



BOARD MEETING MINUTES

**Iowa Finance Authority Presentation Room
2015 Grand Avenue
Des Moines, Iowa
March 2, 2011**

Board Members Present

Roger Caudron, Chair (via telephone)	Heather Armstrong (via telephone)
Douglas Walter, Vice Chair	Darlys Baum
Carmela Brown, Treasurer	Virginia Bordwell (via telephone)
Steve Adams (via telephone)	Wilfred Johnson

Board Members Absent

David Erickson

Staff Members Present

David Jamison, Executive Director/Board Secretary	Ashley Jared, Communications Director
Lori Beary, Community Development Director	Joseph Jones, Director of Governmental Affairs
Eric Chatman, Deputy Director/Chief Financial Officer	Katie Kulisky, Administrative Assistant
Mark Fairley, Finance & Investment Manager	Loyd Ogle, Director of Title Guaranty Division
Derek Folden, Underwriter	Wes Peterson, Assistant to the Director
Irene Hardisty, Director of Single-Family Production	Mark Thompson, General Counsel
Steve Harvey, Director of Operations/Comptroller	Joanna Wilson, Associate General Counsel
	Nancy Wallis, Administrative Assistant

Others Present

Michael Barnes – Barnes Properties	Alecia Kates – Citizen
Gundel Basart – Citizen	Izaah Knox – Citizen
Carol Blom – Citizen	James McIntyre – Morgan Stanley
Ray Brown – Save Store LLC Project	Bret Mills – Conlin Properties
Jackie Crull – Citizen	Joann Muldoon, Citizen
Jan Fleming – Citizen Requesting Waiver	Kyle Rice – State Treasurer’s Office
Bob Foggio – Morgan Stanley	Mark Riley – Pinnacle Construction
Dan Garrett – Midwest Housing Equity Group	James Smith – Dorsey & Whitney, LLP
David Grossklaus – Dorsey & Whitney, LLP	Terry Vorbrich - Citizen
Cassandra Halls – Evelyn Davis Project	Granville Williams - Citizen

Call to Order

Vice Chair Walter called to order the March 2, 2011, regular monthly meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:02 a.m. Roll call was taken and a quorum was established with the following Board members present: Adams, Armstrong, Baum, Bordwell, Brown, Caudron, Johnson and Walter.

Because there was not a quorum present in person, Vice Chair Walter noted for the minutes that the meeting was being held electronically because scheduling conflicts prevented five or more Board members from meeting in one location.

Review of Minutes

February 2, 2011, Board Meeting

Chair Caudron introduced the minutes of the February 2, 2011, regular monthly meeting of the IFA Board of Directors.

Motion: On a motion by Mr. Johnson and a second by Ms. Bordwell, the Board approved the minutes of the February 2, 2011, meeting of the IFA Board.

Administration

SUMMARY & OVERVIEW

Director Jamison expressed appreciation to the IFA staff for their help as he makes the transition to the position of IFA Executive Director. He especially thanked Joseph Jones for all the help he has provided before taking on a new job in Washington, D.C. effective in mid-March.

Director Jamison then introduced Mr. Wes Peterson, who is currently training with Mr. Jones to take over the legislative liaison duties when Mr. Jones leaves IFA.

Ms. Bordwell asked about the letter that was sent by IFA to the City of Cedar Rapids that had been in the news. Director Jamison said he would send that out to the Board members after the meeting.

ACCOUNTING AND FINANCE

Review of Financial Statement

Mr. Harvey presented the January 2011 financial results, reporting that as a housing agency, year-to-date net operating income of \$8,221,014 is favorable to budget by \$2,111,755.

Mr. Harvey noted that State Revolving Fund year-to-date net operating income of \$26,135,150 is \$8,477,277 favorable to budget.

Motion: On a motion by Ms. Brown and a second by Ms. Baum, the Board unanimously accepted the January 2011 financial statement.

LEGAL

Adopted and Filed Emergency Re: Rescind Chapter 14, Homeless Shelter Assistance Program

Mr. Thompson reported that the Board approved new Chapter 41, Shelter Assistance Fund, on September 27, 2010, replacing Chapter 14. He said staff neglected to rescind Chapter 14 at that time.

MOTION: On a motion by Mr. Johnson and a second by Ms. Brown, the Board unanimously voted to rescind Chapter 14, Homeless Shelter Assistance Program.

Notice of Intended Action Re: Amendments to Chapter 32, Iowa Jobs Program

Mr. Thompson explained that the amendments being proposed relate to technical changes to the reporting requirements of the Iowa Jobs Program. He said that the I-JOBS Board also must approve the amendments before they take effect. Mr. Thompson reported that once the amendments have been approved by the IFA Board and the I-JOBS Board, grant recipients will only need to report permanent positions and not temporary job positions.

MOTION: Mr. Caudron made a motion to approve the amendments to Chapter 32, subject to approval by the I-JOBS Board. On a second by Ms. Armstrong, the Board unanimously approved the amendments to Chapter 32, Iowa Jobs Program.

Request for Renewal of Waiver, Home- and Community-Based Services (HCBS) Rent Subsidy Program– Jan Fleming

Mr. Thompson introduced the request by stating that the IFA Board approved a waiver on August 4, 2010, allowing Ms. Fleming to continue receiving her rent subsidy in the same amount and to remain in her two-bedroom apartment until January 31, 2011. Chair Caudron recommended to her at that time that she begin looking for a one-bedroom apartment in order to continue receiving the rent subsidy payments.

Mr. Thompson reported that Ms. Fleming has now filed another request for waiver, stating that the rent subsidy likely would not be any lower if she moved into a smaller apartment, or at most would be \$70 less per month. He said that Ms. Fleming feels that a move would be detrimental to her health and well-being. Mr. Thompson stated that Director Jamison was recommending granting the waiver for two additional years. He said an order to that effect was included in the Board materials.

