



BOARD MEETING MINUTES

Iowa Finance Authority
2015 Grand Avenue
Des Moines, Iowa
November 5, 2014

Board Members Present

Michel Nelson, Treasurer, Acting Chair	Joan Johnson Jeff Heil
Eric Peterson Darlys Baum	Shaner Magalhães

Board Members Absent

Ruth Randleman, Chair
David Greenspon, Vice Chair
Carmela Brown

Staff Members Present

David Jamison, Executive Director/Board Secretary	Ashley Jared, Communications Director
Jess Flaherty, Executive Assistant/ Recording Secretary	Carolann Jensen, Chief Administration Officer
Lori Beary, Community Development Director	Katie Kulisky, Administrative Assistant
Mark Fairley, Finance & Investment Manager	Tara Lawrence, Commercial Underwriting Counsel
Jerry Floyd, HOME Program Analyst	Amber Lewis, Homeless Programs Coordinator
Tim Gilbert, Funding & Finance Manager	Tim Morlan, Underwriter
Cindy Harris, Chief Financial Officer	Wes Peterson, Director of Government Relations
Steve Harvey, Chief Operating Officer	Terri Rosonke, HousingIowa Development Spec.
Deb Haugh, Director of SF Production	Mark Thompson, General Counsel
Geri Huser, Iowa Title Guaranty Director	Dave Vaske, LIHTC Manager

Others Present

David Grossklaus, Dorsey & Whitney	Ron Lewis, Statewide Abstract
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Call to Order

Chair Nelson called to order the November 5, 2014, regular monthly meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:00 a.m. Roll call was taken and a quorum was established with the following Board members present: Nelson, Johnson, Heil, Magalhães, Baum and Peterson.

Consent Agenda

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

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

- Approval of Minutes of the October 8, 2014, IFA Board Meeting
- AG 14-041A, Paul and Jennifer Vander Waal
- AG 14-042A, Phillip J. and Angela A. Pena
- AG 14-043A, John C. Naylor
- AG 14-044A, Brian K. Harms
- AG 14-045A, Paul N. and Michelle M. Reicks
- AG 14-046A, Spencer P. Spain
- AG 14-047A, Taylor Block
- AG 14-048A, Brian T. Block
- AG 14-049A, Jesse M. Gingerich
- 04030M, Bryan D. and Deborah D. Long, Ruthven
- 04787M, Wesley R. Gould, Hedrick
- 04788M, Aaron J. Gould Washington
- AG-TC 14-11, Beginning Farmer Tax Credit Program
- WQ 14-15, SRF Planning and Design Loans
- WQ 14-16, SRF Construction Loans

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

HousingIowa

HI 14-20, State Housing Trust Fund Award

Ms. Rosonke stated that the resolution is for one award in the amount of \$50,000 to Northeast Iowa Community Action Corporation. The Grant would be used to help construct two single-family rental homes on infill lots in Elkader and Guttenberg. Ms. Rosonke requested Board action on HI 14-20.

MOTION: On a motion by Mr. Peterson and a second by Mr. Magalhães, the Board unanimously approved resolution HI 14-20, State Housing Trust Fund Award.

HI 14-21, Shelter Assistance Fund Awards

Ms. Lewis stated that this resolution is to authorize the award of Shelter Assistance Fund (SAF) funds to the 25 applicants and in the amounts listed on Exhibit A for the 2015 Calendar Year. She thanked Mr. Magalhães for his time and assistance in scoring the 2015 applications. Ms. Lewis asked for Board Action on HI 14-21.

MOTION: On a motion by Ms. Baum and a second by Mr. Peterson, the Board unanimously approved HI 14-21, Shelter Assistance Fund Awards.

HI 14-22, Home Award

Mr. Floyd presented the resolution awarding an additional \$31,000 of HOME funds to the Northeast Iowa Community Action Corporation (NEICAC). He said the additional funds are being requested due to additional requirements, including HUD's determination that homebuyers should be assisted based on their need, rather than a specified amount, which is what the project costs were based on. Mr. Floyd asked for Board action on HI 14-22.

MOTION: Mr. Magalhães made a motion to approve HI 14-22. On a second by Mr. Peterson, a vote was taken with the following results: **YES:** Peterson, Baum, Magalhães, Heil and Johnson; **NO:** None; **ABSTAIN:** Nelson. The Board approved Resolution HI 14-22 on a majority vote.

Administration

ACCOUNTING AND FINANCE

Executive Director's Report

Director Jamison began his report by congratulating Mr. Magalhães on his recent appointment as President for the Iowa City Area Association of REALTORS®. He gave a brief update on the recent conferences he had attended. He concluded by recognizing Cindy Harris for the outstanding presentation she made to the rating agencies in New York.

Presentation of FY 12 Financial Audit by KPMG

Mr. Harvey introduced Ms. Shelly Stromp from KPMG to present IFA's FY 14 financial audit.

Ms. Stromp thanked the IFA staff for their cooperation while KPMG was performing the audit. She said she had presented detailed information to the Administration Committee prior to the Board meeting. Ms. Stromp reported that KPMG issued an unqualified opinion on the financial statements of IFA as a housing agency, the SRF program and IFA as a whole, which is the highest form of opinion they can give by professional standards.

Ms. Stromp stated that they found no significant deficiencies and no material weaknesses on a financial statement level.

Motion: On a motion by Ms. Baum and a second by Ms. Johnson, the Board unanimously accepted the KPMG audit report.

Review of Financial Statement

Mr. Harvey presented the September 2014 financial results. He said as a housing agency, year-to-date net operating income of \$2,258,753 is favorable to budget by \$1,124,257.

