NEBRASKA INVESTMENT FINANCE AUTHORITY
BOARD OF DIRECTORS MEETING

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

MINUTES OF FRIDAY, FEBRUARY 21, 2020 @ 9:00 A.M.

Notice Published: February 16, 2020 - Omaha World Herald [Affidavit attached]
February 16, 2020 - Lincoln Journal Star [Affidavit attached]

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: Herb Freeman, Galen Frenzen, George Achola, Warren Arganbright, Michael Walden-Newman and Steve Wellman

Board Members Absent: Anthony Goins, Marin Brabec and Mary Jo McClurg

NIFA Staff Present: Executive Director and Board Secretary Tim Kenny, Clerk Sheila Gans, Chief Operating Officer Steve Clements, Treasurer Judy Krasmil, Deputy Director of Programs Robin Ambroz, Controller Chief Homeownership Officer Jacki Young, Homeownership Operations Manager Stacy Fotinos, LIHTC Compliance Manager Kelly Schultze, Assistant LIHTC Compliance Manager Tammy Burd, LIHTC Allocation Manager Sara Tichota, Agricultural Program Manager Dudley Beyer, Communication and Outreach Manager Elizabeth Fimbres, Accounting Manager Michaela Mallery, Assistant Manager for RHA Development & Training Joe Spitsen, Manager of Community Development & Research John Turner, Marketing and Relationship Manager Amanda Wusk and Deputy Director Christie Weston


1. Call Meeting to Order and Roll Call
Board member Galen Frenzen called the meeting to order at 9:00 a.m. with six members present. Frenzen 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, February 16, 2020 in the Omaha World Herald and in the Lincoln Journal Star. Affidavits of publication are attached.
Moved by Achola, seconded by Arganbright to nominate Board member Galen Frenzen for the position of Acting Chair. No further nominations were received. Roll call vote - Wellman - yes, Walden-Newman, Arganbright - yes, Achola - yes, Frenzen - abstain and Freeman - yes. Motion carried – 5 voting yes, 1 abstaining.

2. Approval of the January 24, 2020 NIFA Board of Directors Meeting Minutes
Moved by Wellman, seconded by Achola to approve the January 24, 2020 NIFA Board of Directors Meeting minutes. Roll call vote – Freeman – yes, Frenzen – yes, Achola – yes, Arganbright – abstain due to not being present at the meeting, Walden-Newman – yes and Wellman – yes. Motion carried – 5 voting yes, 1 abstaining.

3. Executive Director’s Report
Tim Kenny reported on housing activity and development happening in North Omaha and workforce housing initiatives being discussed for the neighborhood south of downtown Lincoln.

Tim also reported on proposed federal legislation to establish a fixed 4% low income housing tax credit rate. That legislation additionally proposes to eliminate the "qualified contract option" currently provided for in Section 42 of the Code.

Tim asked Judy Krasomil to report on two proposed upcoming financings for the Nebraska Department of Environment and Energy (NDEE). Judy reported that NDEE will be requesting NIFA to issue bonds to provide the 20% match for 2020 Federal Capitalization Grants for the NDEE Clean Water and Drinking Water State Revolving Funds. NDEE has indicated that they would like to continue to work with Scott Keene and Bruce Leffler as placement agent for the bonds. Scott and Bruce are no longer at Ameritas (which has been the underwriter for the State Revolving Program match bonds) and are now at Piper Sandler. NIFA staff will present for the Board's consideration at the next NIFA meeting the required Notices to the Legislature for the issuance of these bonds, which will include a recommendation that Piper Sandler serve as the placement agent and/or underwriter for the bonds.

4. Public Comment related to the February 21, 2020 Agenda Items (comment period limited to five minutes)
Acting Chair Frenzen asked if anyone wished to comment on any of the agenda items and directed that they come forward and state their name for the record. No one came forward to comment on any of the agenda items.

