



**BOARD MEETING MINUTES**

**Iowa Finance Authority  
Des Moines, Iowa  
October 2, 2019**

**Board Members Present**

Ashley Aust  
Lyle Borg  
Representative Gaskill  
Ruth Randleman  
Michael Van Milligen

Darlys Baum  
John Eisenman  
Michel Nelson  
Gilbert Thomas

**Board Members Absent**

Jane Bell  
Amy Reasner

**Staff Members Present**

Debi Durham, Executive Director  
Jess Flaherty, Executive Officer  
Lori Beary, Community Development Director  
Rita Eble, HOME Program Analyst  
Derek Folden, MultiFamily Underwriter  
Kristin Hanks-Bents, Legislative Liaison/Counsel  
Steve Harvey, Accounting Director  
Nicki Howell, IFA Office Assistant  
Ashley Jared, Communications Director  
Josh Kasibbo, Accounting Manager

Elizabeth Krugler, Assistant Communications  
Director  
Tim Morlan, MultiFamily Underwriter  
Jennifer Pulford, Loan Servicing Specialist  
Brian Sullivan, Chief Programs Officer  
Dave Vaske, LIHTC Manager

**Others Present**

Ron Robinson, LSA  
Ranee McLaughlin, TOS  
Torey Stallsmith, Eide Bailly  
Holly Englehart, Eide Bailly

James Smith, Dorsey & Whitney  
Dan Garrett, WNC/IHP  
Jessica Flannery, House Democrats  
Chris Gruenhager, IFBF

### **Call to Order**

Chair Nelson called to order the October 2, 2019 meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:00 a.m. Roll call was taken, and a quorum was established. The following Board members were present: Aust, Baum, Borg, Eisenman, Gaskill, Nelson, Randleman, Thomas, and Van Milligen.

### **Consent Agenda**

Chair Nelson introduced the consent agenda and asked if anyone wanted to request items be removed.

**MOTION:** Ms. Randleman made a motion to approve the items on the consent agenda, which included the following:

Approval of Minutes of the September 4, 2019, IFA Board Meeting  
Approval of Minutes of the September 16, 2019, IFA Board Telephonic Meeting  
AG 19-057B, Adam Jay and Cydney Jo Jones  
AG 19-058B, Andrew R. and Courtney L. Scott Krogman  
AG 19-059B, Andrew D. Eichelberger  
AG 19-060-IB, Adam M. Goedken  
AG 19-061-IB, Ryan M. Goedken  
04782M, Thad S. and Amy M. Bosma  
AG-TC 19-09, Beginning Farmer Tax Credit Program  
PAB 19-08A, HF Chlor-Alkali Project  
PAB 19-09A, Stonehill Franciscan Services Project  
WQ 19-15, SRF Construction Loans  
WQ 19-16, Loan for INHF: Bartels Property, Dickinson County  
WQ 19-17, Loan for INHF: Briese Property, Woodbury County  
WQ 19-18, Loan for INHF: Grossman Property, Warren County  
WQ 19-19, Loan for INHF: Horbach Property, Warren County  
WQ 19-20, Loan for INHF: Longnecker, Story County

On a second by Ms. Aust, the Board unanimously approved the items on the consent agenda.

### **Notice of Intended Action Chapter 44: Beginning Farmer Tax Credit Program**

Ms. Hanks-Bents presented the draft rules. She stated that the rules were being established to fulfill 2019 Iowa Acts, HF768. The rules create the tax credit program by describing the eligibility requirements, the application, the process for application review, the requirements of an agricultural lease agreement, and the procedure for calculating tax credit awards. The rule making also updates outdated statutory references and amends the beginning farmer loan program eligibility criteria and related definitions to clarify the differences between the beginning farmer loan program and the beginning farmer tax credit program.

**MOTION:** On a motion by Mr. Eisenman and a second by Mr. Thomas, the Board unanimously approved the Notice of Intended Action to amend Chapter 44.

### **August Financial Statement**

Mr. Harvey presented highlights of the August 2019 financial statement that was included in the board packet.

**MOTION:** On a motion by Mr. Thomas and a second by Mr. Eisenman, the board unanimously accepted the August 2019 Financial Statement.