The State Revolving Fund year-to-date net operating income of \$1,932,874 is unfavorable to budget by \$23,559.

MOTION: On a motion by Ms. Baum and a second by Ms. Johnson, the Board unanimously accepted the September 2014 financial statement.

FIN 14-07, Multifamily Loan to Hope Haven Area Development Center Corporation

Mr. Morlan stated the resolution is for a loan to Hope Haven Area Development Center Corporation in the amount of \$25,500 with a 10-year term. Mr. Morlan asked for Board approval on FIN 14-07.

MOTION: On a motion by Ms. Baum and a second by Mr. Peterson the Board unanimously approved FIN 14-07, Multifamily Loan to Hope Haven Area Development Center Corporation.

FIN 14-08, Single Family Reimbursement Resolution

Ms. Harris introduced the resolution and stated that if approved, the resolution would authorize the use of up to \$50 million of tax exempt bond proceeds to reimburse the Authority for purchase of mortgage backed securities. Ms. Harris requested approval of HI 14-08.

MOTION: On a motion by Mr. Magalhães and a second by Mr. Peterson, the Board unanimously approved FIN 14-08, Single Family Reimbursement Resolution.

FIN 14-09, Mortgage Credit Certificate Program Resolution

Ms. Haugh reported that the resolution is before the board requesting approval of the 2014A Mortgage Credit Certificate Program, including the necessary election not to issue qualified mortgage bonds, authorization of the execution and delivery of necessary elections. This resolution contemplates filing a notice of election with the IRS of the Iowa Finance Authority's (IFA's) intent to issue Mortgage Credit Certificates (MCCs) in lieu of issuing up to \$84,000,069 of expiring private activity bond volume cap. Ms. Haugh requested approval of FIN 14-09.

MOTION: On a motion by Mr. Peterson and a second by Mr. Magalhães the Board unanimously approved FIN 14-09, Mortgage Credit Certificate Program Resolution.

LEGAL

Notice of Intended Action: Amended Chapter 1

Notice of Intended Action: Amended Chapter 2

Notice of Intended Action: Amended Chapter 3

Notice of Intended Action: Amended Chapter 11

Notice of Intended Action: Rescind Chapter 5

Notice of Intended Action: Rescind Chapter 6

Mr. Thompson presented the administrative rules, reporting that he would be looking over all of IFA's chapters and cleaning them up over the next year. He stated that some chapters changes would be just grammatical in nature and others would be rescinded if the programs they covered were now obsolete. Mr. Thompson asked for a motion to approve the Notice of Intended Action for Chapters 1, 2, 3, 11, 5 and 6.

MOTION: On a motion by Ms. Baum and a second by Mr. Peterson the Board unanimously approved the Notice of Intended Action for Chapters 1, 2, 3, 11, 5 and 6.

COMMUNICATIONS

Ms. Jared gave a brief update to the Board stating the 2015 HousingIowa Conference will be held September 9-11, in Coralville. In 2015 IFA will also be celebrating its 40th anniversary with a year long campaign to show off IFA's involvement across the state. She concluded by announcing that IFA has received an award for the 2014 HousingIowa Conference from the National Council of State Housing Agencies at their annual conference in Boston.

Community Development

ECONOMIC DEVELOPMENT BOARD PROGRAM

ED 14-06B, Castlewood Apartments Project

Ms. Beary stated this is a resolution authorizing the issuance of an amount not to exceed \$9,250,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds or Notes for the Castlewood Apartments Project in Davenport. The bonds will be used for the acquisition and rehabilitation of an existing multifamily complex with 64 two-bedroom apartment units and 36 three-bedroom townhome units. The facility has a Section 8 project-based contract. This project will also use 4% LIHTC and will need an allocation of Private Activity Bond Cap. Ms. Beary asked for approval of ED 14-06B

MOTION: On a motion by Mr. Peterson and a second by Mr. Magalhães the Board unanimously

approved ED 14-06B.

IOWA AGRICULTURAL DEVELOPMENT DIVISION (IADD)

04030B, BRYAN D. AND DEBORAH D. LONG

AG 14-031B, BRIAN L. AND DARCY L. FRITZ

AG 14-041B, PAUL AND JENNIFER VANDERWAAL

AG 14-042B, PHILLIP J. AND ANGELA A. PENA

AG 14-043B, JOHN C. NAYLOR

AG 14-044B, BRIAN K. HARMS

AG 14-045B, PAUL N. AND MICHELLE M. REICKS

AG 14-046B, SPENCER P. SPAIN

AG 14-047B, TAYLOR BLOCK

AG 14-048B, BRIAN T. BLOCK

AG 14-049B, JESSE M. GINGERICH

Ms. Beary introduced the resolutions for the IADD and asked for Board action.

MOTION: On a motion by Ms. Baum and a second by Mr. Peterson, the Board unanimously approved the resolutions for the IADD.

Iowa Title Guaranty

Ms. Lawrence gave the Board an update on recent Title Guaranty Commercial production, stating that revenue was up. She also reported that they are working on the reinsurance treaty Request for Proposal (RFP) to be issued in November with the hope of signing a contract in January.

Miscellaneous

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.

Adjournment

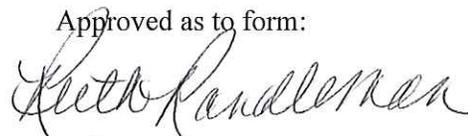
On a motion by Ms. Baum and a second by Mr. Peterson, the November 5, 2014, regular monthly meeting of the IFA Board of Directors adjourned at 11:47 a.m.

Dated this 10th day of December 2014.

Respectfully submitted:


David D. Jamison
Executive Director/Board Secretary

Approved as to form:


Ruth Randleman, Chair
Iowa Finance Authority