



BOARD MEETING MINUTES

**Iowa Finance Authority Presentation Room
2015 Grand Avenue
Des Moines, Iowa
January 13, 2010**

Board Members Present

Roger Caudron, Chair	Darlys Baum
Douglas Walter, Vice Chair	Virginia Bordwell
Carmela Brown, Treasurer	David Erickson
Heather Armstrong	Wilfred Johnson

Board Members Absent

Steven Adams

Staff Members Present

Bret Mills, Outgoing Executive Director/Board Secretary	Tim Morlan, Underwriter
Joe O'Hern, Incoming Executive Director/Board Secretary	Jess Mort, Administrative Assistant
Lori Beary, Community Development Director	Loyd Ogle, Title Guaranty Division (TG) Director
Mickey Carlson, IFA/ISU	Carla Pope, Director of Affordable Rental Production
Eric Chatman, Chief Financial Officer	Terri Rosonke, HousingIowa Development Specialist
Irene Hardisty, Director of Single-Family Production	Mark Thompson, General Counsel
Steve Harvey, Director of Operations/Comptroller	David Vaske, Low-Income Housing Tax Credit Manager
Joseph Jones, Director of Governmental Affairs	Nancy Wallis, Administrative Assistant
Shawna Lode, Communications Director	

Others Present

Bob Burns – BurnsHousing.com	John Gronen – Gronen Properties
Jim Conlin – Conlin Properties	Mary Gronen – Gronen Properties
Jill Connors – Gronen Properties	David Grossklaus – Dorsey & Whitney, LLP
Joni DeVries – Wells Fargo Bank Iowa, NA	Dean Hoag – Republic Abstract
Rick Dickinson – Greater Dubuque Development Corporation	Roger Huston – Governor's Office
Dan Garrett – Midwest Housing Equity Group	Kyle Rice – State Treasurer's Office
Teri Goodmann – City of Dubuque	James Smith – Dorsey & Whitney, LLP
	Michael Van Milligen – Dubuque City Manager

Call To Order

Chair Caudron called to order the January 13, 2010, regular monthly meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:08 a.m. Roll call was taken and a quorum was established with the following Board members present: Armstrong, Baum, Bordwell, Brown, Caudron, Erickson, Johnson and Walter.

Review of Minutes

December 4, 2009, Special Telephonic Board Meeting

Chair Caudron introduced the minutes of the December 4, 2009, special telephonic meeting of the IFA Board of Directors.

Ms. Bordwell said she would abstain from voting because she did not participate in the meeting.

Motion: Mr. Johnson made a motion to approve the minutes. On a second by Mr. Walter, the Board approved the minutes of the December 4, 2009, meeting of the IFA Board, with Ms. Bordwell abstaining.

December 9, 2009, Board Meeting

Chair Caudron introduced the minutes of the December 9, 2009, regular monthly meeting of the IFA Board of Directors. Ms. Bordwell pointed out a typo in the middle of page 4 where there was an “m” following “2009”. She also questioned the wording from the bottom of page 4 to the top of page 5. Ms. Wallis said she would amend the wording in that section.

Ms. Armstrong said she would abstain from voting because she was not present for the meeting.

Motion: On a motion by Ms. Brown and a second by Ms. Bordwell, the Board approved the minutes of the December 9, 2009, IFA Board meeting, with Ms. Armstrong abstaining.

Administration

SUMMARY & OVERVIEW

Director Mills made some remarks regarding his transition from IFA to the Iowa Department of Economic Development and the transition of Mr. O’Hern to become Director of IFA. Director Mills also spoke about IFA’s Strategic Plan, the Housing Needs Assessment document that was included in the Board materials, as well as funding allocated to IFA from the National Housing Trust Fund.

Recognition Resolution and Presentation

Chair Caudron read parts of a resolution recognizing Director Mills as he leaves IFA to become Director of the Iowa Department of Economic Development.

Motion: On a motion by Mr. Johnson and a second by Ms. Brown, the Board unanimously approved the resolution recognizing Director Mills for his service to IFA and to the people of Iowa.

Chair Caudron then presented a plaque to Director Mills and wished him well in his new role.

Director Mills thanked the Board and said he feels the best days are ahead for IFA. He welcomed Mr. O’Hern as the new Director of IFA. Director Mills left the meeting.

Review of Financial Statement

Mr. Harvey presented the November financial results, noting that as a housing agency, year-to-date operating income, operating expense and net grant income are all favorable to budget, making the year-to-date net operating income \$1,439,563 favorable to budget.

Mr. Harvey reported that SRF year-to-date operating income and operating expense are favorable to budget while net grant income is unfavorable to budget, making net operating income \$150,345 favorable to budget.

Motion: On a motion by Mr. Erickson and a second by Mr. Walter, the Board unanimously accepted the November financial statement.

Resolution FIN 10-01, Single-Family Reimbursement Resolution

Mr. Chatman introduced the resolution authorizing the use of up to \$100 million of tax-exempt bond proceeds to reimburse IFA for purchases of Mortgage-Backed Securities (MBS) purchased with existing funds and placed into the Restricted Housing Fund (1991 Indenture) and the Security Fund (2009 Indenture), consistent with US tax law.

Mr. Chatman stated that because the Board adopted the new Single-Family Mortgage Revenue Bond Resolution on November 17, 2009, for the Treasury New Issue Bond Program (NIBP), this current resolution supersedes the resolution approved last August.

Motion: Ms. Brown made a motion to approve the resolution authorizing IFA to reimburse the Housing Fund and the Security Fund, as applicable, from the proceeds of bonds issued under either or both of the General Bond Resolutions, for payments made from the funds for purchases of loans. Reimbursement allocations, not to exceed \$100 million in the aggregate, shall be made within 18 months of the date the Board approves the resolution. On a second by Mr. Johnson, the Board unanimously approved Resolution FIN 10-01.

