



BOARD MEETING MINUTES

**Iowa Finance Authority
Des Moines, Iowa
May 5, 2021**

Board Members Present

Ashley Aust
Tracey Ball
Lyle Borg
Jennifer Cooper
John Eisenman
Michel Nelson

Ruth Randleman
Amy Reasner
Gilbert Thomas
Michael Van Milligen
Randi McLaughlin
Kenan Judge

Board Members Absent

None

Staff Members Present

Debi Durham, Executive Director
Aaron Smith, Chief Bond Programs Officer
Alyson Fleming, Section 8 Team Leader
Cindy Harris, Chief Financial Officer
Rob Christensen, Chief Information Officer
Steve Harvey, Accounting Director
Terri Rosonke, Housing Programs Manager
Jamie Giusti, Housing Program Specialist
Joshua Kasibbo, Accounting Manager
Stephanie Willis, Accounting Manager
Becky Wu, Accounting Manager
Candice Lamb, Staff Accountant
Derek Folden, Underwriter
Karen Klinkefus, Accounting Manager
Mark Fairley, Finance and Investment Manager
Rita Grimm, Chief Legal Counsel
Michelle Thomas, Accounting Manager
Elizabeth Christenson, Assistant Communications
Manager

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
Brad Benson, Financial Analyst
Jennifer Pulford, Accounting Manager
Bethany Coop, Human Resources Assistant
Katie Kulisky, LIHTC Analyst
Stacy Cunningham, LIHTC Analyst
Rita Eble, HOME Program Analyst
David Morrison, ITG Accounting Manager
Nancy Peterson, LIHTC Analyst
Megan Andrew, Legal Project Manager
Staci Hupp Ballard, Chief Strategic
Communications Officer
Rick Peterson, Chief Operations & Cultural
Officer

Others Present

David Grossklaus, Dorsey & Whitney
Holly Engelhart, Eide Bailly

James Smith, Dorsey & Whitney

Board Chair
Welcome and Roll Call

Chair Nelson called to order the May 5, 2021 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, Ball, Borg, Cooper, Eisenman, Nelson, Randleman, Reasner, Thomas, and Van Milligen. The following Board members were absent: None.

New board members, Jennifer Cooper, Tracey Ball, and Kenan Judge introduced themselves. Jennifer Cooper has worked for Bankers Trust for 17 years, has previous experience in commercial real estate and with LIHTC projects. Jennifer is also a member of the Iowa Economic Development Authority (IEDA) board. Tracey Ball is the CFO of Ruan Companies. Representative Kenan Judge is a new ex-officio board member and was previously on the IEDA board.

Public Comment Period
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.

Approval of April 7, 2021 Meeting Minutes

MOTION: On a motion by Ms. Aust and a second by Ms. Randleman, the Board unanimously approved the April 7, 2021 IFA Board Meeting minutes.

Consent Agenda

Chair Nelson introduced the consent agenda and removed items A. AG 17-089B due to board member conflicts.

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

IADD – Authorizing Resolutions

- B. AG 21-017B, Brady and Taylor L. Otis
- C. AG 21-018B, Craig Cole
- D. AG 21-019B, Landon John and Johanna Karen Ludwig
- E. AG 21-020B, Christopher Michael and Emily Jean Ludwig
- F. AG 21-021B, Samuel Craig Ludwig
- G. AG 21-022B, Carter A. and Jordan A. Hesseltine
- H. AG 21-023B, Michael Harold and Tiffany Lu Wiele

IADD – Amending Resolutions

- I. 04483M, Timothy M. Langel, Le Mars
- J. 04617M, Bobby J. and Dana L. Gannon, Delmar
- K. AG 17-089M, Patrick I. and Kimberly R. Hoffman, New Hampton

IADD – Loan Participation Program

- L. AG-LP 21-03, Loan Participation Program

IADD – Beginning Farmer Tax Credit Program

- M. AG-TC 21-04, Beginning Farmer Tax Credit Program

Private Activity Bonds

- N. PAB 21-04A, Windsor TWG, LP Project

- O. PAB 21-05A, Riserville Holdings Company Project
State Revolving Fund
- P. WQ 21-05, SRF Planning & Design Loans
- Q. WQ 21-07, SRF Construction Loans

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

MOTION: Mr. Van Milligen made a motion to approve AG 17-089B and AG 17-089M. On a second by Mr. Eisenman, a roll call vote was taken with the following results. **YES:** Aust, Ball, Borg, Cooper, Eisenman, Nelson, Randleman, Thomas, and Van Milligen: **NO:** None: **Abstain:** Reasner. The motion passed.