5. Private Activity Cap Summary
Judy Krasomil presented the Private Activity Cap Summary, updating the Board on allocations to date for 2020.

AGRICULTURAL FINANCE DIVISION

6. Report on Agricultural Program Regarding Loans Closed and the Following Applicants in Process

Borrower: Brock A. Hinrichs
Purpose: Purchase 123.45 acres of farm real estate in Adams County, Nebraska
Proposed NIFA Loan/Bond Amount: $338,750
Proposed Interest Rate: 4.00% Fixed
(Bank's Conventional Interest Rate: 4.85% Fixed)
Proposed Bond Purchaser: Adams County Bank
Borrower: Brian and Kimberly Rust  
Purpose: Modification of Prior Bond/Loan  
Project Financed: 80 acres of farm real estate in Phelps County, Nebraska  
Outstanding NIFA Loan/Bond Amount: $104,853.80  
Proposed Modification: Change in interest rate index  
Bond Holder: First Northeast Bank of Nebraska

Borrower: Brian and Kimberly Rust  
Purpose: Modification of Prior Bond/Loan  
Project Financed: 80 acres of farm real estate in Phelps County, Nebraska  
Outstanding NIFA Loan/Bond Amount: $115,767.61  
Proposed Modification: Change in interest rate index  
Bond Holder: First Northeast Bank of Nebraska

Dudley Beyer reported that the above-listed Agricultural loan and loan modifications are currently in process, and five loans and one loan modification have closed since the December 13, 2019 Board of Directors meeting.

LOW INCOME HOUSING TAX CREDITS

The CRANE meeting was held on January 22, 2020. Affidavits of publication are attached. Additionally, Sara Tichota reported that three developments are at a Category 1 and therefore are eligible to be recommended for a conditional reservation of tax credits at the next Board of Directors meeting.

8. Report from the Programs Committee
Sara Tichota reported that Tim Kenny, Robin Ambroz and the Programs Committee (consisting of Galen Frenzen, Marlin Brabec, Herb Freeman, and Warren Arganbright) met via telephone on Thursday, February 20, 2020 to discuss Conditional Reservations for Round One in the 2020 Low-Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) Program. Sara reported twenty applications were received by NIFA for consideration. Ten applications were for developments to be located in non-metro areas and ten applications were for developments to be located in metro areas. The following information was handed out to the Board and made available to those in attendance at the meeting:

-2020 Round One Final Application List (1/8/2020)
-LIHTC and AHTC Programs Committee Report-February 2020 (Power Point)
-Summary of 2020 Round One Applications
-2020 Allocation Summary
-Board Motion regarding conditional reservations

Board member Achola disclosed that he (Applicant-Burlington Capital Real Estate, LLC; Project Owner-Victory Park Seniors Residence, LLC) submitted an application for credits in the LIHTC Program, 2020 Round One. Mr. Achola is employed by Burlington Capital Real Estate, LLC, for which he serves as Vice President and Counsel. Mr. Achola then asked staff several questions with respect to the information handed out and a discussion of the board members related to the information occurred.
9. Consideration and Approval of Conditional Reservations for Round 1 in the 2020 Low-Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) Programs

Moved by Walden-Newman, seconded by Wellman to approve the Conditional Reservations for Round One in the 2020 LIHTC and AHTC Program. Roll call vote – Frenzen – yes, Achola – no (stating that he was voting no because he did not feel he had sufficient time to review the information handed out relating to the applications under consideration), Arganbright – yes, Walden-Newman – yes, Wellman – yes and Freeman – yes. Motion carried – 5 voting yes, 1 voting no.

