

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

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

MINUTES OF FRIDAY, April 17, 2015 @ 1:00 P.M.

**Notice Published: April 12, 2015 - *Omaha World Herald*
 April 12, 2015 - *Lincoln Journal Star***

Open Meetings Act - A copy of the Open Meetings Act was 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: Brenda Hicks-Sorensen, Michael Maroney, Marlin Brabec, Mary Jo McClurg, Herb Freeman, Galen Frenzen, Mark Graff, Bobbie Kriz-Wickham and Michael Walden-Newman

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, LIHTC Program Manager Teresa Kile, Assistant LIHTC Manager Kelly Schultze, Homeownership Manager Jacki Young, Agricultural Programs Manager Dudley Beyer, Manager of Project Review & Program Improvement Larry Jablonski, Director of Development Ted Simpson, Accounting Manager Jody Cook, Assistant Manager Place Based Development Kyle Martin, Outreach Program Manager Elizabeth Fimbres and NIFA Intern Zachary Stofferahn

Guests: Cindy Koster – MHEG, Sara Tichota – NDED, Janet Latimer – Horizon Bank, Melissa Forster – Zimmerman Properties, Rob Woodling – Foundation Development, Todd Lieberman – Brinshore Development, LLC, Craig Jones – First National, Martie Guthrie and Kevin Stoner – NDEQ, Jeff Gertz – JP Morgan, Ken Arellano – Excel Development, Jim Rieker and Mike Fallesen – Seldin Company, Phil Lorenzen – D.A. Davidson & Company, Patti Peterson and Joel VanderVeen – Kutak Rock LLP

1. Call Meeting to Order and Roll Call

Chair Hicks-Sorensen called the meeting to order at 1:00 p.m. with nine members present. Chair Hicks-Sorensen reported that a copy of the Open Meetings Act was located on the table as you entered the room. The notice of the meeting was published on Sunday, April 12, 2015 in the *Omaha World Herald* and in the *Lincoln Journal Star*.

2. Approval of the March 27, 2015 NIFA Board of Directors Meeting Minutes

Moved by Brabec, seconded by Frenzen to approve the March 27, 2015 NIFA Board of Directors Meeting Minutes. Roll call vote – Brabec – yes, Frenzen – yes, Maroney – yes, McClurg – yes, Walden-Newman – yes, Wickham – abstain due to not being present at the meeting, Graff – yes, Hicks-Sorensen – yes and Freeman - yes. Motion carried – 8 yes and 1 abstaining.

- 3. Executive Director's Report**
Tim Kenny welcomed Board members to the newly renovated NIFA Board room. Tim commented on the updated audiovisual equipment and thanked the remodeling committee for all of its hard work.
- 4. Public Comment related to the April 17, 2015 Agenda Items (comment period limited to five minutes)**
Chair Hicks-Sorensen 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.
- 5. Presentation by Willie Barney, Executive Director of the Empowerment Network on North Omaha Development**
Ted Simpson introduced Willie Barney Executive Director of the Empowerment Network. Mr. Barney shared a Powerpoint presentation outlining the work being done in the North Omaha Village Zone.

AGRICULTURAL FINANCE DIVISION

- 6. Status Report of Agricultural Loan Activity for 2015**
Dudley Beyer reported that one Agricultural Loan has closed since the beginning of the year:

Bond Resolution #1320 – Douglas Hauxwell in the amount of \$500,000 for the purchase of 160 acres in Red Willow County, Nebraska.

