



SPECIAL BOARD MEETING MINUTES

**Helmick Conference Room
1963 Bell Ave. Des Moines, IA
August 31, 2022**

Board Members Present

Ashley Aust
John Eisenman
Amy Reasner
Gilbert Thomas
Representative Sorensen

Tracey Ball
Jennifer Cooper
Michel Nelson
Ruth Randleman
Michael Van Milligen

Board Members Absent

Lyle Borg
Representative Klimesh
Senator Wahls
Representative Judge

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
Nancy Peterson, LIHTC Analyst
Sam Askland, Underwriter
Stacy Cunningham, LIHTC Analyst
Tim Morlan, Asset Management Director
Rick Peterson, Chief Operations & Cultural Officer

Nicki Howell, IFA Office Assistant
Kristin Hanks-Bents, Assistant Legal Counsel
Rita Grimm, Chief Legal Counsel
Alyson Fleming, Section 8 Director
Amber Lewis, Homeless Program Director
Deena Klesel, Programs Accountant
Jamie Giusti, Housing Programs Specialist
Katie Kulisky, LIHTC Analyst
John Kerss, Facility Engineer
Staci Hupp Ballard, Chief Strategic
Communications Director

Others Present

Jina Bresson, TOS
Dan Garrett
Scott Fitzpatrick
Sam Erickson
Craig Armstrong

Matt Gillam, Overland Property Group
Maggy Jares
Mark Shelburne
Megan Sand Carr
Mike Pogge-Weaver

Dustin Crook
Emily Sewell
Jack Hatch
Jim Danaher
Keith Olson
Rick Hunsaker
Sarah Reilly
Adit

Nicole D Sand
Russ Frazier
Thom Amdur
Tyler Sheeran
Wyllys Mann
Ben Koester
Ed

Board Chair
Welcome and Roll Call

Chair Nelson called to order the August 31, 2022 meeting of the Iowa Finance Authority (IFA) Board of Directors at 3:00 p.m. Roll call was taken, and a quorum was established. The following Board members were present: Aust, Ball, Cooper, Eisenman, Nelson, Randleman, Reasner, Thomas and Van Milligen. The following Board members were absent: Borg.

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. Scott Fitzpatrick addressed the Board and thanked staff for all the work they are doing to update the QAP. No other comments were received. Chair Nelson closed the public comment period.

Housing Programs
HI 22-08, 2022 9% LIHTC Awards

Mr. Folden presented the board with the 2022 9% LIHTC award recommendations that were provided in the board packet. Mr. Folden stated that there were 24 applicants requesting \$20,500,000 from across the state. Of the 24 applicants, 11 are recommended to receive just under \$10,000,000 in awards. The awarded projects consist of 385 LIHTC units and 27 market rate units. Mr. Folden shared that townhouses were incentivized this year and a lot of the awarded projects include townhouses. The 11 projects that staff recommends awarding are CHI Adel Manor LLLP in Adel, EHDG New Horizon in Davenport, The Stella in Grinnell, Villas at Fox Pointe Audubon in Audubon, The Villas at Governor's Field in Carroll, Boone Senior Cottages in Boone, Arro Senior in Hiawatha, The Crossing in Bondurant, Prairie Stone Townhomes in Cedar Rapids, Asbury Heights in Ottumwa, and The Historic Winterset High School Apartments in Winterset.

Ms. Randleman requested a map of the state showing all the awarded projects for future presentations.

MOTION: Mr. Thomas made a motion to approve HI 22-08. On a second by Ms. Ball, 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.

HI 22-09, 2023 Draft QAP

Mr. Folden presented the 2023 draft QAP which was included in the board packet. Public comment of the draft starts today, and discussions will continue until the draft is finalized. There will be a session on the QAP at next week's HousingIowa Conference.

Ms. Randleman asked if resolutions will be accepted from communities wanting to approve rezoning. Mr. Folden stated that points will not be awarded if a community approves resolution to rezone, only if the zoning is in place.