LEGAL

Adopted and Filed Emergency and Notice of Intended Action Re: Chapter 33, I-JOBS Water Quality Financial Assistance Program Rules

Mr. Thompson explained that this is a “double-barrel” approval so the amendments will become effective immediately but still allow the amendments to go through the normal rule-making process. Ms. Beary stated that the original program rules were too flexible to make good determinations on awards because the demand was larger than originally anticipated. She said the program received applications totaling nearly \$300 million for the \$20 million of available funding. Ms. Beary explained that the changes being proposed are for the “large community” assistance fund and noted that public comments would be accepted until close of business on March 2, 2010.

Motion: On a motion by Ms. Armstrong and a second by Ms. Bordwell, the Board unanimously approved the adoption and filing and the Notice of Intended Action for amendments to Chapter 33, I-JOBS Water Quality Financial Assistance Program.

Notice of Intended Action Re: Low-Income Housing Tax Credit (LIHTC) Compliance Manual

Mr. Thompson stated that the updates to the LIHTC compliance manual are being proposed to incorporate updated guidance from the Internal Revenue Service as of October 31, 2009. He said public comments would be accepted until close of business on March 2, 2010.

Motion: On a motion by Mr. Walter and a second by Ms. Baum, the Board unanimously approved the Notice of Intended Action for updates to the Low-Income Housing Tax Credit Compliance Manual.

LEGISLATIVE

Mr. Jones said updates on federal legislation were included in his Board memo. He noted that a bill recently passed by Congress would allocate approximately \$5.8 million to Iowa from the National Housing Trust Fund.

Mr. Jones also explained that the Iowa legislature still has \$100 million to be allocated from the I-JOBS Program and that IFA will probably get an allocation of those funds.

COMMUNICATIONS

Ms. Lode stated that about 13,000 people have contacted Iowa Rental Help and that callers are now being directed to the local agencies for assistance. The Iowa Rental Help web site also directs people to the local agency based on the person’s zip code.

Ms. Lode noted that there are some new additions to IFA’s marketing plan, including a new web site for Title Guaranty Commercial that will be launched soon at www.titleguarantycommercial.com. She also said that staff members are reviewing the single-family program in an attempt to make it more attractive to additional borrowers.

Community Development Programs

WATER QUALITY PROGRAMS

Resolution WQ 10-01, Planning & Design Loans

Ms. Beary introduced the resolution approving Planning & Design Loans for the cities of Fort Madison, Hampton, Havelock, Luana, Muscatine, McCallsburg, Rhodes, Brighton, Blairsburg, Farmington, Beaman, Hudson and Sioux City, as well as the Freeport Water and Sanitary District for a total of \$2,655,500.

Motion: On a motion by Ms. Brown and a second by Ms. Bordwell, the Board unanimously approved Resolution WQ 10-01, authorizing Planning & Design Loans to the entities and in the amounts set forth on Exhibit A of the resolution.

Chair Caudron said that due to scheduling conflicts, he would rearrange the agenda slightly and have Mr. Ogle present the Title Guaranty information next, and move the Dubuque presentation later in the meeting. (The minutes, however, will still reflect the order shown on the agenda for ease of later reference).

HousingIowa

Presentation from Dubuque

Mr. John Gronen, Ms. Mary Gronen, Ms. Jill Connors, Mr. Michael Van Milligen, Ms. Teri Goodmann and Mr. Rick Dickinson presented information about various developments Gronen Properties has completed in the city of Dubuque, the goals the City of Dubuque has for downtown revitalization and the specific goal of rehabilitating the Caradco Building into workforce housing and commercial space. They noted that they will be meeting with legislators in an effort to amend the I-JOBS rules to include workforce housing projects.

AFFORDABLE RENTAL PRODUCTION PROGRAMS

Resolution HI 10-01, I-JOBS Affordable Housing Assistance Grant Fund Awards

Ms. Rosonke introduced the resolution allocating awards to two projects for a total of \$203,838 under the FY 2010 funding round. She provided details about both projects as set forth in the summaries included in the Board materials. Ms. Rosonke stated that if the Board approves funding to these two projects, awards to date for this program will total \$12,222,164, leaving \$7,775,836 available for allocation.

Motion: Ms. Armstrong made a motion to approve the award of grants under the Affordable Housing Assistance Grant Fund to the recipients and in the amounts listed on Exhibit A of the resolution, contingent upon the applicants securing all other funding sources identified in the project budgets. On a second by Mr. Johnson, the Board unanimously approved Resolution HI 10-01.

Title Guaranty Division (TG)

Mr. Ogle reported that the next TG Board meeting will be held on March 2, 2010. He said revenue continues to be very strong and that the commercial business has experienced 100 percent growth over the past three years.

Miscellaneous Items

Receive Comments from General Public

Chair Caudron opened the public comment period and asked if anyone in the audience would like to address the Board. There being no audience members wishing to address the Board, Chair Caudron closed the public comment period.

Next Meeting

The next regular monthly meeting of the IFA Board of Directors will be held at 11:00 a.m. on Wednesday, February 3, 2010, in IFA's Presentation Room.

Adjournment

There being no further business, on a motion by Ms. Armstrong and a second by Mr. Walter, the January 13, 2010, meeting of the IFA Board of Directors adjourned at 12:53 p.m.

Dated this 3rd day of February 2010.

Respectfully submitted:

Joseph O'Hern
Executive Director/Board Secretary
Iowa Finance Authority

Approved as to form:

Roger J. Caudron, Chair
Iowa Finance Authority