

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

**NIFA'S CONFERENCE ROOM – 2<sup>ND</sup> FLOOR – COMMERCE COURT  
1230 'O' Street, Lincoln, NE**

**MINUTES OF FRIDAY, AUGUST 17, 2018 @ 9:00 A.M.**

**12:00 p.m. – 1:00 p.m. Non-Business Luncheon  
The Nebraska Club  
233 S 13th St, Suite 2000, Lincoln NE**

**Notice Published: August 12, 2018 - *Omaha World Herald*  
August 12, 2018 - *Lincoln Journal Star***

**Open Meetings Act** – Copies of the Open Meetings Act were posted on the side wall and also located on the table as you enter the room.

All votes taken by roll call of the members.

**NIFA BOARD MEMBERS PRESENT**

**Board Members Present:** Dave Rippe, Marlin Brabec, Mark Graff, Michael Maroney, Herb Freeman, Steve Wellman, Galen Frenzen and Michael Walden-Newman

**Board Members Absent:** Mary Jo McClurg

**NIFA Staff Present:** Executive Director and Board Secretary Tim Kenny, Clerk Sheila Gans, Chief Operating Officer Steve Clements, Treasurer Judy Krasomil, Deputy Director of Programs Robin Ambroz, Chief Homeownership Officer Jacki Young, Homeownership Relationship Manager Amanda Wusk, Homeownership Operations Manager Stacy Fotinos, LIHTC Compliance Manager Kelly Schultze, Assistant LIHTC Compliance Manager Julie Johnson, LIHTC Allocation Manager Sara Tichota, Agricultural Programs Manager Dudley Beyer, Outreach Program Manager Elizabeth Fimbres, Accounting Manager Michaela Mallery, Staff Accountant Angela Kamau-Watson, Deputy Director Christie Weston and Manager of Community Development & Research John Turner

**Guests:** Jeff Gertz – J.P. Morgan, Phil Lorenzen – D. A. Davidson & Co., Erik Lintvedt – Twain Financial Partners, Misty Dalke – George K. Baum & Company, Bruce Lefler – Ameritas, Rod Storm – City Administrator Blair, Alec Gorynski – First National Bank, Al Siemek – Habitat for Humanity of Omaha, Erika Lynch and Patti Peterson – Kutak Rock LLP

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

Chair Rippe called the meeting to order at 9:02 a.m. with eight members present. Chair Rippe 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, August 12, 2018 in the *Omaha World Herald* and in the *Lincoln Journal Star*.

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

Moved by Brabec, seconded by Maroney to go into closed session at 9:03 a.m. to discuss (A) pending litigation involving General Electric Capital Corporation (and related entities) 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 – Freeman – yes, Brabec – yes, Frenzen – yes, Graff – yes, Maroney – yes, Walden-Newman – yes, Wellman – yes and Rippe – yes. Motion carried unanimously.

Prior to the closed session, the following statement was read by the Chair: “The closed session discussion shall be limited to matters relating to (A) pending litigation involving General Electric Capital Corporation (and related entities) 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 9:03 a.m. until 9:18 a.m. Moved by Frenzen, seconded by Graff to go into open session at 9:18 a.m. Roll Call Vote – Rippe – yes, Wellman – yes, Graff – yes, Frenzen – yes, Walden-Newman – yes, Brabec – yes, Maroney – yes and Freeman – yes. Motion carried unanimously.

Chair Rippe reiterated that the copies of the Open Meetings Act were posted on the side wall and also located on the table as you enter the room.

**3. Review and Approve Resolution, if any, Resulting From Closed Session**

No action resulting from Closed Session.

**4. Approval of Minutes of the June 15, 2018 NIFA Board of Directors Meeting**

Moved by Brabec, seconded by Maroney to approve the June 15, 2018 NIFA Board of Directors Meeting minutes. Roll call vote – Brabec – yes, Frenzen – yes, Graff – yes, Maroney – yes, Walden-Newman – yes, Wellman – abstain due to not being present at the meeting, Rippe – yes and Freeman – yes. Motion carried – 7 – yes and 1 abstaining.

