

**NEBRASKA INVESTMENT FINANCE AUTHORITY  
BOARD OF DIRECTORS MEETING AND RETREAT**

**HILTON OMAHA  
1001 CASS STREET  
OMAHA, NE**

**MINUTES OF OCTOBER 11-13, 2017**

**Notice Publishes:      Sunday, October 8, 2017 – Omaha World Herald  
                                 Sunday, October 8, 2017 – Lincoln Journal Star**

**Open Meetings Act – A copy of the Open Meetings Act was posted near the entrance of Saint Nicholas A/B and the Herndon Room and also located on the table in the respective rooms during the meeting sessions. In addition, a copy of the Open Meetings Act was available for viewing during the Trolley Tour of North Omaha.**

**NIFA VISIONING RETREAT**

**Wednesday, October 11, 2017 @ 6:00 p.m. – Herndon Room**

**Roll Call**

**Board Members Present:** Marlin Brabec, Mark Graff, Michael Maroney, Mary Jo McClurg and Mat Habrock

**Board Members Absent:** Courtney Dentlinger, Herb Freeman, Galen Frenzen and Michael Walden-Newman

**NIFA Staff Present:** Executive Director and Board Secretary Tim Kenny, Clerk Sheila Gans, Chief Operating Officer Steve Clements, Single Family Homeownership Manager Jacki Young, Homeownership Relationship Manager Amanda Wusk, LIHTC Compliance Manager Kelly Schultze, Director of Development Ted Simpson, Agricultural Programs Manager Dudley Beyer, Marketing Specialist Susan Pulec and Deputy Director Christie Weston

**Guests:** Willie Barney, Rod Bates, Patti Peterson and Erika Lynch

It was stated that copies of the Open Meetings Act were posted on the side wall and also located on the table as you enter the room. The notice of the meeting was published on Sunday, October 8, 2017 in the Omaha World Herald and in the Lincoln Journal Star.

Dinner at 6:00 p.m. followed by a presentation from speaker Willie Barney of the African American Empowerment Network.

**Thursday, October 12, 2017**

**9:00 a.m. – Bus Departed the Hilton Omaha (1001 Cass Street) for the North Omaha Tour**

**Roll Call**

**Board Members Present:** Galen Frenzen, Mark Graff, Michael Maroney, Mary Jo McClurg, Michael Waden-Newman and Mat Habrock

**Board Members Absent:** Courtney Dentlinger, Herb Freeman and Marlin Brabec

**NIFA Staff Present:** Executive Director and Board Secretary Tim Kenny, Clerk Sheila Gans, Chief Operating Officer Steve Clements, LIHTC Compliance Manager Kelly Schultze, Director of Development Ted Simpson, Agricultural Programs Manager Dudley Beyer, and Deputy Director Christie Weston

**Guests:** Erika Lynch, Patti Peterson, Willie Barney, Teresa Negron, Jami Kemp and Rod Bates

It was stated that copies of the Open Meetings Act were in the center and the back of the trolley. The notice of the meeting was published on Sunday, October 8, 2017 in the Omaha World Herald and in the Lincoln Journal Star.

Trolley Tour of development projects in North Omaha.

#### **11:00 a.m. – Visioning Session Part 1 - Saint Nicholas A**

##### **Roll Call**

**Board Members Present:** Marlin Brabec, Galen Frenzen, Mark Graff, Michael Maroney, Mary Jo McClurg, Michael Walden-Newman and Mat Habrock

**Board Members Absent:** Courtney Dentlinger and Herb Freeman

**NIFA Staff Present:** Executive Director and Board Secretary Tim Kenny, Clerk Sheila Gans, Chief Operating Officer Steve Clements, Treasurer Judy Krasomil, LIHTC Compliance Manager Kelly Schultze, Director of Development Ted Simpson, Agricultural Programs Manager Dudley Beyer, Deputy Director of Programs Robin Ambroz, Accounting Manager Jody Cook, Homeownership Relationship Manager Amanda Wusk, Marketing Specialist Susan Pulec and Deputy Director Christie Weston

**Guests:** Jeff Gertz, Patti Peterson, Erika Lynch and Rod Bates

It was stated that copies of the Open Meetings Act were posted on the side wall and also located on the table as you enter the room. The notice of the meeting was published on Sunday, October 8, 2017 in the Omaha World Herald and in the Lincoln Journal Star.

Visioning Session Part 1, discussion facilitated by Rod Bates.

