



IOWA FINANCE
AUTHORITY

TELEPHONIC BOARD MEETING MINUTES

**Iowa Finance Authority
Des Moines, Iowa
December 6, 2017**

Board Members Present

Ashley Aust	Joan Johnson
Darlys Baum	Michel Nelson
Jane Bell	Ruth Randleman
Jeffrey Heil - Chair	

Board Members Absent

Shaner Magalhães

Staff Members Present

Dave Jamison, Executive Director	Amber Lewis, Homeless Programs Manager
Lori Beary, Community Development Manager	Beth Mahaffey, Business Development Director
Brian Crozier, Chief Administration Officer	Marilee Mitchell, Administrative Assistant
Rita Eble, HOME Program Analyst	Tim Morlan, Underwriter
Mark Fairley, Finance & Investment Manager	Cheng Peng, Statistical Analyst
Jess Flaherty, Executive Assistant	Wes Peterson, Director of Government Relations
Jerry Floyd, HOME Program Analyst	Terri Rosonke, HousingIowa Dev Specialist
Steve Harvey, Accounting Manager	Michelle Thomas, Accounting Manager
Cindy Harris, Chief Financial Officer	Mark Thompson, General Counsel
Ashley Jared, Communications Director	David Vaske, LIHTC Manager
Carolann Jensen, Chief Programs Officer	
Tara Lawrence, Iowa Title Guaranty Director	

Others Present

James Smith, Dorsey & Whitney	Ron Lewis, Warren Country Abstract
David Grossklaus – Dorsey & Whitney	Ron Robinson, Legislative Services Agency
Bill Wright – CBRE Hubbell Commercial	Ryan Galloway, Hatch Development
Jon Ledinsky – CBRE Hubbell Commercial	Jimmy Becker, Blackbird Investments
	Justin Doyle, Blackbird Investments
	Seth Sojka, Blackbird Investments
	Danny Wills, Blackbird Investments

Call to Order

Chair Heil called to order the December 6, 2017, meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:00 a.m. Roll call was taken, and a quorum was established with the following Board members present: Aust, Heil, Nelson, and Randleman. Chair Heil stated that the meeting was being held electronically by telephone, due to the inability of Board members meeting in person because of conflicting schedules.

Consent Agenda

Chair Heil introduced the consent agenda and asked if anyone wanted to request items be removed and also asked if the closed meeting agenda item could be moved to after the public comment part of the meeting.

MOTION: There being no requests, Ms. Randleman made a motion to approve the items on the consent agenda and to move the closed session of the meeting to after the public comment. Consent agenda items included the following:

Approval of Minutes of the November 1, 2017, IFA Board Meeting
AG TC-17-13 – Tax Credit Reallocation
04623B Mitchel T. Klosterman
AG 17-042B Logan Craig Koester
AG 17-071B Ross Alan and Kerri Elizabeth Williams
AG 17-072B Eric and Shannon Skiff
AG 17-073B Joseph L. and Wilma H. Gingerich
AG 17-074B Travis L. and Merilee A. Hamilton
AG 17-075B Brandon T. Gingerich
AG 17-076B Paul and Alicia M. Overman
AG 17-077B Lauren Emily Marie and Scott Modder
04552M – Christopher J. Reicks, Lawler
04623M Mitchel T. Klosterman, Strawberry Point
AG 16-015M Benjamin Eugene Hayes, Waukee
AG 16-016M Bradley Eugene Hayes, Waukee
AG 17-042M Logan Craig Koester, Gladbrook
AG-LP #17-09 Loan Participation Program
AG-TC #17-12, Beginning Farmer Tax Credit Program
ED Loan #17-17A – Genesis Health Project
ED Loan #17-18A – Hotel Maytag Project
ED Loan #17-19A – Iowa Fertilizer Project
WQ 17-22 – Extension of Existing Participation for INHF – Frye
WQ 17-23 – SRF Construction Loans

On a second by Mr. Nelson, the Board unanimously approved the items on the consent agenda and to move the closed session after the time set aside for public comment.

Administration

GEN 17-01

Ms. Aust stated that due to a conflict of interest she would abstain from the discussion and voting of GEN-17-01. Mr. Jamison gave a brief update on the potential IFA office move indicating that the IFA team was working on the final negotiations of a lease agreement for space at 1963 Bell Avenue. He stated that part of the negotiated lease is the ability to terminate the lease if there is a significant change in IFA's ability to generate income due to forces outside of IFA's control such as federal legislation.

