



## **BOARD MEETING MINUTES**

**Iowa Finance Authority  
2015 Grand Avenue  
Des Moines, Iowa  
June 5, 2013**

### **Board Members Present**

Darlys Baum, Chair	Shaner Magalhães
David Greenspon	Michel Nelson
Jeffrey Heil (via telephone)	Eric Peterson
Joan Johnson	Ruth Randleman

### **Board Members Absent**

Carmela Brown

### **Staff Members Present**

Lori Beary, Community Development Director	Terri Rosonke, HousingIowa Development Specialist
Jess Flaherty, Executive Secretary	Mark Thompson, General Counsel
Cindy Harris, Chief Financial Officer	Dave Vaske, Tax Credit Manager
Steve Harvey, Chief Operating Officer	Nancy Wallis, Administrative Assistant/Recording Secretary
Geri Huser, Title Guaranty Division Director	
Ashley Jared, Director of Communications	
Carolann Jensen, Chief Administration Officer	

### **Others Present**

Jim Conlin - Conlin Properties	David Grossklaus – Dorsey & Whitney, LLP
Scott Fitzpatrick – Midwest Housing Equity Group	James Smith – Dorsey & Whitney, LLP
Dan Garrett	

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### **Call to Order**

Chair Baum called to order the June 5, 2013, regular monthly meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:09 a.m. Roll call was taken and a quorum was established with the following Board members present: Baum, Greenspon, Heil, Johnson, Magalhães, Nelson, Peterson and Randleman.

## Consent Agenda

Chair Baum introduced the consent agenda and asked if anyone wanted to request that items be removed. There being no objections, Mr. Greenspon made a motion to approve the consent agenda, which included the following:

- Approval of Minutes of the May 1, 2013, IFA Board Meeting
- Approval of Minutes of the May 1, 2013, IFA/TGD Board Orientation Session
- Approval of Minutes of the May 20, 2013, IFA Telephonic Board Meeting
- Resolution WQ 13-17, SRF Planning & Design Loans
- Resolution WQ 13-08, SRF Construction Loans

On a second by Ms. Randleman, the Board unanimously approved the consent agenda.

## Administration

### ACCOUNTING AND FINANCE

#### Review of Financial Statement

Mr. Harvey presented the April 2013 financial results. He said that as a housing agency, year-to-date net operating income of \$12,383,836 is favorable to budget by \$5,722,703.

The State Revolving Fund year-to-date net operating income of \$32,037,797 is \$60,300 unfavorable to budget.

**MOTION:** On a motion by Mr. Peterson and a second by Ms. Randleman, the Board unanimously accepted the April 2013 financial statement.

### LEGAL

#### Adopted & Filed – Amendments to Chapter 27, Military Home Ownership Assistance Program

Mr. Thompson introduced the adopted and filed version of the amendments to Chapter 27, Military Service Member Home Ownership Assistance Program. He reported that the purpose of the proposed amendments is to simplify the requirements for using a non-IFA loan in conjunction with the assistance provided under the Military Service Members Home Ownership Assistance Program. He stated that IFA received no public comments and that nothing had been changed following Board approval of the Notice of Intended Action on March 13, 2013.

### LEGISLATIVE

In the absence of Mr. Wes Peterson, Chair Baum referred to the printed report that was included in the Board materials.

### COMMUNICATIONS

Ms. Jared announced that registration would soon be open for the 2013 HousingIowa Conference which will be held in Coralville on September 4-6, 2013. She said there were nearly 500 attendees last year, and that more professional training sessions will be offered this year, increasing the conference from two days to three days.

Ms. Jared also reported briefly on the upcoming summer homeownership photo contest. She also updated the Board on home buyer trainings being held throughout the state, paid for with money received by the Iowa Association of REALTORS® through a grant from the National Association of REALTORS®.

Ms. Jared then noted that the SRF program will be saving money for tax payers by refinancing loans for many communities in the very near future. She said that letters will be sent out at the end of this week to notify communities of the lower interest rates.

### **Community Development**

#### **Resolution ED 13-03 A, Care Initiatives Project**

Ms. Beary reported that this was both an inducement and authorizing resolution for the issuance of an amount not to exceed \$11,815,000 of Iowa Finance Authority Health Facilities Development Revenue Refunding Bonds for the Care Initiatives Project, in order to refund bonds issued in 1998. She stated that because this is a refunding without an extension of maturity, a public hearing is not needed, and IFA can approve the inducement resolution and the authorizing resolution together.

**MOTION:** Ms. Randleman made a motion to adopt the resolution approving an application and authorizing the issuance of not to exceed \$18,815,000 of Iowa Finance Authority Health Facilities Development Revenue Refunding Notes (Care Initiatives Project), for the purpose of making a loan to assist the borrower in refunding existing bonds of the Authority; authorizing the execution and delivery of certain financing documents pertaining to the refunding; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; and related matters. On a second by Mr. Magalhães, the Board unanimously approved Resolution ED 13-03A.

#### **Resolution ED 07-08B-1, Wahkonsa Manor Apartments Project**

Ms. Beary introduced the resolution amending the Subordinate Multifamily Housing Revenue Note and Loan Agreement for the Wahkonsa Manor Apartments Project in Fort Dodge. She said IFA issued \$6,500,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for the project in 2007, a portion of which was issued as subordinate debt. Ms. Beary stated that the borrower is refinancing the project and the lender has agreed to leave the subordinate bonds outstanding. She noted that this amendment allows for the Note and the Subordinate Loan Agreements to be amended, making the necessary changes.