Motion:

Whereas the Nebraska Investment Finance Authority ("NIFA") has completed its review of the applications for federal low-income housing tax credits ("Section 42 Credits") and Nebraska state low-income housing tax credits ("Nebraska Credits" and, together with the Section 42 Credits, collectively, the "Tax Credits") pursuant to the Low Income Housing Tax Credit Program 2020 LIHTC Allocation Plan for 9% LIHTCs and Nebraska Affordable Housing Tax Credits – Round One and;

Whereas said review was conducted pursuant to the 2020 Qualified Allocation Plan (the "2020 QAP"), adopted by NIFA pursuant to a public process and approved by the Governor of the state of Nebraska; then

Be it resolved that subject to continued authorization of the Section 42 Credit program pursuant to Section 42 of the Internal Revenue Code of 1986 (the "Code") and the continued authorization of the Nebraska Affordable Housing Tax Credit pursuant to Neb. Rev. Stat. § 77-2501 et seq. (the "AHTC Act") and, in each case, the allocation amounts established therein, a "conditional reservation" of Tax Credits in the amounts and categories set forth below shall be granted to the applicants of the following projects:

Round One

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Project</th>
<th>County</th>
<th>City</th>
<th>LIHTC Amount</th>
<th>AHTC Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mesner Development Company</td>
<td>Gatewood Village</td>
<td>Dawson</td>
<td>Cozad</td>
<td>182,196</td>
<td>182,196</td>
</tr>
<tr>
<td>Mesner Development Company</td>
<td>Hidden Brook Townhomes II</td>
<td>Dodge</td>
<td>Fremont</td>
<td>$231,625</td>
<td>$231,625</td>
</tr>
<tr>
<td>Prairie Fire Development Group, LLC</td>
<td>Rolling Meadows</td>
<td>Dawson</td>
<td>Lexington</td>
<td>$569,417</td>
<td>$569,417</td>
</tr>
<tr>
<td>Foundations Development, LLC</td>
<td>210 West Mission Avenue</td>
<td>Sarpy</td>
<td>Bellevue</td>
<td>$422,418</td>
<td>$422,418</td>
</tr>
<tr>
<td>Midwest Housing Initiatives, Inc.</td>
<td>Trinity Heights</td>
<td>Hall</td>
<td>Grand Island</td>
<td>$268,896</td>
<td>$268,896</td>
</tr>
<tr>
<td>Holy Name Housing Corporation</td>
<td>Maple 37</td>
<td>Douglas</td>
<td>Omaha</td>
<td>$380,045</td>
<td>$380,045</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td><strong>$2,054,597</strong></td>
<td><strong>$2,054,597</strong></td>
</tr>
</tbody>
</table>

Conditions:

1. Amounts reserved for the Section 42 Credits may be adjusted by the Executive Director by up to 10% up or down, based upon receipt and review of the final information necessary to complete the analysis and subsidy layering reviews. Amounts reserved for the Nebraska Credits may be adjusted by the Executive Director by up to 10% 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 for Tax Credits will become a final reservation upon the resolution within ninety (90) days of all outstanding items, including financial and technical questions, to the satisfaction of the Executive Director. Upon satisfaction of such conditions, a reservation will require no future action by this Board to become a final reservation of Tax Credits.
3. Reservations and allocations of Tax Credits will be made pursuant to the requirements of the 2020 QAP, Section 42 of the Code, in the case of the Section 42 Credits, the AHTC Act, in the case of the Nebraska Credits and, in each case, are subject to the representations made by the applicant in the application, the conditions imposed by the 2020 QAP and such other conditions as the Executive Director deems necessary in light of his review of the application within the purposes of the 2020 QAP and the Tax Credit Programs.

SINGLE FAMILY HOUSING FINANCE DIVISION

10. Status Report on Single Family Program
Jacki Young referred Board members to the Homeownership report in the Board book and reported NIFA has received 242 loan reservations to date in 2020, for a total of approximately $33.3 million. The average loan amount is $137,000, with an urban rural split of 62% urban, 38% rural.

11. Update on Market Developments
Judy Krasomil gave a mortgage loan pipeline report. Jeff Gertz gave an update on the national bond market.