#### **12:30 p.m. – Lunch – Saint Nicholas B**

#### **1:30 p.m. – Visioning Session Part 2 – Saint Nicholas A**

##### **Roll Call**

**Board Members Present:** Marlin Brabec, Galen Frenzen, Mark Graff, Mary Jo McClurg, Michael Walden-Newman and Mat Habrock

**Board Members Absent:** Courtney Dentlinger, Michael Maroney and Herb Freeman

**NIFA Staff Present:** Executive Director and Board Secretary Tim Kenny, Clerk Sheila Gans, Chief Operating Officer Steve Clements, Treasurer Judy Krasomil, LIHTC Compliance Manager Kelly Schultze, Director of Development Ted Simpson, Agricultural Programs Manager Dudley Beyer, Deputy Director of Programs Robin Ambroz, Accounting Manager Jody Cook, Homeownership Relationship Manager Amanda Wusk, Marketing Specialist Susan Pulec and Deputy Director Christie Weston

Guests: Jeff Gertz, Patti Peterson, Erika Lynch and Rod Bates

Courtney Dentlinger arrived at 2:01 p.m.

It was stated that copies of the Open Meetings Act were posted on the side wall and also located on the table as you enter the room. The notice of the meeting was published on Sunday, October 8, 2017 in the Omaha World Herald and in the Lincoln Journal Star.

Visioning Session Part 2, discussion facilitated by Rod Bates.

Visioning Session Part 2 concluded at 5:00 p.m.

**5:30 p.m. – Reception – Saint Nicholas B**

## **NIFA BOARD OF DIRECTORS MEETING**

### **Friday, October 13, 2017 @ 8:30 a.m. – Saint Nicholas A**

Board Members Present: Marlin Brabec, Galen Frenzen, Mark Graff, Mary Jo McClurg, Michael Walden-Newman and Mat Habrock

Board Members Absent: Courtney Dentlinger, Michael Maroney and Herb Freeman

NIFA Staff Present: Executive Director and Board Secretary Tim Kenny, Clerk Sheila Gans, Chief Operating Officer Steve Clements, Treasurer Judy Krasomil, LIHTC Compliance Manager Kelly Schultze, Director of Development Ted Simpson, Agricultural Programs Manager Dudley Beyer, Deputy Director of Programs Robin Ambroz, Homeownership Relationship Manager Amanda Wusk and Deputy Director Christie Weston

Guests: Jeff Gertz – JP Morgan, Trent Bausch – Cline Williams, Patti Peterson and Erika Lynch – Kutak Rock LLP

#### **1. Call Meeting to Order and Roll Call**

Vice Chair McClurg called the meeting to order at 8:32 a.m. with six members present. Vice Chair McClurg reported that copies of the Open Meetings Act were posted on the side wall and also located on the table as you enter the room. The notice of the meeting was published on Sunday, October 8, 2017 in the Omaha World Herald and in the Lincoln Journal Star.

#### **2. Closed Session to Discuss Pending Litigation**

Moved by Brabec, seconded by Frenzen to go into closed session at 8:36 a.m. to discuss (A) pending litigation involving (i) General Electric Capital Corporation (and related entities) and (ii) Bayerische Landesbank Girozentrale and (B) strategy in connection therewith, which closed session is consistent with the Nebraska Open Meetings Act and is clearly necessary for the protection of both the public interest and the interests of NIFA. Roll Call Vote – Brabec – yes, Frenzen – yes, Graff – yes, McClurg – yes, Walden-Newman – yes and Habrock – yes. Motion carried unanimously.

Prior to the closed session, the following statement was read by the Vice Chair: "The closed session discussion shall be limited to matters relating to (A) pending litigation involving (i) General Electric Capital Corporation (and related entities) and (ii) Bayerische Landesbank Girozentrale

and (B) strategy in connection therewith. Members shall restrict their consideration of matters during the closed session to the purposes stated in the Motion."

#### **Closed Session**

Board Members met in closed session from 8:36 a.m. until 9:44 a.m.

Moved by Frenzen, seconded by Habrock to go into open session at 9:44 a.m. Roll Call Vote – McClurg – yes, Habrock – yes, Graff – yes, Frenzen – yes, Walden-Newman – yes and Brabec – yes. Motion carried unanimously.