LOW INCOME HOUSING TAX CREDITS

- 7. Report on the Collaborative Resource Allocation for Nebraska (CRANE) Meetings held Wednesday, February 25, 2015 and Wednesday, March 25, 2015**
Teresa Kile reported the following projects are in the CRANE process:
Lofts at the Exchange – Lincoln
Salvation Army of Omaha – Omaha
Ames Row Houses – Omaha
Siena Francis Housie PSH Phase 3 – Omaha
The Brewery Lofts – Hastings
- 8. Report from the Programs Committee**
Teresa Kile reported that Tim Kenny, Robin Ambroz and the Programs Committee (consisting of Marlin Brabec, Mary Jo McClurg, Herb Freeman and Galen Frenzen) met via telephone conference call on Tuesday, April 14, 2015 to discuss Round One applications submitted in the 2015 Low Income Housing Tax Credit Program. Teresa reported NIFA received 17 applications requesting approximately \$8.3 million in tax credits. Ten of the applications were for projects to be located in rural areas and seven were for projects to be located in urban areas.
- 9. Consideration of and Request for Approval of Conditional Reservations for Round One in the 2015 Low-Income Housing Tax Credit (LIHTC) Program**
Moved by McClurg, seconded by Brabec to approved the Conditional Reservations for Round One in the 2015 Low-Income Housing Tax Credit (LIHTC) Program. Roll call vote – Frenzen – yes, Maroney – abstaining due to being a developer and submitting projects from time to time for consideration of tax credits, McClurg – yes, Walden-Newman – yes, Wickham – yes, Graff – yes,

Hicks-Sorensen – yes, Freeman – yes, and Brabec – yes. Motion carried – 8 yes and 1 abstaining.

Whereas the Nebraska Investment Finance Authority has completed its review of the applications for Low-Income Housing Tax Credits (“Tax Credits”) under the 2015 LIHTC Program – Round One, and;

Whereas said review was conducted pursuant to the plan and procedures for the 2015 Low-Income Housing Tax Credit Program developed by NIFA and approved by the Governor, then

Be it resolved that, subject to continued authorization of the Low Income Housing Tax Credit Program pursuant to Section 42 of the Internal Revenue Code of 1986 (the “Code”), and the allocation amounts established therein, a “conditional reservation” of Tax Credits shall be granted to the following projects:

Round One:

<u>Applicant</u>	<u>Project</u>	<u>County</u>	<u>City</u>	<u>Amount</u>
Foundations Development, LLC	Kidder Heights	Douglas	Omaha	\$869,491
Mesner Development Company	Windhaven Estates	Phelps	Holdrege	\$268,989
Dana Point Development Company	Judy Meadows	Buffalo	Kearney	\$242,344
Holy Name Housing Corporation	Prospect Village	Douglas	Omaha	\$621,068
				\$2,001,892

Conditions:

1. Amounts reserved may be adjusted by the Executive Director by up to 15% up or down, based upon receipt and review of the final information necessary to complete the analysis and subsidy layering reviews.
2. A conditional reservation will become a final reservation upon the resolution of all outstanding items, including financial and technical questions, to the satisfaction of the Executive Director within ninety (90) days. Upon satisfaction of such conditions, a reservation will require no future action by this Board to become a final reservation.
3. Reservations and allocations of Tax Credits will be made pursuant to the requirements of Section 42 of the Code and are subject to the representations made in the Tax Credit application, the conditions imposed by the allocation plan and such other conditions as the Executive Director deems necessary in light of his review of the application within the purposes of the LIHTC Program.

DEVELOPMENT FINANCE DIVISION

10. **Discussion Regarding Issuance of Bonds for the Clean Water State Revolving Fund in an Amount not to Exceed \$2,000,000 and Approval of a Notice to the Governor and Clerk of the Legislature and the Filing Thereof**
 Judy Krasomil reported that The Nebraska Department of Environmental Quality (NDEQ) has informed NIFA of the need to issue bonds for the Clean Water State Revolving Fund Program (the “CWSRF”). Proceeds of the bonds will be used to satisfy the state match requirements for federal capitalization grants (the “Grants”) under the Federal Clean Water Act for the CWSRF. The size of the bonds is not expected to exceed approximately \$2.0 million to provide state match for the FY 2015 Grant totaling approximately \$7.2 million. Both the state match portion and the Grant funds will be used by NDEQ: a) to make loans to municipalities and counties for the

acquisition, construction, improvement, repair, rehabilitation or extension of wastewater treatment works and non-point source control systems and b) to make certain deposits into the funds and accounts created under one or more trust indentures, including any deposits required to be made to a debt service reserve fund and to pay costs of issuance for the bonds.

Moved by McClurg, seconded by Brabec to approve the Notice and the sending of the Notice to the Governor and Clerk of the Legislature. Roll call vote – McClurg – yes, Walden-Newman – yes, Wickham – yes, Graff – yes, Hicks-Sorensen – yes, Freeman – yes, Brabec – yes, Frenzen – yes, and Maroney – yes. Motion carried unanimously.