**MOTION:** Ms. Randleman made a motion to approve the resolution amending the Subordinate Multifamily Housing Revenue Note, Series 2007B (Wahkonsa Manor Apartments Project), previously issued by the Iowa Finance Authority, and the Subordinate Loan Agreement and other documents relating thereto. On a second by Mr. Peterson, the Board voted unanimously to approve Resolution ED 07-08B-1.

#### **Resolution ED 07-23B-1, ECIA Project**

Ms. Beary introduced the resolution amending the Economic Development Revenue Note for the ECIA (East Central Intergovernmental Association) Project in Dubuque. She reported that because the borrower and the lender have agreed to reduce the interest rate on the Note, this amendment allows the Note to be amended to reflect that change.

**MOTION:** Mr. Greenspon made a motion to approve the resolution amending the Economic Development Revenue Note (ECIA Project), Series 2007, previously issued by the Iowa Finance Authority, and the other documents relating thereto. On a second by Mr. Magalhães, the Board unanimously approved Resolution ED 07-23B-1.

**Resolution ED 10-20B-4 and ED 12-09B-1, CCRR Project**

Ms. Beary introduced the resolution to amend the documents related to bonds issued in 2012 for the CCRR Project. She explained that the original borrower, R&R Realty, plans to assign all rights under the Loan Agreement to the Dice Building, LLC, who will assume the obligations of the original borrower under the bond documents. Ms. Beary noted that this amendment allows IFA to enter into an Assignment, Assumption and Omnibus Amendment Agreement to amend the Loan Agreement, Indenture and any other documents necessary to allow for the transaction.

**MOTION:** Mr. Peterson made a motion to approve the resolution authorizing the execution of Assignment, Assumption and Omnibus Agreement amending the Indenture of Trust and the Loan Agreement relating to IFA’s \$1,000,000 Midwestern Disaster Area Revenue Bonds (CCRR Project), 2012 Series H. On a second by Ms. Randleman, the Board unanimously approved Resolution ED 10-20B-4 and ED 12-09B-1.

Ms. Beary reported that 114 communities in Iowa would be receiving notices at the end of the current week regarding available refinancing to lower interest rates on SRF loans. She said that 114 communities would have a total of 190 loans refinanced for a total savings of \$6.5 million.

**HousingIowa**

**Resolution HI 13-11, State Housing Trust Fund Project-Based Program Awards**

Ms. Rosonke introduced the resolution allocating one award totaling \$50,000 under the State Housing Trust Fund Project-Based Program. She reported that staff recommendation includes a grant of \$50,000 to Iowa Heartland Habitat for Humanity in Waterloo to construct a 1,150-square-foot ranch-style home with three bedrooms and one-bath to be sold to a low-income family.

Ms. Rosonke noted that if the proposed award is approved, awards to date under the FY 2013 funding round will total \$300,000, with \$50,000 remaining available for allocation. She announced that the awards approved by the Board are leveraging an additional \$424,843 in other financing resources, or \$1.42 for every dollar of Project-Based funding. Ms. Rosonke noted that the funding remaining from the current fiscal year will be rolled over to the FY14 budget.

**MOTION:** Mr. Nelson made a motion to approve the resolution awarding a grant under the Project-Based Housing Program to the recipient and in the amount listed on Exhibit A, contingent upon all other funding sources, as identified in the applicant’s project budget, being secured. On a second by Ms. Randleman, the Board unanimously approved Resolution HI 13-11.

**Title Guaranty Division (TGD)**

**Adopted & Filed – Amendments to Chapter 9, Title Guaranty Division**

Ms. Huser introduced the adopted and filed version of the amendments to Chapter 9, Title Guaranty Division. She said that based on comments received during the public comment period, one change had been made from the original filing. Ms. Huser reported that because the language in section 9.7(10) of the original version was contradictory to Iowa Land Title Association (ILTA) language, the seventh line was changed from “certification” to “verification”. She noted that the rules will become effective in July 2013.

**Transfer of Funds from TGD to IFA’s Housing Programs**

Ms. Huser reported that the TGD Board met on June 4, 2013, and approved a transfer of \$791,000 from TGD to IFA’s Housing Programs.

**MOTION:** On a motion by Mr. Peterson and a second by Mr. Nelson, the Board unanimously accepted the transfer of funds.

Ms. Huser announced that TGD's annual Title Settlement Conference would be held on Tuesday, June, 11, 2013. She also explained that the TGD Board would be reviewing legislative proposals at its October Board meeting, but that she would be presenting proposals to the IFA Board prior to that time so the TGD Board could discuss the items in telephonic meetings between now and October.

**Miscellaneous Items**

**Receive Comments from General Public**

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

There being no audience members wishing to address the Board, Chair Baum closed the public comment period.

**Adjournment**

There being no further business, on a motion by Ms. Randleman and a second by Mr. Peterson, the June 5, 2013, regular monthly meeting of the IFA Board of Directors adjourned at 11:36 a.m.

Dated this 10<sup>th</sup> day of July 2013.

Respectfully submitted:



David D. Jamison  
Executive Director/Board Secretary  
Iowa Finance Authority

Approved as to form:



Darlyns Baum, Chair  
Iowa Finance Authority