



**BOARD MEETING MINUTES**

**Helmick Conference Room  
1963 Bell Ave. Des Moines, IA  
October 5, 2022**

**Board Members Present**

Ashley Aust  
Lyle Borg  
Amy Reasner  
Gilbert Thomas  
Representative Sorensen  
Representative Judge

Tracey Ball  
Jennifer Cooper  
Michel Nelson  
Ruth Randleman  
Michael Van Milligen  
Jina Bresson

**Board Members Absent**

John Eisenman  
Representative Klimesh  
Senator Wahls

**Staff Members Present**

Debi Durham, Executive Director  
Aaron Smith, Chief Bond Programs Officer  
Cindy Harris, Chief Financial Officer  
Rob Christensen, Chief Information Officer  
Jennifer Pulford, Accounting Director  
Ashley Jared, Communications Director  
Derek Folden, LIHTC Program Director  
Brian Sullivan, Chief Programs Officer  
Stacy Cunningham, LIHTC Analyst  
Linda Day, Staff Accountant  
Tim Morlan, Asset Management Director  
Rick Peterson, Chief Operations & Cultural Officer  
Maicie Pohlman, Business Finance Project  
Manager

Nicki Howell, IFA Office Assistant  
Kristin Hanks-Bents, Legal Counsel  
Rita Grimm, Chief Legal Counsel  
Alyson Fleming, Section 8 Director  
Katie Kulisky, LIHTC Analyst  
Nichole Hansen, Legislative Liaison  
Terri Rosonke, Housing Programs Manager  
Stephanie Willis, Account Manager  
Michael Thibodeau, Legal Counsel  
Morgan Potts, Legal Project Manager  
Jamie Giusti, Housing Programs Specialist  
Bethany Coop, HR Coordinator  
David Morrison, Single Family Accounting  
Manager

**Others Present**

Dave Grossklaus, Dorsey & Whitney  
Mary Borg  
Jessica Flannery  
Heather Hackbarth

James Smith, Dorsey & Whitney  
Tara Engquist, Eide Bailly  
Holly Engelhart, Eide Bailly  
Emily Willits

**Board Chair**  
**Welcome and Roll Call**

Chair Nelson called to order the October 5, 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: Aust, Ball, Borg, Nelson, Randleman, Reasner, Thomas and Van Milligen. The following Board members were absent: Cooper and Eisenman.

**Approval of September 7, 2022 Meeting Minutes**

**MOTION:** On a motion by Mr. Thomas and a second by Ms. Aust, the Board unanimously approved the September 7, 2022 IFA Board Meeting minutes.

**Approval of September 20, 2022 Special Meeting Minutes**

**MOTION:** On a motion by Mr. Thomas and a second by Ms. Aust, the Board unanimously approved the September 20, 2022 IFA Special Board Meeting minutes.

**Administration**

**GEN 22-01, Special Recognition and Resolution, Lyle Borg**

Director Durham commended Lyle Borg on his dedication and service to the IFA Board. Mr. Borg thanked the Board and shared that John Fredrickson, IADD Board Chair, will be the new IADD representative for the IFA Board.

**MOTION:** On a motion by Ms. Aust and a second by Mr. Thomas, the Board unanimously approved GEN 22-01.

Ms. Cooper joined the meeting at 11:04 a.m.

**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.

**Consent Agenda**

Chair Nelson asked if any items needed to be removed from the consent agenda. No items were removed from the consent agenda.

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

- IADD – Authorizing Resolutions
  - A. AG 22-032B, Mason P Reimer
  - B. AG 22-033B, William Paul and Tayler Mary Clough
- IADD – Amending Resolutions
  - C. 04496M, Shawn L Sponheim, Osage
  - D. 04658M, Samuel R and Sara F Bender, Lockridge
- IADD – Loan Participation Program
  - E. AG-LP #22-04, Loan Participation Program
- IADD - Beginning Farmer Tax Credit Program
  - F. AG-TC #22-07, Beginning Farmer Tax Credit Program

Private Activity Bonds

G. PAB 22-21A, AHEPA 192-IV Apartments LP Project

Water Quality

H. WQ 22-15, SRF Construction Loans

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

### **Finance**

#### **August 2022 Financials**

Ms. Pulford presented the highlights of the August 2022 financial statement that was included in the board packet.

