



BOARD MEETING MINUTES

**Helmick Conference Room
1963 Bell Ave. Des Moines, IA
June 1, 2022**

Board Members Present

Lyle Borg
John Eisenman
Gilbert Thomas
Karen Austin

Tracey Ball
Jennifer Cooper
Ruth Randleman
Michael Van Milligen

Board Members Absent

Ashley Aust
Michel Nelson
Amy Reasner

Representative Sorensen
Representative Wahls
Representative Klimesh
Representative Judge

Staff Members Present

Debi Durham, Executive Director
Aaron Smith, Chief Bond Programs Officer
Cindy Harris, Chief Financial Officer
Tim Morlan, Underwriter
Terri Rosonke, Housing Programs Manager
Jennifer Pulford, Accounting Director
Jamie Giusti, Housing Program Specialist
Alyson Fleming, Section 8 Director
Katie Kulisky, LIHTC Analyst
Rick Peterson, Chief Operations & Cultural Officer
Rhonda Kimble, Homeownership Director
Amber Lewis, Homeless Programs Manager
Bethany Coop, Human Resources Assistant
Elizabeth Christenson, Community Communications Project Manager

Nicki Howell, IFA Office Assistant
Kristin Hanks-Bents, Assistant Legal Counsel
Brian Sullivan, Chief Programs Officer
Derek Folden, LIHTC Program Director
Dillon Malone, ITG Director
Megan Andrew, Legal Project Manager
Ashley Jared, Communications Director
Rita Grimm, Chief Legal Counsel
Deena Klesel, Programs Accountant
Beau Hanson, User Support Specialist
David Morrison, ITG Accounting Manager
Staci Hupp Ballard, Chief Strategic Communications Officer
Vicky Clinkscales, Customer Service & Project Specialist

Others Present

Dave Grossklaus, Dorsey & Whitney
James Smith, Dorsey & Whitney
Kent Mehring

Michael Yangas
Holly Engelhart, Eide Bailly
HH

Board Chair
Welcome and Roll Call

Vice Chair Randleman called to order the June 1, 2022 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: Ball, Borg, Cooper, Eisenman, Randleman, Thomas, and Van Milligen. The following Board members were absent: Aust, Nelson, and Reasner.

Approval of May 4, 2022 Meeting Minutes

MOTION: On a motion by Mr. Van Milligen and a second by Mr. Eisenman, the Board unanimously approved the May 4, 2022 IFA Board Meeting minutes.

Approval of May 18, 2022 Special Meeting Minutes

MOTION: On a motion by Mr. Thomas and a second by Mr. Eisenman, the Board unanimously approved the May 18, 2022 IFA Special Board Meeting minutes.

Public Comment Period
Receive Comments from General Public

Vice Chair Randleman 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. Vice Chair Randleman closed the public comment period.

Consent Agenda

Vice Chair Randleman introduced the consent agenda and stated that agenda item E. AG-TC #21-03 is incorrectly typed and should be shown as AG-TC #22-03.

MOTION: On a motion by Mr. Eisenman and a second by Mr. Thomas, the Board unanimously approved amending the consent agenda.

Vice Chair Randleman asked if any items needed to be removed. Item C. AG 16-004M, John P. Skow, Humboldt was removed due to Mr. Thomas having a conflict of interest.

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

- IADD – Amending Resolutions
 - A. 04611M, Alton A. Miller, Kalona
 - B. AG 14-057M, Garrett B. and Kourtney K. Yoder, Kalona
 - D. AG 17-074M, Travis Lee and Merilee Ann Hamilton, Chariton
- IADD - Beginning Farmer Tax Credit Program
 - E. AG-TC #22-03, Beginning Farmer Tax Credit Program

On a second by Mr. Thomas, the Board unanimously approved the remaining items on the consent agenda.

MOTION: Mr. Thomas abstained from voting. On a motion by Mr. Eisenman and a second by Mr. Borg, the remaining Board members unanimously approved item C. AG 16-004M. The motion passed.

Finance
April 2022 Financials

Ms. Pulford presented the highlights of the April 2022 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 approved the April 2022 financials.

FY2023 Budget

Ms. Pulford requested board approval of the FY 2023 budget that was included in the board packet and presented at the May 4, 2022 IFA board meeting. The board and Ms. Pulford discussed the employee expense increases and the net interest margin for Housing. Mr. Thomas stated that the budget will show a net operating loss for this fiscal year.

MOTION: On a motion by Mr. Eisenman, and a second by Ms. Ball, the Board unanimously approved the FY 2023 Budget.

