



BOARD MEETING MINUTES

**Iowa Finance Authority
Des Moines, Iowa
February 6, 2019**

Board Members Present

Ashley Aust
Darlys Baum
Jane Bell
Jeff Heil
Joan Johnson

Shaner Magalhães
Michel Nelson
Ruth Randleman
Gilbert Thomas
Stefanie Devin

Board Members Absent

None

Staff Members Present

Debi Durham, Executive Director
Jess Flaherty, Executive Officer
Rita Eble, HOME Program Analyst
Alyson Fleming, SRF Program Specialist
Derek Folden, MultiFamily Underwriter
Cindy Harris, Chief Financial Officer
Steve Harvey, Accounting Director
Carolann Jensen, Chief Operating Officer
Josh Kasibbo, Accounting Manager
Lizzy Krugler, Assistant Communications Director
Karen Kulisky, Underwriting Analyst

Katie Kulisky, LIHTC Administrative Assistant
Amber Lewis, Homelessness Programs Manager
Tim Morlan, MultiFamily Underwriter
Jennifer Pulford, Loan Servicing Specialist
Terri Rosonke, HousingIowa Development Specialist
Matt Rousseau, ITG Deputy Director
Brian Sullivan, Section 8 Director
Michelle Thomas, Accounting Manager
Mark Thompson, General Counsel
Dave Vaske, LIHTC Manager
Becky Wu, Loan Servicing Specialist

Others Present

David Grossklaus, Dorsey & Whitney
Jess Flannery, House Democratic Caucus Office
Brooke Miller, Iowa Economic Development Authority
Dave Price, WHO-TV
Ben Oldach, WHO-TV

James Smith, Dorsey & Whitney
Ron Robinson, Legislative Service Agency
Emily Willits, Iowa Attorney General's Office
Jeff Thompson, Iowa Attorney General's Office
Eric Gooder, WHO-TV

Call to Order

Chair Heil called to order the February 6, 2019, meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:04 a.m. Roll call was taken, and a quorum was established. The following Board members were present: Aust, Baum, Bell, Heil, Magalhães, Nelson, Randleman, Thomas, and Devin.

Consent Agenda

Chair Heil introduced the consent agenda and asked if anyone wanted to request items be removed.

MOTION: There being no requests, Mr. Magalhães made a motion to approve the items on the consent agenda, which included the following:

Approval of Minutes of the January 9, 2019, IFA Board Meeting
AG 19-01B, Benjamin Bruck
AG 19-02B, Daniel Miller
AG 19-03B, Eugene and Megan Miller
AG 19-04B, Bradley Wagner
AG 19-05B, Jordan Meyer
04775M, William Wiekamp
AG-TC 19-01, Beginning Farmer Tax Credit Program
WQ 19-03, SRF Planning and Design Loans
WQ 19-04, SRF Construction Loans

On a second by Ms. Baum a roll call vote was taken with the following results: **YES:** Aust, Baum, Bell, Magalhaes, Nelson, Randleman, Thomas and Heil; **NO:** none; **Abstain:** none. The motion passed and the items on the consent agenda were approved.

FIN 19-01, Reimbursement of State General Fund, Iowa Civil Rights Commission CP#09-18-72509

FIN 19-02, Reimbursement of State General Fund, Iowa Civil Rights Commission CP#06-18-72099

Motion: Mr. Nelson made a motion to discuss and vote on FIN 19-01 and FIN 19-02 together. On a second by Ms. Aust a roll call vote was taken with the following results: **YES:** Aust, Baum, Bell, Magalhães, Nelson, Randleman, Thomas and Heil; **NO:** none; **Abstain:** none. The motion passed.

Ms. Johnson joined the meeting at 11:11 a.m.

FIN 19-01 and FIN 19-02, Reimbursement of State General Fund

Mr. Nelson had several questions for the Iowa Attorney General's Office. Ms. Willits, Mr. Jeff Thompson, and Mr. Nelson had a discussion regarding the reimbursements and Iowa Code Section 16.32 and IFA's ability to reimburse the state. Mr. Grossklaus addressed the Board and agreed with the Iowa Attorney General's Office that Iowa Code Section 16.32 does not come into play if the Board approves the transfer to the State General Fund. Mr. Heil stated that he had concern that the Board is approving and paying for settlements that the Board did not have any ability to negotiate or be any part of. Mr. Heil stated that the agency is run incredibly efficiently and that he was concerned the entire agency is being held responsible for the actions of one person that the Board had no authority over. Ms. Johnson stated that she wanted to make it clear, before a vote was taken, that this negotiation was handled by the Iowa Attorney General's Office and that the Board had no say in the settlement negotiations. Ms. Durham stated that she recommended that the Board approve the Reimbursement of the State General Fund for the Settlement of Iowa Civil Rights Commission (ICRC) CP #09-18-72509 and CP # 06-18-72099. Both ICRC claim settlements were approved by the Iowa Appeal Board on February 4, 2019.

