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# CELEBRATE 20 YEARS OF CRANE & NATIONAL HOMEOWNERSHIP MONTH

Embassy Suites - Regents B  
1040 P Street  
Lincoln, NE 68508



## NEBRASKA INVESTMENT FINANCE AUTHORITY BOARD OF DIRECTORS MEETING

**Friday, June 18, 2021  
9:00 a.m.**

**Embassy Suites – Regents B  
1040 P Street, Lincoln, Nebraska**

**Option of Video/Audio Conference for Members of the Public**

**Notice Published:** June 13, 2021 – Omaha World Herald  
June 13, 2021 – Lincoln Journal Star

## AGENDA

**Open Meetings Act** – Copies of the Open Meetings Act are located on the table at the entrance to the meeting room, posted against the wall in the meeting room and also posted on the NIFA website at [www.nifa.org/about/history-board](http://www.nifa.org/about/history-board).

1. Call Meeting to Order and Roll Call – 5 minutes
2. Public Comment Related to the June 18, 2021 Agenda Items (comment period limited to five minutes) – 5 minutes [LIHTC Developer comment period – see Programs Committee section on page 2]
3. Consent Agenda – 5 minutes
  - a. April 16, 2021 NIFA Board of Director Meeting Minutes
  - b. Executive Director's Report
  - c. Annual Report
  - d. Appointment of Standing Committee Members Pursuant to the Bylaws
  - e. Report on Agricultural Program, Including Loan in Process
  - f. Report on Single Family Program
  - g. Report on Community Engagement Activities
  - h. Report on Collaborative Resource Allocation of Nebraska (CRANE)
  - i. Private Activity Bond Cap Summary

Consideration of a Motion to Approve Item 3(a) and Accept the Reports on the Consent Agenda as presented.

**AGENDA**  
**June 18, 2021**

**Action Items – 80 minutes**

**Programs Committee Action Items – 40 minutes**

**Public Comment by Developers – 15 minutes**

7. Consideration of a Motion to Approve Conditional Reservations for Round 2 in the 2021 9% Low-Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) Programs – 10 min
8. 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 \$13,000,000 for Highlander Phase IV, Omaha, Nebraska – 10 min
9. Consideration of a Motion to Approve Conditional Allocation for Private Activity Volume Cap in conjunction with 4% 2021 Low-Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) – 5 min

**Governance Committee Action Items – 30 minutes**

4. Consideration of a Motion to Approve NIFA's Operating Budget for Fiscal Year July 1, 2021 through June 30, 2022 – 20 min
5. Consideration of a Motion to Approve Revision to Article III Code of Conduct – Conflicts of Interest – 5 min
6. Nomination and Election of Vice Chair – 5 min

**General Action Items – 10 minutes**

10. Consideration of a Motion to Approve Bond Resolution #DEV-262 authorizing the issuance of Nebraska Investment Finance Authority Drinking Water State Revolving Fund Revenue Bonds, Series 2021A (the Series “2021A DWSRF Bonds”) in the aggregate principal amount of not to exceed \$2,500,000 for the purpose of providing funds to the Nebraska Department of Environment and Energy to provide loans to owners of public water supply systems in connection with the Drinking Water State Revolving Fund Program – 5 minutes
11. Consideration of a Motion to Approve Bond Resolution #DEV-263 authorizing the issuance of Nebraska Investment Finance Authority Clean Water State Revolving Fund Revenue Bonds, Series 2021B (the Series “2021B CWSRF Bonds”) in the aggregate principal amount of not to exceed \$2,000,000 for the purpose of providing funds to the Nebraska Department of Environment and Energy to provide loans to Nebraska Municipalities and Counties in Connection with the Clean Water State Revolving Fund Program – 5 minutes

**AGENDA**  
June 18, 2021

**Strategic Topic – 15 minutes**

12. Discussion of Nebraska Sub-Regions and Selection of Regional Focus Area for Fiscal Year 2022 – 15 min

**NIFA Highlights – 10 minutes**

13. Announcements and Discussion of Upcoming Events

- a. NIFA Website Update – 7 min
- b. NIFA Bond Pricing – late July 2021 – 2 min
- c. NIFA Annual Report Update – 1 min

14. Adjournment

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

**Embassy Suites – Regents A/B  
1040 P Street, Lincoln, Nebraska**

**Option of Video/Audio Conference for Members of the Public**

**MINUTES OF FRIDAY, APRIL 16, 2021 @ 9:00 A.M.**

**Notice Published:** April 11, 2021 – Omaha World Herald [Affidavit attached]  
April 11, 2021 – Lincoln Journal Star [Affidavit attached]

**Open Meetings Act – Copies of the Open Meetings Act were posted by the door as you entered Regents A/B and on the NIFA website at [www.nifa.org/about/history-board](http://www.nifa.org/about/history-board)**

All votes taken by roll call of the members.

**Board Members Present:** Anthony Goins  
George Achola  
Susan Bredthauer  
Warren Arganbright  
Steve Wellman  
Colten Zamrzla  
Michael Walden-Newman  
Herb Freeman  
Galen Frenzen arrived at 9:05 a.m.

**Board Members Absent:** None

**NIFA Staff Present:** Shannon Harner, Executive Director and Board Secretary  
Sheila Gans, Program Support Specialist and Board Clerk  
Steve Clements, Chief Operating Officer  
Christie Weston, Deputy Director  
Robin Ambroz, Deputy Director of Programs  
Sara Tichota, LIHTC Allocation Manager  
Kelly Schultze, LIHTC Compliance Manager  
Tammy Burd, LIHTC Assistant Compliance Manager  
Amanda Wusk, Marketing Manager  
Jacki Young, Chief Homeownership Officer  
Angela Kamau-Watson, Staff Accountant  
Kirk Benner, Compliance Specialist  
Eric Matty, Compliance Specialist  
Susan Pulec, Outreach & Community Development Administrator  
Andray Fairley, Compliance Specialist  
Lucas Bauman, Compliance Specialist  
Dudley Beyer, Agricultural Program Manager  
Shelley Abraham, Compliance Specialist  
Royce Sheibal, Research and Data Analyst  
John Turner, Manager of Community Development & Research

**Guests:**

Joe Spitsen, Assistant Manager for RHA Development & Training  
Matthew Cavanaugh, Holy Name Housing Corporation  
Mike Gawley, Holy Name Housing  
Ryan Harris, MHEG  
Sheryl Hiatt, Nebraska Department of Economic Development  
Jake Hoppe, Hoppe Homes  
Fred Hoppe, Hoppe Homes  
Darin Smith, Arch-Icon Development  
Ted Witt, Horizon Bank  
Lindsey Phillips, Nebraska Department of Environmental Quality  
Janet Latimer, Horizon Bank  
Kathryn Mesner, Mesner Development Co.  
Steve Peregrine, Nebraska Housing Resource  
Todd Lieberman, Brinshore Development  
Thomas McLeay, Clarity Development  
Jeff Gertz, JP Morgan  
Sarah Starostka, Nebraska Department of Environmental Quality  
James Rieker, Advantage Capital  
Rob Woodling, Foundation Development, LLC  
Erika Lynch and Patti Peterson, Kutak Rock LLP

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

Chair Goins called the meeting to order at 9:00 a.m. with eight members present. Goins reported that copies of the Open Meetings Act were posted by the door at the entrance to Regents A/B, on the NIFA website, as well as in the "Handouts" section of the webinar. The notice of the meeting was published on Sunday, April 11, 2021 in the Omaha World Herald and Lincoln Journal Star. Affidavits of publication are attached.

**2. Public Comment Related to the April 16, 2021 Agenda Items (comment period limited to five minutes)**

Chair Goins 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 or raise their hand in the webinar. No individuals came forward or raised their hand in the webinar.

**3. Consent Agenda – 5 minutes**

- a. March 19, 2021 NIFA Board of Director Meeting Minutes
- b. Executive Director's Report
- c. Report from Risk Management Committee
- d. Report on Agricultural Program, Including Loans in Process

Borrower: Zachariah Klenke

Purpose: Purchase of 82.53 acres of farm real estate – Lancaster County, Nebraska

Interest rate through NIFA of 4.80% variable (Lender's normal rate: 5.05% variable)

Bondholder: Jones Bank – Seward, Nebraska

Borrower: Dexter and Kate Spitsnogle

Original Purpose: Purchase of 149 acres of farm real estate – Gage County,

Nebraska

Outstanding NIFA loan/bond amount: \$279,567.91

Modified interest rate: 3.25% variable (Lender's normal rate: 3.75% variable)

Bondholder: Pinnacle Bank – Beatrice, Nebraska

Borrower: Nancy Stava

Original Purpose: Purchase of 177 acres, more or less, of farm real estate –  
Saunders County, Nebraska

Outstanding NIFA loan/bond amount: \$278,453.78

Modified interest rate: 3.50% fixed (Lender's normal rate: 3.50% variable)

Bondholder: Union Bank & Trust – Wahoo, Nebraska

- e. Report on Homeownership Program
- f. Report on Community Engagement
- g. Private Activity Bond Cap Summary

**Upon the request of Board member Zamrzla, item 3 (a) was pulled from the Consent Agenda to be discussed individually.**

Galen Frenzen arrived at 9:05 a.m.

**Consideration of a Motion to Accept the Reports on the Consent Agenda as amended.**

Moved by Arganbright, seconded by Achola to accept the reports on the Consent Agenda as amended.

Via roll call vote, the following votes were recorded:

Voting AYE: Achola, Bredthauer, Arganbright, Wellman, Zamrzla, Frenzen, Walden-Newman, Freeman and Goins.

The motion passed unanimously.

After discussion of item 3 (a), led by Zamrzla, it was moved by Zamrzla, seconded by Achola, to amend the "Board Members Present" section of the Friday, March 19, 2021 Board of Directors Meeting Minutes and approve the minutes as amended below:

Board Members Absent: Anthony Goins  
Galen Frenzen  
Warren Arganbright

Via roll call vote, the following votes were recorded:

Voting AYE: Bredthauer, Arganbright, Wellman, Zamrzla, Frenzen, Walden-Newman, Freeman, Goins and Achola.

The motion passed unanimously.

## **Action Items – 15 minutes**

### **Programs Committee Action Items – 10 minutes**

4. Update on the 4% Low-Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit

**(AHTC) Bond Application Cycle**

Sara Tichota updated Board members regarding the Tax Exempt Bond 4% LIHTC with Nebraska Affordable Housing Tax credit round as well as Round One in the Tax Exempt Bond/4% LIHTC only cycle. She noted that three of the four applicants had met threshold and were continuing with the process of preparing for volume cap allocation requests, which she expected would be brought to the Board for consideration at the June Board meeting. Ms. Tichota also noted that there were three applicants who made initial submissions for the non-AHTC 4% first round.

- 5. Consideration of a Motion to Approve Conditional Reservations for CRANE in the 2021 Low-Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) Programs**  
Sara Tichota presented information relating to The Cottages by Siena Francis House, Hanscom Apartments and Eastside Bungalows.

After review and discussion, on behalf of the Programs Committee, Freeman moved for approval of the Conditional Reservation for CRANE in the 2021 Low-Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) Program which motion was seconded by Frenzen.

Board member Achola announced he had accepted a nomination to serve on the Board of inCOMMON Community Development, which is involved in Hanscom Apartments, declaring a conflict of interest.

Board member Freeman moved to amend the approval of the Conditional Reservation for CRANE in the 2021 Low-Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) Program to consider The Cottages by Siena Francis House and Eastside Bungalows separately from Hanscom Apartments which motion was agreed to by the second, Frenzen. The vote was then taken on the Motion to approve the Conditional Reservation for CRANE in the 2021 Low-Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) FOR The Cottages by Siena Francis House and Eastside Bungalows.

Via roll call vote, the following votes were recorded:

Voting AYE: Bredthauer, Arganbright, Wellman, Zamrzla, Frenzen, Walden-Newman, Freeman, Goins and Achola.

The motion passed unanimously.

Arganbright moved for approval of the Conditional Reservation for CRANE in the 2021 Low-Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) Program to consider Hanscom Apartments which motion was seconded by Zamrzla.

Via roll call vote, the following votes were recorded:

Voting AYE: Arganbright, Wellman, Zamrzla, Frenzen, Walden-Newman, Freeman, Goins and Bredthauer.

Abstaining: Achola.

The motion passed, 8 voting aye and 1 abstaining.

**General Action Items – 5 minutes**

- 6. Discussion Regarding Issuance of Bonds for the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund, Together in an Amount not to Exceed \$5,000,000, and Approval of a Notice to the Governor and Clerk of the Legislature and the Filing Thereof**  
Steve Clements reported that the Nebraska Department of Environment and Energy (NDEE) has

informed NIFA of the need to issue bonds for the Clean Water State Revolving Fund Program (the "CWSRF") and the Drinking Water State Revolving Fund Program (the "DWSRF"). 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 and under the Federal Safe Drinking Water Act for the DWSRF. The size of the bonds is not expected to exceed approximately \$2.0 million for the CWSRF and \$3.0 million for the DWSRF. The bonds will be issued to provide state match for the FY 2021 Grants totaling approximately \$8.109 million for the CWSRF and \$11.001 million for the DWSRF.

Moved by Achola, seconded by Bredthauer to approve the Notice and the sending of the Notice to the Governor and Clerk of the Legislature.

Via roll call vote, the following votes were recorded:

Voting AYE: Wellman, Zamrzla, Frenzen, Walden-Newman, Freeman, Goins, Achola, Bredthauer and Arganbright.

The motion passed unanimously.

### **Strategic Topic – 20 minutes**

#### **7. Presentation on LIHTC Qualified Allocation Plans by Mark Shelburne, Novogradac Consulting LLP**

Shannon Harner introduced the Board to guest speaker Mark Shelburne of Novogradac Consulting LLP. Mark presented an overview of LIHTC Allocation & Underwriting Basics. The Board engaged in a question and answer session with Mr. Shelburne following the presentation.

### **NIFA Highlights**

#### **8. Announcements and Discussion of Upcoming Events**

Shannon Harner updated the Board on the following:

- a. The next NIFA Board of Directors meeting will take place on Friday, June 18, 2021 and is expected to go from 9:00 a.m. until noon. This will be the last meeting of the fiscal year. Chair Goins will make committee appointments for the next fiscal year at the June meeting.

Chair Goins led a discussion regarding the state of Nebraska and our mission, Growing Nebraska Communities through affordable housing and agribusiness and the challenges the state is facing in regards to housing. He discussed the DED approach of categorizing the state into different segments and focusing efforts in one or two such segments at a time, relating to specific initiatives and community engagement, and the potential benefits of that approach for NIFA and its mission.

#### **9. Adjournment**

Moved by Freeman, seconded by Frenzen to adjourn at 10:58 a.m.

Respectfully submitted,

*Shannon Harner*

Shannon R. Harner  
Executive Director and Board Secretary





# Omaha World-Herald

Date: April 11, 2021

## Affidavit of Publication

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

RECEIVED APR 19 2021

Date	Category	Description	Ad Size	Total Cost
04/17/2021	Legal Notices	NOTICE OF MEETING NEBRASKA INVESTMENT	2 x 0 L	1,212.04

## 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:

04/11/2021

**NOTICE OF MEETING**  
**NEBRASKA INVESTMENT**  
**FINANCE AUTHORITY**  
[Meeting to be held in person (with the option of Videoconference and Audio-Only Teleconference for the public)]

Notice is hereby given that the Nebraska Investment Finance Authority (the "Authority") will hold a Board of Directors Meeting, which is open to participation by the public, on Friday, April 16, 2021 at 9:00 a.m. The Authority's meeting will be held at the Embassy Suites - Downtown Lincoln, 1040 P St, 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.

In addition to the in person meeting, the Authority will allow members of the public or any other witness (other than a member of the Authority), including the news media, to access the meeting and/or appear before the Authority by videoconference by using the registration link below:

<https://attendee.gotowebinar.com/register/6233992749628916237>

Instructions to access the meeting by audio-only telephone conference will be posted on the Authority's website at <https://www.nifa.org/about/history-board> no later than 24 hours prior to the start of the meeting.

The agenda of the meeting, which is kept continually current, is available for public inspection at the Authority's website at <https://www.nifa.org/about/history-board> and posted on the front door of the Authority's office at Commerce Court, Suite 200, 1230 O Street, Lincoln, Nebraska, during normal business hours. Please note: the offices of the Authority are not open to the public at this time.

A current copy of the Open Meetings Act, Neb. Rev. Stat. 84-1407 et seq., and a copy of the Board book materials, which may be updated, which will be discussed at the meeting will be available at the meeting location the day of the meeting and at the Authority's website at <https://www.nifa.org/about/history-board> the day before the meeting. Handouts and other materials presented at the meeting will be available for viewing by all attendees, including those accessing the meeting via videoconference. Copies of Board materials, not otherwise made available at the Authority's website the day before the meeting, will also be posted on the Authority's website at <https://www.nifa.org/about/board-meeting-archives> and available from NIFA, upon request, subsequent to the meeting.

For more information or questions regarding accessing the meeting electronically, please contact Christie Weston, Deputy Director, at (402) 434-3912.  
ZNEZ

The First insertion being given ... 04/11/2021

Newspaper reference: 0000223082

Billing Representative

Sworn to and subscribed before me this Sunday, April 11, 2021

Notary Public

Sharon R Carsten

NOTARY PUBLIC

Commonwealth of Virginia

Notary Registration Number 329549

Commission Expires July 31 2021

State of Virginia

City of Richmond

My Commission expires

## **\*\*\* Proof of Publication \*\*\***

State of Nebraska )  
Lancaster County ) SS.

RECEIVED APR 16 2021

NIFA  
SHEILA GANS  
1230 O ST STE 200  
LINCOLN NE 68508

ORDER NUMBER 972461

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

April 11, 2021 and thereafter on

, 20 \_\_\_\_\_ and that said newspaper is the legal newspaper under the statutes of the State of Nebraska.

*Dawn Russell*

## Section: Class Legals

Category: 0099 LEGALS

PUBLISHED ON: 04/11/2021

**TOTAL AD COST:** 46.92

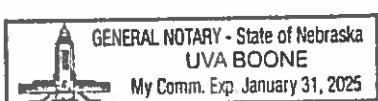
FILED ON: 4/12/2021

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

April 13, 2021  
17<sup>th</sup> Brown

Notary Public



June 2021

## Board Meeting Executive Director Report

### **NIFA Board Members:**

This meeting is our last of the fiscal year. As we move into a new fiscal year, it is important to take stock of the previous year and to set goals for the next. This has been a year of significant change for NIFA, even as NIFA has continued its important work across the state. As you may recall, our FY2021 Wildly Important Goal (WIG) was to “Increase measurable communication and collaboration with the Board, Staff and our Clients/Partners”. The basis for this WIG was to educate the various groups, share what was being done and become a more transparent organization. Over the next two weeks we will ask you to fill out the same Board survey you completed in the Fall and will use that to gauge our progress relating to NIFA’s communication with, and education of, the Board relating to NIFA’s work and processes.

FY 2021 also saw NIFA define Core Values (Integrity, Commitment, Collaboration, Innovation, Stewardship), redefine its Mission (Grow Nebraska communities through affordable housing and agribusiness); and articulate both a 3 -5 and a 10 year Vision.

The 3 – 5 Year Vision: NIFA leverages its resources, data, knowledge (know-how) and technology, with effective statewide partnerships and collaboration, to promote vibrant Nebraska communities through affordable housing solutions and agribusiness.

The 10 Year Vision: NIFA is an indispensable partner for Nebraska citizens and communities in planning, creating and sustaining affordable housing, advancing agribusiness, and furthering a vibrant Nebraska.

Moving into FY2022, NIFA set a new WIG related to moving toward achievement of the 3-5 year vision:

Identify and streamline at least one KEY process in each department, by June 30, 2022, that enables NIFA to achieve the 3 -5 year vision.

### **Meeting Action Items:**

#### **Governance Committee:**

Budget approval FY2022: A budget should be considered in light of policy objectives and the spending should reflect organizational policy and strategy. Our stated 3 – 5 year vision highlights not only the importance of having the right people (who provide invaluable experience, knowledge and resource assistance, as well as creating strong connections with our partners) as paramount, but also emphasizes technological capability to enable, enhance, and support their work and the needs of our partners and constituents. The Budget Narrative, which will be provided with the detailed budget documentation after the Governance Committee’s final review, provides additional detail about the proposed spending for FY 2022. I appreciate your support as we innovate and commit to enabling and measuring our strategic impact.