FIN 22-09, Multifamily Loan – Grace Creek Senior Apartments

Mr. Morlan stated this resolution is for a project that will be in West Des Moines. The proposed project is for 55 years plus and was awarded 9% LIHTC in 2021 and recently received an ARPA award for \$2.1 million and a Senior Living Loan for \$1 million. The proposed loan amount is \$500,000 with a 16-year term, a 35-year amortization, and a fixed rate at 4.92% with a two-year lock. IFA will hold the operating reserve amount of \$125,725. The loan will not be funded until the project has reached stabilization.

MOTION: On a motion by Mr. Eisenman and a second by Ms. Ball, the Board unanimously approved FIN 22-09.

FIN 22-10, Multifamily Loan – Westown Crossing Senior Apartments

Mr. Morlan stated that this resolution is for a project that will be in West Des Moines. The proposed loan amount is \$1.4 million with a 16-year term and a 40-year amortization. The project is for 55 years plus and was awarded 9% LIHTC in 2021 and received an ARPA award for \$1.9 million.

MOTION: On a motion by Mr. Van Milligen and a second by Mr. Eisenman, the Board unanimously approved FIN 22-10.

Housing Programs

HI 22-04, FY2022 SHTF Project-Based Housing Program Grant Award

Ms. Rosonke shared that there was a typo on the agenda and the resolution number should be HI 22-04, not HI 21-04. This resolution is for three State Housing Trust Fund Project-Based award recommendations which will exhaust all remaining funding available for this program under fiscal year 2022. All three projects are typical Habitat for Humanity builds. The first grant award is for \$50,000 to Habitat of Humanity of Marion County for a home build in Knoxville. This project will partner with the Knoxville and Melcher Dallas High School building trades programs. The other two project awards will be for Habitat for Humanity of North Central Iowa. Both awards will be for \$25,000 for Mason City and Clear Lake. Ms. Rosonke requested board action on HI 22-04.

MOTION: On a motion by Mr. Thomas and a second by Mr. Eisenman, the Board unanimously approved the amended resolution number and grant awards.

Iowa Title Guaranty
Transfer of Funds

Mr. Malone shared that Iowa Title Guaranty has a surplus of funds and would like to transfer \$2.2 million to the Iowa Housing Assistance Fund. If approved, the total amount of transfers for fiscal year 2022 will be \$5.7 million.

MOTION: On a motion by Mr. Thomas, and a second by Ms. Ball, the Board unanimously approved the transfer of funds.

Private Activity Bonds

Ms. Cooper stated that she would be abstaining from PAB items VII- B. through VII-J. due to a conflict of interest.

PAB 21-04B-1, Windsor Pointe Amending Resolution

Mr. Smith shared that this is an amending resolution for Windsor Point Project. The authorizing resolution for the project was adopted in December of 2021. Since December, some of the terms have changed regarding the method of the sales from notes to bonds and the project would like to amend the prior resolution. A public hearing was held June 1, 2022 and no comments were received.

MOTION: On a motion by Mr. Eisenman, and a second by Ms. Ball, the Board unanimously approved PAB 21-04B-1.

Mr. Smith shared that agenda items VII – B. through VII – J. are related to the same borrower. R&R Realty is the borrower for all the projects. Some of the terms and covenants of the projects are changing in relation to the LIBOR benchmark rate that the projects are beholden to which requires a reissuance of the projects. Mr. Smith stated that a public hearing was not required and requested board action on items VII-B. through VII-I.

PAB 22-07B, Sonoma Building Village Court Associates Project

MOTION: Ms. Cooper abstained from voting. On a motion by Mr. Thomas, and a second by Mr. Borg, the remaining Board members unanimously approved PAB 22-07B.

PAB 22-08B, Three Fountains II PEC Project

MOTION: Ms. Cooper abstained from voting. On a motion by Mr. Thomas, and a second by Ms. Ball, the remaining Board members unanimously approved PAB 22-08B.

PAB 22-09B, Three Fountains II PCDC Project

MOTION: Ms. Cooper abstained from voting. On a motion by Mr. Thomas, and a second by Ms. Ball, the remaining Board members unanimously approved PAB 22-09B.

PAB 22-10B, Three Fountains II PS Project

MOTION: Ms. Cooper abstained from voting. On a motion by Mr. Thomas, and a second by Mr. Eisenman, the remaining Board members unanimously approved PAB 22-10B.