### **Presentation of FY19 Financial Audit**

Ms. Englehart stated that they have audited the financial statement of the business-type activities and each major fund of Iowa Finance Authority. All opinions issued are considered unmodified or clean opinions,

indicating that the financial statements fairly represent the financial position and the operations of the Authority for the year ending June 30, 2019.

Ms. Englehart stated they found no material weaknesses identified and no material noncompliance in the financial statement audit. Ms. Englehart expressed appreciation to the IFA staff for their cooperation during the audit.

**MOTION:** On a motion by Mr. Thomas and a second by Mr. Eisenman, the board unanimously accepted the FY19 Financial Audit.

**FIN 19-11, Reimbursement Resolution for the Single Family Program**

Ms. Harris requested the Board approve the proposed resolution authorizing the use of up to \$150 million of tax-exempt bond proceeds to reimburse the Authority for purchases of mortgage-backed securities (“MBS”). She stated the purpose of the resolution is to allow the Authority to reimburse itself for MBS purchases temporarily financed by the Restricted Housing Fund (1991 Indenture), the Security Fund (2009 Indenture) or other sources of Authority Funds.

**MOTION:** On a motion by Ms. Randleman and a second by Mr. Thomas, the Board unanimously approved FIN 19-11.

**FIN 19-12 and FIN 19-13, Loan Forgiveness:  
River City Apartments and Woodbury Park Apartments**

Mr. Folden stated that staff recommends forgiving the HOME loans in full since the projects have met their affordability end dates and have no cash flow to support loan payments.

**MOTION:** On a motion by Mr. Thomas and a second by Ms. Aust, the Board unanimously approved FIN 19-12 and FIN 19-13.

**FIN 19-14, Main Street Loan: Israel Moore Building**

Mr. Folden stated that staff recommends providing the project with a Main Street Loan to acquire the building and provide funds for a partial rehabilitation. The loan will be a combined construction and permanent loan with a construction period of up to 12 months and a permanent loan of 20 years fully amortized. IFA will have a first lien position on the property.

**MOTION:** On a motion by Mr. Thomas, and a second by Ms. Aust, the Board unanimously approved FIN 19-14.

**FIN 19-15, MultiFamily Loan: Latitude Lofts**

Mr. Morlan stated that staff recommends providing the project with a 1<sup>st</sup> mortgage permanent loan that will be funded with IFA sources. The loan will not be funded until the project has stabilized with a 92% occupancy and 1.15 to 1.00 debt service coverage for an average of three months. Replacement and operating reserves will be held at IFA.

**MOTION:** On a motion by Mr. Eisenman and a second by Ms. Randleman, the Board unanimously approved FIN 19-15.

**HI 19-18, SHTF Project-Based Housing Program Award**

Mr. Sullivan stated that staff recommends funding the Habitat for Humanity of Central Iowa request of \$50,000 to help construct a single-family home on an infill lot in Ames.

**MOTION:** On a motion by Ms. Randleman and a second by Mr. Eisenman, the Board unanimously approved HI 19-18.

**PAB 19-06B, Lifespace Communities Project**

Ms. Beary stated that this is a resolution authorizing the issuance of an amount not to exceed \$70,000,000 of Iowa Finance Authority Revenue Bonds for Lifespace Communities Project. The bonds will be used to construct senior living communities in Bloomington, Minnesota and Oak Trace, Illinois. Lifespace Communities is a 501 c(3) private non-profit corporation. The inducement resolution was adopted at the September Board meeting. Ms. Beary requested Board action on PAB 19-06B.

**MOTION:** On a motion by Mr. Thomas and a second by Ms. Aust, the Board unanimously approved PAB 19-06B.

**Executive Directors Report**

Director Durham provided the Board an update on the relocation project stating that the move will occur on December 6<sup>th</sup>. She also reported that IFA's legislative priorities had been submitted to the Governor's Office for review and will be communicated once approved.

**Miscellaneous**

**Receive Comments from General Public**

Chair Nelson 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 Nelson closed the public comment period.

**Adjournment**

On a motion by Mr. Eisenman and a second by Ms. Randleman, the October 2, 2019, meeting of the IFA Board of Directors adjourned at 12:29 p.m.

Dated this 6th day of November, 2019

Respectfully submitted:



Deborah Durham  
Executive Director

Approved as to form:



Michel Nelson, Chair  
Iowa Finance Authority