**5. Executive Director’s Report**

Tim Kenny gave a briefing on a trip he made to Eugene, Oregon in July where he toured a village of tiny homes which is a model for housing homeless persons. Tim asked Kelly Schultze and Michaela Mallery to introduce new staff members to the NIFA Board. Kelly introduced Julie Johnson. Julie joined the NIFA staff as the Assistant LIHTC Compliance Manager on August 1<sup>st</sup>. Julie previously worked for Seldin Company as the Director of Compliance, managing seventy properties across seven states. Michaela introduced Angela Kamau-Watson as NIFA’s new staff accountant. Angela has a bachelor’s degree in accounting and a master’s degree in business administration. Angela comes to NIFA with ten years accounting experience.

**6. Public Comment Related to the August 17, 2018 Agenda Items (comment period limited to five minutes)**

Chair Rippe 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**

Patti Peterson provided an overview of the legal authorization and mechanics of the Private Activity Cap Bond Allocation. Judy Krasomil reported on the Private Activity Cap Summary, updating the Board on allocations to date for 2018.

**AGRICULTURAL FINANCE DIVISION**

**8. Status Report on Agricultural Program for Fiscal Year Ending June 30, 2018**

Dudley Beyer shared a photo of the Nebraska Agricultural Youth Institute (NAYI). NAYI is a weeklong, agriculturally related experience for high school juniors and seniors from all across Nebraska. Dudley referred Board members to the Agricultural Loans Report for Fiscal Year Ending June 30, 2018 in the Board book. Dudley reported six loans closed in the 2017-18 fiscal year with an average principal loan amount of \$307,656 serving beginning farmers in five counties.

**LOW INCOME HOUSING TAX CREDITS**

**9. Report on the Collaborative Resource Allocation for Nebraska (CRANE) Meeting Held Wednesday, July 18, 2018**

Sara Tichota reported the following projects are in the CRANE process:

Victory Apartments II – Omaha  
Bethlehem House – Omaha  
Hanscom Apartments – Omaha  
Florentine Apartments – Omaha  
Angels Share Campus – Blair  
CenterPointe Campus for Hope – Omaha  
Nobility Point – Omaha

**10. Report from the Programs Committee**

Sara Tichota reported that NIFA staff and the Programs Committee (consisting of Marlin Brabec, Galen Frenzen and Mary Jo McClurg) met via telephone conference call on Thursday, August 16, 2018 to discuss the proposed changes to the 2019 Qualified Allocation Plan for the Low Income Housing Tax Credit (LIHTC) and Nebraska Affordable Housing Tax Credit (AHTC) Programs. Sara then briefed the board on the changes being recommended for the 2019 Qualified Allocation Plan, including consideration of the written comments and public comments made at the Public Hearing held on August 14, 2018.

**11. Consideration and Request for Approval of the 2019 Qualified Allocation Plan for the Low Income Housing Tax Credit (LIHTC) and Nebraska Affordable Housing Tax Credit (AHTC) Programs**

Moved by Frenzen, seconded by Brabec to approve the 2019 Qualified Allocation Plan for the Low Income Housing Tax Credit (LIHTC) and Nebraska Affordable Housing Tax Credit (AHTC) Programs. Roll call vote – Graff – yes, Maroney – abstain due to being a developer and submitting projects from time to time for consideration of tax credits, Walden-Newman – yes, Wellman – yes, Rippe – yes, Freeman – yes, Brabec – yes and Frenzen – yes. Motion carried – 7 – yes and 1 abstaining.

**SINGLE FAMILY HOUSING FINANCE DIVISION**

**12. Status Report on Single Family Program**

Jacki referred Board members to the Single Family Report in the Board book and reported NIFA has received 1,805 loan reservations to date in 2018. The average loan amount is \$127,000 and loan reservations total \$229,490,697. Sixty-three percent of the loans are for homes located in urban areas and thirty-four percent are for homes located in rural areas. Jacki also reported she and Stacy Fotinos attended the HFA Symposium sponsored by US Bank, August 14-15, 2018 in Minneapolis, MN.

**13. Update on 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 2018 Series C and Series D bond sale.

**14. Discussion and Consideration of Request for Authorization for the Financing of Omaha Habitat for Humanity Project Loans Made to Persons and Families of Low and Moderate Income for the Purchase of Single-Family Homes in Omaha, Nebraska**

Tim Kenny introduced Alec Gorynski – First National Bank of Omaha and Al Siemek – Habitat for Humanity of Omaha. NIFA has been presented with a proposal from Habitat Omaha and Omaha 100 to assist Habitat Omaha with a more predictable funding source for loans made to low and moderate income persons and families for the purchase of single-family residences built or rehabilitated by Habitat Omaha. One option would be for NIFA to participate, along with other lenders, in the Omaha 100-Habitat Loan Fund. The Habitat Loan Fund has been established by Habitat Omaha, Omaha 100 and First National Bank of Omaha, as custodian and loan servicer. In addition or as an alternative to assisting in the financing of Habitat loans through participation in the Habitat Loan Fund, NIFA could purchase Habitat loans directly from Habitat Omaha or Omaha 100.