12. Review of Details for Meeting with Standard & Poor’s and Coordination of Pricing for Upcoming Bond Deal
Tim Kenny invited Board members to join several staff in New York during the week of March 23, 2020, for the sale of bonds on Tuesday, March 24th and meetings on either Monday, March 23rd or Wednesday, March 25th with NIFA’s Quantitative Analysts CFX and Standard & Poor’s, the agency which issues the ratings for NIFA’s single family housing revenue bonds.

OUTREACH DIVISION

13. Report from the Outreach Department
Elizabeth Fimbres reported applications for round three in the Housing Study Grant Program are due March 3, 2020. Elizabeth also reported that registration numbers for NIFA’s annual conference “2020 Housing Innovation Marketplace” to be held March 16th - 18th at the La Vista Conference Center in La Vista, are just under 600 attendees. New this year is a Lender Workshop being held on Monday, March 16th.

OTHER BUSINESS/ANNOUNCEMENTS

14. Update on the Governor’s Task Force on Housing Related to Disaster Relief and Recovery Operations
Tim Kenny provided an update and shared a PowerPoint presentation on the Task Force (of which the Nebraska Department of Economic Development and NIFA are co-chairs). The Task Force has been meeting since the spring of 2019 to provide oversight and ensure the effective coordination of housing relief brought on by the disasters last year. Discussion included the recent Department of Housing and Urban Development Notice of Community Development Block Grant disaster recovery (CDBG-DR) funds available for disaster relief. The amount available for Nebraska is $108,938,000.
15. **Quarterly Report on NIFA Operations**
Christie Weston presented the quarterly financial dashboard, including a fiscal year-to-date budget to actual comparison, trends in personnel and benefit costs, a comparison of income between the current and prior fiscal years, and a look at NIFA’s investment and single family debt portfolios as of the end of the second quarter of NIFA’s fiscal year.

16. **Review and Consideration for Approval to Solicit Requests for Proposals for Consulting Services**
Tim Kenny led a discussion regarding Chair Tony Goin’s previous request to Mr. Kenny to consider soliciting proposals for consulting services to assist NIFA in conducting a risk assessment of the operations of NIFA.
Moved by Achola, seconded by Wellman to direct staff to begin drafting a Request for Proposals (RFP), including identification of firms in the business of providing such services, for presentation to the Board at the next Board meeting. Roll call vote – Frenzen – yes, Achola – yes, Arganbright – yes, Walden-Newman – yes, Wellman – yes and Freeman – yes. Motion carried unanimously.

Tim Kenny referred Board members to tab No.17 in the Board book, asking Board members to again review the information regarding NIFA’s Mission, Vision, Operating Standards, and Statement of Ethical Practices as set forth in the included NIFA Code of Conduct and Ethics.

18. **Report from the Bylaws Committee**
Patti Peterson reported a working draft of the bylaws has been circulated to committee members for comments and the committee will be scheduling a call to discuss the draft.

19. **Report from the Executive Director Search Committee**
George Achola reported the search for executive director candidates is live and initial applications are being reviewed by the Ted Ford Webb Agency, the search consultant.

20. **Consideration of a Motion for a Closed Session to Discuss Executive Director’s Performance Review**
Moved by Arganbright, seconded by Achola to go into closed session at 11:32 a.m. to discuss the Executive Director’s Performance Review and the evaluation of the job performance of the Executive Director, which closed session is consistent with the Nebraska Public Meetings law and is necessary to protect the interests of both NIFA and the public. The Executive Director has not requested a public meeting for this discussion. Roll call vote – Achola – yes, Arganbright – yes, Walden-Newman – yes, Wellman – yes, Freeman – yes and Frenzen – 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 related to the Executive Director’s Performance Review and the evaluation of the job performance of the Executive Director. Members shall restrict their consideration of matters during the closed session to the purpose stated in the Motion.”