PAB 22-11B, Three Fountains II PAHC Project

MOTION: Ms. Cooper abstained from voting. On a motion by Mr. Thomas, and a second by Ms. Ball, the remaining Board members unanimously approved PAB 22-11B.

PAB 22-12B, Dice Building CCRR Project

MOTION: Ms. Cooper abstained from voting. On a motion by Mr. Thomas, and a second by Ms. Ball, the remaining Board members unanimously approved PAB 22-12B.

PAB 22-13B, Dice Building (Dice) Project

MOTION: Ms. Cooper abstained from voting. On a motion by Mr. Thomas, and a second by Ms. Ball, the remaining Board members unanimously approved PAB 22-13B.

PAB 22-14B, Sonoma Building CCRR Project

MOTION: Ms. Cooper abstained from voting. On a motion by Mr. Thomas, and a second by Ms. Ball, the remaining Board members unanimously approved PAB 22-14B.

PAB 22-15B, Interstate Acres VI Project

MOTION: Ms. Cooper abstained from voting. On a motion by Mr. Thomas, and a second by Ms. Ball, the remaining Board members unanimously approved PAB 22-15B.

Water Quality

WQ 22-09, State Revolving Fund Construction Loans

Mr. Smith shared that this resolution is for seven communities requesting SRF Construction Loans totaling \$27 million. Tax-exempt SRF Construction Loans have an interest rate of 1.75% for 20 years or 2.75% for 30-year projects. Mr. Thomas and Mr. Smith discussed the possible need to raise the interest rates and when to invest in more bonds for this project.

MOTION: On a motion by Mr. Thomas, and a second by Mr. Borg, the Board unanimously approved WQ 22-09.

Executive Director's Office

Water Infrastructure Funds Update

Mr. Smith shared that \$51 million of the \$76 million that was allocated for the American Rescue Plan has been obligated and committed. There are three larger economically significant Water Quality projects that have received a total of \$38 million and there are 21 watershed projects that have received a total of \$8 million. Just over 700 applications for the Homeowner Septic Grant Program have been received from individual homeowners to replace their outdated or failing septic systems, totaling \$11.2 million going out amongst almost every county across the state.

Mr. Smith shared that today, June 1, 2022, is the initial deadline for the first round of applications for the Industrial Water Reuse Program and two applications have been received.

Homeowner Assistance Fund (HAF) Update

Mr. Smith shared that the Homeowner Assistance Fund was a product of the American Rescue Plan Act signed into law last year, which allocated \$10 billion to all the different states to support homeowners who are delinquent on their mortgage or other housing related expenses. The program launched on May 16th with one loan servicer and there are currently 22 applications being reviewed by the process team. The program is expected to open up to additional loan servicers within the next month.

Director Durham shared a brief update on the LIHTC awards and Treasury guidance on repurposing the \$20 million that was originally planned for Workforce Housing. Director Durham also shared that IEDA is taking applications for the \$100 million in funds for Destination Iowa and stated that \$20 million in infrastructure funds have opened up for nonprofits.

June National Homeownership Month

Ms. Kimble shared that staff launched a sustainable homeownership educational effort in June 2021. More than 1000 people have signed up to receive the first-time homebuyer guide and as of April 22, 89 users have converted into an IFA loan and become homeowners. In addition to the homebuyer guide, there is a 10-step guide to securing their dream home and an eligibility quick check that more than 7000 users have accessed since last June. Homebuyers have the option to have their name passed along to a preferred lender, which has created more than 2000 potential leads for lending partners.

Ms. Kimble also shared an update on the Minority Down Payment program. \$1 million was allocated to the pilot program which launched February 10th. There is currently \$250,000 remaining for reservations and \$350,000 committed and obligated.

Director Durham shared that there are ribbon cutting events on June 9th and June 14th and the 2022 Housing Iowa Conference will be held September 7th-9th.

Other Business

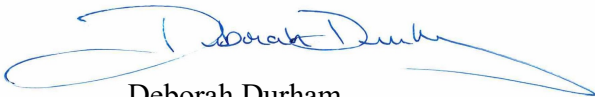
The next meeting of the IFA Board of Directors will be Wednesday, July 6, 2022.

Adjournment

On a motion by Mr. Eisenman and a second by Ms. Ball, the June 1, 2022 meeting of the Iowa Finance Authority Board of Directors adjourned at 11:50 a.m.


Dated this 6th day of July 2022.

Respectfully submitted:



Deborah Durham,
Executive Director

Approved as to form:



Michel Nelson, Chair
Iowa Finance Authority