MOTION: Ms. Randleman made a motion to approve HI 22-09. On a second by Ms. Reasner, a roll call vote was taken with the following results. **YES:** Ball, Cooper, Nelson, Randleman, Reasner, Thomas and Van Milligen; **NO:** None; **Abstain:** Aust. The motion passed.

HI 22-10, Refund of Reservation Fee – Reserves of Hawkeye

Mr. Folden shared that many awarded projects in 2021 are struggling to meet requirements due to construction and labor challenges and two have requested to return their 2021 9% QAP credits. Section

3.8 of the 2021 9% QAP states that all fees are nonrefundable. However, due to the circumstances and challenges developers are facing in the current market, staff is requesting that the project reservation fee is refunded to the developer. The Reserves of Hawkeye reservation fee is \$84,000.

Mr. Folden shared concerns that disaster credits may not be extended into next year and staff may not have time to award the credits to another project if refund requests do not come in and get approved quickly. He also stated that staff wants to be consistent with their response to refund requests and are only suggesting refunds for the 2021 round of awards due to the extenuating circumstances that are beyond the developers' control.

MOTION: Ms. Reasner made a motion to approve HI 22-10, with the intention to limit the refund to projects in the 2021 award year due to extraordinary building difficulties. On a second by Ms. Cooper, a roll call vote was taken with the following results. **YES:** Ball, Cooper, Nelson, Randleman, Reasner, Thomas and Van Milligen; **NO:** None; **Abstain:** Aust. The motion passed.

HI 22-11, Refund of Reservation Fee – Stella Ridge

Mr. Folden stated that Stella Ridge has also returned their awarded credits due to difficulties proceeding with the project and staff recommends refunding the project's \$84,000 reservation fee.

MOTION: Ms. Reasner made a motion to approve HI 22-11 with the intention to limit the refund to projects in the 2021 award year due to extraordinary building difficulties. On a second by Ms. Randleman, a roll call vote was taken with the following results. **YES:** Ball, Cooper, Nelson, Randleman, Reasner, Thomas and Van Milligen; **NO:** None; **Abstain:** Aust. The motion passed.

Legal

Amend 265, Chapter 12 Low-Income Housing Tax Credits

Ms. Hanks-Bents stated that Iowa code section 16.35 requires that IFA has administrative rules that govern various aspects of the allocation process and applications for the awarded tax credits. These rules currently incorporate the QAP by reference. By approving a new QAP, it is necessary to begin the rulemaking process in order to make those rules conform to the current QAP. Staff is proposing amending sub rules 265 Ch. 12.1 and 265 Ch. 12.2 to change the dates referenced in the rules and remove references to the first amended QAP. Ms. Hanks-Bents stated that staff requests that the board approve the filing of a notice of intended action to amend chapter 265 – 12 as set forth in the attached rule making.

MOTION: Mr. Van Milligen made a motion to approve. On a second by Ms. Randleman, 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.

Mr. Nelson and Mr. Folden discussed the penalty for the developers that have requested a reservation fee refund. Mr. Folden stated that there is currently no penalty regarding the 2023 QAP unless IFA would take action to penalize the developer. Staff and the board will discuss the options if the issue comes up again in the future.

Other Business

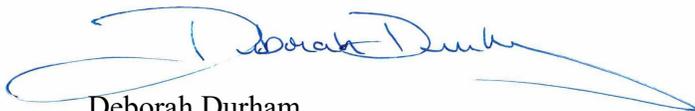
The next meeting of the IFA Board of Directors will be Wednesday, September 7, 2022.

Adjournment

On a motion by Mr. Thomas and a second by Ms. Reasner, the August 31, 2022 meeting of the Iowa Finance Authority Board of Directors adjourned at 3:34 p.m.

Dated this 7th day of September 2022.

Respectfully submitted:



Deborah Durham,
Executive Director

Approved as to form:



Michel Nelson, Chair
Iowa Finance Authority