



**IOWA FINANCE AUTHORITY
SPECIAL TELEPHONIC BOARD MEETING MINUTES**

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

February 27, 2009

Board Members Present

Roger Caudron, Chair
Douglas Walter, Vice Chair
Carmela Brown, Treasurer
Steven Adams (via telephone)

Darlys Baum
Virginia Bordwell
David Erickson
Wilfred Johnson

Staff Members Present

Bret Mills, Executive Director/Board
Secretary
Lori Beary, Community Development
Director
Roger Brown, Senior Compliance Analyst
Steve Harvey, Director of Operations/
Comptroller
Julie Noland, Director of Asset
Management & Grants
Joe O'Hern, Deputy Director/Director of
HousingIowa

Lloyd Ogle, Director of Title Guaranty
Division
Carla Pope, Director of Affordable Rental
Production
Terri Rosonke, HousingIowa Development
Specialist
Mark Thompson, General Counsel
Dave Vaske, Low-Income Housing Tax
Credit (LIHTC) Manager
Nancy Wallis, Administrative Assistant

Others Present

Kristi Boyce – Wells Fargo Bank Iowa, NA
Bob Burns – BurnsHousing.com

Kyle Rice – State Treasurer's Office
Lisa Rosenmeyer – Professional Property
Management (PPM)

Call To Order

Chair Caudron called to order the February 27, 2009, special telephonic meeting of the Iowa Finance Authority (IFA) Board of Directors at 10:08 a.m. Roll call was taken and a quorum was established with the following Board members present: Adams, Baum, Bordwell, Brown, Caudron, Erickson and Johnson.

Chair Caudron noted for the minutes that the meeting was being held electronically due to schedules of the Board members, which did not allow them to meet in one location.

Mr. Mills announced that Ms. Brown and Ms. Baum have been appointed by the Governor to serve another term on the IFA Board. He also reported that Standard & Poor's has upgraded IFA's Issuer Credit Rating (ICR) from AA- with a positive outlook to AA with a stable outlook. Mr. Mills then stated that the MacArthur Foundation recently announced an award of \$2.4 million to IFA to preserve affordable housing in rural Iowa. Of that total, \$2 million will be a low-interest loan and \$400,000 will be in the form of a grant.

Mr. Mills also explained that the American Reinvestment & Recovery Act will most likely result in IFA receiving \$110 million to administer for the following purposes: \$78 million for SRF in conjunction with Iowa Department of Natural Resources, \$20 million in HOME funds for struggling LIHTC projects, \$12 million for homelessness prevention, and \$14 million for project-based rental assistance for Section 8.

Mr. Walter joined the meeting at 10:14 a.m.

Legal

Adopted & Filed Emergency Re: LIHTC Compliance Manual, and Notice of Intended Action Re: LIHTC Compliance Manual

Mr. Thompson introduced the Adopted and Filed Emergency version of the LIHTC Compliance Manual and the Notice of Intended Action. He said that approving the compliance manual in this way allows it to become effective immediately, but still go through the public comment period. Mr. Thompson explained that most of the changes listed on the summary in the Board packet reflect requirements of the Housing and Economic Recovery Act of 2008.

Mr. Brown noted that the Internal Revenue Service will likely issue an updated guide in the future, which will require the Board to consider a revision to the manual later in the year.

Chair Caudron asked if several developers were experiencing problems of compatibility with the reporting software. Mr. Brown acknowledged that he has heard from some who are having compatibility issues. Mr. Mills asked Mr. Harvey to check into the issue and attempt to resolve it soon.

Motion: On a motion by Mr. Johnson and a second by Ms. Bordwell, the Board unanimously approved the Adopted and Filed Emergency rulemaking and the Notice of Intended Action adopting the revised LIHTC Compliance Manual.

Notice of Intended Action – 265 IAC Ch. 9.7(16): TG Title Plant Waiver

Mr. Ogle noted that the IFA Board recently adopted rules regarding waivers of the 40-year title plant. He said there was some opposition to the definition of the term "title plant" that was included in that waiver rule. Because other TG documents also contain a current definition of "title plant", Mr. Ogle said the TG Board has recommended that the IFA Board strike the definition and notice the revised rules.