MULTIFAMILY FINANCE DIVISION

11. Review and Consideration of Adoption of a Limited Purpose Intent Resolution for the Issuance of Nebraska Investment Finance Authority Multifamily Housing Revenue Bonds in an aggregate principal amount not to exceed \$14,000,000 for Highlander Phase I, Omaha, Nebraska

Steve Clements reported representatives from Brinshore Development, LLC, an Illinois limited liability company, and Seventy-Five North Revitalization Corporation, a Nebraska non-profit corporation, have requested that NIFA consider the adoption of a limited purpose intent resolution for the issuance of bonds to finance the development and construction of Highlander Phase I (the "Project"), a multifamily housing development to be located in Omaha, Nebraska. The Project is part of a \$90 million development program which includes rental apartments, senior housing, single family detached owner-occupied units and a Community Accelerator and Incubation Campus.

Moved by McClurg, seconded by Brabec to approve the Adoption of a Limited Purpose Intent Resolution for the Issuance of Nebraska Investment Finance Authority Multifamily Housing Revenue Bonds in an aggregate principal amount not to exceed \$14,000,000 for Highlander Phase I, Omaha, Nebraska. Roll call vote – Walden-Newman – yes, Wickham – yes, Graff – yes, Hicks-Sorensen – yes, Freeman – yes, Brabec – yes, Frenzen – yes, Maroney – yes and McClurg – yes. Motion carried unanimously.

SINGLE FAMILY HOUSING FINANCE DIVISION

12. Status Report on Single Family Program and Market Developments

Jacki Young reported on the success of the 2015 Lender Trainings that took place in North Platte on April 14th and Omaha on April 15th. Jacki also reported that year-to-date, NIFA has received approximately 1,000 loan reservations totaling \$106.9 million. Jeff Gertz, J.P. Morgan gave an update on the national bond market and reviewed the Pricing Book from the Single Family 2015 Series AB Bond Sale.

OUTREACH DEPARTMENT

13. Outreach Report

Robin Ambroz introduced Zachary Stofferahn. Zack is an intern at NIFA and has been working on the South Downtown (SoDo) Lincoln Revitalization Plan. This endeavor is a joint effort between the Lincoln Community Foundation, the City of Lincoln, area investors and NIFA. Elizabeth Fimbres distributed the Outreach Report to the Board members and reported Kyle Martin presented on a panel at "When Veterans Come Home: A Community Conversation with Veterans on Transitioning". Elizabeth also reported NIFA hosted March and April Omaha AM meetings and the Capital City Breakfast Club, which is now the Capital City Lunch Club.

OTHER BUSINESS/ANNOUNCEMENTS

- 14. Closed Session to Discuss:**
a.) Pending Litigation
b.) Executive Director's Performance Review

Chair Hicks-Sorensen stated the closed session discussion would be limited to pending litigation matters and the Executive Director's performance review would be moved to the June 2015 Board of Director's meeting.

Moved by Frenzen, seconded by Maroney to go into closed session at 2:37 p.m. to discuss pending litigation involving General Electric Capital Corporation and related entities and 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 – Wickham – yes, Graff – yes, Hicks-Sorensen – yes, Freeman – yes, Brabec – yes, Frenzen – yes, Maroney – yes, McClurg – yes and Walden-Newman – yes. Motion carried unanimously.

Closed Session

Board Members met in closed session from 2:37 p.m. until 3:16 p.m.

Moved by Frenzen, seconded by Brabec to go into open session at 3:16 p.m. Roll Call Vote – McClurg – yes, Graff – yes, Frenzen – yes, Walden-Newman – yes, Brabec – yes, Maroney – yes, Hicks-Sorensen – yes, Wickham – yes and Freeman – yes. Motion carried unanimously.

- 15. Review and Request for Approval of Report and Recommendation from Management Committee Regarding Executive Director's Performance Review**
This agenda item was tabled until the June 2015 Board of Director's meeting.
- 16. Announcements and Discussion of Upcoming Events and Scheduling**
NIFA Board Meeting June 19, 2015
- 17. Adjournment**
Moved by Brabec to adjourn at 3:20 p.m.

Respectfully submitted,


Timothy R. Kenney
Executive Director