Conflicts of Interest Policy Updates: The last update to the Conflicts of Interest Policy was in the early 2000s. The staff and Board complete a COI disclosure form each year and, with the institution of our core values and a renewed commitment to transparency we felt the time was right to beef up the policy to expand disclosure beyond strict legal requirements.

Election of Vice Chair: The Bylaws direct that the Board elect a Vice Chair. The function of the Vice Chair is to step in to run meetings, or perform duties as otherwise needed, in the absence of the Chair. Historically, the Vice Chair has been the person who has been on the Board the longest, however that is not a written requirement. Please consider nominations for this position.

Program Committee:

The Board will be asked to consider Conditional Reservations for Round 2 in the 2021 Low-Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) Programs as well as Allocation of Private Activity Volume Cap for 4% projects. There are also two bond resolutions for your consideration relating to Clean Water and Drinking Water State Revolving Fund Revenue Bonds.

Strategic Topic:

At the April meeting, our Chair broached the subject of setting a particular region for NIFA to pilot a more intensive approach to housing. DED has identified 16 different regions in the state and, rather than reinventing the wheel, NIFA staff has identified two potential regions, from the DED-identified regions, for the Board to discuss, should the Board decide this approach is appropriate. The value I see in a targeted, regional approach is that it could manageably allow creation of an area baseline and ensure that measurement of the impact of programs and collaboration methodically occurs, as NIFA “steps-in” to a more data driven approach. NIFA has traditionally started new programs as “pilots” and exploring a new approach in a “pilot” allows for flexibility.

Other Updates:

*Meetings:* I anticipate that this will be our last meeting at the Embassy Suites unless the Fall/Winter pandemic season necessitates a revival of more social distance. I look forward to resuming NIFA Board meetings in the NIFA office. We plan to continue providing virtual access to our meetings for attendees, as it provides convenience and the ability of many from further distances to attend our meetings. This is one positive that has come from the pandemic that will have a lasting impact on our protocols.

*Marketing Initiatives:* The Marketing Department will be providing a sneak peek at the new website during this meeting. The new design has our user in mind and we expect that it will grow to be an even better resource over time.

*Community Engagement:* The team has been scoring applications for the Outreach and Technical Assistance Grants. NIFA has three grants to award and over eleven applicants. Over the summer the Webinar Wednesdays have been scaled back to every other week; please see the engagement opportunities section below for specifics.

*Annual Report:* The 2020 Annual Report will be released this month. Typically, it is released in conjunction with the end of the legislative session, however we are creating an interactive version for the website and that, in conjunction with the short session, extended the release. In future, we plan to release the report at the end of Q1 to set a more definitive time frame closer to the actual year end, as the report is calendar, versus fiscal, year.

*Homeownership Assistance Program and Emergency Rental Assistance:* NIFA is preparing for the Homeownership Assistance Program's launch and is working closely with the State in that regard. The Emergency Rental Assistance Program is continuing to smooth out processes and NIFA staff have been instrumental in efforts to improve the program's ease of use.

*BDO report:* The BDO report is complete and in order to maximize the number of Board members able to attend BDO's overview of the report, we will present to the entire Board at the next meeting, with BDO representation. We have also engaged BDO to assist with creating follow-up documentation as recommended in their report. Many of the BDO recommendations have been addressed or are being addressed within the FY 2022 Budget and WIGs.

*Multifamily and Tax Credit Department:* The Tax Credit Allocation team has been hard at work on second round scoring, the 4% applications and requests for additional credits. As previously noted, in order to both recognize the current cost increases, while adhering to the competitive nature of the process, I did not authorize additional credits, and anyone who did not request the full amount previously authorized has the opportunity to make a request up to the original increase amount.

*HR:* We are currently vetting candidates for NIFA's open positions and are pleased with the quality of candidates who have submitted applications. We are also in process of finalizing and tweaking job descriptions and will be rolling out the new employment policies and procedures handbook prior to beginning of the next fiscal year.

**Engagement Opportunities:**

Webinar WedNESday June 30, 2021. 10:00 AM. Youth: Encouraging and educating the next generation of construction trade specialists through schools and community colleges.

[https://us02web.zoom.us/webinar/register/WN\\_wh0wqNKGRgGJH8RlgJm-sg](https://us02web.zoom.us/webinar/register/WN_wh0wqNKGRgGJH8RlgJm-sg)

I look forward to seeing you at the Board meeting on Friday, June 18<sup>th</sup> at 9:00 a.m. at the Embassy Suites.

Regards,



Shannon R. Harner  
Executive Director  
Nebraska Investment Finance Authority

# COMING SOON!

# 2020 ANNUAL REPORT:

The NIFA team will be rolling out the Annual Report in a digital format this year! The report can also be downloaded and printed. We will be sure to share it with you as soon as it is finished.

NIFA.ORG RE-DESIGN & RE-BRAND

Nifa.org is going to have a refreshed look! The web design and development team anticipate to have this project complete by June 30th. Stay tuned as we reveal the new and improved nifa.org!



## Homeowner Programs

Since its inception, NIFA has provided a first mortgage under our Homeownership Program to 94,588 borrowers totaling almost \$6.8 billion to date.

Of those, 19,261 homebuyers also received down payment/closing cost assistance.

All Homebuyers using NIFA mortgages completed pre-purchas



## **Multi-Family Programs**

#### LOW INCOME HOUSING TAX CREDIT PROGRAM (LIHTC)

**\$1.27 BILLION+ SINCE INCEPTION**

Allocations of federal tax credits are used to leverage public, private and other funds to develop rental housing that provides affordable rents to low- and moderate-income families.



# NIFA Board of Directors

## Standing Committees

Appointed June 18, 2021

### Audit Committee:

(*Board Chair + 3 appointed*)

Galen Frenzen  
Michael Walden-Newman  
Anthony Goins  
Susan Bredthauer

### Programs Committee:

(*4 appointed*)

Herb Freeman  
Michael Walden-Newman  
Susan Bredthauer  
Colten Zamrzla

### Governance Committee:

(*Chairs of other standing committees selected among the members of such committee + 1 appointed*)

Galen Frenzen (*Audit Chair*)  
Herb Freeman (*Programs Chair*)  
George Achola (*Risk Mgmt Chair*)  
Warren Arganbright (*appointed*)

### Risk Management Committee:

(*4 appointed*)

Steve Wellman  
George Achola  
Warren Arganbright  
Colten Zamrzla

## Additional Committees

(none)

**AGENDA ITEM #3**  
**Beginning Farmer/Rancher Division Report**

**NEW AG LOAN IN-PROCESS:**

- Borrower: Savannah Schafer
- Purpose: Purchase of 1,126.29 acres of farm real estate – Red Willow County, Nebraska
- NIFA loan/bond amount: \$558,000
- Interest rate through NIFA of 4.00% fixed (Market rate: 6.50% fixed)
- Bondholder: Ashtonfield, LLC – Grand Island, Nebraska

## **AGRICULTURAL LOAN SUMMARY**

Public Hearing Date: March 25, 2021

Series Resolution: Providing for the Issuance of Agricultural Development Direct Loan Revenue Bond (Justin and Ailene Clevenger Project) Series 2021 (the “Bond”)

Borrower: Justin Clevenger and Ailene McAuliffe-Clevenger

Bank: First Pioneer National Bank, Holyoke, Colorado

Purpose: Loan (the “Loan”) to acquire approximately 1,216.92 acres of farm real estate, located in the S½ SW¼, NW¼ SW¼, SW¼ SE¼ of Section 26, and all of Section 35, in Township 14 North, and all of Section 2 in Township 13 North, all in Range 46, west of the 6<sup>th</sup> P.M. (located north of US Highway 30 and west of Road 157 in Deuel County, Nebraska.

Amount: \$432,500

Bond Dated Date: May 14, 2021

Terms: The Bond shall bear interest at 3.250% per annum until May 14, 2026. On that date and every 60 months thereafter, the interest rate will be adjusted to the interest rate based on the 5 Year Treasury Rate (the “Index”) and adjusted to 2.250 percentage points over the Index. The interest rate will be rounded to the nearest .01 percent. Interest shall be computed on an Actual/365 basis. Principal and interest shall be paid in 19 annual payments of \$22,791.02 (subject to any interest rate changes) beginning May 14, 2022 and each May 14 thereafter to and including May 14 , 2040. The final payment of the entire unpaid balance of principal and accrued interest thereon will be due May 14, 2041 (the “Maturity Date”). Upon an interest rate change, the payments will be reamortized at the new interest rate over the remaining term. In the event of default, including failure to pay upon final maturity, interest will accrue on the unpaid principal balance of the Bond at a rate equal to the rate in effect prior to default, plus 2.000 percent, until paid in full. Under no circumstances will the interest rate during the term of this Bond, be less than 3.000% per annum or more than 21% per annum or the maximum rate allowed by applicable law.

## **AGRICULTURAL LOAN SUMMARY**

Public Hearing Date: April 7, 2021

Series Resolution: Providing for the Issuance of Agricultural Development Direct Loan Revenue Bond (Makenna Jacobs Project) Series 2021 (the “Bond”)

Borrower: Makenna Jacobs

Bond Purchaser: Ashtonfield L.L.C.

Servicing Bank: Henderson State Bank, Henderson, Nebraska

Purpose: Loan (the “Loan”) to acquire approximately 154 acres of farm real estate, located in a partial section of the SE $\frac{1}{4}$  of Section 5, Township 17 North, Range 14, west of the 6<sup>th</sup> P.M. (located 1 mile south of 476th Avenue and Highway 22) in Valley County, Nebraska.

Amount: \$285,000

Bond Dated Date: April 22, 2021

Terms: The Bond shall bear interest at a rate of 4.00% per annum. Principal and interest shall be payable in 19 semi-annual payments of \$8,198.87 beginning October 22, 2021 and on each April 22 and October 22 thereafter to and including October 22, 2030. The final payment of principal and interest shall be due April 22, 2031. If a payment is 10 days past due, then, and in such event, a 5% delinquency payment charge will be assessed. The 5% penalty shall be assessed against the amount of the delinquent payment only. Upon default, interest on the unpaid balance of this note shall accrue at the rate of 16% per annum until paid. Prepayment on the Bond may be made on any payment date of any year in multiples of \$2,000 plus a premium of 5% of the amount of the prepayment.

## **AGRICULTURAL LOAN SUMMARY**

Public Hearing Date: March 25, 2021

Series Resolution: Providing for the Issuance of Agricultural Development Direct Loan Revenue Bond (Zachariah Klenke Project) Series 2021 (the “Bond”)

Borrower: Zachariah L. Klenke

Bank: Jones Bank, Seward, Nebraska

Purpose: Loan (the “Loan”) to acquire approximately 82.53 acres of farm real estate, located in the South Half of the Northwest Quarter (S $\frac{1}{2}$  NW $\frac{1}{4}$ ) in Section Three (3), Township Ten (10) North, Range Five (5) East of the 6<sup>th</sup> P.M.

and

That part of Lots One (1), Two (2), Three (3), Five (5), Six (6), and Seven (7) Irregular Tracts, all located in the Southwest Quarter (SW $\frac{1}{4}$ ) of Section Three (3), Township Ten (10) North, Range Five (5) East of the 6th P.M., described as follows: Commencing at the Southeast corner of the Southwest Quarter (SW $\frac{1}{4}$ ) of said Section Three (3); thence Westerly on the South line of said Southwest Quarter (SW $\frac{1}{4}$ ) on an assigned bearing of S89°56'33"W a distance of 1,315.97 feet, to the point of beginning; thence continuing Westerly on said South line, S89°56'33"W 33.00 feet; thence Northerly, N0°01'56"W 580.24 feet; thence Northerly, N0°38'11"E 572.15 feet; thence Northerly, N 0°26'17"E 559.99 feet; thence Northerly, N1°45'55"E 543.21 feet; thence Northerly, N0°15'22"W 389.51 feet, to a point on the North line of said Southwest Quarter (SW $\frac{1}{4}$ ); thence Easterly on said North line S89°59'38"E 33.00 feet; thence Southerly, S0°15'22"E 389.94 feet; thence Southerly, S1°45'55"W 543.40 feet; thence Southerly, S0°26'17"W 559.67 feet; thence Southerly, S0°38'11"W 572.01 feet; thence Southerly, S0°01'56"E, 580.04 feet, to the point of beginning.

ALL of the aforementioned located in Lancaster County, Nebraska (from the intersection of NW 84<sup>th</sup> Street and W. Superior Street, go ½ mile west to the driveway on the north side of the road).

Amount: \$226,965

Bond Dated Date: June 11, 2021

Terms:

The Bond shall bear interest at 4.800% per annum until January 1, 2027. On that date and every 5 years thereafter, the interest rate will be adjusted to the interest rate based on the Wall Street Journal Prime Rate (the “Index”) and adjusted to 1.650 percentage points over the Index. Interest shall be computed on a 365/360 basis. One interest only payment of \$6,173.45 shall be made January 1, 2022, 4 annual payments of principal and interest of \$14,773.45 shall be paid beginning January 1, 2023 and each January 1 thereafter to and including January 1, 2026 and 24 annual payments of \$14,773.45 (subject to any interest rate changes) beginning January 1, 2027 and each January 1 thereafter to and including January 1, 2050. The final payment of the entire unpaid balance of principal and accrued interest thereon will be due January 1, 2051 (the “Maturity Date”). Upon an interest rate change, the payments will be reamortized at the new interest rate over the remaining term. If a payment is 10 days or more past due, the Borrower will be charged 5% of the regularly scheduled payment or \$15, whichever is less.

## **AGRICULTURAL LOAN MODIFICATION SUMMARY**

**Public Hearing:** April 28, 2021

**Bond:** Agricultural Development Direct Loan Revenue Bond (Dexter R. and Kate E. Spitsnogle) Series 2017

**Borrower:** Dexter R. and Kate E. Spitsnogle

**Bank:** Pinnacle Bank, Beatrice, Nebraska

**Bond Purchaser:** Pinnacle Bank, Beatrice, Nebraska

**Project:** 149 acres, more or less, of farm real estate located in Gage County, Nebraska.

**Outstanding Principal Amount of Bond:** \$279,567.91

**Original Dated Date of Bond:** June 7, 2017

**Modification Date:** May 12, 2021

**Bond Modification:** Commencing on the Modification Effective Date, the interest rate on the Bond and the underlying Farm Loan will change from 3.75% to 3.25% in effect until May 19, 2026. On that day and every fifth year thereafter, the interest rate will be adjusted to a rate equal to the five-year Treasury Rate, plus 2%. Principal and Interest on the Bond shall be paid in 21 annual payments of \$17,502.98 (subject to any interest rate changes) beginning May 19, 2021 and each May 19 thereafter to and including May 19, 2041. The final payment of the entire unpaid balance of principal and accrued interest will be due May 19, 2042. The interest rate will never be less than 3.25%.

## **AGRICULTURAL LOAN MODIFICATION SUMMARY**

**Public Hearing:** April 22, 2021

**Bond:** Agricultural Development Direct Loan Revenue Bond (Nancy J. Stava) Series 2011

**Borrower:** Nancy J. Stava

**Bank:** Union Bank & Trust Company, Wahoo, Nebraska

**Bond Purchaser:** Union Bank & Trust Company, Wahoo, Nebraska

**Project:** 177 acres, more or less, of farm real estate located in Saunders County, Nebraska.

**Outstanding Principal Amount of Bond:** \$278,453.78

**Original Dated Date of Bond:** December 27, 2011

**Modification Date:** April 30, 2021

**Bond Modification:** Commencing on the Modification Effective Date, the interest rate on the Bond and the underlying Farm Loan will change from a variable rate (currently 3.75%) to a fixed rate of 3.50% per annum in effect until maturity on December 1, 2026. Principal and Interest on the Bond shall be paid in 11 semiannual payments of \$17,089.61 beginning June 1, 2021 and each December 1 and June 1 thereafter to and including June 1, 2026. The final payment of the entire unpaid balance of principal and accrued interest will be due December 1, 2026.

# HOMEOWNERSHIP PROGRAM REPORT

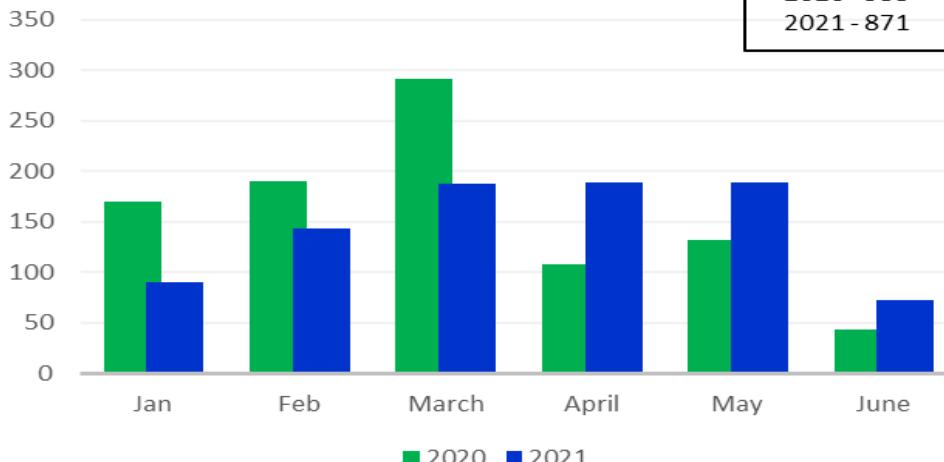
*Board of Directors Meeting  
June 18, 2021*

## YTD 2021 Reservation Activity (As of 6/9/21)

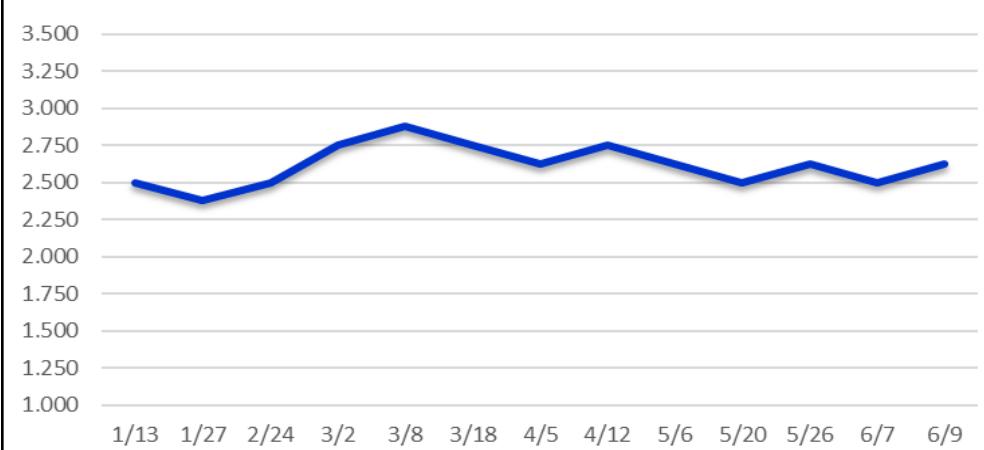
# Loan Reservations	873
\$ Loan Reservations	\$138,969,016
Average 1 <sup>st</sup> Loan Amount	\$159,186
Average 2 <sup>nd</sup> Loan Amount	\$7,726
Urban Areas	57%
Rural Areas	43%

### By Month

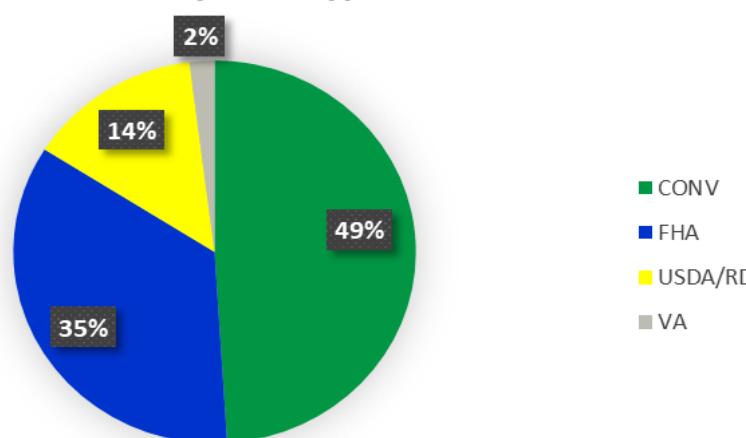
Total  
2020 - 935  
2021 - 871



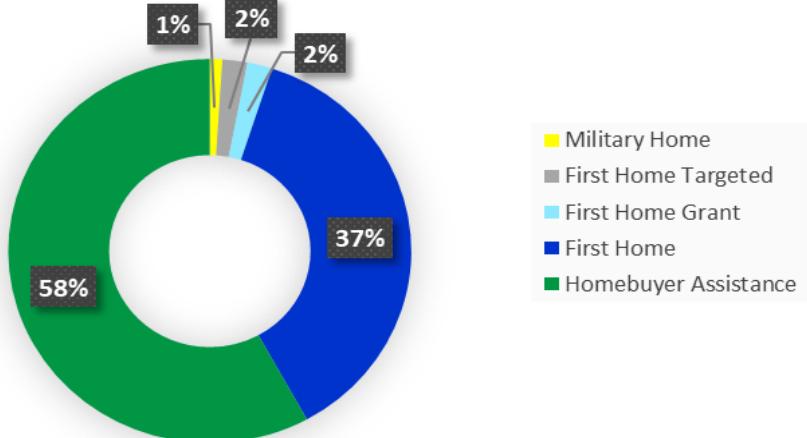
### First Home Program Gov't Rate Changes



### By Loan Type



### By Program



*Happy  
Homeownership  
Month*

# NIFA COMMUNITY ENGAGEMENT REPORT

6.18.21

## HOUSING STUDY GRANT PROGRAM

The Housing Study Grant Program received six applications for the third round of funding, five of which have been approved.