MOTION: Ms. Baum made a motion to accept the order as written, allowing Ms. Fleming to stay in her current apartment for two more years and to continue receiving her current rent subsidy payments. On a second by Mr. Caudron, a vote was taken with the following results: YES: Adams, Armstrong, Baum, Brown, Caudron, and Walter; No: Bordwell and Johnson.

LEGISLATIVE

Mr. Jones reported on various pieces of legislation affecting IFA in the State Legislature. He said the Governor’s recommendation for appropriations includes \$658,000 for Home- and Community-Based Services Rent Subsidy (down from \$700,000 in previous years), \$1 million for Military Homeownership Assistance Program (funded fully as in the recent past), and no funding for the State Housing Trust Fund (down from \$3 million in the past).

Mr. Jones also noted that the Legislature is currently in the first funnel week, and that the second funnel week will be the week of March 28.

Mr. Jones responded to some questions from Board members, and closed by thanking the Board for all their support over the last four years.

COMMUNICATIONS

Ms. Jared reported that IFA’s Funnel Cake Day for Funnel Week at the Capitol will be March 31, 2011, beginning at noon. She also announced that 175,000 mediation notices have been sent to homeowners to notify them of the Iowa Mortgage Help initiative; the requirement for mediation notices is scheduled to sunset on June 30, 2011. Ms. Jared said the Attorney General’s Office is working on an extension for the program so Iowa homeowners facing foreclosure will continue to receive the important notice.

Ms. Jared stated that IFA will release a Request for Proposal (RFP) in the near future for a redesign of IFA's website. She also noted that the 2011 HousingIowa Conference will be held September 7-8.

Community Development Programs

ECONOMIC DEVELOPMENT LOAN PROGRAM

Resolution ED 11-01A, Hotel Fort Des Moines Project

Ms. Beary introduced an application and inducement resolution for \$25,000,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds for the Hotel Fort Des Moines Project. She said the bonds will be used to renovate the hotel into a 265-room full-service Hilton, which would be Iowa's first four-star hotel listed on the National Register of Historic Places. She said the project will require an allocation of Midwestern Disaster Area Revenue Bonds.

MOTION: Ms. Brown made a motion to adopt the resolution approving an application for \$25,000,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds (Hotel Fort Des Moines Project), Series 2011, for Hotel Fort Des Moines, LLC (the "Borrower"), and evidencing the intent to proceed with the issuance of \$25,000,000 of Midwestern Disaster Area Revenue Bonds. On a second by Mr. Johnson, the Board unanimously adopted Resolution ED 11-01A.

Resolution ED 11-02A, Hotels at River Point West Project

Ms. Beary introduced an application and inducement resolution for \$18,125,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds for the Hotels at River Point West Project in Des Moines. She explained that the bonds will be used to construct two hotels: a four-story limited service hotel and a four-story extended-stay hotel, both to be located in an area being redeveloped south of downtown Des Moines. Ms. Beary said the project will require an allocation of Midwestern Disaster Area Revenue Bonds.

MOTION: Ms. Brown made a motion to adopt the resolution approving an application for \$18,125,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds (Hotels at River Point West Project), Series 2011, for Des Moines Lodging Group, LLC, DBA Homewood Suites by Hilton, and Des Moines Lodging Group, LLC, DBA Holiday Inn Express Hotel & Suites, or parties related thereto, and their respective successors and assigns (collectively, the "Borrower"), and evidencing the intent to proceed with the issuance of \$18,125,000 of Midwestern Disaster Area Revenue Bonds. On a second by Ms. Armstrong, the Board unanimously adopted Resolution ED 11-02A.

Public Hearing for ED Loan 10-38, Save Store, LLC Project

Ms. Beary asked the Board to hold a public hearing regarding the issuance of an amount not to exceed \$5,000,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds for the Save Store, LLC Project. She reported that the bonds will be used to purchase and remodel the former grocery store at 801 University Avenue in Des Moines. Ms. Beary noted that the building will be converted to a Save-A-Lot grocery store, a Dollar Plus General Store and a Workforce Development Center run by Des Moines Area Community College. She said the project will require an allocation of Midwestern Disaster Area Revenue Bonds.

Vice Chair Walter opened the public hearing at 11:39 a.m. regarding the issuance of an amount not to exceed \$5,000,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds for the Save Store, LLC Project.

Mr. Ray Brown, a partner of the Save Store project addressed the Board in support of the project. He said he hopes to approach the city next week in an effort to move the project forward. He thanked Ms. Beary and Mr. Jones for their help and support.

Ms. Veola Perry, a member of the community planning committee, said she was happy that the building would be in use once again.

Ms. Joann Muldoon, a resident in the neighborhood of the store, stated that the community really wants the project to be successful. She asked for the support of the Board.

Ms. Beary said IFA had received no written comments regarding the project. There being no further comments from the audience, Vice Chair Walter closed the public hearing at 11:43 a.m.

Title Guaranty Division

Mr. Ogle reported that revenue is still strong, with a total of more than \$680,000 for February. He said the commercial department is very busy, with a continued opportunity for growth.

Miscellaneous Items

Receive Comments from General Public

Vice Chair Walter 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.

Adjournment

There being no further business, on a motion by Mr. Johnson and a second by Mr. Adams, the March 2, 2011, meeting of the IFA Board of Directors adjourned at 11:46 a.m.

Dated this 6th day of April 2011.

Respectfully submitted:

Approved as to form:

David D. Jamison
Executive Director/Board Secretary
Iowa Finance Authority

Roger J. Caudron, Chair
Iowa Finance Authority