

## MEMORANDUM

To: Chairman Mark Madderra  
Commissioner Philip Miller  
Commissioner John Kennedy  
Commissioner Kevin Brown  
Commissioner Carolyn Burris

From: Loretta Wallace, Program Administrator  
Louis Russell, Tax Credit Program Manager

Date: July 11, 2007

Re: Multifamily Rental Housing Program Committee

---

There will be a Multifamily Rental Housing Program Committee meeting, Wednesday, June 11, 2007 at 9:00 A.M. at the Louisiana Housing Finance Agency, Committee Room 1, located at 2415 Quail Drive, Baton Rouge, LA.

Loretta Wallace will present the following Resolutions to the Board.

- A resolution of intention to issue Multifamily Housing Revenue Bonds to finance the acquisition, rehabilitation and equipping of a multifamily housing project; authorizing not exceeding \$6,400,000 Multifamily Housing Revenue Bonds (Lapalco Court Apartments Project) in one or more series; and providing for other matters in connection therewith.
- A resolution accepting the proposal of Morgan Keegan & Company, Inc. for the purchase of not exceeding Seventeen Million Dollars (\$17,000,000) of Louisiana Housing Finance Agency Multifamily Housing Bonds (Jefferson Lakes Apartments Project) 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.
- A resolution accepting the proposal of Red Stone Partners for the purchase of not exceeding Nine Million Five Hundred Thousand Dollars (\$9,500,000) of Louisiana Housing Finance Agency Multifamily Housing Refunding Bonds (The Reserve at Jefferson Crossing Apartments Project) in one or more series; fixing the terms of said bonds and otherwise

providing with respect to said bonds; and providing for other matters in connection with the foregoing.

Louis Russell will present the following Resolutions to the Board.

- A resolution establishing the maximum qualified basis and low-income housing credits to Jefferson Lakes Apartments; 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 therewith.

- Ratification of actions by Czars:

**Whispering Oaks** - Requesting a reduction in the number of 20% poverty units, from 12 to 2. For the project to receive the City of Lake Charles HOME Program award of \$93,000, the grant agreement requires the project to set aside not more than 2 units. -Denied

**Classic Construction of New Orleans, Venture II** - Developer was unable to purchase three properties listed on their scattered site project's application, but have found three suitable replacement properties within one mile of the original properties and would like to change to these locations. - Approved pending counsel's opinion.

**St. Joe Lofts** - Attorneys for the investor recommend the separate ownership of the historic and new construction in order that the GO-Zone depreciation might be used for the new construction. - Approved pending a favorable F&V analysis from a reprocessing application.

**Items for Discussion:**

**1. Discussion of Agency policy regarding returned credits.**

**2. Canterbury House Apartments** - The investor requested adjusting the market rate rents for all unit types downward to the net collected rent levels at 60% AMI to syndicate the tax credits. The Developer proposes that an increase in the amount of the CDBG Gap Financing Loan by approximate \$10,000,000 would be sufficient to cover the gap credited by the substantial reduction of net operating income.

**Czar Action:** Initially, the Czars denied the request to make a recommendation to LRA for the request to underwrite all market rate units at 60% AMI. However, the developer produced one additional letter from the syndicator, prompting the Czars to request how much of the developer fee he will be willing to forfeit (not defer) in order to close the deal.

3. **Timberlane Apartments** - Requesting agency's approval to request additional CDBG funds to overcome shortfall and underwriting market units at 60% AMI.
4. Discussion of **Falstaff Apartments** - Requesting additional tax credits (\$345,000 per year) in order to add 23 additional units to the existing unit count of 147.
5. Discussion of **Bywater Art Lofts** - Requesting to modify application with the following changes after speaking with the Historic Districts and Landmarks Commission: 1) Decrease from 54 units to 37 units 2) One of the 1-bd will be a manager's unit 3) Change in legal description to eliminate two vacant lots 4) Reduce reservation amount from \$765,000 to \$736,191.