Approved third round applications:

- City of Columbus (city)
- Dawson Area Development (county)
- Loup City Planning Commission (city)
- Siouxland Interstate Metropolitan Planning Council (county)
- City of Wayne (city)

### Fiscal Year 2021 Statistics:

- 16 Received applications
- 14 Approved applications
- \$88,110 in NIFA allocated funds
- \$121,870 in matching funds



## PARTNER PROGRAMS

NIFA has allocated resources for three Outreach Partners and one Native American Community Impact Grant for fiscal year 2021.

We received ten applications for the Outreach Partnership Program and two applications for the Native American Community Impact Grant Program.

All applications have been scored and a recommendation has been made to NIFA's executive director for final approval.

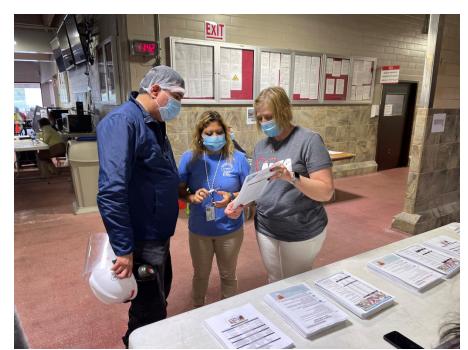


## TYSON PLANT VISIT

The NIFA Community Engagement and Homeownership teams traveled to the Tyson Plant in Madison, Nebraska to provide information about home ownership opportunities.

We were joined by our partners in housing from NeighborWorks Northeast Nebraska, USDA - RD, Northeast Nebraska Development District and a translator from ESU7.

The average hourly wage at the plant is \$16.95, making most employees income-eligible for NIFA programs. We hope to pursue additional opportunities across the state.



## EMERGENCY RENTAL ASSISTANCE PROGRAM

We continue to partner with the State of Nebraska and Deloitte Software to do the marketing and outreach of the State ERA program. We help bridge the gap between community service agencies, property managers and the State of Nebraska to assure that tenants are staying housed. We leverage all of the Nebraska Jurisdictions who are managing the ERA funding to stay connected and collaborative. To learn more about ERA across Nebraska, please visit: <https://coronavirus.nebraska.gov>

**CRANE Public Meeting Report**  
**NIFA Office and Via Conference Call**  
**April 28, 2021**  
**9:00 a.m.**

**Attendees (via telephone):** Michael Maroney and Annette Artherton, Omaha Economic Development Corporation; Ryan Harris, Midwest Housing Equity Group; Mechele Grimes and Sheryl Hiatt, Nebraska Department of Economic Development; and Sara Tichota, Pam Otto and Kirk Benner, NIFA.

**Meeting called to order** by Pam Otto at 9:00 a.m.

**Larimore 3483 – Omaha**

Michael Maroney reported they are working on the deficiencies as quickly as possible, to hopefully resubmit before the next CRANE public meeting.

**Shadow Lake Apartments - Papillion**

No representative was on the call. Sara Tichota reported that the contact for the project has changed to Burlington Capital.

Meeting adjourned: 9:06 a.m.

# CRANE APPLICATION LIST

NEBRASKA INVESTMENT FINANCE AUTHORITY  
LOW INCOME HOUSING TAX CREDIT PROGRAM  
(updated 4/29/21)

NIFA PROJECT #	PROJECT NAME & ADDRESS	APPLICANT NAME	COUNTY	TOTAL UNITS	LIHTC UNITS	MARKET UNITS	# OF BLDGs	PROJECT TYPE	PROFIT STATUS	FINANCING SOURCES	ESTIMATED COST	LIHTC REQUESTED	AHTC REQUESTED	CATEGORY DESIGNATION
7-0974	3483 Larimore 2221 North 24 Street Omaha, NE 68110	Omaha Economic Development 2221 North 24th street Omaha, NE 68110 (Annette Atherton: 402.505.6041)	Douglas	45	45	0	1	Rehabilitation Metro Multifamily	Non-Profit	NHTF Funds-\$1,600,000 HOME Funds-\$500,000 City HOME Funds City CDBG Funds Tax Increment Financing Historic Tax Credit State Historic Tax Credit	\$ 14,462,110	\$ 693,180	\$ 693,180	Category 3
7-0989	Shadow Lake Apartments 72nd & Ponderosa Dr Papillion, NE 68046	Sheltering Tree Inc PO Box 4990 Omaha, NE 68104 (George Achola: 402.930.3090)	Sarpy	46	44	2	2	New Construction Metro Multifamily Developmentally Disabled	Non-Profit	HOME Funds-\$750,000 Deferred Developer Fee Owner Equity CARES Act Funding	\$ 10,918,514	\$ 593,025	\$ 593,025	Category 3
				91	89	2	3				\$ 25,380,624	\$ 1,286,205	\$ 1,286,205	

**NEBRASKA INVESTMENT FINANCE AUTHORITY  
PRIVATE ACTIVITY CAP-ALLOCATION STATUS  
CALENDAR YEAR 2021**

AS OF 6/8/21

	50%	20%	30%	324,995,000
	Housing Carryforward	Statewide Housing	Ag/ IDB/Non Statewide Hsg	Governor's Discretionary GRAND TOTAL
			50% Jan-June	50% July-Dec
Beginning Allocation	755,239,665.00	162,497,500.00	32,499,500.00	32,499,500.00 97,498,500.00 1,080,234,665.00
Expired Carryover	0			0
Allocations Todate	(95,099,637.60)	0.00	(2,082,060.00)	0.00 0.00 (97,181,697.60)
Ag Allocation not used			(2,917,940.00)	(2,917,940.00)
50% Waiver- Exec. Order 21-07		32,499,500.00	(32,499,500.00)	0.00
Transfers- Exec. Order 21-07		15,001,000.00	(15,001,000.00)	-
Balance Remaining	660,140,027.40	162,497,500.00	75,000,000.00	- 82,497,500.00 980,135,027.40 75,000,000.00 980,135,027.40

Housing-CARRYFORWARD DETAIL					
Originated Expires	2018	2019	2020	TOTAL	
	2021	2022	2023		
Beginning	153,081,271.00	283,146,897.00	319,011,497.00	755,239,665.00	
Used	(95,099,637.60)			(95,099,637.60)	
Ending	57,981,633.40	283,146,897.00	319,011,497.00	660,140,027.40	

Ag/IDB/Non Statewide Housing-ALLOCATION DETAIL					
District	AG	IDB	MF	Total by District	
1	0	0	0	0	0
2	0	0	0	0	0
3	(2,082,060)	0	0	(2,082,060)	
<b>Total by Category</b>	<b>(2,082,060)</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Unallocated</b>	<b>(2,917,940)</b>			<b>(2,917,940)</b>	
<b>Total</b>	<b>(5,000,000)</b>			<b>(5,000,000)</b>	

## FY2022 Budget Narrative

### **Income:**

Projected investment income variance of \$1.03M to FY2019 Actual is driven by less income from treasury bill and discount note investments (the first line item under Revenue), due to the low interest rate environment. Additional income from increased SF fees on bond sales on a “going forward basis”, beginning in 2021, will eventually, but slowly, increase SF fee income.<sup>1</sup>

### **Expenses:<sup>2</sup>**

#### *Salaries:*

Increased expenses of 17% (over FY2021 projected actual) are driven by headcount and compensation analysis adjustments to market. Headcount increases are necessitated by both the need to staff up to appropriate levels, due to vacancies, chronic understaffing<sup>3</sup>, and also to address succession planning efforts, as directed by the Board. Two top level finance positions – Treasurer and COO will be retiring in the next 1 – 4 years. Knowledge transfer from these two long-time employees is critical. The positions in finance and risk management are anticipated to fully cover the ongoing job duties of the eventual retirees, in conjunction with the re-allocation of job duties in the Finance department. Overlap of retiring positions with new positions, as well as existing persons with new job duties, will be a strong focus over the next one to two years.

According to the NCSHA 2019 Factbook (the most recent available), NIFA had the smallest staff and the fourth smallest operations budget. Our surrounding states have an average budget of \$11.1 million and an average staff of 57.

#### Positions filled or opened in FY2021

- Community Engagement Public Policy Data Analyst: [Replacement headcount with job description change].

In May of 2021 an employee separated, leaving the Data and Research Analyst position. The new position will require a higher level skill set to support LB446 duties and bring more data analysis in-house.

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<sup>1</sup> NIFA increased the fee income from .10% to .20% of loans in the indenture, beginning with the 2021 AB series. Other HFAs’ fees range more typically from .20% at the low end to .40% at the high end.

<sup>2</sup> Due to the very different spending patterns of 2020 (spanning FY2020 and FY2021), as a result of the pandemic, NIFA will show comparisons to FY2019, FY2020 and FY2021.

<sup>3</sup> According to the 2019 NCSHA Fact Book, the average size annual operating budgets for HFAs was, on average \$47.1M, Median \$26.7M and low (NIFA) \$5.3M. HFA staff sizes range from 29 (NIFA) to 951, with the average staff size 178 (up from average of 72 in 1987). Staff size increase largely driven by LIHTC program which became operational in 1992.

- Finance Department Staff Accountant: [Replacement headcount. Vacant position with job description change from manager to staff level]

In August of 2020 a manager in the finance department separated from NIFA and her position has been open since that time. Zelle assisted in determining that the best new position would be a staff level accountant, not a managerial position. Filling this position will allow the current controller to take on additional duties as the finance department re-shuffles and also prepares for the retirement of the Treasurer.

- Tax Credit Allocation Assistant Manager: [New position, allowing Deputy Director of Programs and Marketing to move out of regular support for day to day allocation operations]
- Chief Risk Management Officer [New position, based on BDO recommendations]. Skill set for this position will allow taking on additional duties as retirements in Finance Department occur.
- Marketing Coordinator: [New position – Marketing Department formed in Jan 2021]

#### New positions budgeted for FY2022

- One position is currently budgeted. Both tax credit compliance and homeownership have requested a position. NIFA's approach will be to create and analyze efficiencies and leverage technology during FY2022, thus NIFA will first complete efficiency and technology reviews before determining whether additional staff is needed, or whether efficiencies can accomplish the needed amount of work.
  - With the increase in 4% LIHTC we anticipate an exponential increase in units under compliance review. If this is the case, additional fees associated with those units will at least partially offset any additional headcount.
  - Homeownership is planning to launch Workforce Housing programs which may increase units. Increased units will result in additional income in the indenture, or via TBA placements, which would contribute to any additional staff needed.

#### *Benefits and other Personnel Costs:*

As expected, cost of insurance increased. Effective 1/1/21 the premium increase was 8.7%. During FY2021 some meeting expenses, for events attended by staff (namely the NCSHA or similar conferences or work-related educational sessions) were re-classed from Meetings in Office Operations to Professional Development under Personnel. In addition to professional development, NIFA added a \$300 per employee allowance for personal development for skill related classes or seminars, in order to set a top expectation and formalize opportunity for employees.

#### *Office Operations:*

The Office Operations' increase of \$16,825 (or 3%) from 2019 is, overall, the result of three line items. FY2020 and FY2021 are not accurate comparisons due to decreased supplies, travel and meetings.

First, is the increase in liability insurance from a FY2021 budget of \$106,500 (actual of \$116,400) and a FY2019 actual of \$105,430 to \$144,000, due to significant rate increases in cyber insurance premiums and management liability (D&O, employment practices and fiduciary) premiums. From FY2019 – FY2020 the liability insurance expense was relatively steady at right around the \$105k mark.

Second, is the travel budget. Previously, NIFA hired an outside company to perform Tax Credit Compliance site inspections, which are required on every project on a rotating three year schedule. The price for this service went up precipitously and NIFA chose, in 2020, to bring the inspections in-house, using compliance staff for FY2021 and beyond. No compliance travel occurred in FY2021. Bringing compliance inspections in-house will allow NIFA to save a minimum of \$100,000 annually from the inspection vendor, but will increase the travel budget. Travel from FY2020 and FY2021 was down due to the pandemic. Overall, NIFA expects the non-tax compliance travel to be reduced, going forward, due to use of virtual meetings. The impact of adding the tax compliance site inspection travel will, however, increase the previously budgeted cost. Inspection travel is completed by congressional district and the third district (which requires the most travel) will be the area of inspection for FY2022.

The third expense driver is the marketing department communication and support initiatives. NIFA is focused on ensuring that Nebraskans are aware of the programs and assistance available to them, through effective communication strategies to increase usage of NIFA's programs and resources. Specifically, NIFA is increasing its digital advertising spend to directly reach potential homebuyers and other program clients. In addition, the video production budget has been increased, to support the increased video capabilities of the new website and Engage platform. Finally, a specific sponsorship allocation is being implemented for the first time, resulting in more intentional spending in this area.

#### *Professional Services:*

NIFA anticipates an overall decrease in budgeted services, based on fee trajectory. NIFA intends to continue engagement with BDO on two SOWs – an I.T. assessment and a documentation engagement for finance and bond related procedures and policies. These are one time FY2022 expenses in the "Contracts-Ops" and "Compliance/ERM Contracts" sections. Legal fees are projected to be down 22% in FY2021, and the FY2022 budget further decreases them by 8%.

#### *Information Technology:*

Increases in I.T. costs are specifically related to bringing NIFA "up to snuff" in relation to in-house programs and communication software, ensuring the team is able to efficiently scale. From a client/partner communication standpoint NIFA has implemented a CRM system, paired with a communication portal that is intended to make it much easier for partners to find relevant program information that otherwise has been lost in email. Additionally, for potential new software and technology implementation associated with BDO's IT assessment, an estimated acquisition cost of \$195,000 (\$65,000 annual amortization for 3 years) has been included in the budget.

## **Conclusion**

The FY2022 proposed expense side budget is overall, 1.44% decrease from PY Budget and 15.75% increase over projected actual spending (not including NOF expenses, which, in FY21 are large due to NUW-HOM and RWFH spending). Personnel costs are 4.5% over PY budget and 17.31% over projected actual, due to additional headcount and projection that all positions will be filled. As noted previously, spending in both technology and personnel are key strategies to help NIFA achieve its Mission and Vision.

The decrease in income due to the low interest rate environment is a risk to keep in sight. If there is no significant increase in revenues in the next two fiscal years, it will be necessary for NIFA to explore appropriate additional cost savings. Several multi-year contracts (physical space, event management software and others) will be expiring during FY2022 and FY2023 and NIFA will evaluate effective cost saving methods as contracts expire and cost savings due to retirements will also reduce costs over time. In addition, NIFA intends to focus on growing programmatic revenue, utilizing new tools and approaches.

It is also important to note that NIFA's strategy of cross calling bonds in the indenture is a significant cost saving strategy, albeit one that does not directly impact the Operating Fund. NIFA is in a very solid financial condition and is poised to make significant headway on delivering housing and agribusiness solutions across the State.

## FY 2022 Operating Fund Budget

(bracketed amounts = revenue; unbracketed = expense)

	Budget 6/30/2018	Budget 6/30/2019	Budget 6/30/2020	Budget 6/30/2021	Proposed 6/30/2022	FY21 vs FY22 Difference
<b>Revenue &amp; Expenses</b>						(+ increase - decrease) %
Operating Revenue:						
Interest Income						
Loans				(511,000)	(533,000)	22,000 4%
Investments				(1,274,000)	(92,000)	(1,182,000) -93%
Fees and Other Income				(1,902,000)	(1,955,559)	53,559 3%
Single Family Op Fees				(1,708,000)	(1,600,000)	(108,000) -6%
Allocation from Operating Reserves				(1,257,911)	(2,376,431)	1,118,521 89%
<b>Total Operating Revenue</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>(6,652,911)</b>	<b>(6,556,990)</b>	<b>(95,921) -1%</b>
Operating Expenses:						
Personnel	3,682,400	3,895,200	3,952,000	3,813,521	3,985,995	172,474 5%
Office Operations	586,500	591,300	617,000	503,100	556,938	53,838 11%
Professional Fees	2,694,300	1,841,900	1,840,600	1,496,300	1,154,900	(341,400) -23%
Information Technology	657,170	804,350	899,650	629,590	640,705	11,115 2%
Rent	194,200	181,900	188,300	210,400	210,952	552 0%
MBS/Warehouse Fees	0	0	0	0	7,500	7,500 100%
<b>Total Operating Expenses</b>	<b>7,814,570</b>	<b>7,314,649</b>	<b>7,497,550</b>	<b>6,652,911</b>	<b>6,556,990</b>	<b>(95,921) -1%</b>
<b>Net Operating Income</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Mission &amp; Non-Recurring Expenses</b>						
NOF-Expenditures	1,497,500	2,225,000	2,095,000	921,000	730,500	(190,500) -21%
NOF-Investments	4,000,000	3,000,000	2,000,000	8,107,490 *	230,000	(7,877,490) -97%
<b>Total Mission &amp; Non-Recurring Expenses</b>	<b>5,497,500</b>	<b>5,225,000</b>	<b>4,095,000</b>	<b>9,028,490</b>	<b>960,500</b>	<b>(8,067,990) -89%</b>
Allocation from NOF Designated Funds	(5,497,500)	(5,225,000)	(4,095,000)	(9,028,490)	(960,500)	(8,067,990) -89%
<b>Net Income</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>0</b>	<b>0</b>	<b>0</b>
NOF-Revolving Loans	0	0	0	0	4,500,000	4,500,000 100%

