



**BOARD MEETING MINUTES**

**Iowa Finance Authority  
Des Moines, Iowa  
April 1, 2020**

**Board Members Present**

Ashley Aust  
Darlys Baum  
Lyle Borg  
Michel Nelson  
Amy Reasner  
Michael Van Milligen

Jane Bell  
John Eisenman  
Ruth Randleman  
Gilbert Thomas  
Randi McLaughlin

**Board Members Absent**

None

**Staff Members Present**

Debi Durham, Executive Director  
Lori Beary, Chief Bond Programs Director  
Derek Folden, Multifamily Underwriter  
Steve Harvey, Accounting Director  
Cindy Harris, Chief Financial Officer  
Brad Benson, Financial and Investment Manager  
Rob Christensen, Chief Information Officer  
Rick Peterson, Chief Operations & Cultural Officer

Nicki Howell, IFA Office Assistant  
Kristin Hanks-Bents, Legislative Liaison/Counsel  
Ashley Jared, Communications Director  
Tim Morlan, Multifamily Underwriter  
Brian Sullivan, Chief Programs Officer  
Dave Vaske, LIHTC Manager  
Mark Fairley, Finance & Investment Manager  
Terri Rosonke, Housing Programs Manager

**Others Present**

David Grossklaus, Dorsey & Whitney

James Smith, Dorsey & Whitney

**Call to Order**

Chair Nelson called to order the April 1, 2020 meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:02 a.m. Roll call was taken, and a quorum was established. The following Board members were present: Aust, Baum, Borg, Eisenman, Nelson, Randleman, Reasner, Thomas, and Van Milligen. The following Board members were absent: Jane Bell.

Jane Bell joined the meeting at 11:03 a.m.

**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.

**Consent Agenda**

Chair Nelson introduced the consent agenda and asked if anyone wanted to request items be removed. No items were removed.

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

- March 4, 2020 IFA Board Meeting Minutes
- AG 20-010 Brian R. and Lauren England
- AG 20-011 Robbie M. and Angela M. Bissen
- AG 20-012 Parker K. and Holly M. Merrit
- AG 20-013 Elyssa and Ethan Smidt McFarland
- AG 20-014 Lucas and Nicole Plendl
- 04455 Kyle S. and Ellen M. Chesnut, Boone
- 04583 Nathan I. and Tamara L. Gebel, Lansing
- AF-TC #20-02, Beginning Farmer Tax Credit Program
- PAB 20-01A, New Kahl Project
- WQ 20-05, SRF Planning and Design Loans
- WQ 20-06, SRF Construction Loans

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

**Administration**

**February Financial Statement**

Mr. Harvey presented highlights of the February 2020 financial statement that was included in the board packet.

**MOTION:** On a motion by Mr. Thomas and a second by Ms. Randleman, the board unanimously accepted the February 2020 Financial Statement.

**FIN 20-07 Single Family Reimbursement Resolution**

Ms. Harris stated that this resolution would allow the Authority to reimburse itself for mortgage backed securities (MBS) purchases temporarily financed by the Restricted Housing Fund, the Security Fund or other resources of Authority funds. This resolution would allow the Authority to use internal funds to purchase the MBS and reimburse the Funds with proceeds from a future tax-exempt bond issue. Staff

recommends approving the proposed Resolution authorizing the use of up to \$200 million of tax-exempt bond proceeds to reimburse the Authority for purchased of MBS. Ms. Harris requested board action on FIN 20-07.

**MOTION:** Mr. Eisenman made a motion to approve FIN 20-07. On a second by Mr. Van Milligen, a roll call vote was taken with the following results: **YES:** Aust, Baum, Bell, Borg, Eisenman, Nelson, Randleman, Reasner, Thomas, and Van Milligen; **NO:** none; **Abstain:** none. The motion passed.

#### **FIN 20-08, Single Family Mortgage Bonds – Authorizing Resolution**

Ms. Harris stated that this resolution authorizes the issuance of single-family bonds in a total amount not to exceed \$155 million. This would allow for a bond issuance to fund new mortgage-backed securities (MBS) and allow for issuing bonds to refund existing single-family mortgage bonds. This resolution would allow the Authority options to issue new bonds to refund and restructure all or a portion of the \$154.7 million of single-family variable rate demand bonds, if needed. Ms. Harris requested board action on FIN 20-08.

**MOTION:** Mr. Thomas made a motion to approve FIN 20-08. On a second by Ms. Reasner, a roll call vote was taken with the following results: **YES:** Aust, Baum, Bell, Borg, Eisenman, Nelson, Randleman, Reasner, Thomas, and Van Milligen; **NO:** none; **Abstain:** none. The motion passed.

#### **FIN 20-09, Single Family Line of Credit**

Ms. Harris stated that this resolution authorizes the Authority to enter into a Line of Credit Agreement not to exceed \$75 million for the short-term funding of single-family loans and mortgage backed securities (MBS). Entering into a short-term line of credit or warehousing facility will provide the Authority with another option if the Authority needs additional liquidity during this time of uncertainty and unstable markets. Ms. Harris requested board action on FIN 20-09.

**MOTION:** A roll call vote was taken with the following results: **YES:** Aust, Baum, Bell, Borg, Eisenman, Nelson, Randleman, Reasner, Thomas, and Van Milligen; **NO:** none; **Abstain:** none. The motion to approve FIN 20-09 passed.