MOTION: On a motion by Ms. Randleman and a second by Mr. Nelson, a roll call vote was taken with the following results: YES: Baum, Bell, Johnson, Nelson, Randleman and Heil. NO: None. ABSTAIN: Aust. The Board unanimously approved GEN 17-01.

October 2017 Financial Statement

Mr. Harvey presented the October 2017 financial results. He said that as a housing agency, year-to-date net operating income before grants is favorable to the budget by \$1,286,000.

The State Revolving Fund year-to-date net operating income after grants is \$13,746,000.

MOTION: On a motion by Ms. Randleman and a second by Ms. Aust, the board unanimously accepted the October Financial Statement.

Finance

FIN 17-24 – Idaho Housing Revolving Line of Credit Extension

Mr. Fairley gave a brief overview of the FIN 17-24 resolution. The resolution authorizes the use of up to \$30 million for a revolving line of credit (LOC) to Idaho Housing to acquire IFA's single family mortgage loans from participating lenders.

MOTION: On a motion by Mr. Nelson and a second by Ms. Randleman, the Board unanimously approved FIN 17-24.

FIN 17-25 – Single Family 2017 E Bonds

Ms. Harris gave a brief overview of the FIN 17-25 resolution. The resolution would allow IFA to remarket pieces of convertible option bonds (COB) into long term bonds over time when IFA needs to fund the FirstHome program if the US House of Representatives proposed bill eliminates private activity bonds after December 31, 2017. Private activity bonds (PABs) are tax-exempt bonds where the proceeds are used by private individuals or companies and IFA's first time homebuyer program (FirstHome) is funded with PABs.

MOTION: On a motion by Mr. Nelson and a second by Ms. Baum, the Board unanimously approved FIN 17-25.

Housing Iowa

HI 17-19, HOME Homebuyer Awards

Mr. Floyd stated that resolution HI 17-19 is to approve three new HOME awards for Homebuyer assistance projects. The three projects would serve over 27 households in 11 counties across the state and total a little over \$1 million in HOME funds.

MOTION: On a motion by Ms. Baum and a second by Ms. Randleman, the Board unanimously approved HI 17-19.

HI 17-20, LIHTC 4% Cost Cap, Hotel Maytag

Mr. Vaske stated that Hotel Maytag Investors, LLC requested a cost cap waiver for the Hotel Maytag in Newton. Mr. Vaske stated that staff recommends approval of the waiver.

MOTION: On a motion by Ms. Randleman and a second by Ms. Aust, the Board unanimously approved HI 17-20.

HI 17-21, LIHTC 4% Cost Cap, Blackbird Tower

Mr. Vaske stated that Blackbird Investments requested a cost cap waiver for the Blackbird Tower in Des Moines. Mr. Vaske stated that after several meetings with the developer staff was recommending approval of the cost cap waiver.

MOTION: On a motion by Ms. Bell and a second by Ms. Randleman, the Board unanimously approved HI 17-21.

HI 17-22, Clay County Local Housing Trust Fund Decertification and Clay County's new Affiliation with Northwest Iowa Regional Housing Trust Fund (NWIRHTF)

Ms. Rosonke stated that resolution HI 17-22 is a request from the Clay County Local Housing Trust Fund, Inc. and the Clay County Board of Supervisors asking to approve Clay County Local Housing Trust Fund, Inc.'s voluntary withdrawal as a certified housing trust fund and to simultaneously approve Clay County joining the Northwest Iowa Regional Housing Trust Fund (NWIRHTF).

MOTION: On a motion by Mr. Nelson and a second by Ms. Aust, the Board unanimously approved HI 17-22.

HI 17-23, Local Housing Trust Fund Program Awards

Ms. Rosonke stated that resolution HI 17-23 is to approve the LHTF programs for 2018. The proposed projects serve several counties in the state and total over \$7 million in funds.

MOTION: On a motion by Ms. Baum and a second by Ms. Randleman, the Board unanimously approved HI 17-23.

Economic Development

ED 17-13B-1, MidAmerican Energy Project

Ms. Beary stated that this is a resolution amending the resolution that authorized the issuance of an amount not to exceed \$100,000,000 of IFA Solid Waste Facility Revenue Bonds for the MidAmerican Energy Project. This resolution increases the amount to \$150,000,000 and will be used to finance the costs of construction, equipping and furnishing solid waste facilities in Council Bluffs, Salix and Louisa.