\*-res 455 3/19/21 incr by \$1 mil

**FY 2022 Operating Fund Budget**

	<b>Actual 6/30/2019</b>	<b>Actual 6/30/2020</b>	<b>Projected 6/30/2021</b>	<b>Budget 6/30/2021</b>	<b>Proposed 6/30/2022</b>	<b>By Cost Center:</b>				
						<b>Single Fam. Program</b>	<b>LIHTC Program</b>	<b>Ag Financing Program</b>	<b>Community Engagement</b>	
<b>Revenue &amp; Expenses</b>										
Operating Revenue:										
Interest Income										
Loans	(1,355,269)	(511,124)	(130,895)	(511,000)	(533,000)	(533,000)	0	0	0	
Investments	(1,696,466)	(1,282,549)	(70,869)	(1,274,000)	(92,000)	(24,196)	(38,732)	(4,876)	(24,196)	
Fees and Other Income	(1,821,578)	(1,901,933)	(2,011,317)	(1,902,000)	(1,955,559)	(2,840)	(1,919,506)	(25,572)	(7,640)	
Single Family Op Fees	(1,435,467)	(1,608,626)	(1,492,800)	(1,708,000)	(1,600,000)	(1,600,000)	0	0	0	
Allocation from Operating Reserves	0	(483,915)	(1,959,073)	(1,257,911)	(2,376,431)	0	(641,292)	(269,593)	(1,490,640)	
<b>Total Operating Revenue</b>	<b>(6,308,779)</b>	<b>(5,788,146)</b>	<b>(5,664,954)</b>	<b>(6,652,911)</b>	<b>(6,556,990)</b>	<b>(2,160,036)</b>	<b>(2,599,530)</b>	<b>(300,041)</b>	<b>(1,522,476)</b>	
Operating Expenses:										
Personnel	3,059,322	3,212,287	3,397,786	3,813,521	**	3,985,995	1,056,177	1,631,050	211,845	1,086,923
Office Operations	540,113	459,453	380,240	503,100		556,938	147,368	223,007	30,920	155,643
Professional Fees	1,285,646	1,336,518	1,133,000	1,496,300		1,154,900	613,525	397,875	24,875	118,625
Information Technology	505,871	505,243	536,470	629,590		640,705	260,420	255,630	20,824	103,832
Rent	167,702	204,194	210,456	210,400		210,952	55,480	88,811	11,180	55,480
MBS/Warehouse Fees	13,994	70,451	7,000	0		7,500	1,973	3,158	398	1,973
<b>Total Operating Expenses</b>	<b>5,572,647</b>	<b>5,788,146</b>	<b>5,664,953</b>	<b>6,652,911</b>		<b>6,556,990</b>	<b>2,134,943</b>	<b>2,599,530</b>	<b>300,041</b>	<b>1,522,476</b>
<b>Net Operating Income</b>	<b>(736,132)</b>	<b>0</b>	<b>(1)</b>	<b>0</b>		<b>0</b>	<b>(25,094)</b>	<b>0</b>	<b>0</b>	<b>(0)</b>
<b>Mission &amp; Non-Recurring Expenses</b>										
NOF-Expenditures	931,643	935,014	558,380	921,000		730,500	25,000	0	50,000	655,500
NOF-Investments			8,107,490	8,107,490	*	230,000	0	0	0	230,000
<b>Total Mission &amp; Non-Recurring Expenses</b>	<b>931,643</b>	<b>935,014</b>	<b>8,665,870</b>	<b>9,028,490</b>		<b>960,500</b>	<b>25,000</b>	<b>0</b>	<b>50,000</b>	<b>885,500</b>
Allocation from NOF Designated Funds	(931,643)	(935,014)	(8,665,870)	(9,028,490)		(960,500)	(25,000)	0	(50,000)	(885,500)
<b>Net Income</b>	<b>(736,132)</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>		<b>0</b>	<b>(25,094)</b>	<b>0</b>	<b>0</b>	<b>(0)</b>
NOF-Revolving Loans						4,500,000				4,500,000

**NEBRASKA INVESTMENT FINANCE AUTHORITY  
OPERATING BUDGET for June 30, 2022**

<b>Account Number</b>	<b>Account Description</b>	<b>Actual 6/30/18</b>	<b>Actual 6-30-19</b>	<b>Actual 6-30-20</b>	<b>Projected 6/30/2021</b>	<b>Budget 6/30/2021</b>	<b>Proposed 6/30/2022</b>
<b>Revenue</b>							
5010-000	Int Inc-Investments	(967,814)	(1,696,466)	*	(1,282,549) ***	(70,869)	(1,274,000)
5300-000	Int Inc-Mtg Loans	(259,694)	(1,355,269)	(511,124)	(130,895)	(511,000)	(533,000)
5500-000	LIHTC/Bond fees	(1,707,122)	(1,793,679)	(1,850,586)	(1,982,314)	(1,851,000)	(1,914,959)
5600-000	Dev Fees	(2,531)	(3,200)	(4,125)	(4,825)	(4,000)	(4,800)
5700-000	Ag Fees	(18,431)	(19,077)	(41,827)	(20,306)	(42,000)	(25,000)
5900-000	Other Inc	(10,650)	(5,622)	(5,396)	(3,872)	(5,000)	(10,800)
	SF Op Fee	(1,356,715)	(1,435,467) **	(1,608,626)	(1,492,800)	(1,708,000)	(1,600,000)
	<b>Allocation from Op reserves</b>	<b>(798,315)</b> *	<b>0</b>	<b>(483,915)</b>	<b>(1,959,073)</b>	<b>(1,257,911)</b>	<b>(2,376,431)</b>
		<b>(5,121,272)</b>	<b>(6,308,779)</b>	<b>(5,788,146)</b>	<b>(5,664,953)</b>	<b>(6,652,911)</b>	<b>(6,556,990)</b>
<b>Personnel</b>							
7100-010	Salaries	1,961,741	2,143,996	2,199,899	2,371,869	2,534,000	2,737,000
7100-030	Salaries- Part Time	1,589	82	506	0	521	500
7100-100	Retirement Plan	154,867	168,855	187,603	206,719	216,000	248,375
7100-200	Employee Insurance	477,823	531,334	587,505	575,993	711,000	675,208
7100-300	Taxes-FICA	143,880	151,576	155,272	160,700	179,000	199,801
7100-301/2	Taxes-FUTA/SUTA	2,662	2,613	2,078	2,250	2,000	3,011
7100-400	Other Personnel Costs	58,302	60,866	57,549	56,710	66,000	59,400
7100-401	Other Personnel Costs-Personal Dev	0	0	1,722	7,056	30,000 *	19,700
7100-402	Other Personnel Costs-Professional Dev	0	0	20,152	16,491	75,000 *	43,000
		<b>2,800,863</b>	<b>3,059,322</b>	<b>3,212,287</b>	<b>3,397,786</b>	<b>3,813,521</b> *	<b>3,985,995</b>
<b>Office Operations:</b>							
7200-010	Office Supplies	29,297	29,539	28,207	20,861	29,100	25,000
7200-020	Dues & Publications	70,073	71,250	74,063	83,494	76,300	75,532
7200-030	Digital Access & Communication	47,131	34,604	30,985	35,958	31,900	34,421
7200-040	Postage	5,902	5,687	5,700	6,090	5,900	5,400
7200-045	Bank Fees	0	0	8,232 ***	9,902	10,000	
7200-060	Marketing	42,672	63,595	41,855	21,488	57,600	68,100
7200-071	Liability Insurance	104,167	105,430	103,378	116,399	106,500	144,000
7200-110/12	Equip Maint /Repair	11,188	10,674	10,921	9,927	11,200	8,024
7200-130	Equip Rent	782	792	875	952	900	900
7200-300	Equip/Depreciation	59,463	21,513	24,173	26,566	33,600	35,021
7200-410	Travel	61,303	116,854	98,029	1,959	101,000	110,000
7200-800	Board Expense	22,864	14,601	6,073	28,046	6,300	13,000
7200-820	Meeting & Conference	45,361	64,240	26,961	18,600	42,800	27,540
7200-830	Microfilm Svc	1,718	1,334	0	0	0	
		<b>501,922</b>	<b>540,113</b>	<b>459,453</b>	<b>380,240</b>	<b>503,100</b>	<b>556,938</b>
<b>Professional Services:</b>							
7300-010	Professional Services - Audit	90,739	89,860	88,900	88,640	92,000	100,000
7300-020	Professional Services - Legal	620,939	640,902	626,086	486,523	665,100	450,000
7300-022	Litigation	0 *	0 *	0	0	0	0
7300-032	Contracts-Ops/Other	0	0	68,632	36,567	85,700	103,000
7300-033	Compliance/ERM Contracts	505,208	554,884	552,900	521,270	653,500	501,900
		<b>1,216,985</b>	<b>1,285,646</b>	<b>1,336,518</b>	<b>1,133,000</b>	<b>1,496,300</b>	<b>1,154,900</b>
<b>Information Technology:</b>							
7400-030	Marketing/Hosted Subscriptions	8,291	16,853	21,466	38,515	46,540	74,254
7400-040	Network Sftwr/Hrdwr Support	359,646	406,247	348,365	364,290	400,000	387,357
7400-045	Network Sftwr/Hrdwr Maintenance	0	0	39,980	36,978	50,000	41,849
7400-050	Computer Peripheral	0	5,965	1,239	1,776	1,300	5,000
7400-060	Computer Hardware Exp	18,887	49,978	64,939	64,357	79,600	37,247
7400-095	Software Amort-Emphasys	15,940	12,423	16,360	23,159	29,350	63,826
7400-096	Software Amort-Other	19,829	14,404	12,893	7,395	22,800	31,172
		<b>422,594</b>	<b>505,871</b>	<b>505,243</b>	<b>536,470</b>	<b>629,590</b>	<b>640,705</b>
<b>Office:</b>							
7500-010	Office Rent	169,656	163,824	180,743	189,997	186,200	192,000
7500-011	Storage Rent	0	0	17,526	16,458	18,100	15,000
7500-030	Building Maintenance	1,804	3,879	5,925	4,001	6,100	3,952
		<b>171,460</b>	<b>167,702</b>	<b>204,194</b>	<b>210,456</b>	<b>210,400</b>	<b>210,952</b>
<b>Other:</b>							
7600-010	Mtg Svc Fees	212	201	75	0	0	250
7800-010	Int Exp Coupon Int	236	230	237	0	0	250
7800-015/02	Swap/Cap fees	0	0 *	0	0	0	0
7950-010	Trustee Fees	7,000	7,000	7,000	7,000	0	7,000
7950-020-05	Mtg/Bond Ins/other Bnd exp	0	6,562 *	63,139	0	0	0
		<b>7,448</b>	<b>13,994</b>	<b>70,451</b>	<b>7,000</b>	<b>0</b>	<b>7,500</b>
	Operating Expenses	<b>5,121,273</b>	<b>5,572,647</b>	<b>5,788,147</b>	<b>5,664,953</b>	<b>6,652,911</b>	<b>6,556,990</b>
7990-090	NOF	785,001	931,643	935,014	558,380	921,000	730,500
	<b>TOTAL EXPENSES</b>	<b>\$5,906,274</b>	<b>\$6,504,290</b>	<b>\$6,723,161</b>	<b>\$6,223,333</b>	<b>\$7,573,911</b>	<b>\$7,287,490</b>
	<b>Allocation from NOF</b>	<b>785,001</b>	<b>(931,643)</b>	<b>(935,014)</b>	<b>(558,380)</b>	<b>(921,000)</b>	<b>(730,500)</b>
	<b>NET (INCOME)/LOSS</b>	<b>0</b>	<b>(736,132)</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>0</b>

\*-2018 & 2019 adjusted for litigation & CDS

NOF INVESTMENTS	2,877,535	0	0	8,107,490	8,107,490	230,000
NOF REVOLVING LOANS	0	0	0	0	0	4,500,000
<b>TOTAL NOF</b>	<b>3,662,536</b>	<b>931,643</b>	<b>935,014</b>	<b>8,665,870</b>	<b>9,028,490</b>	<b>5,460,500</b>

## Nebraska Opportunity Fund (NOF) FY 2022 Budget

### NOF Expenditures

	Match	Budget
Governors Awards 4H & FFA		50,000
Housing Study Grant Program	100%	95,000
Outreach Partnership Grant	100%	90,000
Outreach Partnership Grant - Existing Contracts	100%	120,000
Native American Community Impact Grant - Existing Contract	100%	30,000
Native American Community Impact Grant	100%	30,000
Partnership Board Trainings		20,000
mySidewalk (Profile of NE)		73,000
Landlord Mitigation Fund Pilot	100%	25,000
Re-Entry Housing Partnership Grant		30,000
Statewide Rental Database (housing.ne.gov)		26,000
Teach Nebraska Trades		50,000
REACH Training Coalition	100%	25,000
First Home Grant Program		16,500
Support resources for any partner	100%	50,000
<b>Total</b>		<b>\$ 730,500</b>

### NOF Investments

Description	Leverage	Budget
Rural Workforce Housing Match	150%	230,000
<b>Total</b>		<b>\$ 230,000</b>

### NOF Revolving Loan Funds

Description	Original Fund	Loaned	Earnings	Balance
Lincoln Workforce Housing Fund	3,000,000	0	0	3,000,000
Rural Rehabilitation Housing Fund	1,500,000	0	0	1,500,000
<b>Total</b>				<b>\$ 4,500,000</b>

**Nebraska Opportunity Fund**  
**From Inception 6/30/14**  
**Summary**

	<u>Amount</u>	<u>Balance</u>
<b>Fund Established by Board</b>		
06/30/14	30,000,000.00	30,000,000.00
<b>Disbursements Authorized Through Board Budget Approval or Operating Resolutions</b>		
06/30/15	(907,930.50)	29,092,069.50
06/30/16	(1,009,019.00)	28,083,050.50
06/30/17	(977,073.50)	27,105,977.00
06/30/18	(3,654,038.14)	23,451,938.86
06/30/19	(931,642.37)	22,520,296.49
06/30/20	(935,013.64)	21,585,282.85
06/30/21 (YTD)	(7,389,338.01)	14,195,944.84
	6,959,356.00 awarded, not paid yet	<i>Unspent balance</i>

**Commitments Authorized Through Board Resolution**

<u>Approval</u>				<u>Allocation</u>	<u>Spent</u>	<u>Transfer</u>	<u>Allocation Balance</u>
<u>Date</u>	<u>Type</u>	<u>Res #</u>	<u>Description</u>				
12/13/17 Resolution	423	Rural Workforce Housing Match Progam		5,000,000	(4,770,000)		230,000
12/14/18 Resolution	435	Lincoln Workforce Housing Revolving Fund		2,000,000	-	1,000,000	3,000,000 *
03/19/21 Resolution	455	NIFA Urban Workforce Housing Match Fund		6,000,000	(5,000,000)	(1,000,000)	-
Unspent Commitments Authorized Through Board Resolution							3,230,000

\* revolving loan fund

**RECAP:**

Initial authorization of fund	\$ 30,000,000
Disbursements to date	\$ (15,804,055)
Current unspent balance	\$ 14,195,945
Funds committed by Board, not yet awarded	\$ (3,230,000)
<b>Net balance of uncommitted funds</b>	<b>\$ 10,965,945</b>

**NEBRASKA INVESTMENT FINANCE AUTHORITY**  
**DISCLOSURE OF CONFLICTS OF INTEREST**  
**(June 2021)**

Section 58-235 of the Nebraska Investment Finance Authority Act (the “NIFA Act”) requires that any member (“Board Member”) or employee (“Employee”) of the Nebraska Investment Finance Authority (“NIFA”) who has, will have or later acquires any direct or indirect interest in any transaction with NIFA shall immediately disclose the nature and extent of such interest in writing to NIFA as soon as he or she has knowledge of such interest. Additionally, the NIFA Code of Conduct and Ethics (the “Code of Conduct”) provides further guidance related to the disclosure of conflicts of interest.

The Act does not prohibit NIFA from transacting business with its Board Members or Employees. In fact, the very nature of the legislatively mandated member representation almost **per se** creates potential conflicts of interest. Board Members of NIFA are selected for their expertise and background. Many serve on other boards or commissions and are active in the business and trade organizations for which they were selected to represent. Thus, conflicts and potential conflicts will arise from time to time and must be addressed by the individual Board Member. In order to ensure the fairness of the transactions into which NIFA enters or considers, Board Members with a direct or indirect conflict of interest may not “participate” (i.e., in the discussion or in the voting process) in any action by NIFA authorizing the related transaction. (Note: Section 58-235 provides that actions taken when such Board Member or Employee reasonably believed that he or she had no conflict shall not be invalidated because of such conflict.)

The Act addresses two types of interests that are to be disclosed – direct and indirect. A “direct interest” would be a Board Member/Employee selling products or services to NIFA or requesting NIFA approval for the benefits (i.e., financing, tax credits, etc.) of a particular NIFA program for a Board Member’s/Employee’s business or project. “Indirect interests” are not always so obvious. The more common occurrences may involve transactions NIFA might enter into with a Board Member’s/Employee’s spouse or transactions with an entity (i.e., corporation, partnership or other public board or commission) in which the Board Member’s/Employee’s spouse has an ownership interest or holds a fiduciary position. This could involve not only issues regarding potential NIFA program benefits but also situations involving NIFA regulatory action (i.e. non-compliance of a project with NIFA regulatory provisions).

Section 58-235 further provides that the fact that a Board Member who is also an owner or officer of an organization shall not be deemed to be a direct or indirect interest unless (i) such Board Member has an ownership interest of greater than 5% in such organization or (ii) the transaction in question does not involve all similar organizations but involves only NIFA and such organization.

The Code of Conduct stresses that Board Members and Employees shall take action to prevent the appearance or perception of a conflict of interest. While such interest may not be a conflict **per se**, Board Members and Employees should always be sensitive to the “appearance or perception” of a conflict of interest in connection with performing NIFA duties and follow the Code of Conduct regarding disclosing the same.

As noted above, the Act and the Code of Conduct require the disclosure of all direct or indirect interests of Board Members and Employees, as well as the disclosure of the appearance or perception of a conflict of interest. Usually, as noted above, conflicts are fairly obvious. But Board Members and Employees should also pay particular attention to identifying and disclosing indirect conflicts, as well as the appearance or perception of a conflict of interest.

## **DISCLOSURE OF DIRECT OR INDIRECT CONFLICT OF INTEREST**

The undersigned has the following described interest (indicated as a direct or indirect interest) related to the business of NIFA and so advises NIFA of the nature and extent of such interest as described below:

[Describe the direct or indirect interest]

The undersigned understands that the above disclosure shall be entered upon the minutes of NIFA.

By \_\_\_\_\_

Date \_\_\_\_\_

Received on behalf of NIFA by \_\_\_\_\_ on \_\_\_\_\_, 2021.

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## **DISCLOSURE OF THE APPEARANCE OR PERCEPTION OF A CONFLICT OF INTEREST**

The undersigned has the following described interest (indicated as a perception or the appearance of a conflict of interest) related to the business of NIFA and so advises NIFA of the nature and extent of such interest as described below:

[Describe the appearance or perception of a conflict of interest]

The undersigned understands that the above disclosure shall be entered upon the minutes of NIFA.

By \_\_\_\_\_

Date \_\_\_\_\_

Received on behalf of NIFA by \_\_\_\_\_ on \_\_\_\_\_, 2021.

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## **NO DIRECT OR INDIRECT CONFLICT OF INTEREST**

The undersigned does not currently have a direct or indirect conflict of interest or the appearance or a perceived conflict of interest, related to the business of NIFA. Should the undersigned later acquire any direct or indirect interest or an appearance of or perceived conflict of interest related to the business of NIFA, he/she shall immediately disclose such interest in writing to NIFA.

By \_\_\_\_\_

Date \_\_\_\_\_

Received on behalf of NIFA by \_\_\_\_\_ on \_\_\_\_\_, 2021.

***Suggested Changes (6/16/2021) to Article III (Conflicts of Interest) of the NIFA Code of Conduct and Ethics (originally adopted by the NIFA Board on 4/23/2004)***

## **ARTICLE III**

### **CONFLICTS OF INTEREST**

NIFA board members and employees must avoid any activity or interest that might reflect unfavorably upon their own integrity or good name, or the integrity and good name of NIFA. Each employee and NIFA board member must avoid not only situations which give rise to a conflict of interest, whether direct or indirect, but also those situations which create the appearance or perception of a conflict of interest.

*General.* The Nebraska Investment Finance Authority Act (the “NIFA Act”) (Section 58-235 et. seq) sets forth the statutory conflict of interest provisions applicable to NIFA board members and employees (both direct and indirect conflicts). It is the policy of NIFA to strive to exceed such statutory standards when addressing issues involving the appearance or perception of a conflict of interest that may exist with respect to an employee or NIFA board member. This is consistent with NIFA’s core value of Integrity.