**MOTION:** On a motion by Mr. Borg, and a second by Ms. Aust, the Board unanimously approved the August 2022 financials.

#### **Presentation and Approval of Audited Financials**

Holly Engelhart and Tara Engquist, from Eide Bailly, presented the 2022 audit that was shared with the Board. The board, IFA staff, and Ms. Engelhart discussed the findings of the audit.

Mr. Thomas shared that he was not able to view the audit documents and requested that they be shared with the board a week in advance.

**MOTION:** On a motion by Ms. Cooper, and a second by Ms. Aust, the Board unanimously approved the 2022 Audited Financials.

#### **Swap Policy Amendment**

Ms. Harris presented the Swap Policy Amendment that was included in the board packet. Ms. Cooper and Ms. Harris discussed SIFMA and Ms. Harris shared that staff selected Evercrest Advisors as the advisor.

**MOTION:** On a motion by Ms. Cooper, and a second by Ms. Aust, the Board unanimously approved the Swap Policy Amendment.

### **Housing Programs**

#### **HI 22-14, 2023 4% Draft QAP**

Mr. Folden presented the 2023 4% Draft QAP that was included in the board packet. Staff included a lot of the same changes in the 9% QAP in this 4% QAP draft. The draft will be open for comment for the next 30 days and then a public hearing will be set. Mr. Folden shared that the public hearing for the 9% QAP will be held tomorrow, October 6<sup>th</sup> at 10:00 a.m. The comments received on the 9% QAP will also be considered for the 4% QAP.

**MOTION:** On a motion by Ms. Cooper, and a second by Ms. Aust, the Board unanimously approved HI 22-14.

#### **HI 22-15, 4% Application Waiver of Ineligibility**

Mr. Folden stated that IFA approved a 9% competitive award to Prairie Fire Development Group, LLC in Red Oak, IA in April 2019. The project will not be completed due to construction, funding, and

timing issues and the developers have agreed to return the 9% credits. The credits can now be reallocated to a new project later this year or next year. To attempt to salvage the project, which is a historic school building, staff recommends waiving the ineligibility requirement and converting it to a 4% LIHTC project. Mr. Folden shared that there are several hurdles to go through to complete this process and staff is working with Dorsey & Whitney to get their opinion on whether the bond cost will be eligible for 4% credits.

Mr. Folden shared that this is the first time a project has ever not been completed and needed to convert from the 9% QAP to 4% QAP. Staff does not expect there to be any additional projects that need to convert.

**MOTION:** On a motion by Ms. Cooper, and a second by Ms. Aust, the Board unanimously approved HI 22-15.

**Legal – Notice of Intended Action, Amend 265 Chapter 12 Low-Income Housing Tax Credits (4%)**

Ms. Hanks-Bents shared that the 2023 4% QAP rules need to be amended now that the draft has been approved. Administrative code 265 – Chapter 12 is the chapter that governs the administrative rules for the low-income housing tax credits. The rules function by incorporating the QAP by reference. The changes that staff proposes include amending sub rules 265-12.1(1) and 265-12.2(1) by changing the dates that are referenced in the rules. Staff recommends that the Board approve the filing of a Notice of Intended Action to amend chapter 265-12 as set forth in the included rule making.

**MOTION:** On a motion by Ms. Aust, and a second by Ms. Cooper, the Board unanimously approved the filing of a Notice of Intended Action to amend 265 Chapter 12.

**Private Activity Bonds**

Mr. Smith presented four Private Activity Bond projects for consideration. The first three projects on the agenda are amending resolutions, ED 12-22B-3, ED 17-15B-1, and ED 17-16B-1. These resolutions are changing the benchmark rate from LIBOR to SOFR. The last project on the agenda is PAB 21-10B-1, Lifespace Communities, Inc. Project which was initially adopted in July 2021. This amending resolution addresses changes to the covenants regarding debt service coverage ratio and the interest rate of the bonds based on Borrower rating downgrades.