#### **FIN 20-10, Multi-Family Housing Bonds and Line of Credit**

Ms. Harris stated that this resolution authorizes the Authority to issue multifamily housing bonds and enter into a credit agreement in a total amount not to exceed \$25 million. This resolution would provide the Authority options to issue new bonds to refund and restructure all, or a portion of, the \$25 million of multifamily variable rate demand bonds, if needed. Ms. Harris stated that this resolution would also provide the Authority the option to enter into a line of credit with a financial institution or governmental entity depending on market conditions and needs of the Authority, at the time. Ms. Harris requested board action on FIN 20-10.

**MOTION:** Mr. Eisenman made a motion to approve FIN 20-10. On a second by Ms. Bell, a roll call vote was taken with the following results: **YES:** Aust, Baum, Bell, Borg, Eisenman, Nelson, Randleman, Reasner, Thomas, and Van Milligen; **NO:** none; **Abstain:** none. The motion passed.

#### **FIN 20-11, SRF Amendment to Master Trust Agreement**

Ms. Harris stated that this resolution authorizes an amendment to the Master Trust Agreement (MTA) to provide clarification and remove an ambiguity related to allowable investments in the Equity Fund. The

general rule for MTA investments is that such investments must be in Qualified Investments, as defined in the MTA. However, with respect to the funds held in the Equity Fund of the MTA, that section permits a broader range of investments. Ms. Harris stated that this amendment would remove the ambiguity and provide clarification that the more flexible Equity Fund language controls the investments within the MTA instead of the general MTA provision. Ms. Harris requested board action on FIN 20-11.

**MOTION:** Ms. Baum made a motion to approve FIN 20-11. On a second by Ms. Randleman, a roll call vote was taken with the following results: **YES:** Aust, Baum, Bell, Borg, Eisenman, Nelson, Randleman, Reasner, Thomas, and Van Milligen; **NO:** none; **Abstain:** none. The motion passed.

Ms. Harris presented the board with a current financial market update. Ms. Harris and the board had a lengthy discussion regarding the municipal market, single family mortgage backed securities and variable rate demand obligations. Ms. Harris will continue to update the board with changes regarding the financial market and the Authority's risks and resources.

**Private Activity Bonds**  
**PAB 11-30B-1, Enseva-Hiawatha Project**

Ms. Beary stated that this is an amending resolution for \$8,500,000 of Iowa Finance Authority Midwestern Area Bonds that were issued for the Enseva-Hiawatha Project. The bonds were used to construct a data storage facility and office space purchased by GNB Bank. This resolution amends the interest rate setting mechanism for the Series 2012A bonds. Ms. Beary requested Board action on PAB 11-30B-1.

**MOTION:** Mr. Eisenman made a motion to approve PAB 11-30B-1. On a second by Ms. Bell, a roll call vote was taken with the following results: **YES:** Aust, Baum, Bell, Borg, Eisenman, Nelson, Randleman, Reasner, Thomas, and Van Milligen; **NO:** none; **Abstain:** none. The motion passed.

**PAB 17-18B-1, Hotel Maytag Project**

Ms. Beary stated that this amending resolution for \$10,500,000 of Iowa Finance Authority Multifamily Housing Revenue bonds that were issued for the Hotel Maytag Project in Newton. The bonds were used to pay for the acquisition and rehabilitation of a historic building into affordable multifamily housing and the bonds were purchased by Horizon Bank. This resolution allows for the extension of the maturity and deferral of interest until the maturity date. Ms. Beary requested Board action on PAB 17-18B-1.

**MOTION:** Mr. Thomas made a motion to approve PAB 17-18B-1. On a second by Ms. Reasner, a roll call vote was taken with the following results: **YES:** Aust, Baum, Bell, Borg, Eisenman, Nelson, Randleman, Reasner, Thomas, and Van Milligen; **NO:** none; **Abstain:** none. The motion passed.

**Executive Directors Report**

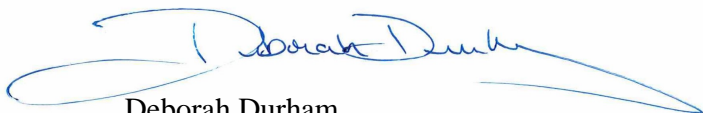
Director Durham gave the board an update regarding staffing within the building during the current COVID-19 situation. IFA and IEDA staff have been gradually moving towards working remotely and the remaining staff working within the office are taking all necessary precautions and social distancing measures. The building has also been closed to unnecessary outside visitors. Director Durham stated that IFA is looking into each program and determining how to provide as much relief as possible, in a short period of time, while staying in coordination with the federal government. Director Durham gave a report on Iowa Economic Development Authority's Targeted Small Business Sole Operator Grant and the Small Business Relief Grant and Tax Deferral that was done in partnership with the Department of Revenue. Director Durham also shared the two new websites that have been created to help Iowan's during this uncertain time. [www.iowabusinessrecovery.com](http://www.iowabusinessrecovery.com) and [www.iowahousingrecovery.com](http://www.iowahousingrecovery.com).

**Adjournment**

On a motion by Mr. Thomas and a second by Mr. Eisenman, the April 1, 2020 meeting of the IFA Board of Directors adjourned at 12:06 p.m.

Dated this 6<sup>th</sup> day of May 2020.

Respectfully submitted:



Deborah Durham  
Executive Director

Approved as to form:



Michel Nelson, Chair  
Iowa Finance Authority