Thus, while the NIFA statute, defines a “Legal Conflict of Interest” this Code of Conduct and Ethics also addresses and recognizes the broader definition and understanding of the term “conflict of interest”. Broadly, a “conflict of interest” occurs when an individual’s private interest interferes in any way with the interests of NIFA. A conflict of interest situation can arise when an employee or NIFA board member takes actions or has interests that may make it difficult to perform his or her NIFA work objectively and effectively. Conflicts of interest also arise when an employee or NIFA board member, or a member of his or her family, receives improper personal benefits as a result of his or her position with NIFA.

The existence of a conflict of interest may not always be clear; board members and employees are encouraged to consult with NIFA’s Executive Director, a member of the NIFA Audit Committee or NIFA’s general counsel for any questions regarding a potential conflict. Any board member or employee that becomes aware of a conflict of interest or a potential conflict of interest, shall immediately bring it to the attention of a member of NIFA’s Audit Committee, the Executive Director or NIFA’s general counsel and make such written disclosures as required by this Code.

*Appearance or Perception of a Conflict of Interest.* The perception or appearance of a conflict is not a conflict per se. However, NIFA board members and employees should always be sensitive to the “appearance or perception” of a conflict of interest while performing their NIFA duties. Such appearances or perceptions of a conflict are covered by this Code.

Accordingly, all employees and Board members shall disclose the appearance or perception of a conflict of interest or a potential conflict of interest in the manner set forth in this Code. Employees and Board members shall make such disclosures to the Executive Director on the form provided by NIFA. The Executive Director shall make any disclosures specific to the Executive Director on the form provided by NIFA to the NIFA Board Chair. An example of a

potential conflict may be selecting a vendor that is related to an employee, but in which the employee would not receive a direct financial interest, or a Board decision that affects the employer or a company in which a Board member has an ownership interest or executive position, even if not otherwise meeting the disclosure requirements of Section 58-235 of the NIFA Act.

Should a board member determine and disclose that he or she has an appearance or perception of a conflict of interest, such board member may determine to abstain on specific action to be taken by the NIFA board even if not specifically required pursuant to Section 58-235 of the NIFA Act. Such determination by a board member shall be entered into the minutes of the NIFA board meeting.

*Legal (Direct or Indirect) Conflicts of Interest.* The NIFA Act, specifically Section 58-235, sets forth the statutory conflict of interest provisions applicable to NIFA board members and employees. (A copy of Section 58-235 is attached hereto as Attachment A). The following generally describes the conflict of interest provision of the NIFA Act, its requirements, the exceptions and the guidelines for compliance with the requirements.

- The Act requires that all board members and employees of NIFA immediately disclose in writing the nature and extent of any present, prospective or later acquired direct or indirect interest in any transaction with NIFA as soon as such board member or employee has knowledge of such interest.
- Upon receipt of such written disclosure, the disclosure is required to be entered into the NIFA board meeting minutes.
- After disclosure, the interested board member or employee **may not** participate in any action by NIFA to authorize the transaction. An interested board member should not vote on the proposed transaction, nor should the interested board member or employee engage in any board discussion of the proposed transaction. (A board member may want to consider excusing herself or himself from that portion of a NIFA meeting where an item with which she or he has determined there was a conflict was to be discussed, leaving the room during the discussion and action.)
- The fact that a board member or employee is also an officer or owner of an organization is not deemed, for purposes of Section 58-235 of the NIFA Act, a direct or indirect interest unless (a) such board member or employee has an ownership interest of greater than 5% of the organization involved in the transaction with NIFA, or (b) the transaction in question does not involve all similar organizations, but involves only NIFA and such organization.

Section 58-235 of the NIFA Act requires any board member or employee of NIFA “who has, will have, or later acquires” a *direct or indirect* interest in any transaction with NIFA to immediately disclose *in writing* to NIFA the nature of the actual or prospective interest. This disclosure is then required to be entered into the NIFA board meeting minutes. After disclosure, such board member or employee is not allowed to participate in any action by NIFA authorizing the transaction.

The NIFA Act requires that board members and employees disclose not only any present interest, but also any reasonably foreseeable future interest in any transaction with NIFA. Therefore, if a board member or employee believes there is a potential for a conflict of interest in the future, the NIFA Act requires that the member disclose that belief to NIFA.

The NIFA Act addresses two types of interest to be disclosed: direct and indirect. An example of a direct interest would be a board member or employee selling products or services to NIFA. In this instance, the board member or employee would be “directly” involved in the transaction. Indirect interests, on the other hand, are not always so obvious. The more common occurrences may involve transactions NIFA might enter into with a board member or employee’s spouse, transactions with a corporation in which the board member or employee’s spouse has an ownership interest or holds a fiduciary position, transactions between NIFA and a subsidiary when a board member or employee owns stock in the parent company, and transactions between NIFA and a corporation in which a board member or employee of NIFA is a fiduciary of the corporation. Being an officer or director is a common example of a fiduciary relationship.

*Core Value of Integrity.* The NIFA Act does not forbid NIFA from transacting business with its board members or employees. In fact, the very nature of the legislatively mandated board member representation almost per se creates potential conflicts. Board members and employees shall ensure the fairness of any NIFA transaction by being aware of and taking action accordingly to prevent the appearance or perception of a conflict of interest and to act in accordance with the provisions of this Code in the event of a determination of a direct or indirect conflict of interest as described in Section 58-235 of the NIFA Act.

## **Agenda Item No. 7**

### **Consideration and Approval of Conditional Reservations for Round Two in the 2021 Low-Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) Programs.**

#### **Discussion:**

Twelve (12) applications were received by NIFA for consideration in Round Two (9% LIHTC and AHTC) under the competitive process.

- Three (3) applications were for developments to be located in metro areas and nine (9) applications were for developments to be located in non-metro areas.

NIFA staff members reviewed each application. The scoring methods followed are in accordance with the 2020/2021 Amended and Restated Qualified Allocation Plan for Low Income Housing Tax Credits and Nebraska Affordable Housing Tax Credits, which was approved September 18, 2020, by the NIFA Board of Directors and approved by Governor Pete Ricketts on October 13, 2020.

#### **Action Required:**

The Board will be asked to make a conditional reservation of tax credits from the competitive pool for Round Two, per the recommendations of the Programs Committee.

**NEBRASKA INVESTMENT FINANCE AUTHORITY**  
**LOW INCOME HOUSING TAX CREDIT PROGRAM**  
**2021 ROUND TWO FINAL APPLICATION LIST**  
**(updated 5/17/2021)**

NIFA PROJECT #	DEVELOPMENT NAME and ADDRESS	LIHTC/AHTC APPLICANT	COUNTY COUNTY	TOTAL UNITS	LIHTC UNITS	MARKET UNITS	# OF BLDGs	PROJECT TYPE	PROFIT STATUS	FINANCING SOURCES	ESTIMATED COST	LIHTC REQUESTED	AHTC REQUESTED
7-0995	West Park II 3720 West 2nd Street North Platte, NE 69101	Midwest Housing Initiatives, Inc. PO Box 5425 Lincoln, Ne 68505 (Kurt Grosshans: 402.450.4607)	Lincoln	54	54	0	28	Rehabilitation Non-Metro Duplex	For Profit	Conventional Loan Deferred Developer Fee	\$8,091,725	\$533,803	\$533,803
7-0996	West Park III 100 Dixie Ave North Platte, NE 69101	Midwest Housing Initiatives, Inc. PO Box 5425 Lincoln, Ne 68505 (Kurt Grosshans: 402.450.4607)	Lincoln	28	25	3	14	New Construction Non-Metro Duplex Seniors	For Profit	Conventional Loan Deferred Developer Fee Owner Equity	\$5,655,497	\$330,480	\$330,480
7-0997	Moriah Manor 2602 North 24th Street Omaha, NE 68110	Midwest Housing Initiatives, Inc. PO Box 5425 Lincoln, Ne 68505 (Kurt Grosshans: 402.450.4607)	Douglas	40	34	6	1	New Construction Metro Multifamily Seniors Disaster Declaration	For Profit	Conventional Loan Deferred Developer Fee Owner Equity	\$5,226,245	\$275,713	\$275,713
7-0998	Nebraska City Senior Patio Homes II Oak Street Nebraska City, NE 68410	North Star Housing LLC 31711 E Pink Hill Road Grain Valley , MO 64029 (Leia Gruebel: 816.392.1406)	Otoe	28	28	0	5	New Construction Non-Metro Multifamily Seniors	For Profit	Conventional Loan Tax Increment Financing Owner Equity Deferred Developer Fee	\$5,126,390	\$311,466	\$311,466
7-0999	The Row Orchard 1404 - 1752 Peach Grand Island, NE 68803	Hoppe & Son, LLC PO Box 6036 Lincoln, NE 68506-6036 (Fred Hoppe: 402.328.8100)	Hall	24	19	5	5	New Construction Non-Metro Multifamily Row Homes Disaster Declaration	For Profit	Conventional Loan Deferred Developer Fee	\$5,015,382	\$264,394	\$264,394
7-1000	The Sandhills Townhomes Lot 1 & 8, Blk 5 & L 4 Blk 3, L 8 Blk 7 Valentine, NE 69201	Hoppe & Son, LLC PO Box 6036 Lincoln, NE 68506-6036 (Fred Hoppe: 402.328.8100)	Cherry	15	15	0	4	New Construction Non-Metro Row Home	For Profit	Cash Flow Loan Heartland Deferred Developer Fee	\$3,422,047	\$233,532	\$233,532
7-1001	Corby 38 Limited Partnership 4324 Fort Street Omaha, NE 68111	Holy Name Housing Corporation 4324 Fort Street Omaha, NE 68111-1849 (Matthew Cavanaugh: 402.453.6100)	Douglas	24	24	0	24	New Construction Metro Single Family Disaster Declaration	Non Profit	Conventional Loan Deferred Developer Fee	\$6,749,735	\$436,160	\$436,160
7-1002	Fremont Northside Townhomes II S. 29th St. & East N. Yager Road Fremont, NE 68025	Mesner Development Co 1415 16th St. / P.O. Box 335 Central City, NE 68826 (Kathy Mesner: 308.946.3826)	Dodge	18	18	0	6	New Construction Non-Metro Tripleplex Disaster Declaration	For Profit	Conventional Loan Owner Equity	\$4,137,809	\$226,640	\$226,640
7-1010	Ashland Senior Housing 29th/30th Street & Boyd/Clay St Ashland, NE 68003	Ashland Senior Housing, LLC 16701 Ashland Road Ashland, NE 68003 (Thomas Judds: 402.432.4285)	Saunders	20	16	4	2	New Construction Metro Multifamily Seniors	For Profit	Conventional Loan Deferred Developer Fee	\$4,053,664	\$280,013	\$280,013
7-1011	Maplewood II, LLC 1400 West H Street McCook, NE 69001	Midwest Housing Initiatives, Inc. PO Box 5425 Lincoln, NE 68505 (Kurt Grosshans: 402.450.4607)	Red Willow	24	24	0	6	Rehabilitation Non-Metro Multifamily/Duplex Seniors	For Profit	Conventional Loan Deferred Developer Fee	\$3,870,445	\$267,629	\$267,629
7-1012	Avenue 25 Villas E of Hwy 30 along 26th st & 25th Ave Central City, NE 68826	Mesner Development Co 1415 16th St. / P.O. Box 335 Central City, NE 68826 (Kathy Mesner: 308.946.3826)	Merrick	16	16	0	8	New Construction Non-Metro Duplex Seniors	For Profit	Owner Equity CCHA - Managing Member	\$3,486,252	\$210,925	\$210,925

**NEBRASKA INVESTMENT FINANCE AUTHORITY**  
**LOW INCOME HOUSING TAX CREDIT PROGRAM**  
**2021 ROUND TWO FINAL APPLICATION LIST**  
**(updated 5/17/2021)**

NIFA PROJECT #	DEVELOPMENT NAME and ADDRESS	LIHTC/AHTC APPLICANT	COUNTY COUNTY	TOTAL UNITS	LIHTC UNITS	MARKET UNITS	# OF BLDGs	PROJECT TYPE	PROFIT STATUS	FINANCING SOURCES	ESTIMATED COST	LIHTC REQUESTED	AHTC REQUESTED
7-1013	Fremont Omega, LP 2550 N Nye Avenue Fremont, NE 68025	Hoppe & Son, LLC PO Box 6036 Lincoln, NE 68506-6036 (Fred Hoppe: 402.328.8100)	Dodge	49	39	10	1	Rehabilitation Non-Metro Multifamily Seniors	For Profit	Conventional Loan Deferred Developer Fee	\$5,907,298	\$299,087	\$299,087
<b>TOTAL</b>				<b>340</b>	<b>312</b>	<b>28</b>	<b>104</b>				<b>\$60,742,489</b>	<b>\$3,669,842</b>	<b>\$3,669,842</b>

## SUMMARY OF 2021 ROUND TWO APPLICATIONS

Metro/Non-Metro	Threshold Criteria	Other Selection Criteria	Threshold Review	Targeting Gross Rents	Efficient Housing Production - Cost Per Unit	Efficient Housing Production - Cost Per Sq. Foot	Efficient Housing Production - LIHTC Per Occupant	Natural Disaster	Total Score
Non-Metro	24	40	1	5	2	2	1.5	3	78.5
Metro	25	43	2	5	0.5	0	0.5	2	78
Metro	24	38	2	5	2	1	0.5	2	74.5
Non-Metro	25	39	2	5	1.5	1.5	0.5	0	74.5
Non-Metro	25	38	1	5	0.5	1	1.5	2	74
Non-Metro	25	39	2	5	1.5	0.5	1	0	74
Metro	25	36	1	5	0.5	1.5	2	2	73
Non-Metro	25	35	2	5	2	2	1.5	0	72.5
Non-Metro	25	35	2	5	0	0.5	2	3	72.5
Non-Metro	25	40	2	5	0	0	0	0	72
Non-Metro	24	38	2	5	0.5	0.5	0	0	70
Non-Metro	25	36	2	5	0	0.5	0.5	0	69

=Recommended for Conditional Reservation

## AGENDA ITEM No. 8

**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 \$13,000,000 for Highlander Phase IV, Omaha, Nebraska.**

**Background Information:**

Representatives from Brinshore Development, LLC (“Brinshore”), an Illinois limited liability company, and Seventy-Five North Revitalization Corporation (“75 North”), 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 a portion of the development and construction of Highlander Phase IV (the “Project”), a multifamily rental housing development to be located in Omaha, Nebraska. Highlander Phase IV is the third phase of the Highlander neighborhood and the first phase of the North 30<sup>th</sup> HUD Choice Neighborhood Implementation (CNI) Grant. The Project will consist of 108 total rental units, 33 units (to be financed with conventional financing) which will serve market rate tenants and 75 units (to be financed with the proceeds of the NIFA bonds) which will serve tenants with incomes of 60% or below of the area median income. (See attached Project summary.)

This Project is one of three projects in process in NIFA’s 4% Low-Income Housing Tax Credit/Nebraska Affordable Housing Tax Credit Bond Application Cycle.

Information with respect to the proposed Project is as follows:

**Project:** Highlander Phase IV will be a newly constructed multifamily rental housing development of 108 total units, 75 of such units of which will be made available to persons and families with incomes of 60% or less of the applicable area median income.

**Location:** To be constructed at 2111 North 30<sup>th</sup> Street on an undeveloped lot bordered by North 29<sup>th</sup> Street on the east, North 30<sup>th</sup> on the west, Burdette Street on the north and Patrick Avenue on the south, in Omaha, Nebraska. (This is on the site of the former Omaha Housing Authority Pleasant View Public Housing Development.)

**Project Owner:** The owner of the Project is expected to be a limited liability corporation, HPIV, LLC (the “Owner”), the managing member of which will be HPIV Manager, LLC, a Nebraska limited liability company whose members include Brinshore TL, LLC, an Illinois limited liability company (an affiliate of Brinshore Development, LLC) and Seventy-Five North Revitalization Corporation, a Nebraska non-profit corporation

**Bond Amount:** Up to \$13,000,000

**Other Participants:**

Consultant:

Summit LIHTC Consulting LLC, Lees Summit,  
Missouri

Architect:

Alley Poyner Macchietto Architecture, Omaha,  
Nebraska and Landon Bone Baker, Chicago, Illinois

General Contractor:  
Property Manager:  
Borrower's Counsel:  
Bond Counsel:  
Bond Trustee:

Hausmann Construction  
Seldin Company, Omaha, Nebraska  
Applegate & Thorne-Thomsen, P.C., Chicago, Illinois  
Gilmore & Bell, PC, Kansas City, Missouri  
Union Bank and Trust, Lincoln, NE

**Staff Recommendation:**

Adoption of the attached Limited Purpose Intent Resolution No. MF-2021-198.

**NEBRASKA INVESTMENT FINANCE AUTHORITY**  
Limited Purpose Intent Resolution No. MF-2021-198

A Resolution declaring the receipt by the Nebraska Investment Finance Authority (the "Authority") of a request from the Borrower/Project Owner named below (the "Borrower") to seek tax-exempt financing for the Project described below (the "Project") and the intent of the Authority, exclusively for purposes of Section 142 or 144 of the Internal Revenue Code of 1986 (the "Code") and Section 1.150-2(d) of the Income Tax Regulations (the "Regulations"), to consider, in the sole discretion of the Authority and at such time as all terms and conditions imposed by the Authority are satisfied, the issuance of revenue bonds in an estimated amount not to exceed the hereinafter described sum for the acquisition, construction, and installment of depreciable property and land for the Project for the hereinafter described Borrower/Project Owner.

Estimated Bond Amount:	<u>\$13,000,000</u>
Name of Project:	<u>Highlander Phase IV</u>
Project Description:	<u>New construction of a 108-unit multifamily rental housing development, including 75 affordable housing units, which is expected to be comprised of 19 buildings</u>
Location of Project:	<u>An undeveloped lot bordered by North 29<sup>th</sup> St. on the east, North 30<sup>th</sup> St. on the west, Burdette St. on the north and Patrick Ave. on the south in Omaha, Nebraska</u>
Borrower/Project Owner:	<u>HPIV, LLC (the managing member of which will be HPIV Manager, LLC, a Nebraska limited liability company whose members include Brinshore TL, LLC, an Illinois limited liability company (an affiliate of Brinshore Development, LLC), and Seventy-Five North Revitalization Corporation, a Nebraska non-profit corporation, or affiliates thereof)</u>

WHEREAS, the Nebraska Investment Finance Authority ("Authority") is authorized and empowered by the provisions of the Nebraska Investment Finance Authority Act (the "Act") to issue revenue bonds to provide financing for one or more "projects," as that term is defined in the Act; and

WHEREAS, the Borrower has submitted to the Authority a request to seek tax-exempt financing for consideration by the Authority, solely for purposes of the Code and the Regulations, as described in the materials submitted to the Authority, copies of which are on file with the Executive Director of the Authority and are incorporated by reference; and

WHEREAS, the Authority wishes to take the action necessary, exclusively for purposes of the Code and the Regulations, that will permit the Borrower, should bonds be authorized at some future date, to finance with tax-exempt bonds as permitted by the Code and Regulations those costs related to the Project and incurred prior to any issuance of bonds; and

WHEREAS, the Borrower has acknowledged that adoption of this Resolution shall not grant to the Borrower any preference, right or legal claim to Nebraska private activity volume cap or the issuance of bonds by the Authority.

NOW, THEREFORE, be it resolved by the Members of the Nebraska Investment Finance Authority that the Members do hereby declare their intention, exclusively for purposes of the Code and the Regulations, to consider the issuance of limited obligation revenue bonds of the Authority under and in accordance with the Act, in such an amount, but not exceeding the amount described above, and upon such terms and conditions as may be agreed upon by the Authority for the purpose of providing all or a portion of the cost of acquiring, constructing, and installing the above-described Project. Any issuance of bonds must be authorized by a subsequent resolution of the Members of the Authority and is contingent upon a further review of the Project application, the proposed terms of the financing and other factors identified by the Authority. No bonds may be issued unless the Members of the Authority find and determine that the rules and regulations of the Authority have been fully complied with, that the financing will effectuate the public purposes of the Authority and that all terms and conditions of the financing are acceptable to the Authority.

Any issuance of bonds shall additionally be subject to an allocation of Nebraska private activity volume cap, which allocation shall be separately requested by the Borrower and separately considered by the Authority at such time as determined by the Authority.

