



**MINUTES OF THE FINANCE AUTHORITY OF NEW ORLEANS
BOARD OF TRUSTEES MEETING**

Tuesday, May 28, 2019

Vice-Chair Smith called the meeting to order at 10:30am.

Members Present: Mrs. Gizelle Johnson-Banks, Mr. Hunter Thomas, Ms. Andreanecia Morris & Mr. Stephen Smith

Members Absent: Mr. G. Wade Wootan & Mr. Charles Brown

Staff Present: Mr. Damon Burns, Ms. Bianka Brown, Mia Edwards & Mr. Samuel Santa Marina

Members of the Public: Jade Brown-Russell (Legal Counsel), Dietra Cummings, Mike Airhart (George K. Baum), Elianna Wasserman (Housing NOLA) & Oliver Celestin

Old Business

There was no old business to discuss.

Public Comment

There were no public comments.

New Business / Board Actions

Acceptance and Approval of the April 30, 2019 Board Meeting Minutes – Action Item
After a review of the Minutes, **Vice-Chair Smith requested a motion to approve the minutes of the April 30, 2019 Board of Trustees Meeting as drafted. Member Thomas moved, and Member Johnson-Banks seconded. The motion passed unanimously.**

Acceptance and Approval of Resolution to Change Authorized Signatories – Action Item

Mr. Burns informed the Board that the proposed resolution is needed to update FANO's signatories due to the changing of officers.

Vice-Chair Smith requested a motion to defer this resolution until next month's meeting. Member Morris moved, and Member Johnson-Banks seconded. The motion passed unanimously. The item has been deferred.

Acceptance and Approval of Resolution Adding Executive Director/CEO as an Authorized Signatory for Real Estate Transactions Related to NOHMA/FANO – Action Item

Mr. Burns stated that the real estate portfolio is held in multiple accounts. He stated that he is authorized to sign on behalf of Pathways properties but needs board's authorization to execute NOHMA and FANO accounts.

Vice-Chair Smith requested a motion to approve the Resolution Adding Executive Director/CEO as an Authorized Signatory for Real Estate Transactions Related to NOHMA/FANO. Member Johnson-Banks moved, and Member Morris seconded. The motion passed unanimously.

Approval of Lease between Broadmoor, LLC & The Finance Authority of New Orleans for 618 Baronne St. – Action Item

Mr. Burns informed the Board that Broadmoor, LLC, the general contractor of the Virgin Hotel that is being built on the corner of Lafayette and Baronne St. approached FANO requesting to lease the office space. Broadmoor is requesting to lease 618 Baronne St. for 22 months, the duration of the construction period. Mr. Burns stated that General Counsel has drafted a lease with the proposed rate being \$15.00 per square foot. He added that Broadmoor is aware of the building's issues and has committed to making the necessary improvements, such as plumbing, roofing and façade repairs. Once those repairs are made, FANO will deduct the cost from the rate per square foot. The Board discussed the terms of the lease and recommended that Vice-Chair Smith review execute the contract's final draft along with the CEO.

Vice-Chair Smith requested a motion to approve the Lease between Broadmoor, LLC & The Finance Authority of New Orleans for 618 Baronne St. Member Morris moved, and Member Johnson-Banks seconded. The motion passed unanimously.

CEO's Report

Mr. Burns highlighted the following:

Market Update

- Mortgage rates dropped back towards yearly lows of 4.05% after recovering towards the end of April. FHA rates fell to 4% over the same time.

Intergovernmental Update

- A memorandum of understanding is being developed between FANO, the City of New Orleans, HANO and NORA for co-investing in the city's affordable housing needs. A separate agreement is being developed between the aforementioned agencies and the Louisiana Housing Corporation.

The Board discussed the terms of the MOU.

Program Operations

- Single Family Green Mortgage – A green mortgage program is being developed which will allow borrowers to finance climate mitigation retrofits in addition to typical costs associated with purchasing a home. The program is expected to launch the summer of 2019.

Financial Condition

Ms. Brown reviewed the budget to actuals and financial condition of the organization:

- Revenues (Budget) - \$130,000 (Actual) - \$26,875
- Expenditures (Budget) - \$394,028 (Actual) - \$297,215
- Surplus (Budget) - Deficit of \$264,082 (Actual) - \$270,340
- Total Assets - 20,123,532
- Cash and Investments - 10,461,160
- Bonds Outstanding - 6,753,434
- Net Assets - 13,370,097

Member Morris requested a monthly breakdown of the financials. Ms. Brown concurred.

Executive Session

There was no need for executive session.

Other Business

There was no other business to discuss.

Vice-Chair Smith requested a motion to adjourn the Board Meeting. Member Morris moved, and Member Johnson-Banks seconded. The meeting ended at 11:27am.

ATTESTED:



SECRETARY/TREASURER

DATE: June 25, 2019