3. **Review and Approve Resolution, if any, Resulting From Closed Session**  
No action resulting from Closed Session.
4. **Approval of the August 18, 2017 NIFA Board of Directors Meeting Minutes**  
Moved by Brabec, seconded by Habrock to approve the August 18, 2017 NIFA Board of Directors Meeting Minutes. Roll call vote – Brabec – yes, Frenzen – abstain due to not being present at the meeting, Graff – yes, McClurg – yes, Walden-Newman – yes and Habrock – yes. Motion carried – 5 yes and 1 abstaining.
5. **Executive Director's Report**  
Tim reported the Nebraska Rural Renaissance group met in McCook, Nebraska on September 27-29, 2017. The Nebraska Rural Renaissance is a group of individuals dedicated to encouraging successful economic growth in Nebraska's rural communities. Tim also reported NIFA is awaiting the release of information from the Department of Economic Development regarding the rules, regulations, and allocation process for LB518 funds that communities can use for workforce housing development. With that information, NIFA can discern its role in assisting communities with accessing LB518 funds for workforce housing. Tim announced NIFA will be holding a Workforce Housing Conference in Kearney, Nebraska October 25-26, 2017. Several NIFA staff and two Board members will be attending the NCSHA Annual Conference in Denver October 14-17, 2017.
6. **Public Comment related to the Board Retreat and October 13, 2017 Agenda Items (comment period limited to five minutes)**  
Vice Chair McClurg asked if anyone wished to comment on any of the agenda items and directed that they come forward and state their name and address for the record. No one came forward to comment on any of the agenda items.
7. **Private Activity Cap Summary**  
Judy Krasomil reported on the Private Activity Cap Summary updating the Board on allocations to date for 2017. Judy also pointed out the summary now includes the Ag allocation remaining to date.

#### **AGRICULTURAL FINANCE DIVISION**

8. **Status Report on Agricultural Program**  
Dudley Beyer reported that one Agricultural Loan has closed since the August 18, 2017 Board of Directors meeting.

Bond Resolution #1340 – Gregory A. and Katie L. Beckmann in the amount of \$291,000 for the purchase of 160 acres and 45.66 acres in Knox County, Nebraska.

## LOW INCOME HOUSING TAX CREDITS

### 9. Report on the Collaborative Resource Allocation for Nebraska (CRANE) Meeting held Wednesday, September 13, 2017

Robin Ambroz reported the following projects are in the CRANE process. Most of these projects are in the very early stages of development:

Siena Francis House PSH Phase 3 – Omaha  
Hillside Rows – Omaha  
Canterbury Estates – Sidney  
Victory Apartments II – Omaha  
Bethlehem House – Omaha  
Hanscom Apartments – Omaha  
Eagle Heights – Omaha

Robin also reported that NIFA has hired a new LIHTC Allocation Manager, Sara Tichota. Sara has worked in affordable housing for many years and was most recently the Executive Director of the Nebraska Housing Developers Association.

## MULTI-FAMILY HOUSING FINANCE DIVISION

### 10. Consideration of Allocation of 2017 State Volume Cap

**Allocation: 17-30-005 – Multifamily Housing Bonds (Sorensen Apartments Project)**  
**Issuer: Douglas County Housing Authority**  
**Allocation Amount: \$12,000,000**  
**Allocation Classification: Non-Statewide Housing**

Steve Clements reported NIFA received an Application for an allocation of Unified Volume Cap in connection with the proposed issuance of multifamily bonds for the construction of the project described below. The proposed issuer of the bonds, the Douglas County Housing Authority, adopted Resolution 2016-07 on May 20, 2016 declaring its official intent for purposes of the Internal Revenue Code of 1986. The developer anticipates the bonds will be issued in November of 2017. The project also includes 4% low income housing tax credits.

**Project: Sorensen Place Apartments**  
New Construction  
120 units  
60<sup>th</sup> and Sorensen Parkway  
Omaha, Nebraska

Moved by Frenzen, seconded by Brabec to approve a \$12,000,000 Allocation of 2017 State Unified Bond Volume Cap in connection with bonds to be issued by Douglas County Housing Authority for Sorensen Place Apartments, Omaha, Nebraska.  
Roll call vote – Brabec – yes, Frenzen – yes, Graff – yes, McClurg – yes, Walden-Newman – yes and Habrock – yes. Motion carried unanimously.

## SINGLE FAMILY HOUSING FINANCE DIVISION

- 11. Report on 2017 ABC Bond Issuance and Market Developments**  
 Jeff Gertz, J.P. Morgan, reviewed the pricing book and provided an overview of the retail and institutional order periods from the Single Family 2017 Series ABC bond sale.
- 12. Review and Consideration of Approval to File Notice with the Nebraska Legislature and the Governor of the State of Nebraska of NIFA's Intent to Issue Single Family Housing Program Bonds in the Aggregate Principal Amount of up to \$500,000,000**  
 Judy Krasomil reported this Notice is filed with the Nebraska Legislature and the Governor of the State of Nebraska indicating NIFA's intent to issue up to \$500,000,000 in aggregate principal amount of revenue bonds, general obligation bonds, or some combination thereof during the 2018 calendar year to finance projects (in this case single family mortgage loans), the beneficiaries or borrowers of which will not be known at the time of issuance. Such bonds are expected to be issued in connection with NIFA's single family bond program. The Notice is required pursuant to the NIFA Act.  
 Moved by Frenzen, seconded by Brabec to approve the Notice and the filing of the Notice with the Nebraska Legislature and the Governor of the State of Nebraska. Roll call vote – Graff – yes, McClurg – yes, Walden-Newman – yes, Habrock – yes, Brabec – yes and Frenzen – yes. Motion carried unanimously.
- 13. Review and Consideration of Approval for Increasing NIFA Single Family Program Purchase Price Limits**  
 Robin reviewed the graphs provided in the Board book regarding trends in purchase prices of NIFA single family program loans. The average has been steadily increasing since 2014. Staff is recommending an increase in NIFA's purchase price limits, which were last adjusted in December, 2013. The proposed limits are in line with NIFA's peers in surrounding states and are slightly less than the IRS safe harbor limits. Moved by Graff, seconded by Brabec to approve the following purchase price limits for NIFA's Single Family Program.