Adoption of this Resolution by the Authority does not constitute final approval by the Authority, does not obligate the Authority to further consider the financing of the Project at a future date and shall not legally obligate the Authority to either consider or finance the Project at a later date.

Passed and approved this 18<sup>th</sup> day of June, 2021.

Nebraska Investment Finance Authority

By: \_\_\_\_\_  
Executive Director



## HIGHLANDER PHASE IV

### Project Summary

Highlander Phase IV is the 108 unit third phase of the Highlander neighborhood and first phase of the North 30<sup>th</sup> HUD Choice Neighborhoods Implementation (CNI) Grant. Similar to Highlander Phase I, this phase will be comprised of an affordable condominium and a market rate one. The affordable condominium is the subject of this application and will include 75 units of income-restricted housing which represent the NIFA 4% AHTC application currently under consideration. The market rate condominium (separately financed) will allow the phase to offer true unrestricted units. The new construction project will include a four-story elevator building and a mix of townhome and duplex units.



### Context

Located 1 mile from downtown,  $\frac{1}{2}$  mile from the largest medical cluster in the region and within two blocks of Highway 75N on the site of the former Pleasant View Public Housing Development, the Highlander site is well located both locally and regionally. Highlander Phase IV will build on the residential Highlander Phase I and Nobility Point and the Accelerator campus, offering residents a number of neighborhood amenities within a short walk.

### Unit/Income Mix

100% of the 75 units will be income restricted at below 60% AMI.

Type	Count	Monthly Rent (\$)
Studio	1	\$590
1 Bedroom	15	\$690-770
2 Bedroom	27	\$850-950
3 Bedroom	28	\$1,050-1,285
4 Bedroom	3	\$1,425
5 Bedroom	1	\$1,650
<b>Total</b>	<b>75</b>	

- 75N was created with the singular focus of revitalizing the Highlander neighborhood of North Omaha building on twenty years of planning supported by NIFA, the City of Omaha and the Empowerment Network. Through its efforts, 75N has become a member of the Purpose Built Network ([www.purposebuiltcommunities.org](http://www.purposebuiltcommunities.org)), engineered the reconstitution of the local elementary school, Howard Kennedy Elementary, and worked in partnership with Brinshore to plan the redevelopment of the site.
- Brinshore Development, LLC is an award winning developer of affordable and mixed-income housing with a headquarters in Chicago and a regional office in Kansas City. Brinshore has expanded rapidly in Nebraska, Missouri and Kansas and expects to grow its portfolio of projects and staff considerably over the next few years. With a portfolio of 100 developments totaling 7500 units amassed in the last twenty years, Brinshore is one of the most productive developers in the Midwest. In addition, Brinshore has won national awards for its new construction and renovation work over the last few years from Affordable Housing Finance magazine, the Affordable Housing Tax Credit Coalition and Multifamily Executive magazine. Brinshore was selected through a national RFP process to work with 75N.

### Design and Amenities

The building will be designed to market rate standards and will have a unique contemporary look in contrast to other income restricted projects previously developed in the North Omaha submarket. Project amenities are designed to serve households of a variety of sizes and include a community/lounge area with kitchenette, exercise room, outdoor amenity spaces, and in-unit washers and dryers.

### Development Team

The project is being designed by Alley Poyner Macchietto Architecture from Omaha, NE and Landon Bone Baker from Chicago, IL. Ehrhart Griffin and Associates will provide civil engineering services and Hausmann Construction will be the general contractor. Seldin Company will be the property manager. To date, we have employed an integrated design process.

### Financing

The project will be financed with a mix of 4% Federal and State Low Income Housing Tax Credit (LIHTC) Equity, 75N funds, CHOICE funds, City HOME or additional CHOICE funds, and deferred developer fee.

### Economic Impact

As an infill-development on the former Pleasant View Public Housing site, Highlander Phase IV will plug into existing city services and schools. The Highlander redevelopment effort has included investment in the Howard Kennedy elementary school which will serve Highlander Phase IV. Highlander Phase IV addresses the need for quality affordable housing in North Omaha by offering a variety of unit types from one to five bedroom units at a variety of income levels. In addition, it will create several permanent full-time jobs and a number of construction jobs.

## **Agenda Item No. 9**

### **9. Consideration of a Motion for the Allocation of 2021 Unified Volume Cap for the issuance of bonds for the following multifamily rental housing developments:**

**Allocation: 21-30-002 – Multifamily Housing Bonds (Victory Park View, Lincoln, NE)**

**Issuer: City of Lincoln**

**Allocation Amount: Up to \$6,000,000**

**Allocation Classification: Non-Statewide Housing**

**Allocation: 21-30-003 – Multifamily Housing Bonds (Gatehouse Rows, Lincoln, NE)**

**Issuer: City of Lincoln**

**Allocation Amount: Up to \$10,000,000**

**Allocation Classification: Non-Statewide Housing**

**Allocation: 21-30-004 – Multifamily Housing Bonds (Highlander Park IV, Omaha, NE)**

**Issuer: NIFA**

**Allocation Amount: Up to \$13,000,000**

**Allocation Classification: Non-Statewide Housing**

#### **Discussion:**

Staff of NIFA received the attached Applications (which include the applicable summary for each project) for allocations of Unified Volume Cap (“Volume Cap”) in connection with the proposed issuance of multifamily bonds for the acquisition, rehabilitation or construction of the projects described above.

Each of these projects is currently in process with NIFA with respect to qualifying for federal 4% Low-Income Housing Tax Credits (LIHTC) and Nebraska Affordable Housing Tax Credits (AHTC). The City of Lincoln has adopted intent resolutions with respect to the Gatehouse Rows and the Victory Park View proposed developments (copies of which intent resolutions are attached to the Volume Cap Allocation Application). With respect to the Highlander Phase IV proposed development, NIFA will be asked at the June 18<sup>th</sup> board meeting to consider adopting an intent resolution for such development.

In order for the bonds issued in connection with each of these project to qualify as “exempt facility bonds” for “qualified residential rental projects” pursuant to Section 142 of the federal Internal Revenue Code (the “Code”) (and eligible for the 4% LIHTC pursuant to Section 42 of the Code and Nebraska AHTC), one of the requirements is obtaining an allocation of Volume Cap in accordance with the procedures established by the Governor’s Executive Order. As the entity charged with allocating the Volume Cap for the state, NIFA considers each request for Volume Cap.

The following are the developments for which NIFA has received applications for Volume Cap for consideration:

#### **14(a) Victory Park View – Volume Cap Request of \$6,000,000**

**Project:**

Acquisition and 100% Rehabilitation  
94 dwelling units  
600 South 70<sup>th</sup> Street  
Lincoln, NE

**Participants:**

Bond Issuer: City of Lincoln  
Project Owner: Victory Park View, LLC (Seniors Foundation; Burlington Capital Real Estate, LLC)  
Bond Counsel: Gilmore & Bell, PC

**Staff Recommendation (Victory Park View):** Conditional approval (as described below in the proposed Motion) of an allocation of up to \$6,000,000 of 2021 Volume Cap in connection with bonds to be issued by the City of Lincoln for the Victory Park View development.

#### **14(b) Gatehouse Rows – Volume Cap Request of \$10,000,000**

**Project:**

New construction  
98 dwelling units  
3600 R Street (approximately)  
Lincoln, NE

**Participants:**

Bond Issuer: City of Lincoln  
Project Owner: Gatehouse Rows, LP (Hoppe & Sons, LLC)  
Bond Counsel: Gilmore & Bell, PC

**Staff Recommendation (Gatehouse Rows):** Conditional approval (as described below in the proposed Motion) of an allocation of up to \$10,000,000 of 2021 Volume Cap in connection with bonds to be issued by the City of Lincoln for the Gatehouse Rows development.

#### **14(c) Highland Phase IV - Volume Cap Request of \$13,000,000**

**Project:**

New construction  
108 dwelling units (75 of which will be financed with tax-exempt bonds)  
2111 North 30<sup>th</sup> Street  
Omaha, NE

**Participants:**

Bond Issuer: Nebraska Investment Finance Authority  
Project Owner: HPIV, LLC, HPIV Manager, LLC, Brinshore TL, LLC, (an affiliate of Brinshore Development, LLC) and Seventy-Five North Revitalization Corporation, a Nebraska non-profit corporation  
Bond Counsel: Gilmore & Bell, PC

**Staff Recommendation (Highlander Phase IV):** Conditional approval (as described below in the proposed Motion) of an allocation of up to \$13,000,000 of 2021 Volume Cap in connection with bonds to be issued by NIFA for the Highlander Phase IV development.

## **MOTION FOR CONSIDERATION BY THE BOARD**

Moved for approval of the allocations of 2021 Unified Volume Cap, subject to the conditions set forth in this Motion, up to the applicable amounts set forth below for the following multifamily rental housing developments:

Allocation: 21-30-002 – Multifamily Housing Bonds (Victory Park View, Lincoln, NE)

Issuer: City of Lincoln

Allocation Amount: Up to \$6,000,000

Allocation Classification: Non-Statewide Housing

Allocation: 21-30-003 – Multifamily Housing Bonds (Gatehouse Rows, Lincoln, NE)

Issuer: City of Lincoln

Allocation Amount: Up to \$10,000,000

Allocation Classification: Non-Statewide Housing

Allocation: 21-30-004 – Multifamily Housing Bonds (Highlander Park IV, Omaha, NE)

Issuer: NIFA

Allocation Amount: Up to \$13,000,000

Allocation Classification: Non-Statewide Housing

The foregoing approval by the NIFA Board is subject to the following conditions, which shall be satisfied as determined by the Executive Director, in order for such allocations to become unconditional allocations of volume cap:

- (1) developer must request the issuance of the allocation (specifying the amount of the allocation up to the applicable amount set forth above) within 90 days of the June 18, 2021 board meeting;
- (2) developer must acknowledge that the allocation will expire no later than December 20, 2021;
- (3) a timeline for the financing shall be provided to NIFA; and
- (4) a formal request is made by the developer that the volume cap be converted from conditional to unconditional.

Date Received  
NIFA #

6/4/21

67193

**NEBRASKA INVESTMENT FINANCE AUTHORITY (NIFA)**  
**Governor's Executive Order**  
**Unified Volume Cap Allocation Application**

1. Amount of Allocation Request \$5,335,000 (Maximum Request: \$18,000,000 for multifamily rental housing; \$10,000,000 for IDB projects; \$15,000,000 for solid waste projects)

2. Governmental Unit Issuing the Bonds for which Unified Volume Cap is Requested

Name of Governmental Unit: City of Lincoln

Contact: Tim Sieh, Legal Counsel

Address: 555 S. 10th Street, Suite 205

Phone: (402) 441-7606

Email: tsieh@lincoln.ne.gov

3. Applicant and Project Information

Name of Applicant: Burlington Capital Real Estate, LLC

Contact: George B. Achola, Vice-President

Address: 1004 Farnam Street, Suite 500

Phone: (402) 930-3090

Email: gachola@burlingtoncapital.com

Project Address: 600 S. 70th Street, Lincoln, NE 68510

Project Description (attach additional sheets if necessary): please see attached

Project Category: Single Family Housing

Student Loans

Multifamily Rental Housing

First Time Farmer Projects

Industrial or Manufacturing (complete and attach page 2)

Solid Waste (complete and attach page 2)

4. The following must accompany this Application:

- (a) A non-refundable Application fee of \$150
- (b) The Reservation Deposit \$10,000 (Refundable only as described below.)  
(lesser of \$10,000 or 1% of "Amount of Allocation Requested" in Item 1 above (minimum of \$1,000))
- (c) Copy of Inducement/Intent Resolution from Governmental Unit listed in Item 2 above
- (d) "No Objection" Letter from governing authority where the project will be located
- (e) Exhibits, if applicable, listed on page 2 of this Application form
- (f) A description of the project financing terms and members of the finance team

5. To request a refund of the Reservation Deposit, the following must be provided by Applicant to NIFA:

- a copy of Form 8038 filed with the Internal Revenue Service upon the issuance of the bonds  
-payment to NIFA of incidental expenses incurred by NIFA in connection with approving the Allocation

The Applicant hereby understands and acknowledges that in the event an Allocation, if granted, is not used prior to the expiration date set forth below, the Reservation Deposit (or if the Allocation used is less than the amount granted by NIFA, a proportionate amount of the Reservation Deposit) will be forfeited by the Applicant. **The Reservation Deposit is refundable only to the extent and in the proportion that the Allocation is used prior to the expiration date below and upon receipt by NIFA of IRS Form 8038 as filed with the IRS.** (Unpaid expenses noted in Item 5 above may be offset by NIFA against the refundable portion of the Reservation Deposit.)

**This Allocation will expire on the "Date Allocation Expires" set forth below unless extended by NIFA.  
Requests for an extension must include reasons for the necessity of an extension.**

Signature of Applicant

June 3, 2021

Date

In accordance with Governor's Executive Order #98-3, the undersigned hereby certifies that the above Allocation granted meets the requirements of §146 of the Internal Revenue Code of 1986 relating to the Nebraska State Ceiling for private activity bonds and that such Allocation has not been made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

Date Allocation Granted

Signature of NIFA Authorized Officer

Date Allocation Expires

## **Robin Ambroz**

---

**From:** Dominic Vaccaro <dvaccaro@burlingtoncapital.com>  
**Sent:** Friday, June 11, 2021 12:47 PM  
**To:** Peterson, Patricia S.  
**Cc:** Rogers, Michael (G&B); Steve Clements; Robin Ambroz; George Achola; Zach Reinhardt  
**Subject:** Re: Victory Park Volume Cap Application

Confirmed. Thank you all, Dominic

On Jun 11, 2021, at 12:25 PM, Peterson, Patricia S. <Patricia.Peterson@kutakrock.com> wrote:

Thank you, Mike.  
Patti

---

**From:** Rogers, Michael (G&B) <mrogers@gilmorebell.com>  
**Sent:** Friday, June 11, 2021 12:16 PM  
**To:** Steve Clements <steve.clements@nifa.org>; Robin Ambroz <robin.ambroz@nifa.org>; Peterson, Patricia S. <Patricia.Peterson@KutakRock.com>; dvaccaro@burlingtoncapital.com; George Achola <gachola@burlingtoncapital.com>; zreinhardt@burlingtoncapital.com  
**Subject:** Victory Park Volume Cap Application

[ CAUTION - EXTERNAL SENDER ]

Dominic Vaccaro, President of the Real Estate Division at Burlington Capital and copied on this email, agrees that the volume cap allocation application should be adjusted to reflect an allocation request of \$6 million. Dominic will reply to confirm that's the case and request that adjustment to the application be made.

If you need anything else today to make this adjustment, please let us know.

Thanks,  
Mike

**Michael Rogers | Gilmore & Bell, P.C.**  
450 Regency Parkway | Suite 320 | Omaha, NE 68114  
Office: (402) 913-2280 | Cell: (402) 871-8993  
[mrogers@gilmorebell.com](mailto:mrogers@gilmorebell.com)

This is an electronic mail transmission from the law firm of Gilmore & Bell, P.C. and may contain information that is privileged, confidential, and protected by the attorney-client or attorney-work product privileges. It is intended only for the addressees. If you are not an addressee, note that any disclosure, copying,

## **VICTORY PARK VIEW**

There is a growing need in the Lincoln area for affordable housing and services for our veterans, seniors and general community. Victory Park is a comprehensive planned redevelopment of the 58-acre Veterans Administration Campus in Lincoln, Lancaster County, Nebraska (600 S. 70<sup>th</sup> Street) into a vibrant community focused upon housing, medical care and services. This project will provide high quality, well maintained rental housing with immediate access to senior and veteran services and medical care. This development plan creates a holistic campus of living, learning, and care experiences that will be unparalleled in the Lincoln community.

The Project's developers are Seniors Foundation and Burlington Capital Real Estate, LLC. The Project will be designed by Holland Basham Architects with a general contractor to be determined.

The First phase of the redevelopment of Victory Park was the development of Victory Park Veterans Residence which is a Low-Income Housing Tax Credit 3-story building comprising 70 units of permanent supportive housing that is supported by HUD/VASH housing vouchers. The second phase is Victory Park Seniors Residence which is a two-wing, 3-story, new construction of 84 units of affordable and market rate senior apartment complex.

This project, Victory Park View, is the next phase of the redevelopment which involves renovation of the existing historic hospital; approximately 118,130 square feet will be repurposed for housing. This 94-unit, five-story building will consist of studios, one, two and three-bedroom units with easy access to onsite health and wellness services and convenient access to City public transportation.

Amenities will include:

- Laundry service;
- Garbage disposal;
- Dishwasher;
- Outdoor patio;
- Air-conditioning;
- Deadbolts;
- Access to community space; and
- Proposed Pickleball Court.

In addition to the above-mentioned amenities, Victory Park View will be in close proximity to:

- A major hospital;
- Shopping;
- Dining; and
- Employment Centers.



A92603

21R-54

Introduce: February 22, 2021

## RESOLUTION NO. 92603

### **A RESOLUTION DECLARING THE OFFICIAL INTENT OF THE CITY OF LINCOLN, NEBRASKA, TO ISSUE ITS MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$7,000,000 TO FINANCE THE CONSTRUCTION AND ACQUISITION OF A MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF LINCOLN, NEBRASKA**

**BE IT RESOLVED** by the Council (the “Council”) of the City of Lincoln, Nebraska (the “City”) as follows:

#### **Section 1. Findings.**

(a) The City is authorized and empowered under Section 13-1101 to 13-1110, R.R.S. Neb, as amended, (the “Act”) to issue revenue bonds to finance multifamily housing facilities located in a blighted area, including for-profit projects, for the purposes set forth in the Act.

(b) Victory Park View, LLC, a Nebraska limited partnership, and its successors and assigns (the “Borrower”), has requested that the City issue its multifamily housing revenue bonds under the Act in an aggregate principal amount of not to exceed \$7,000,000 for the purpose of financing a portion of the costs of construction and acquisition of a multifamily housing development to be located at approximately 600 S 70<sup>th</sup> Street, Lincoln, Nebraska, which will contain up to 100 dwelling units and is expected to be known as Victory Park View (the “Project”), the bonds to be payable solely out of payments, revenues and receipts derived from the loan of the proceeds of the bonds by the City to the Borrower.

(c) The Borrower has incurred capital expenditures within the 60-day period ending on, or expects to incur capital expenditures on and after, the date of adoption of this Resolution in connection with the Project.

(d) It is necessary, desirable, advisable and in the best interests of the City that it declare its official intent to issue bonds for the benefit of the Borrower for the Project and to permit the City to reimburse costs of the Project from the proceeds of the Bonds in accordance with the requirements of the Internal Revenue Code of 1986, as amended (the “Code”), and the applicable regulations thereunder, including but not limited to Section 1.150-2 thereof (the “Regulations”).

#### **Section 2. Declaration of Intent and Related Matters.**

(a) The Council hereby finds and determines that the construction and acquisition of the Project and the issuance of the City’s multifamily housing revenue bonds to pay such costs will be in furtherance of the public purposes set forth in the Act.

(b) The Council hereby determines and declares the intent of the City to finance the construction and acquisition of the Project by the Borrower with proceeds of multifamily housing revenue bonds of the

City in an aggregate principal amount of not to exceed \$7,000,000 to be issued pursuant to the Act (the "Bonds"). The City intends to reimburse the Borrower for all or a portion of the expenditures incurred by the Borrower prior to the issuance of the Bonds, to the extent permitted by law, with the proceeds of the Bonds.

(c) Subject to the provisions of this Resolution, the City intends (i) to issue the Bonds to pay the costs of constructing and acquiring the Project and of issuing the Bonds and such other costs as may be deemed appropriate, the Bonds to have such maturities, interest rates, redemption terms and other provisions as may be determined pursuant to a resolution of the City; and (ii) to effect the foregoing, adopt such resolutions and authorize the execution and delivery of such instruments and the taking of such action as may be necessary or advisable for the authorization and issuance of the Bonds by the City and take or cause to be taken such other actions as may be required to implement the aforesaid.