**ED 12-22B-3, Von Maur Project**

**MOTION:** On a motion by Ms. Aust, and a second by Mr. Van Milligen, the Board unanimously approved ED 12-22B-3.

**ED 17-15B-1, Woodgrain Millwork, Inc. Project (Norwalk)**

**MOTION:** On a motion by Ms. Aust, and a second by Ms. Cooper, the Board unanimously approved ED 17-15B-1.

**ED 17-16B-1, Woodgrain Millwork, Inc. Project (West Des Moines)**

**MOTION:** On a motion by Ms. Aust, and a second by Ms. Cooper, the Board unanimously approved ED 17-16B-1.

**PAB 21-10B-1, Lifespace Communities, Inc. Project**

**MOTION:** On a motion by Ms. Aust, and a second by Ms. Cooper, the Board unanimously approved PAB 21-10B-1.

### Executive Director's Office

Director Durham gave an update on the HousingIowa Conference, which had record attendance this year. Next year's conference will be held in Cedar Rapids.

The Iowa Rent and Utility Assistance Program has closed. IFA stopped taking applications on August 30<sup>th</sup> to meet the end of the program with the Department of the Treasury on September 30<sup>th</sup>. At this time, the program has awarded around \$55 million to Iowans.

The Homeowner Assistance Fund has received more than 1000 applications and assisted 340 homeowners for a total of \$2.5 million disbursed to assist homeowners with delinquencies on their mortgage or other non-mortgage home related expenses.

Director Durham shared that she recently visited the pocket neighborhood in Maquoketa and that there will be a groundbreaking in Boone tomorrow, October 6<sup>th</sup>. Several staff members will also be attending the NCSHA annual conference in Houston. IFA's homeownership marketing efforts are being recognized and Ms. Jared, Ms. Kimble, and Ms. Harris will be discussion leaders at the conference.

Mr. Folden gave an update on the guidelines from Treasury for the LIHTC loans versus grants. Of the 15 projects, two are still considering the grant and 13 are moving toward the loans. A few loans have closed in the last week and three or four more are expected to close in the next week or two.

Several meeting attendees and Mr. Borg left the meeting at 12:01 p.m.

### Closed Session, if Necessary [Iowa Code Section 21.5(1)(c) – Legal Matter

**MOTION:** Ms. Aust moved that the Iowa Finance Authority Board of Directors go into closed session pursuant to Iowa Code section 21.5(1)(c) to discuss strategy with Council and matters that are presently in litigation or litigation is imminent, where it's disclosure would be likely to prejudice or disadvantage the position of the governmental body in that litigation. It is necessary that Council and IFA staff assisting the board attend the meeting due to their special knowledge relating to the subject matter or their role in ensuring compliance with the Open Meetings Act. On a second by Ms. Cooper, a roll call vote was taken with the following results: **YES:** Aust, Ball, Cooper, Nelson, Randleman, Reasner, Thomas and Van Milligen; **NO:** None; **Abstain:** None. The motion passed.

IFA board members present during closed session: Ashley Aust, Tracey Ball, Jennifer Cooper, Michel Nelson, Ruth Randleman, Amy Reasner, Gilbert Thomas, and Michael Van Milligen, Ray Sorensen, Kenan Judge, Jina Bresson; Staff present: Director Durham, Rita Grimm, Kristin Hanks-Bents, Michael Thibodeau, Brian Sullivan, Nicki Howell, Rob Christensen; Others present: Emily Willits, Assistant Attorney General.

**MOTION:** On a motion by Ms. Cooper, and a second by Ms. Aust, the board unanimously approved ending the closed session and returning to open session at 12:23 p.m.

### Other Business

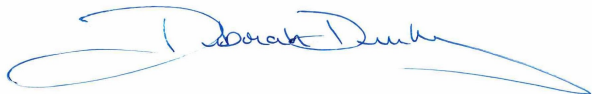
The next meeting of the IFA Board of Directors will be Wednesday, November 2, 2022.

**Adjournment**

On a motion by Ms. Aust and a second by Ms. Cooper, the October 5, 2022 meeting of the Iowa Finance Authority Board of Directors adjourned at 12:24 p.m.


Dated this 2nd day of November 2022.

Respectfully submitted:

A handwritten signature in blue ink, appearing to read "Deborah Durham", with a long, sweeping underline.

Deborah Durham,  
Executive Director

Approved as to form:

A handwritten signature in blue ink, appearing to read "Michel Nelson", with a stylized, cursive script.

Michel Nelson, Chair  
Iowa Finance Authority