	<u>1-Unit</u>	<u>2-Unit</u>	<u>3-Unit</u>	<u>4-Unit</u>
Non-Targeted Areas	\$250,000	\$320,000	\$390,000	\$480,000
Targeted Areas	\$300,000	\$345,000	\$475,000	\$590,000

Roll call vote – Graff – yes, McClurg – yes, Walden-Newman – yes, Habrock – yes, Brabec – yes and Frenzen – yes. Motion carried unanimously.

- 14. Status Report on Single Family Program**  
 Robin Ambroz introduced NIFA's new Homeownership Relationship Manager, Amanda Wusk. Amanda's focus will be on NIFA's single family partner relationships. Robin reported NIFA has received 1,760 loan reservations to date in 2017 and reviewed the average loan amount, rural/urban split and activity by loan type and by program included in the Board book. Tim discussed the diminished use of NIFA's program by rural lenders because of their concern about federal regulations. To address this, NIFA recently entered into an arrangement with West Gate Bank, who will now serve as a sponsoring lender with a digital interface to give rural banks access to NIFA's program.

## OUTREACH REPORT

- 15. Report from the Outreach Department**  
 a) **Consideration of Ratification of FY 2017/2018 Nebraska Opportunity Fund (NOF) Budget Expenditures-Budgeted Item for "New Market Tax Credits-Omaha Industrial Campus"**  
 The NIFA Board ratified its earlier approval of a \$100,000 budget item in June, 2016 (within the Nebraska Opportunity Fund budget) for planning and engineering studies for a 7.5 acre tract of

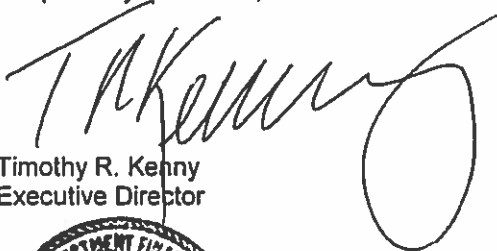
land at the northeast corner of Lake Street and Highway 75 in North Omaha, consistent with a community revitalization plan that began in 2002. CHI, working with community leaders has expressed their interest in developing a medical logistics center in an existing historical building at this location that has the potential to preserve and create in excess of 100 new jobs. The City of Omaha will consider selling the property at appraised value to a community development consortium (which will include the Omaha Economic Development Corporation ("OEDC")). The NIFA funds will provide resources for engineering and architectural studies for the purpose of seeking a New Markets Tax Credit application and or allocation. This is being brought to the NIFA Board for ratification of NIFA's commitment of resources to the North Omaha revitalization plan for this specific development area. NIFA Board member Michael Maroney (through OEDC) does have involvement in the overall project.

Moved by Habrock, seconded by Brabec for Ratification of FY 2017/2018 Nebraska Opportunity Fund (NOF) Budget Expenditures – Budgeted Item for "New Market Tax Credits – Omaha Industrial Campus. Roll call vote – Walden-Newman – yes, Habrock – yes, Brabec – yes, Frenzen – yes, Graff – yes and McClurg – yes. Motion carried unanimously.

#### OTHER BUSINESS/ANNOUNCEMENTS

16. **Continuation of Visioning Session and Discussion of Implementation Development Plan**  
Tim Kenny led a discussion regarding implementation of a development plan for the priorities identified in the Visioning Session on October 12, 2017. It was decided the Board's Management Committee and three staff members – Jacki Young, Christie Weston and Robin Ambroz – would meet to work on an implementation plan and report back to Board Members at the December Board Meeting.
17. **Announcements and Discussion of Upcoming Events and Scheduling**  
The proposed NIFA Board Meeting schedule for 2018 is as follows:  
February 16, 2018 at 9:00 a.m.  
April 20, 2018 at 9:00 a.m.  
June 15, 2018 at 9:00 a.m.  
August 17, 2018 at 9:00 a.m.  
October 19, 2018 at 9:00 a.m.  
December 14, 2018 at 9:00 a.m.
18. **Adjournment of Business Meeting**  
Moved by Brabec to adjourn at 11:02 a.m.

Respectfully submitted,



Timothy R. Kenny  
Executive Director