(d) The issuance of the Bonds and the execution and delivery of any documents related to the Bonds are subject to (i) obtaining any necessary governmental approvals (including approvals required from the City unrelated to the Bonds); (ii) determination that the Project is within a blighted area, (iii) further action by the Council to authorize issuance of the Bonds, and (iv) agreement by the City, the Borrower and the purchaser of the Bonds upon (a) mutually acceptable terms for the bonds and for the sale and delivery thereof and (b) mutually acceptable terms and conditions of any documents related to the issuance of the bonds and the Project. The sale of the Bonds shall be the sole responsibility of the Borrower. The Bonds and interest payable thereon shall not constitute nor give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers of the City.

(e) The Borrower expects to incur capital expenditures on and after the date of adoption of this Resolution (the "Expenditures") in connection with the construction and acquisition of the Project, and the City intends to reimburse the Borrower for such Expenditures with the proceeds of the Bonds in an amount which, depending on the date of issuance of said Bonds, may aggregate a maximum principal amount of \$7,000,000. The Borrower has informed the City that the funds to be advanced to pay Expenditures are or will be available only for a temporary period and it is necessary to reimburse the Borrower for Expenditures made on and after the date hereof. This Resolution constitutes the City's declaration of official intent under the Regulations.

(f) The attorneys, officers and employees of the City, along with Gilmore & Bell, P.C., Bond Counsel for the City, are hereby authorized to work with the purchaser of the bonds, the Borrower, their respective counsel and others, to prepare for submission to and final action by the City all documents necessary to effect the authorization, issuance and sale of the bonds and other actions contemplated hereunder.

**Section 3. Effective Dates.** This Resolution will be in full force and effect from and after its passage and adoption by the Council and approval by the Mayor.

**Section 4. Conflicting Resolutions Repealed.** All resolutions of the Council, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

INTRODUCED BY:



AYES: Bowers, Christensen, Meginnis,  
Raybould, Shobe, Ward, Washington;  
NAYS: None.

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney  
  
\_\_\_\_\_  
Bond Counsel  
\_\_\_\_\_  
George Taylor Baird  
Mayor

ADOPTED

MAR 01 2021

BY CITY COUNCIL

Date Received \_\_\_\_\_  
NIFA # \_\_\_\_\_

**NEBRASKA INVESTMENT FINANCE AUTHORITY (NIFA)**  
**Governor's Executive Order**  
**Unified Volume Cap Allocation Application**

1. Amount of Allocation Request \$ 10,000,000 (Maximum Request: \$18,000,000 for multifamily rental housing; \$10,000,000 for IDB projects; \$15,000,000 for solid waste projects)

2. Governmental Unit Issuing the Bonds for which Unified Volume Cap is Requested

Name of Governmental Unit: City of Lincoln, Nebraska

Contact: Dan Marvin

Address: 555 S 10th Street, Lincoln, NE 68508

Phone: 402-441-7605

Email: dmarvin@lincoln.ne.gov

3. Applicant and Project Information

Name of Applicant: Hoppe & Son, LLC

Contact: Ward F Hoppe

Address: 5631 S. 48th Street, Ste 220, Lincoln, NE 68516

Phone: 402-489-1600

Email: fred@hoppedevelopment.com

Project Address: 3600 R Street, Lincoln, NE 68503

Project Description (attach additional sheets if necessary): See Exhibit A Attached

Project Category: Single Family Housing

Student Loans

x

Multifamily Rental Housing

x

First Time Farmer Projects

x

Industrial or Manufacturing (complete and attach page 2)

x

Solid Waste (complete and attach page 2)

x

4. The following must accompany this Application:

(a) A non-refundable Application fee of \$150

(b) The Reservation Deposit \$ 10,000 (Refundable only as described below.)  
(lesser of \$10,000 or 1% of "Amount of Allocation Requested" in Item 1 above (minimum of \$1,000))

(c) Copy of Inducement/Intent Resolution from Governmental Unit listed in Item 2 above

(d) "No Objection" Letter from governing authority where the project will be located

(e) Exhibits, if applicable, listed on page 2 of this Application form

(f) A description of the project financing terms and members of the finance team

5. To request a refund of the Reservation Deposit, the following must be provided by Applicant to NIFA:

-a copy of Form 8038 filed with the Internal Revenue Service upon the issuance of the bonds

-payment to NIFA of incidental expenses incurred by NIFA in connection with approving the Allocation

The Applicant hereby understands and acknowledges that in the event an Allocation, if granted, is not used prior to the expiration date set forth below, the Reservation Deposit (or if the Allocation used is less than the amount granted by NIFA, a proportionate amount of the Reservation Deposit) will be forfeited by the Applicant. The Reservation Deposit is refundable only to the extent and in the proportion that the Allocation is used prior to the expiration date below and upon receipt by NIFA of IRS Form 8038 as filed with the IRS. (Unpaid expenses noted in Item 5 above may be offset by NIFA against the refundable portion of the Reservation Deposit.)

This Allocation will expire on the "Date Allocation Expires" set forth below unless extended by NIFA.  
Requests for an extension must include reasons for the necessity of an extension.

Signature of Applicant

6/7/21  
Date

In accordance with Governor's Executive Order #98-3, the undersigned hereby certifies that the above Allocation granted meets the requirements of §146 of the Internal Revenue Code of 1986 relating to the Nebraska State Ceiling for private activity bonds and that such Allocation has not been made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

Date Allocation Granted

Signature of NIFA Authorized Officer

Date Allocation Expires

## **EXHIBIT A Summary of Proposed Development**

The Gatehouse Rows is a proposed 4% LIHTC bond financed rental housing project located in Lincoln, Nebraska. The project will utilize 8.72 acres of in-fill land purchased from Wyuka Cemetery and adjacent to the Hartley neighborhood. The location is of residential character, and is located close to major transit arterials, elementary schools, and open space. The project will work to maintain the historic elements of Wyuka Cemetery through its preservation of the original gatehouse and entrance condition to the cemetery. The project is the result of a community-wide effort between local banks, the community foundation, the developer, and housing nonprofits to meet the goals of Lincoln's newly adopted affordable housing action plan. Construction is anticipated to start early fall, with completion of the project by the end of 2022.

### **Buildings & Amenities**

Gatehouse Rows consists of 98 total units (46 1-bedroom, 48 2-bedroom, and 4 3-bedroom unit types) configured into 6 different building clusters ranging from 2 to 3 stories in height. The units will range in square footage from 651 to 1,326. All units will have a washer and dryer. The community will leverage its park-like setting to provide a community garden and playground equipment consistent with NIFA amenity standards. Finally, the existing historic Gatehouse will be acquired and preserved as a community amenity space and leasing office. Lawn care, snow removal, sewer and water, and trash services will be provided to the tenants at the project's costs.

### **Zoning, Land Use, and Redevelopment**

The developer has worked with Nebraska Housing Resource to secure the land and entitlements. Further, it is zoned "Community Unit Plan" within an R-4 district. The area has been determined to be blighted, and a Redevelopment Plan has been approved that allocates the Tax Increment Financing to the project necessary to support the source of funds.

### **Rents & Eligibility**

The project proposes to rent all units to those making 60% of Area Median Income and below at rates consistent with the 60% affordability or below. In addition, the development will target gross rents at lower levels by proposing 10 units (10% of the total units) to have a targeted gross rent that is affordable to households whose income is 40% of the applicable AMI.

### **Source & Uses of Funds**

The total project will cost approximately \$19.7mm. The City of Lincoln will issue the bonds and has passed an intent resolution to secure an allocation of \$10mm in Private Activity Bond Cap, which the project will use to meet the 50% test. The long-term sources of funds include a federal tax credits (\$711,479 annually, providing \$6.4mm), state Affordable Housing Tax Credits (\$711,479 annually, providing \$2.8mm), tax increment financing (\$1.5mm), deferred developer fee of \$0.9mm, and tax exempt bonds (\$8.0mm). The Exhibit 111 will enumerate the exact numbers.

The bonds will be privately placed to a collaboration of Lincoln area banks, led by Horizon. They will also be providing construction financing and monetizing the TIF bond. Midwest Housing Equity Group will act as the syndicator for the state and federal credits. The project will exceed the minimum of a 1.2x DSCR and the developer will defer more than 25% of the developer's fee.

**RESOLUTION NO. 92553****A RESOLUTION DECLARING THE OFFICIAL INTENT OF THE CITY OF LINCOLN, NEBRASKA, TO ISSUE ITS MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000 TO FINANCE THE CONSTRUCTION AND ACQUISITION OF A MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF LINCOLN, NEBRASKA**

**BE IT RESOLVED** by the Council (the “**Council**”) of the City of Lincoln, Nebraska (the “**City**”) as follows:

**Section 1. Findings.**

(a) The City is authorized and empowered under Section 13-1101 to 13-1110, R.R.S. Neb, as amended, (the “**Act**”) to issue revenue bonds to finance multifamily housing facilities located in a blighted area, including for-profit projects, for the purposes set forth in the Act.

(b) GateHouse Rows, LP, a Nebraska limited partnership, and its successors and assigns (the “**Borrower**”), has requested that the City issue its multifamily housing revenue bonds under the Act in an aggregate principal amount of not to exceed \$10,000,000 for the purpose of financing a portion of the costs of construction of a multifamily housing development to be located at approximately 3600 R Street, Lincoln, Nebraska, which will contain up to 106 dwelling units and is expected to be known as GateHouse Rows (the “**Project**”), the bonds to be payable solely out of payments, revenues and receipts derived from the loan of the proceeds of the bonds by the City to the Borrower.

(c) The Borrower has incurred capital expenditures within the 60-day period ending on, or expects to incur capital expenditures on and after, the date of adoption of this Resolution in connection with the Project.

(d) It is necessary, desirable, advisable and in the best interests of the City that it declare its official intent to issue bonds for the benefit of the Borrower for the Project and to permit the City to reimburse costs of the Project from the proceeds of the Bonds in accordance with the requirements of the Internal Revenue Code of 1986, as amended (the “**Code**”), and the applicable regulations thereunder, including but not limited to Section 1.150-2 thereof (the “**Regulations**”).

**Section 2. Declaration of Intent and Related Matters.**

(a) The Council hereby finds and determines that the construction and acquisition of the Project and the issuance of the City’s multifamily housing revenue bonds to pay such costs will be in furtherance of the public purposes set forth in the Act.

(b) The Council hereby determines and declares the intent of the City to finance the construction and acquisition of the Project by the Borrower with proceeds of multifamily housing revenue bonds of the

City in an aggregate principal amount of not to exceed \$10,000,000 to be issued pursuant to the Act (the “**Bonds**”). The City intends to reimburse the Borrower for all or a portion of the expenditures incurred by the Borrower prior to the issuance of the Bonds, to the extent permitted by law, with the proceeds of the Bonds. Notwithstanding the foregoing, nothing in this resolution shall be deemed to be a determination that the Project is within a blighted area in the City, any such determination shall be made through a separate process by the City, and no Bonds shall be issued unless and until such determination is made.

(c) Subject to the provisions of this Resolution, the City intends (i) to issue the Bonds to pay the costs of constructing and acquiring the Project and of issuing the Bonds and such other costs as may be deemed appropriate, the Bonds to have such maturities, interest rates, redemption terms and other provisions as may be determined pursuant to a resolution of the City; and (ii) to effect the foregoing, adopt such resolutions and authorize the execution and delivery of such instruments and the taking of such action as may be necessary or advisable for the authorization and issuance of the Bonds by the City and take or cause to be taken such other actions as may be required to implement the aforesaid.

(d) The issuance of the Bonds and the execution and delivery of any documents related to the Bonds are subject to (i) obtaining any necessary governmental approvals; (ii) determination that the Project is within a blighted area, (iii) further action by the Council to authorize issuance of the Bonds, and (iv) agreement by the City, the Borrower and the purchaser of the Bonds upon (a) mutually acceptable terms for the bonds and for the sale and delivery thereof and (b) mutually acceptable terms and conditions of any documents related to the issuance of the bonds and the Project. The sale of the Bonds shall be the sole responsibility of the Borrower. The Bonds and interest payable thereon shall not constitute nor give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers of the City.

(e) The Borrower expects to incur capital expenditures on and after the date of adoption of this Resolution (the “**Expenditures**”) in connection with the construction and acquisition of the Project, and the City intends to reimburse the Borrower for such Expenditures with the proceeds of the Bonds in an amount which, depending on the date of issuance of said Bonds, may aggregate a maximum principal amount of \$10,000,000. The Borrower has informed the City that the funds to be advanced to pay Expenditures are or will be available only for a temporary period and it is necessary to reimburse the Borrower for Expenditures made on and after the date hereof. This Resolution constitutes the City’s declaration of official intent under the Regulations.

(f) The attorneys, officers and employees of the City, along with Gilmore & Bell, P.C., Bond Counsel for the City, are hereby authorized to work with the purchaser of the bonds, the Borrower, their respective counsel and others, to prepare for submission to and final action by the City all documents necessary to effect the authorization, issuance and sale of the bonds and other actions contemplated hereunder.

**Section 3. Effective Dates.** This Resolution will be in full force and effect from and after its passage and adoption by the Council and approval by the Mayor.

**Section 4. Conflicting Resolutions Repealed.** All resolutions of the Council, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

**INTRODUCED BY:**

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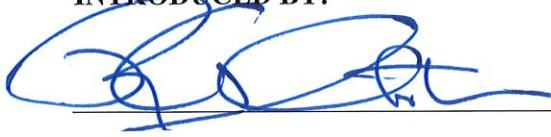
**APPROVED AS TO FORM:**

City Attorney

Bond Counsel



INTRODUCED BY:



AYES: Bowers, Christensen, Meginnis,  
Raybould, Shobe, Ward, Washington;  
NAYS: None.

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney

Bond Counsel

Approved this 5<sup>th</sup> day of February, 2021

  
\_\_\_\_\_  
Simon Gaylor Bartels  
Mayor

ADOPTED

FEB 01 2021

BY CITY COUNCIL

Date Received \_\_\_\_\_  
NIFA # \_\_\_\_\_

**NEBRASKA INVESTMENT FINANCE AUTHORITY (NIFA)**  
**Governor's Executive Order**  
**Unified Volume Cap Allocation Application**

1. Amount of Allocation Request \$ 12,000,000 (Maximum Request: \$18,000,000 for multifamily rental housing; \$10,000,000 for IDB projects; \$15,000,000 for solid waste projects)

2. Governmental Unit Issuing the Bonds for which Unified Volume Cap is Requested

Name of Governmental Unit: Nebraska Investment Finance Authority  
Contact: Steve Clements  
Address: 1230 "O" St. Suite 200, Lincoln, NE 68508  
Phone: 402.434.3908  
Email: steve.clements@nifa.org

3. Applicant and Project Information

Name of Applicant: HPIV, LLC  
Contact: Todd Lieberman  
Address: 666 Dundee Road Suite 1102  
Phone: 224-927-5061  
Email: todd@brinshore.com

Project Address: 2111 N. 30th Street, Omaha, NE 68111

Project Description (attach additional sheets if necessary): See attached project description.

Project Category:  Single Family Housing  
 Student Loans  
 Multifamily Rental Housing  
 First Time Farmer Projects  
 Industrial or Manufacturing (**complete and attach page 2**)  
 Solid Waste (**complete and attach page 2**)

4. The following must accompany this Application:

- (a) A non-refundable Application fee of \$150
- (b) The Reservation Deposit \$ 10,000 (Refundable only as described below.)  
(lesser of \$10,000 or 1% of "Amount of Allocation Requested" in Item 1 above (minimum of \$1,000))
- (c) Copy of Inducement/Intent Resolution from Governmental Unit listed in Item 2 above
- (d) "No Objection" Letter from governing authority where the project will be located
- (e) Exhibits, if applicable, listed on page 2 of this Application form
- (f) A description of the project financing terms and members of the finance team

5. To request a refund of the Reservation Deposit, the following must be provided by Applicant to NIFA:

- a copy of Form 8038 filed with the Internal Revenue Service upon the issuance of the bonds
- payment to NIFA of incidental expenses incurred by NIFA in connection with approving the Allocation

The Applicant hereby understands and acknowledges that in the event an Allocation, if granted, is not used prior to the expiration date set forth below, the Reservation Deposit (or if the Allocation used is less than the amount granted by NIFA, a proportionate amount of the Reservation Deposit) will be forfeited by the Applicant. **The Reservation Deposit is refundable only to the extent and in the proportion that the Allocation is used prior to the expiration date below and upon receipt by NIFA of IRS Form 8038 as filed with the IRS.** (Unpaid expenses noted in Item 5 above may be offset by NIFA against the refundable portion of the Reservation Deposit.)

**This Allocation will expire on the "Date Allocation Expires" set forth below unless extended by NIFA.  
Requests for an extension must include reasons for the necessity of an extension.**

  
\_\_\_\_\_  
Signature of Applicant

6-8-2021

\_\_\_\_\_  
Date

In accordance with Governor's Executive Order #98-3, the undersigned hereby certifies that the above Allocation granted meets the requirements of §146 of the Internal Revenue Code of 1986 relating to the Nebraska State Ceiling for private activity bonds and that such Allocation has not been made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

\_\_\_\_\_  
Date Allocation Granted

\_\_\_\_\_  
Signature of NIFA Authorized Officer

\_\_\_\_\_  
Date Allocation Expires

## **Robin Ambroz**

---

**From:** Todd Lieberman <todd@brinshore.com>  
**Sent:** Friday, June 11, 2021 3:25 PM  
**To:** Watson, Weylin (G&B); Kathleen Bole; Peterson, Patricia S.; Russell, Lisa (G&B)  
**Cc:** Sara Tichota; Robin Ambroz; Steve Clements; Lynch, Erika E.; Rogers, Michael (G&B); Daniel J. Kraft; Bennett P. Applegate Sr.; Richard Sciortino; Kathleen Bole; Michael McGovern  
**Subject:** Bond Cap - Highlander IV

All

This email is to formally increase our request of MF Revenue Bond Cap to \$13 million to provide more cushion on the 50% test for Highlander IV. Thank you for your consideration of this request.

Should you have any questions, please give me a call.

Best  
Todd

Todd Lieberman | Executive Vice President

Brinshore Development, LLC | [www.brinshore.com](http://www.brinshore.com)  
222 W. Gregory Blvd, Suite 323 Kansas City, MO 64114

Direct: (224) 927-5061 | Mobile: (224) 532-8911  
Email: [ToddL@brinshore.com](mailto:ToddL@brinshore.com) | Fax: (847) 562-9401

**BRINSHORE**

Click [here](#) to report this email as spam.



## HIGHLANDER PHASE IV

### Project Summary

Highlander Phase IV is the 108 unit third phase of the Highlander neighborhood and first phase of the North 30<sup>th</sup> HUD Choice Neighborhoods Implementation (CNI) Grant. Similar to Highlander Phase I, this phase will be comprised of an affordable condominium and a market rate one. The affordable condominium is the subject of this application and will include 75 units of income-restricted housing which represent the NIFA 4%/AHTC application currently under consideration. The market rate condominium (separately financed) will allow the phase to offer true unrestricted units. The new construction project will include a four-story elevator building and a mix of townhome and duplex units.



### Context

Located 1 mile from downtown,  $\frac{3}{4}$  mile from the largest medical cluster in the region and within two blocks of Highway 75N on the site of the former Pleasant View Public Housing Development, the Highlander site is well located both locally and regionally. Highlander Phase IV will build on the residential Highlander Phase I and Nobility Point and the Accelerator campus, offering residents a number of neighborhood amenities within a short walk.

### Unit/Income Mix

100% of the 75 units will be income restricted at below 60% AMI.

### Developer Background

Highlander Phase IV is a collaboration between Brinshore Development, LLC (Brinshore) and Seventy-Five North Revitalization Corporation (75N).

