



**IOWA FINANCE AUTHORITY
TELEPHONIC BOARD MEETING MINUTES**

**Iowa Finance Authority Presentation Room
2015 Grand Avenue
Des Moines, Iowa**

October 10, 2008

Board Members Present

Roger Caudron, Chair
Carmela Brown, Treasurer
Steven Adams
Heather Armstrong

Darlys Baum
Virginia Bordwell
David Erickson
Wilfred Johnson

Staff Members Present

Bret Mills, Executive Director
Joe O'Hern, Director of Housing Iowa
Carla Pope, Director of Affordable Rental
Production
James Smith, Deputy Director/CFO

Mark Thompson, General Counsel
Dave Vaske, Low-Income Housing Tax
Credit (LIHTC) Manager
Nancy Wallis, Administrative Assistant

Call To Order

Chair Caudron called to order the October 10, 2008, special telephonic meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:04 a.m. Roll call was taken and a quorum was established with the following Board members present: Adams, Armstrong, Baum, Bordwell, Brown, Caudron, Erickson and Johnson.

Chair Caudron noted for the minutes that the meeting was being held telephonically because the schedules of the Board members did not allow them to meet together in one place.

**Resolution Approving Second Amended 2009 LIHTC Qualified Allocation Plan,
Adopted and Filed Emergency Re: 265 IAC Ch. 12—Qualified Allocation Plan, and
Notice of Intended Action Re: 265 IAC Ch. 12—Qualified Allocation Plan**

Mr. Mills introduced the agenda item by explaining that the President recently signed into law the Heartland Disaster Tax Relief Act of 2008, providing for an increase of Low-Income Housing Tax Credits for affected counties. He said IFA will receive approximately \$21 million more than normal in calendar years 2008, 2009 and 2010, and that the 2008 credits must be

allocated before December 31, 2008. Mr. Mills reported that IFA's tax credit team put much time and effort into revising the 2009 Qualified Allocation Plan (QAP) in such a way as to allow IFA to allocate all the necessary tax credits so they wouldn't be lost. He asked Ms. Pope and Mr. Vaske to summarize the changes.

Ms. Pope announced that the tax credit team is recommending many changes, especially to streamline the application process for developers and the review process for IFA staff. She said IFA will begin accepting applications in an open round beginning October 31, 2008, and running through October 1, 2009, allowing communication between the developer and IFA staff while staff members are reviewing the application. Ms. Pope noted that a minimum score will be established, thereby eliminating the competitive scoring process. She further explained that the Carryover Agreement will be executed at the same time as the initial tax credit reservation.

Ms. Pope summarized some of the major changes in the QAP: the removal of all set-asides except for the Non-Profit Set-Aside, Rural Development Preservation Set-Aside, and the Reserved Set-Aside; an increase in the developer cap, per project cap, unit cost cap and LIHTC application fee based on the number of units; allowing unfunded projects from 2007 and 2008 round that previously met threshold to apply for credit; and allowing a 30 percent boost in eligible basis for projects in 17 counties that were most affected by the natural disasters.

Following a thorough discussion of the issues, a question-and-answer period, and comments from the public, the Board members suggested that staff consider comments made by developers during the meeting, and make reasonable changes based on those comments before the Board makes a decision.

Motion: Ms. Brown made a motion to defer action until Tuesday, October 14, 2008, when the IFA Board would hold a telephonic Board meeting to consider revisions. On a second by Mr. Johnson, the Board unanimously approved deferring action while staff considers revisions.

Adjournment

There being no further business, on a motion by Mr. Adams and a second by Ms. Bordwell, the October 10, 2008, meeting of the IFA Board of Directors adjourned at 11:48 a.m.

Dated this 12th day of November 2008.

Respectfully submitted:

Approved as to form:

Bret L. Mills
Executive Director
Iowa Finance Authority

Roger J. Caudron, Chair
Iowa Finance Authority