**Closed Session**
Board Members met in closed session from 11:32 a.m. until 11:48 a.m.

Moved by Wellman, seconded by Achola to go into open session at 11:48 a.m. Roll Call Vote – Achola – yes, Arganbright – yes, Freeman – yes, Frenzen – yes, Walden-Newman – yes and Wellman – yes. Motion carried unanimously.
21. Review and Request for Approval of Report and Recommendation from Management Committee Regarding Executive Director’s Performance Review
The Management Committee recommended: approval of the payment of the Performance-based Compensation to the Executive Director for the year 2019 as provided in the Amended Employment Agreement. Moved by Arganbright, seconded by Achola to Approve the Recommendation from the Management Committee Regarding Executive Director’s Performance Review. Roll Call Vote – Arganbright – yes, Walden-Newman – yes, Wellman – yes, Freeman – yes, Achola – yes and Frenzen – yes. Motion carried unanimously.

22. Announcements and Discussion of Upcoming Events:
NIFA April Board Meeting – April 17, 2020

23. Adjournment
Moved by Achola to adjourn at 12:03 p.m.

Respectfully submitted,

Christie Weston
Deputy Director
Date: February 16, 2020

Omaha World-Herald
Affidavit of Publication

NEBRASKA INVESTMENT FINANCE AUTHORITY
1230 O ST
SUITE 200
LINCOLN, NE 68508-1402

Date: 02/22/2020
Category: Legal Notices
Description: NOTICE OF MEETING NEBRASKA INVESTMENT
Ad Size: 1 x 0 L
Total Cost: 327.46

NOTICE OF MEETING
NEBRASKA INVESTMENT FINANCE AUTHORITY

Notice is hereby given that the Nebraska Investment Finance Authority (the "Authority") will hold a Board of Directors Meeting, which is open to attendance by the public, on Friday, February 21, 2020 at 9:00 a.m. The Authority's Meeting will be held at the offices of the Nebraska Investment Finance Authority, 1230 O' Street, Suite 200, Lincoln, Nebraska. Persons requiring an accommodation consistent with the Americans with Disabilities Act are asked to contact Sheila Gans at the Authority at (402) 434-3900 at least 48 hours in advance of the meeting. Such meeting will be followed by a non-business luncheon at the Nebraska Club, 233 South 13th Street, Lincoln, Nebraska at 11:30 a.m.

The agenda, which is kept continually current, is available for public inspection at the Authority's offices, 1230 O' Street, Suite 200, Lincoln Nebraska, during normal business hours. For more information please contact Christie Weston at (402) 434-3900.

Publisher of the World Herald

I, (the undersigned) an authorized representative of the World Herald, a daily newspaper published in Omaha, Douglas County, Nebraska; do certify that the annexed notice NOTICE OF MEETING NEBRAS was published in said newspapers on the following dates:

02/16/2020

The First insertion being given ...

Newspaper reference: 0000117556

Billing Representative

Sworn to and subscribed before me this Sunday, February 16, 2020

Notary Public

Kimberly B. Harris
NOTARY PUBLIC
Commonwealth of Virginia
Notary Registration Number 358753
Commission Expires January 31, 2021

State of Virginia
City of Richmond
My Commission expires

THIS IS NOT A BILL. PLEASE PAY FROM INVOICE. THANK YOU
**Proof of Publication**

State of Nebraska )
Lancaster County ) SS.

**RECEIVED** FEB 24 2020

NIFA
SHEILA GANS
1230 O ST STE 200
LINCOLN NE 68508

ORDER NUMBER 901024

The undersigned, being first duly sworn, deposes and says that she/he is a Clerk of the Lincoln Journal Star, legal newspaper printed, published and having a general circulation in the County of Lancaster and State of Nebraska, and that the attached printed notice was published in said newspaper

successive times(s) the first insertion having been on ________

February 10 , 20 20 and thereafter on ________

and that said newspaper is the legal newspaper under the statues of the State of Nebraska.