Ms. Bordwell stated that she would abstain from discussing and voting on the issue because she is a member of the Iowa Land Title Association Board. She said she would submit a letter stating her conflict of interest. (See attached letter).

Motion: Mr. Walter made a motion to approve the Notice of Intended Action for 265 IAC Ch. 9.7(16): TG Title Plant Waiver. On a second by Mr. Adams, a vote was taken with the following results: **YES:** Adams, Baum, Brown, Caudron Erickson, Johnson and Walter; **No:** None; **ABSTAIN:** Bordwell. The Board approved the Notice of Intended Action on a majority vote.

Adopted & Filed Re: Chapter 30, Qualified Midwestern Disaster Area Bond Allocation

Mr. Thompson introduced the Adopted and Filed version of Chapter 30 of the Iowa Administrative Code. He explained that the Board approved the Adopted and Filed Emergency version of the rules as well as the Notice of Intended Action on December 17, 2009, and that the Notice of Intended Action was published in the Iowa Administrative Bulletin on January 14, 2009. Mr. Thompson said the rules are designed to allow the program to operate in a manner similar to the Private Activity Bond Cap program. He noted that IFA received no public comments regarding the rules.

Motion: On a motion by Ms. Brown and a second by Mr. Johnson, the Board unanimously approved the Adopted and Filed version of Chapter 30, Qualified Midwestern Disaster Area Bond Allocation.

Adopted & Filed Re: Chapter 31, Council on Homelessness

Mr. Thompson explained that on December 17, 2008, the IFA Board approved the Adopted and Filed Emergency version of the new Chapter 31 as well as the Notice of Intended Action. He said IFA has received no public comments on the rules.

In answer to questions from Board members, Mr. Mills reported that before this new chapter took effect, all recommendations of the Council on Homelessness were sent directly to the Governor, but now the recommendations will come through IFA and the IFA Board.

Motion: On a motion by Mr. Walter and a second by Ms. Baum, the Board unanimously approved the Adopted and Filed Version of Chapter 31, Council on Homelessness.

Affordable Rental Production

Resolution – 2009 Disaster Relief Low-Income Housing Tax Credit (LIHTC) Awards

Mr. Vaske introduced the resolution and summarized details of the three projects recommended for awards totaling \$5,119,712, as stated on Exhibit A of the resolution.

Motion: On a motion by Mr. Johnson and a second by Mr. Adams, the Board unanimously approved the resolution awarding tax credit allocations to the recipients and in the amounts listed on Exhibit A of the resolution.

Resolution – State Housing Trust Fund (SHTF) Project-Based Housing Program Awards

Ms. Rosonke announced that staff is recommending a grant of \$50,000 to Hope Haven, Inc. to assist in the acquisition of an existing ranch-style single-family home in Orange City to provide affordable rental housing to four tenants with disabilities.

Motion: Ms. Brown made a motion to approve the resolution awarding a grant of \$50,000 under the SHTF Project-Based Housing Program to the recipient listed on Exhibit A of the resolution. On a second by Mr. Johnson, the Board unanimously approved the resolution.

Renewal of 28E Agreement with ISU Extension for State Housing Trust Fund

Mr. Mills explained some details about the work ISU Extension, specifically Mr. Frank Owens, has done to help develop Local Housing Trust Funds. He noted that the previous 28E Agreement has expired, but because the budget has not been finalized, he said he would like the Board to table the item until the March Board meeting.

The Board took no action on the 28E Agreement with ISU Extension.

Adjournment

There being no further business, on a motion by Mr. Walter and a second by Mr. Adams, the February 27, 2009, special telephonic meeting of the IFA Board of Directors adjourned at 10:51 a.m.

Dated this 11th day of March 2009.

Respectfully submitted:

Approved as to form:

Bret L. Mills
Executive Director
Iowa Finance Authority

Roger J. Caudron, Chair
Iowa Finance Authority

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