NIFA staff recommends Adoption of Resolution No. 430 authorizing the participation of NIFA in the financing of Habitat loans in an amount up to \$1,000,000 per year (from the general unencumbered funds of NIFA), to continue on an annual basis until otherwise recommended by the Executive Director or directed by the NIFA Board. This authority would be in addition to any Habitat mortgage loans financed as Community Program Mortgage Loans with the proceeds of Bonds.

Moved by Walden-Newman, seconded by Graff to adopt Resolution No. 430. Roll call vote – Maroney – abstain due to being a board member of Omaha 100, Walden-Newman – yes, Wellman – yes, Rippe – yes, Freeman – yes, Brabec – yes, Frenzen – yes and Graff – yes. Motion carried – 7 – yes and 1 abstaining.

Chair Rippe left the meeting at 11:00 a.m.

**DEVELOPMENT FINANCE DIVISION**

**15. Adoption of State Bond Allocation**

Steve Clements reported the City of Blair (“Blair”) water system provides water to approximately 8,000 residents and for multiple area businesses. In 2007, Blair constructed improvements and expansion to the water system to accommodate the increased activities at the Cargill campus (a significant user of the water). The City issued bond anticipation notes to finance the expansion. In 2012, the City issued taxable bonds to pay off a portion of the bond anticipation notes, to pay

off City warrant indebtedness issued for improvements to the water system and to fund a debt service reserve for the taxable bonds. In order to realize interest savings and lower costs of operating the water system, the City is anticipating the issuance of up to \$7 million in tax-exempt bonds to refund the taxable bonds issued in 2012. Because the Cargill entities and other private businesses use a significant portion of the water system's output, state bond cap allocation will be necessary to issue the new bonds on a tax-exempt basis. Staff recommends the approval of 2018 state bond cap allocation in the amount of \$7 million for the City of Blair Water System Revenue Refunding Bonds, Series 2018C.

Moved by Freeman, seconded Wellman to adopt the following Volume Cap Allocation:  
Roll call vote – Walden-Newman – yes, Wellman – yes, Rippe – Yes, Freeman – yes, Brabec – yes, Frenzen – yes, Graff – yes and Maroney – yes. Motion carried unanimously.

Allocation: 18-30-003 – City of Blair Water System Revenue Refunding Bonds  
Issuer: City of Blair, Nebraska  
Allocation Amount: \$7,000,000  
Allocation Classification: Industrial Revenue

Chair Rippe returned to the meeting at 11:03 a.m.

#### **OUTREACH DIVISION**

16. **Report from the Outreach Department**  
Elizabeth Fimbres referred Board members to the Outreach Report in the Board book and reported NIFA joined a representative from the U.S. Department of Housing and Urban Development (HUD) in visiting Columbus, Norfolk and Fremont for development discussions in July. Conversations primarily focused on how rural communities might provide affordable and workforce housing to attract new residents as well as those who currently commute to work. Elizabeth also reported the Housing Study Grant Applications for fiscal year 2019 are in and will be scored during the month of August by the NIFA Outreach team. A total of eight applications were received from the communities of Beaver City, Burt County, Butler County, Crete, Elmwood, Grand Island, Humboldt and Pender. Upcoming Outreach events include the Midwest Housing Finance Collaborative group in Omaha on September 17<sup>th</sup> and NIFA's Annual Workforce Housing Summit taking place in Kearney on October 23<sup>rd</sup>.
17. **Update and Report on NIFA's LB 518 Match Program**  
Robin Ambroz reported twelve applications totaling \$2,892,510 have been awarded through NIFA's LB 518 Match Program.

#### **OTHER BUSINESS/ANNOUNCEMENTS**

18. **Announcements and Discussion of Upcoming Events**  
NCSHA – Annual Conference and Showplace in Austin, TX - October 13-16, 2018  
NIFA October Board Meeting – October 19, 2018

**MINUTES**  
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- 19. **Adjournment**  
Moved by Frenzen to adjourn at 11:07 a.m.

Respectfully submitted,



Tim Kenny  
Executive Director