Mary ____________________

Section: Class Legals
Category: 0099 LEGALS
PUBLISHED ON: 02/16/2020

TOTAL AD COST: 18.09
FILED ON: 2/17/2020

The above facts are within my personal knowledge and are further verified by my personal inspection of each notice in each of said issues.

Subscribed in my presence and sworn to before me on

February 17 , 20 20

SUSAN R. MARTIN Notary Public

GENERAL NOTARY - State of Nebraska
SUSAN R. MARTIN
My Comm. Exp. August 20, 2020
NEBRASKA INVESTMENT FINANCE AUTHORITY
1230 O ST
SUITE 200
LINCOLN, NE 68508-1402

Date: January 19, 2020

Affidavit of Publication

Date: 01/25/2020
Category: Legal Notices
Description: Nebraska Investment Finance Authority Notice of Pt
Ad Size: 2 x 0 L
Total Cost: 514.68

Nebraska Investment Finance Authority
Notice of Public Meeting
For the Collaborative Resource Allocation for Nebraska
("CRANE")

Notice is hereby given that the Nebraska Investment Finance Authority ("NIFA") will hold a public meeting on the CRANE program project: Wednesday, January 22, 2020 at 10:30 a.m., at NIFA located at 1230 "O" Street Suite 200, Lincoln, Nebraska 68506. Persons requiring an accommodation consistent with the Americans with Disabilities Act are asked to contact Sheila Gans at the Authority at (402) 434-3500 at least 48 hours in advance of the meeting. The CRANE program includes resources available pursuant to the 2020 Low-Income Housing Tax Credit (LIHTC) program.

The purpose of the meeting is to:
- Review and discuss proposals for January that are eligible for CRANE resources.
- Discuss current status of CRANE Projects
C

Copies of the proposed CRANE process are available on NIFA's website nifa.org (Qualified Allocation Plan) or at the NIFA office (1230 "O" Street, Suite 200, Lincoln, NE 68506-1403).

All interested persons are invited to present projects at the public meeting or prior to the time of the meeting and submit written comments to NIFA at the address shown above concerning the CRANE process. For additional information, contact Sara Tichota at (402) 434-3500.

Publisher of the
World Herald

I, (the undersigned) an authorized representative of the World Herald, a daily newspaper published in Omaha, Douglas County, Nebraska; do certify that the annexed notice Nebraska Investment Finance Authority was published in said newspapers on the following dates:

01/19/2020

The First insertion being given ... 01/19/2020

Newspaper reference: 0000109684

Billing Representative

Sworn to and subscribed before me this Sunday, January 19, 2020

Notary Public

State of Virginia
City of Richmond
My Commission expires

THIS IS NOT A BILL. PLEASE PAY FROM INVOICE. THANK YOU
State of Nebraska )
Lancaster County ) SS.

NIFA
SHEILA GANS
1230 O ST STE 200
LINCOLN NE 68508

ORDER NUMBER 895189

The undersigned, being first duly sworn, deposes and says that she/he is a Clerk of the Lincoln Journal Star, legal newspaper printed, published and having a general circulation in the County of Lancaster and State of Nebraska, and that the attached printed notice was published in said newspaper

One successive times(s) the first insertion having been on
January 19, 2020 and thereafter on

and that said newspaper is the legal newspaper under the statutes of the State of Nebraska.

Mary acab

Section: Class Legals
Category: 0099 LEGALS
PUBLISHED ON: 01/19/2020

TOTAL AD COST: 23.74
FILED ON: 1/20/2020

The above facts are within my personal knowledge and are further verified by my personal inspection of each notice in each of said issues.

Subscribed in my presence and sworn to before me on

January 20, 2020

SUSAN R. MARTIN Notary Public

GENERAL NOTARY - State of Nebraska
SUSAN R. MARTIN
My Comm. Exp. August 20, 2020