MOTION: On a motion by Mr. Nelson and a second by Ms. Baum, the Board unanimously approved ED 17-13B-1.

ED 17-15B, Woodgrain Millwork (Windsor Windows) Norwalk Project and ED 17-16B, Windsor Windows West Des Moines Project

Ms. Beary stated that these resolutions authorize the issuance of revenue bonds for the construction of a new facility to manufacture vinyl windows in Norwalk and to remodel an existing wood window and door facility in West Des Moines.

MOTION: On a motion to combine approval of resolutions ED 17-15B and ED 17-16B made by Ms. Randleman and a second by Mr. Nelson, the board unanimously approved ED 17-15B and ED 17-16B.

ED 408F, Corporate Center Associates Project

Ms. Beary stated that this is a resolution authorizing an Assignment, Assumption and Omnibus Amendment Agreement regarding bonds issued in 1985 for the Corporate Center Associates Project. The original borrower wants to assign all rights and responsibilities to the new borrower. This resolution allows for the transfer of obligations.

MOTION: On a motion by Ms. Randleman and a second by Ms. Baum, the Board unanimously approved ED 408F.

Iowa Title Guaranty

ITG 17-07, Transfer of Funds

Ms. Lawrence stated that the ITG Board approved a transfer to the Housing Assistance Fund of excess revenue in the amount of \$250,000. Ms. Lawrence asked the board to accept the transfer.

MOTION: On a motion by Ms. Randleman and a second by Ms. Aust, the Board unanimously accepted the transfer from Iowa Title Guaranty excess revenues.

Communications

Ms. Jared shared with the board the special Home for the Holidays! Campaign. IFA is randomly selecting 12 home buyers closing their IFA mortgage in late November and early December to participate in the Home for the Holidays! Campaign. IFA staff will surprise new homeowners at their closing with a wreath and \$100 cash which they must pay forward in their community – on the spot! At recent surprise visits, one couple took the cash to purchase a family's meal, another couple purchased blankets at Wal-Mart and took them to a shelter, and another homebuyer purchased items for the local animal shelter. The campaign has been very successful. All of the cash to pay it forward was donated by IFA staff.

Miscellaneous

Receive Comments from General Public

Chair Heil opened the public comment period and asked if anyone in the audience would like to address the Board.

No members of the audience requested to speak. Chair Heil closed the public comment period.

Ms. Johnson left the meeting at 11:50 a.m.

Closed Session

MOTION: At 11:51 a.m. Ms. Randleman moved the board go into closed session pursuant to Iowa Code section 21.5(1)(c) to discuss strategy with counsel in matters where litigation is imminent, as disclosure of the discussion would be likely to prejudice or disadvantage IFA's position in that litigation, specifically to discuss the authorization of litigation against Walden Point Limited Partnership and the authorization of litigation against United Neighbors, Inc. The motion was seconded by Mr. Nelson and a roll call vote was taken with the following results: YES: Aust, Baum, Bell, Nelson, Randleman and Heil. NO: None; ABSTAIN: None. The motion passed to go into closed session.

The IFA Board reconvened at 11:59 a.m.

Litigation Authorization

HI 17-24, United Neighbors

MOTION: A motion was made by Mr. Nelson to authorize litigation against United Neighbors. On a second by Ms. Randleman a roll call vote was taken with the following results: YES: Aust, Baum, Bell, Heil, Nelson and Randleman. NO: None. ABSTAIN: None. The motion passed unanimously.

HI 17-25, Walden Point

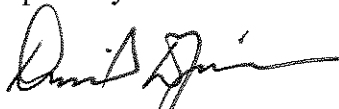
MOTION: A motion was made by Mr. Nelson to authorize litigation against Walden Point. On a second by Ms. Randleman a roll call vote was taken with the following results: YES: Baum, Bell, Heil, Nelson and Randleman. NO: None. ABSTAIN: Aust. The motion passed by a majority.

Adjournment

MOTION: On a motion by Ms. Randleman and a second by Mr. Nelson, the December 6, 2017, meeting of the IFA Board of Directors adjourned at 12:00 noon.

Dated this 10th day of January, 2018

Respectfully submitted:



David D. Jamison
Executive Director/Board Secretary

Approved as to form:



Jeffrey Heil, Chair
Iowa Finance Authority