

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

June 22, 2020

11:00 a.m.

****Conference Call Number: 515-348-6300
Conference ID: 131 866 732#**

I. Miscellaneous

- Receive Comments from General Public – 5 min/person: 30 minutes total time

II. Private Activity Bond Program

- PAB 14-09B-4, Fort Des Moines Apartments Project

Lori Beary

III. Adjournment – Next meeting is July 8, 2020

Items on the consent agenda may be removed from the consent agenda for separate consideration at the request of any Board member. Agenda items may be taken out of order at the discretion of the Board Chair.

***This Board meeting will be held telephonically. Members of the public who wish to attend the meeting may do so by calling in to the Conference Line shown above.*

To: IFA Board of Directors
From: Lori Beary, Chief Community Development Officer
Date: 6/15/20
Re: Special Board meeting

Private Activity Bond Program

PAB #14-09 Fort Des Moines Apartments Project

This is an amending resolution regarding Iowa Finance Authority Multifamily Housing Revenue Bonds that were issued in 2017 for the Fort Des Moines Apartments Project. IFA issued bonds in 2017 in two series to finance the renovation of the old Fort Des Moines into 142 units of affordable multifamily housing. The Borrower has requested changes to the Series B bonds that include an extension of the maturity date, an increase in the interest rate to 5%, and to provide for mandatory prepayments.

- **Resolution PAB 14-09B-4**

AMENDING RESOLUTION
PAB 14-09B-4

Resolution Amending Resolution Nos. ED 14-09B, ED 14-09B-1, PAB 14-09B-2 and PAB 14-09-3 Regarding Not to Exceed \$35,000,000 Iowa Finance Authority Multifamily Housing Revenue Bonds or Notes (Fort Des Moines Apartments Project) to Authorize the Execution and Delivery of certain amendments to agreements relating to the Bonds.

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa, duly organized and existing under and by virtue of the Constitution and the laws of the State of Iowa, (the "Authority") is authorized and empowered by Chapter 16 of the Code of Iowa (the "Act") to issue revenue bonds to be used to pay the cost of defraying the cost of acquiring, constructing, improving and equipping certain projects described in the Act, including any project for which tax exempt financing is authorized by the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Authority has previously issued its (a) \$9,680,000 Multifamily Housing Revenue Bond (Fort Des Moines Apartments Project), Series 2017A (the "Series 2017A Bond") and loaned the proceeds thereof to FDM Development Partnership, LLLP (the "Borrower") pursuant to a Loan Agreement dated as of June 1, 2017 (the "Series 2017A Loan Agreement") between the Authority and the Borrower, and (b) \$19,035,000 Multifamily Housing Revenue Bond (Fort Des Moines Apartments Project), Series 2017B (the "Series 2017B Bond" and, together with the Series 2017A Bond, the "Bonds") and loaned the proceeds thereof to the Borrower pursuant to a Loan Agreement dated as of June 1, 2017 (the "Series 2017B Loan Agreement" and, together with the Series 2017A Loan Agreement, the "Loan Agreements") between the Authority and the Borrower for the purposes of financing the costs of renovating and equipping the 142 unit multifamily rental housing facility located at 6700 Chaffee Road, Des, Moines Iowa (the "Project") and paying for costs associated with the issuance of the Bonds; and

WHEREAS, the Borrower arranged for (a) the sale of the Series 2017A Bond to University of Iowa Community Credit Union (the "Series 2017A Lender"), and (b) the sale of the Series 2017B Bond to TCF Investments Management, Inc. (the "Series 2017B Lender"); and

WHEREAS, the Authority (a) assigned its rights under the Series 2017A Loan Agreement (except certain reserved rights) to the Series 2017A Lender pursuant to an Assignment and Pledge Agreement dated as of June 1, 2017 (the "Series 2017A Pledge Agreement") between the Authority and the Series 2017A Lender, and (b) assigned its rights under the Series 2017B Loan Agreement (except certain reserved rights) to the Series 2017B Lender pursuant to an Assignment and Pledge Agreement dated as of June 1, 2017 (the "Series 2017B Pledge Agreement") between the Authority and the Series 2017B Lender; and

WHEREAS, the Borrower and the Series 2017B Lender have requested that the Authority approve the extension of the maturity date of the Series 2017B Bond, increasing the interest rate on the Series 2017B Bond to 5.00% per annum, and providing for mandatory prepayments of the

Series 2017B Bond (collectively, the “Series 2017B Bond Amendments”), that the Authority provide a replacement Series 2017B Bond with the Series 2017B Bond Amendments, and approve amendments to the Series 2017B Loan Agreement or Series 2017B Pledge Agreement as may be necessary or desirable in connection with the Series 2017B Bond Amendments;

NOW THEREFORE, Be It Resolved by the Board of the Authority, as follows:

1. The Series 2017B Bond Amendments are hereby authorized and approved, and the replacement Series 2017B Bond reflecting the Series 2017B Bond Amendments is hereby authorized and approved in substantially the form submitted to the Board, with such variations therein as may be made at the time of execution thereof as approved by the Executive Director and counsel to the Authority, and the Chairperson and Secretary are hereby authorized and directed to execute, seal and deliver the replacement Series 2017B Bond in the name and on behalf of the Authority in substantially the form as has been submitted to and considered by the Board with such changes therein as determined to be necessary or desirable by bond counsel and counsel to the Authority.

2. The Executive Director, the Chief Financial Officer, the Chief Operating Officer and the Community Development Director (each, an “Authorized Officer”), individually or collectively, are hereby authorized to execute and deliver any and all agreements, instruments and documents related to the Series 2017B Bond Amendments as deemed required by bond counsel and acceptable to counsel to the Authority and to take such further actions as may be necessary to effectuate the intent and purpose of this Resolution.

3. The Bonds shall remain special, limited obligations of the Authority, payable solely from the proceeds of the Bonds, the revenues pledged to the payment thereof pursuant to the Loan Agreements. The Bonds, the interest thereon and any other payments or costs incident thereto do not constitute an indebtedness or a loan of the credit of the Authority, the State of Iowa or any political subdivision thereof within the meaning of any constitutional or statutory provisions. The Authority does not pledge its faith or credit nor the faith or credit of the State of Iowa nor any political subdivision of the State of Iowa to the payment of the principal of, the interest on or any other payments or costs incident to the Bonds. The issuance of the Bonds and the execution of any documents in relation thereto do not directly, indirectly or contingently obligate the State of Iowa or any political subdivision of the State of Iowa to apply money from or levy or pledge any form of taxation whatever to the payment of the principal of or interest on the Bonds or any other payments or costs incident thereto. The Authority has no taxing power.

4. The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Passed and approved this 22nd day of June, 2020.

ATTEST:

Michel Nelson, Board Chairperson

(SEAL)

Deborah Durham, Secretary