Finance **March 2021 Financials**

Mr. Harvey presented the highlights of the March 2021 financial statement that was included in the board packet.

MOTION: On a motion by Ms. Reasner and a second by Mr. Van Milligen, the Board unanimously approved the March 2021 Financials.

Presentation of Fiscal Year 2022 Budget

Mr. Harvey presented the highlights of the FY 2022 Budget that was included in the board packet. Chair Nelson, Director Durham, and Mr. Christensen discussed the cost of the new board table and conference room project. Chair Nelson explained the Société Générale investment to the new board members. Ms. Ball and Ms. Harris discussed the selling of bonds during FY22.

MOTION: On a motion by Mr. Eisenman and a second by Mr. Van Milligen, the Board unanimously approved the highlights of the FY 2022 budget.

SRF SWIFIA Presentation

Mr. Smith presented the State Infrastructure Financing Authority WIFIA (SWIFIA) program. The Environmental Protection Agency (EPA) announced funding for the new SWIFIA program in July 2020 and the program is intended to accelerate investment in our nation's water infrastructure by providing long-term, low-cost supplemental loans. Mr. Smith stated that IFA submitted a Letter of Interest and was one of three agencies invited to apply for SWIFIA funding. IFA's SRF staff identified more than \$400 million of upcoming eligible projects and submitted an application package mid-April for a \$227 million SWIFIA loan. Mr. Smith stated that applying for SWIFIA funding carries an application fee of \$100,000 and IFA's participation in the program will provide many benefits to the SRF program. IFA staff, Director Durham, and the board had a lengthy discussion about SWIFIA.

GEN 21-03, Internal Controls

Ms. Harris stated that this resolution replaces GEN 12-01, which required semi-annual reporting to the Board on the Authority's internal controls and its compliance with laws and regulations. The original resolution was approved by the Board in 2012 due to concerns with new staff following policies and internal controls. Staff thinks that it is time to review the resolution now that there is a new Director and new Board members. The new resolution would require annual reporting, which would fall in conjunction with the Authority's annual audit. Ms. Harris requested board action on GEN 21-03.

MOTION: On a motion by Ms. Randleman and a second by Ms. Reasner, the board unanimously approved GEN 21-03, Internal Controls.

GEN 21-04, Delegation of Authority

Ms. Harris stated that this resolution would replace GEN 12-02, which was approved by the board in 2012 to provide clarity regarding the items that the Board should approve and the decisions that the Executive Director could make without Board approval. Staff thinks that it is time to review the resolution now that there is a new Director and new Board members. Staff recommends the proposed modifications to what the Board retains its authority to approve:

1.c) The threshold for approving non-budgeted operating or capital expenditures is being reduced from expenditures exceeding \$100,000 to expenditures exceeding \$50,000.

1.h) Amend new programs undertaken to be undertaken by IFA to be “new programs to be undertaken and funded by IFA.”

3.) Removed the authority of the Executive Director to sub delegate up to 50% of the spending authority listed in 1.c).

MOTION: On a motion by Ms. Aust and a second by Ms. Randleman, the board unanimously approved GEN 21-04, Delegation of Authority.