Motion: Ms. Aust made a motion to approve FIN 19-01 and FIN 19-02, Reimbursement of the State General Fund. On a second by Mr. Magalhães, a roll call vote was taken with the following results: **YES:**

Aust, Baum, Bell, Johnson, Magalhaes, Nelson, Randleman, and Thomas; **NO:** Heil; **ABSTAIN:** none. The motion passed.

FIN 19-03, Financial Audit Contract Extension

Ms. Harris stated that this resolution would extend Eide Bailly’s contract by two additional years. Ms. Harris stated that staff had been pleased with Eide Bailly’s audit performance the last few years and that they had been completing the work in less time and more efficiently than with previous audit firms. Ms. Harris requested board action on FIN 19-03.

Motion: Ms. Baum made a motion to approve FIN 19-03. On a second by Mr. Nelson, a roll call vote was taken with the following results: **YES:** Aust, Baum, Bell, Johnson, Magalhães, Nelson, Randleman, and Heil; **NO:** Thomas; **ABSTAIN:** none. The motion passed.

FIN 19-04, New Beginnings Two (Hope Haven) Loans

Mr. Morlan stated that Hope Haven is a non-profit that provides homes, activity centers, and other services for persons having physical and/or mental disabilities. Hope Haven plans to use the loan funds to purchase a lot and build a new house for their tenants. Hope Haven will provide about \$102,000 of their own funds to complete the home. Mr. Morlan requested board action on FIN 19-04.

Motion: Ms. Aust made a motion to approve FIN 19-04. On a second by Ms. Buam, a roll call vote was taken with the following results: **YES:** Aust, Baum, Bell, Johnson, Magalhaes, Nelson, Randleman, and Thomas and Heil; **NO:** None; **ABSTAIN:** none. The motion passed.

FIN 19-05, Bishop’s Block Loan Restructuring

Mr. Folden stated that this project was built and placed in service in 1994 using LIHTC, HOME funds, bank debt and an Iowa Housing Corporation Loan. The project is occupied, but unable to sustain rents high enough to service debt and run the property, and in addition, the property needs rehab. Mr. Folden recommends reducing the interest rate to 0%, lowering the annual payment to \$1,000, and extending the term of the loan to December 31, 2024. Mr. Folden requested board action on FIN 19-05.

Motion: Ms. Aust made a motion to approve FIN 19-05. On a second by Mr. Magalhães, a roll call vote was taken with the following results: **YES:** Aust, Baum, Bell, Johnson, Magalhaes, Nelson, Randleman, and Thomas and Heil; **NO:** None; **ABSTAIN:** none. The motion passed.

December 2018 Financial Statement

Mr. Harvey presented highlights of the December 2018 financial statement that was included in the board packet. Mr. Thomas requested that the financial statements submitted to the Board in March highlight how the settlement reimbursement effected the budget.

MOTION: On a motion by Ms. Aust and a second by Mr. Magalhães, the board unanimously accepted the December 2018 Financial Statement.

Adopted and Filed: Iowa Finance Authority Address Change

Mr. Thompson stated that the Authority’s rules had been updated to reflect the address change. There was no public comment received.

Motion: Mr. Magalhães made a motion to approve Adopted and Filed: Iowa Finance Authority Address Change. On a second by Mr. Nelson, a roll call vote was taken with the following results: **YES:** Aust, Baum, Bell, Johnson, Magalhaes, Nelson, Randleman, and Thomas and Heil; **NO:** None; **ABSTAIN:** none. The motion passed.

United Neighbors Summary Judgement

Ms. Jensen stated that the Administrative Law Judge had issued a Summary Judgement in the case of United Neighbor in IFA's favor. If the board wishes to accept the summary judgement, no action needs to be taken. She also informed the Board that they could vote to reject the Summary Judgement and reopen the case. The Board did not act and therefore accepted the Summary Judgment.

Miscellaneous

Receive Comments from General Public

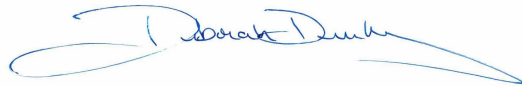
Chair Heil opened the public comment period and asked if anyone in the audience would like to address the Board.

Adjournment

On a motion by Mr. Nelson and a second by Ms. Aust, the February 6, 2019, meeting of the IFA Board of Directors adjourned at 11:47 a.m.

Dated this 6th day of March, 2019

Respectfully submitted:



Deborah Durham
Executive Director

Approved as to form:



Jeff Heil, Chair
Iowa Finance Authority