he was recommending approval thereof.

Chairman Woods gave a historical perspective on the matter, noting the original plan was changed by the developer from Single to Multifamily usage.

Commissioner Guy Williams advised the Board he was not in agreement to accepting their request due to previous unfair behavior by the development.

Thereafter Mr. Joshua Gibbs addressed the Board advising them of his support for the extension requested thereof.

There were further discussions between the Board, Staff, and Mr. Gibbs on the pro/cons of the matter. Commissioner Mayson Foster advised the Board that he had concerns that if similar requests had been previously approved by the Board that this matter deserved similar resolve or else the Agency might face future potential liability issues.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Katie Anderson, a resolution was adopted authorizing an extension of Placed In Service requirements for the following project: Levy Gardens #07/08(FA)-36 (Intersection of Bullard and Levy, New Orleans, LA 70128); as stipulated in the 2007/2008 forward allocation GO-Zone QAP by Louisiana Housing Finance Agency (the "Agency") with respect to projects submitting a request for such extension; and providing for other

matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Next item discussed was The Muses II Apartments.

Program Manager Louis Russell advised the Board that the matter had been discussed in Committee and approval thereof was being recommended.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Mayson H. Foster, a resolution was adopted establishing the maximum qualified basis and low-income housing credits to The Muses II Apartments #08-68BF (1731 Polymnia Street, New Orleans, LA 70113); authorizing the Agency 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 thereof. There being no further discussion or opposition, the matter unanimously passed.

Next item discussed as the Notice of Public Hearing with respect to an amendment to the 2007/08 GO Zone and Per Capita Credit Qualified Allocation Plans in conjunction with the provisions of the American Recovery and Reinvestment Act of 2009.

MFC Chair Madderra and Ms. Evans went over the specific parameters of the matter. She advised the Board that the Public Hearing was scheduled at LHFA for March 26th. Chair Madderra advised the Board that the purpose of the resolution was more direction specific and that more discussions on the matter would take place during the April BOCM after the Public Hearing had taken place and comments had been received and analyzed.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Joseph M. Scontrino, III, a resolution was adopted approving a Notice of Public Hearing with respect to an amendment of the 2007/08 GO Zone and Per Capita Credit Qualified Allocation Plans to take advantage of the provisions of the American Recovery and Reinvestment Act of 2009 (the "Stimulus Bill") to distribute competitively a portion of the Capital Funds and the Treasury Grants under the Stimulus Bill while simultaneously increasing funds available to low-income housing projects with allocated credits on a priority basis (i) first, with inefficient syndications and (ii) second, under construction with cost overruns; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Mr. Russell gave the Board an overview on the next discussion item which dealt with adopting a policy to authorize the interchanging of unit sizes of PSH units.

MFC Chair Madderra advised the Board that OCD and others were in support of the resolution, that it had been discussed in Committee, and that he was recommending approval thereof.

On a motion by Commissioner J. Mark Madderra and seconded by Commissioner Susan W. Sonnier, a resolution was adopted to approve a policy to authorize the interchanging of unit sizes of PSH Units within approved projects receiving LIHTC and CDBG funding to meet the developer's PSH obligation under the Piggyback Program; and providing for other matters in connection thereof. There being no further discussion or opposition, the matter unanimously passed.

Next item discussed was the 2009 Per Capita Draft Qualified Allocation Plan. MFC Chair Madderra advised the Board that the matter was still in draft form and would circulate to the Board and public for their review and comments thereof.

He also advised everyone that the April Multifamily Committee would meet next on Tuesday, April 7th at 3pm at LHFA.

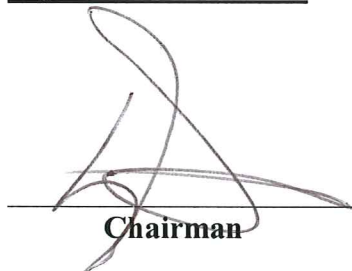
Last item noted on the MFC Agenda, a request for reimbursement of fees paid on Low Income Housing Tax Credit Applications, was **DEFERRED** by MFC Chair Madderra.

OTHER BUSINESS

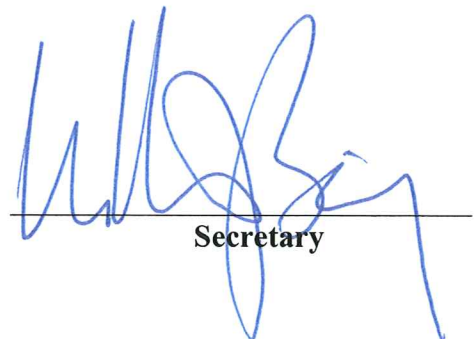
Mark Turrentine with LAAHP addressed the Board and thanked them as well as the Agency staff for keeping everyone informed and included in the QAP and Stimulus Bill matters. He noted that there was still some confusion within the State Tax Commission and that it would very beneficial if Treasurer Kennedy could intercede thereof. Commissioner Kennedy replied affirmatively thereof.

ADJOURNMENT

There being no other matters to discuss, Commissioner Michael Airhart offered a motion for adjournment that was seconded by Commissioner Susan Sonnier. There being no further discussion or opposition, the matter was unanimously passed. **The Full Board meeting adjourned at 2:09 PM.**



Chairman



Secretary