Mr. Fairley gave the board a finance update regarding an exception to the general investment policy. This exception relates to an addition of a new investment dealer, Mischler Financial Group, that does not meet our minimum capital requirement of \$10 million. However, they do meet the Federal capital adequacy guidelines by the Securities and Exchange Commission (SEC). Mischler Financial Group is a disabled veteran enterprise that does business with other state housing finance agencies. Mr. Fairley stated that they can help IFA by bidding on our mortgage-backed securities, which is a big revenue item for the housing agency. Chair Nelson, Ms. Harris, and Mr. Fairley discussed the risk assessment involved in using an investment dealer that does not meet IFA’s minimum capital requirement.

Housing Programs

HI 21-06, 2022-23 QAP

Mr. Vaske presented the 2022-23 QAP that was provided in the board packet. Mr. Vaske thanked the stakeholders and focus group involved in the Low-Income Housing Tax Credit program. Director Durham complimented Mr. Vaske and staff for the work and improvements they have put into the QAP. Mr. Vaske requested board action on HI 21-06, 2022-23 QAP.

MOTION: Mr. Eisenman made a motion to approve HI 21-06, 2022-23 QAP. On a second by Ms. Randleman, a roll call vote was taken with the following results. **YES:** Ball, Borg, Cooper, Eisenman, Nelson, Randleman, Reasner, Thomas, and Van Milligen: **NO:** None: **Abstain:** Aust. The motion passed.

HI 21-05, HOME PI Awards

Ms. Eble presented the HOME Program Income (PI) awards. Projects receiving HOME PI funds must comply with all applicable state and federal regulations. HOME units are limited to tenants who are at or below 80% of the area median income (AMI). At initial occupancy, 90% of units shall be rented to households with incomes at or below 60% AMI. For projects with five or more HOME-

assisted units, at least 20% of the units shall be rented to households with incomes at or below 50% AMI. Staff is requesting approval of eight HOME rental with LIHTC awards and one NHTF project, for a total award of approximately \$2 million in HOME PI funds.

MOTION: Ms. Randleman made a motion to approve HI 21-05, HOME PI Awards. On a second by Ms. Aust, a roll call vote was taken with the following results. **YES:** Aust, Ball, Borg, Cooper, Eisenman, Nelson, Randleman, Thomas, and Van Milligen: **NO:** None: **Abstain:** Reasner. The motion passed.

Executive Director's Office

Ms. Hanks-Bents gave a legislative update on the Housing Omnibus bill, which has been split into several different pieces of legislation: Senate files 609, 611, and 612. Senate file 609 has the Workforce Housing tax credit and the Brownfield Grayfield piece. Senate file 611 has the Disaster Recovery Housing piece which would be administered by IFA. Senate file 612 is for changing the cap on the real estate transfer for the State Housing Trust fund. All three files have been approved by the Ways and Means Committee and are awaiting debate.

Director Durham stated that increasing the Workforce Housing Tax Credit bill would allow IFA to take care of the backlog of the urban centers and open the current round of funds and shared that the new Iowa Tax Credit program is likely not going to happen this year. Director Durham is inviting legislators and Board members to participate in community tours to see firsthand what IFA does with the funding received, including today's ribbon cutting for Sixth Avenue Flats, which is transitional housing for children that are aging out of foster care. Several building projects at 1963 Bell have been completed and the first-floor conference area is in progress. Staff is currently occupying the building at 50-60% and the plan is to bring all staff back to the office on July 1st. Director Durham gave an update on the Iowa Rent and Utility Assistance and Foreclosure Assistance programs.

Other Business

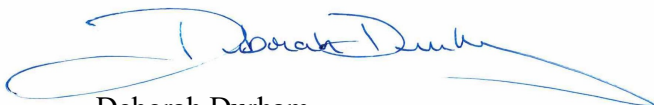
The next meeting of the IFA Board of Directors will be Wednesday, June 2, 2021 at 11:00 a.m.

Adjournment

On a motion by Ms. Aust and a second by Ms. Randleman, the May 5, 2021 meeting of the Iowa Finance Authority Board of Directors adjourned at 12:21 p.m.

Dated this 2nd day of June 2021.

Respectfully submitted:



Deborah Durham,
Executive Director

Approved as to form:



Michel Nelson, Chair
Iowa Finance Authority