Type	Count	Monthly Rent(\$)
Studio	1	\$590
1 Bedroom	15	\$690-770
2 Bedroom	27	\$850-950
3 Bedroom	28	\$1,050-1,285
4 Bedroom	3	\$1,425
5 Bedroom	1	\$1,650
<b>Total</b>	<b>75</b>	

- 75N was created with the singular focus of revitalizing the Highlander neighborhood of North Omaha building on twenty years of planning supported by NIFA, the City of Omaha and the Empowerment Network. Through its efforts, 75N has become a member of the Purpose Built Network ([www.purposebuiltcommunities.org](http://www.purposebuiltcommunities.org)), engineered the reconstitution of the local elementary school, Howard Kennedy Elementary, and worked in partnership with Brinshore to plan the redevelopment of the site.
- Brinshore Development, LLC is an award winning developer of affordable and mixed-income housing with a headquarters in Chicago and a regional office in Kansas City. Brinshore has expanded rapidly in Nebraska, Missouri and Kansas and expects to grow its portfolio of projects and staff considerably over the next few years. With a portfolio of 100 developments totaling 7500 units amassed in the last twenty years, Brinshore is one of the most productive developers in the Midwest. In addition, Brinshore has won national awards for its new construction and renovation work over the last few years from Affordable Housing Finance magazine, the Affordable Housing Tax Credit Coalition and Multifamily Executive magazine. Brinshore was selected through a national RFP process to work with 75N.

### Design and Amenities

The building will be designed to market rate standards and will have a unique contemporary look in contrast to other income restricted projects previously developed in the North Omaha submarket. Project amenities are designed to serve households of a variety of sizes and include a community/lounge area with kitchenette, exercise room, outdoor amenity spaces, and in-unit washers and dryers.

### Development Team

The project is being designed by Alley Poyner Macchietto Architecture from Omaha, NE and Landon Bone Baker from Chicago, IL. Ehrhart Griffin and Associates will provide civil engineering services and Hausmann Construction will be the general contractor. Seldin Company will be the property manager. To date, we have employed an integrated design process.

### Financing

The project will be financed with a mix of 4% Federal and State Low Income Housing Tax Credit (LIHTC) Equity, 75N funds, CHOICE funds, City HOME or additional CHOICE funds, and deferred developer fee.

### Economic Impact

As an infill-development on the former Pleasant View Public Housing site, Highlander Phase IV will plug into existing city services and schools. The Highlander redevelopment effort has included investment in the Howard Kennedy elementary school which will serve Highlander Phase IV. Highlander Phase IV addresses the need for quality affordable housing in North Omaha by offering a variety of unit types from one to five bedroom units at a variety of income levels. In addition, it will create several permanent full-time jobs and a number of construction jobs.

## **AGENDA ITEM #10**

**Consideration of Bond Resolution #DEV-262 authorizing the issuance of Nebraska Investment Finance Authority Drinking Water State Revolving Fund Revenue Bonds, Series 2021A (the Series “2021A DWSRF Bonds”) in the aggregate principal amount of not to exceed \$2,500,000 for the purpose of providing funds to the Nebraska Department of Environment and Energy to provide loans to owners of public water supply systems in connection with the Drinking Water State Revolving Fund Program**

### **BACKGROUND:**

The Nebraska Department of Environment and Energy (NDEE) has informed NIFA of the need to issue bonds for the Drinking Water State Revolving Fund Program (the “DWSRF”). Proceeds of the bonds will be used to satisfy the state match requirements for federal capitalization grants (the “Grants”) under the Federal Safe Drinking Water Act. The size of the bonds is not expected to exceed \$2,500,000 to provide state match for the FY 2021 Grant which is expected to approximate \$11,001,000.

Due to the strength of the Drinking Water State Revolving Fund Program, interest earnings from the current loan portfolio are expected to be sufficient to pay the principal and interest on the Series 2021A DWSRF Bonds, which will be privately placed on a short-term basis. Upon issuance of the bonds, funds representing prior interest earnings on the Drinking Water loan portfolio will be used to purchase escrow securities (U.S. Treasuries) sufficient to pay principal and interest on the 2021A DWSRF Bonds at maturity.

Accordingly, the attached bond resolution authorizes the issuance of the 2021A DWSRF Bonds in a principal amount not to exceed \$2,500,000, maturing no later than December 31, 2022, the proceeds of which will be used by NDEE to make loans to owners of public water supplies for the acquisition, construction or modification of safe drinking water projects within the State of Nebraska thereby satisfying the state match requirements for the FY 2021 Grant.

### **ACTION REQUIRED:**

Adoption of attached Bond Resolution #DEV-262

## **BOND RESOLUTION NO. DEV-262**

A RESOLUTION AUTHORIZING THE ISSUANCE OF DRINKING WATER STATE REVOLVING FUND BONDS, SERIES 2021A (THE “BONDS”) OF THE NEBRASKA INVESTMENT FINANCE AUTHORITY (THE “AUTHORITY”), IN A PRINCIPAL AMOUNT OF NOT TO EXCEED \$2,500,000 FOR THE PURPOSE OF PROVIDING FUNDS TO THE NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY TO PROVIDE LOANS TO OWNERS OF PUBLIC WATER SUPPLY SYSTEMS, WHICH BONDS AND THE INTEREST THEREON SHALL BE PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED TO THE PAYMENT OF THE BONDS; APPROVING AND AUTHORIZING EXECUTION OF AN INDENTURE OF TRUST, A PLEDGE AGREEMENT, A TAX REGULATORY AGREEMENT AND A PLACEMENT AGENT AGREEMENT; APPROVING AND APPOINTING THE TRUSTEE; MAKING FINDINGS AND DETERMINATIONS WITH REFERENCE TO THE BONDS; AUTHORIZING THE SALE OF THE BONDS; PROVIDING THAT THE INVALIDITY OF ANY PART OF THIS BOND RESOLUTION SHALL NOT AFFECT THE REMAINDER; INCORPORATING WITHIN THIS BOND RESOLUTION THE PROVISIONS OF SECTIONS 58-201 ET SEQ. OF THE NEBRASKA STATUTES; AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS; REPEALING ALL RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HEREWITH AND PROVIDING FOR THE DATE OF EFFECT OF THIS BOND RESOLUTION.

WHEREAS, the Nebraska Investment Finance Authority (the “Authority”) is a duly organized and existing body politic and corporate, not a state agency, but an independent instrumentality exercising essential public functions under the constitution and laws of the State of Nebraska (the “State”); and

WHEREAS, the Director of the Nebraska Department of Environment and Energy (the “NDEE”) and the Authority previously entered into a Memorandum of Understanding dated as of December 1, 1998, as supplemented and amended by the Supplement No. 1 to Memorandum of Understanding dated as of August 1, 2017 (the “Memorandum of Understanding”), between NDEE and the Authority, to define the cooperative relationship between the NDEE and the Authority to jointly administer certain provisions of the Nebraska Drinking Water State Revolving Fund Act, Sections 71-5314 to 71-5327, Reissue Revised Statutes of Nebraska, as amended (the “Drinking Water SRF Act”), which establishes the Drinking Water Facilities Loan Fund and the Land Acquisition and Source Water Loan Fund in the treasury of the State of Nebraska; and

WHEREAS, the federal government has, pursuant to the federal Safe Drinking Water Act, P.L. 93-523, as amended (the “Safe Drinking Water Act”), authorized the administrator of the United States Environmental Protection Agency to make capitalization grants to states for the

purpose of establishing a drinking water state revolving fund to provide financial assistance for acquisition, construction or modification of safe drinking water projects; and

WHEREAS, the Authority is authorized under the laws of the State of Nebraska and particularly the Nebraska Investment Finance Authority Act, Section 58-201 et seq., Revised Statutes of Nebraska (the “Act”), to assist the NDEE through the issuance of its revenue bonds for the purpose of making loans to finance any part of the cost of the acquisition, construction or modification of safe drinking water projects within the State of Nebraska; and

WHEREAS, the Authority has determined that it is necessary and advisable for the provision of financing for safe drinking water facilities to issue Bonds for such purposes; and

WHEREAS, the Bonds shall be issued pursuant to and secured by the Indenture of Trust dated as of July 1, 2021 (the “Indenture”) between the Authority and Wells Fargo Bank, National Association, as trustee (the “Trustee”); and

WHEREAS, the NDEE has requested the Authority to issue the Bonds, the proceeds of which shall be applied to satisfy the state match requirement under the Safe Drinking Water Act; and

WHEREAS, pursuant to the Pledge Agreement dated as of July 1, 2021 (the “Pledge Agreement”) between NDEE and the Authority, the NDEE will provide funds (derived from investment earnings and interest paid by municipalities or counties on loans made by NDEE from the Drinking Water Facilities Loan Fund) to secure the payment of principal and interest on the Bonds; and

WHEREAS, the Authority has determined that it is necessary and advisable for the purpose of providing funds for the NDEE to provide loans from the Drinking Water Facilities Loan Fund to owners of public water supply systems to pay the costs of acquiring, constructing or modifying safe drinking water projects and in order to meet the state match requirements of the Safe Drinking Water Act that the Authority issue Bonds; and

WHEREAS, the Authority intends to sell the Bonds to an institutional purchaser (the “Purchaser”) in a private placement, with Piper Sandler & Co. acting as placement agent (the “Placement Agent”) pursuant to a Placement Agent Agreement between the Authority and the Placement Agent (the “Placement Agent Agreement”), and the Authority deems it necessary and advisable to proceed with the issuance, sale and delivery of the Bonds in an original aggregate principal amount of not to exceed \$2,500,000;

WHEREAS, there have been presented to the Authority on this date, the following:

- (a) a form of the Indenture setting forth the terms of the Bonds and the conditions and security for the Bonds and providing a form of the Bonds and investment letter;
- (b) a form of the Pledge Agreement;

(c) a form of the Tax Regulatory Agreement among the Authority, the Trustee and NDEE; and

(d) a form of the Placement Agent Agreement; and

WHEREAS, it appears that each of the instruments above referred to, which are now before each of the members of the Authority, is in appropriate form and is an appropriate instrument for the purposes intended;

NOW, THEREFORE, BE IT RESOLVED by the members of the Nebraska Investment Finance Authority, as follows:

## ARTICLE I

### LEGAL AUTHORIZATION; FINDINGS

**Section 1.01. Legal Authorization.** The Authority is a body politic and corporate, not a state agency, but an independent instrumentality exercising essential public functions, existing under the Constitution and laws of the State and is authorized under the Act to issue and sell its revenue bonds in the form of one or more debt instruments such as the Bonds for the purpose, in the manner and upon the terms and conditions set forth in the Act, in this Bond Resolution and in the Indenture.

**Section 1.02. Findings.** The Authority has heretofore determined, and does hereby determine, as follows:

(a) The issuance of the Bonds will effectuate the public purposes of the Authority and carry out the purposes of the Act by, among other things, assisting in the construction, development, rehabilitation and improvement of the State's water quality by facilitating the financing of safe drinking water facilities.

(b) The Bonds are limited obligations of the Authority and are payable solely out of the funds, income, revenues and receipts pledged pursuant to the Indenture and shall not be a general liability of the Authority or a charge against its general credit.

(c) The Bonds shall be payable solely and only out of the property and revenues pledged or assigned or in which a security interest is granted for such payment.

(d) The Bonds will not and shall never constitute a debt, liability or general obligation of the State of Nebraska, or any political subdivision, agency or instrumentality thereof (other than limited obligations of the Authority), nor will the faith and credit or the taxing power of the State of Nebraska, or any political subdivision be pledged to the payment of the principal of or interest on the Bonds (other than any loan payments of a political subdivision pledged by NDEE).

(e) The payment of principal and interest on the Bonds is, or upon issuance will be, funded by revenues received under the Pledge Agreement from interest paid by owners of public water supply systems on certain loans made by NDEE from the Drinking Water

Facilities Loan Fund and the amounts on deposit in certain funds and accounts under the Indenture and investment earnings thereon, all in accordance with the terms and conditions of the Indenture.

## **ARTICLE II**

### **AUTHORIZATION TO EXECUTE DOCUMENTS AND ISSUE BONDS**

**Section 2.01. Approval and Authorization of Documents.** The Indenture, the Pledge Agreement, the Tax Regulatory Agreement and the Placement Agent Agreement be and the same are in all respects hereby approved, authorized, ratified and confirmed, and the Chairman and Executive Director be and they are each separately and individually hereby authorized and directed to execute and deliver, for and on behalf of the Authority, the Indenture, the Pledge Agreement, the Tax Regulatory Agreement and the Placement Agent Agreement in substantially the form and content as presented to the Authority on this date (subject to the approval of general counsel to the Authority), but with such changes, modifications, additions and deletions therein as shall to him seem necessary, desirable or appropriate, his execution thereof to constitute conclusive evidence of his approval of any and all changes, modifications, additions and deletions from the form thereof as presented to this meeting.

**Section 2.02. Authorization To Issue and Sell the Bonds.** The issuance of the Bonds in a principal amount (to be determined severally by the Chairman or the Executive Director) of not to exceed \$2,500,000 is hereby approved. The Bonds shall be in such series, bear interest at a rate (to be determined by the Chairman or the Executive Director) not to exceed a maximum coupon rate of 4.00%, bear such date, mature on a date (to be determined by the Chairman or the Executive Director) not later than December 31, 2022 and be payable at such place and in such form, carry such registration privileges, be executed in such form and contain such terms, covenants and conditions all to be as set forth in the Indenture, and as determined by the Executive Director within the parameters of this Bond Resolution. The sale of the Bonds to the Purchaser is and the same is in all respects hereby approved, authorized and confirmed, and the Chairman and Executive Director are each hereby severally authorized and directed to execute, seal and deliver, whether by manual or facsimile signature, the Bonds for and on behalf of the Authority to the Trustee for authentication pursuant to the Indenture. The Bonds shall be sold to the Purchaser for a purchase price equal to the principal amount thereof. The Authority shall pay a fee to the Placement Agent (from funds provided by NDEE) in connection with the sale of the Bonds in an amount not to exceed 0.6% of the principal amount thereof.

**Section 2.03. Authority To Execute and Deliver Additional Documents and General Authorization.** The Chairman and Executive Director are hereby authorized to execute and deliver for and on behalf of the Authority any and all additional certificates, documents (including, but not limited to, one or more agreements with NDEE, agreements related to investment of funds and accounts under the Indenture and agreements with the Placement Agent as the Chairman or Executive Director, in consultation with bond counsel, shall consider necessary or desirable) and other papers and to perform all other acts as they may deem necessary or appropriate, in consultation with bond counsel, to implement and carry out the purposes and intent of this Bond Resolution, including the preamble hereto. Without in any way limiting the power, authority or

discretion elsewhere herein granted or delegated, the Authority hereby authorizes and directs all of the officers and employees of the Authority to perform or cause to be performed such obligations of the Authority and such other actions as they shall consider necessary or desirable in connection with or in furtherance of this Bond Resolution and the transactions contemplated by the documents and agreements identified in this Bond Resolution. The execution and delivery by any such officer of the Authority of any of such documents, instruments or certifications, or the performance of any act in connection with any of the matters which are the subject of this Bond Resolution, shall constitute conclusive evidence of the approval thereof of such officer and the Authority and shall conclusively establish such officer's absolute, unconditional and irrevocable authority with respect thereto from the Authority and the approval and ratification by the Authority of the documents, instruments and certifications so executed and the action so taken.

**Section 2.04. Designation of Trustee.** The appointment and designation of Wells Fargo Bank, National Association, as Trustee for the Bonds under the Indenture is hereby ratified and confirmed in every respect.

**Section 2.05. Terms of the Indenture.** As provided in Section 58-257 of the Act, any resolution authorizing the issuance of bonds may contain provisions as described in such section which shall be a part of the contract with the holders of the bonds. Such provisions, to the extent included in the Indenture as executed by the Authority, are hereby incorporated into this Bond Resolution as if set forth herein.

**Section 2.06. Ratification of Prior Actions.** All actions heretofore taken with respect to the Bonds and matters incident thereto by the officers of the Authority be and the same are hereby in all respects adopted, ratified, approved and confirmed.

## ARTICLE III

### SUPPLEMENTAL RESOLUTIONS

The Authority may, subject to the terms and conditions of the Indenture, pass and execute resolutions supplemental to this Bond Resolution which shall not be inconsistent with the terms and provisions hereof.

## ARTICLE IV

### MISCELLANEOUS

**Section 4.01. Limitation of Rights.** With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Bond Resolution or the Bonds is intended or shall be construed to give to any person, other than the Authority and the Trustee, any legal or equitable right, remedy or claim under or with respect to this Bond Resolution or any covenants, conditions and provisions herein contained; this Bond Resolution and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Authority and the Trustee as herein provided.

**Section 4.02. Severability.** If any provision of this Bond Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect

any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

**Section 4.03. Immunity of Officers.** No recourse for the payment of any part of the principal of, premium, if any, or interest on the Bonds for the satisfaction of any liability arising from, founded upon or existing by reason of the issue, purchase or ownership of the Bonds shall be had against any official, officer, member or agent of the Authority or the State, all such liability to be expressly released and waived as a condition of and as a part of the consideration for the issue, sale and purchase of the Bonds.

**Section 4.04. Prior Resolutions.** All provisions of prior resolutions, or parts thereof, in conflict with the provisions of this Bond Resolution are, to the extent of such conflicts, hereby repealed.

**Section 4.05. Effective Date.** This Bond Resolution shall be in full force and effect immediately upon its passage and approval.

**Section 4.06. Captions.** The captions or headings in this Bond Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Bond Resolution.

**Section 4.07. Validity of Bonds.** The Bonds shall contain a recital that such Bonds are issued pursuant to the Act, and such recital shall be conclusive evidence of their validity and of the regularity of their issuance.

Passed and approved this 18<sup>th</sup> day of June, 2021.

[SEAL]

NEBRASKA INVESTMENT FINANCE  
AUTHORITY

By \_\_\_\_\_  
Executive Director

## AGENDA ITEM #11

**Consideration of Bond Resolution #DEV-263 authorizing the issuance of Nebraska Investment Finance Authority Clean Water State Revolving Fund Revenue Bonds, Series 2021B (the Series “2021B CWSRF Bonds”) in the aggregate principal amount of not to exceed \$2,000,000 for the purpose of providing funds to the Nebraska Department of Environment and Energy to provide loans to Nebraska municipalities and counties in connection with the Clean Water State Revolving Fund Program**

BACKGROUND:

The Nebraska Department of Environment and Energy (NDEE) 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. The size of the bonds is not expected to exceed \$2,000,000 to provide state match for the FY 2021 Grant which is expected to approximate \$8,109,000.

Due to the strength of the Clean Water State Revolving Fund Program, interest earnings from the current loan portfolio are expected to be sufficient to pay the principal and interest on the Series 2021B CWSRF Bonds, which will be privately placed on a short-term basis. Upon issuance of the bonds, funds representing prior interest earnings on the Clean Water loan portfolio will be used to purchase escrow securities (U.S. Treasuries) sufficient to pay principal and interest on the 2021B CWSRF Bonds at maturity.

Accordingly, the attached bond resolution authorizes the issuance of the 2021B CWSRF Bonds in a principal amount not to exceed \$2,000,000, maturing no later than December 31, 2022, the proceeds of which will be used by NDEE 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 thereby satisfying the state match requirements for the FY 2021 Grant.

ACTION REQUIRED:

Adoption of attached Bond Resolution #DEV-263

## **BOND RESOLUTION NO. DEV-263**

A RESOLUTION AUTHORIZING THE ISSUANCE OF CLEAN WATER STATE REVOLVING FUND BONDS, SERIES 2021B (THE “BONDS”) OF THE NEBRASKA INVESTMENT FINANCE AUTHORITY (THE “AUTHORITY”), IN A PRINCIPAL AMOUNT OF NOT TO EXCEED \$2,000,000 FOR THE PURPOSE OF PROVIDING FUNDS TO THE NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY TO PROVIDE LOANS TO NEBRASKA MUNICIPALITIES AND COUNTIES, WHICH BONDS AND THE INTEREST THEREON SHALL BE PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED TO THE PAYMENT OF THE BONDS; APPROVING AND AUTHORIZING EXECUTION OF AN INDENTURE OF TRUST, A PLEDGE AGREEMENT, A TAX REGULATORY AGREEMENT AND A PLACEMENT AGENT AGREEMENT; APPROVING AND APPOINTING THE TRUSTEE; MAKING FINDINGS AND DETERMINATIONS WITH REFERENCE TO THE BONDS; AUTHORIZING THE SALE OF THE BONDS; PROVIDING THAT THE INVALIDITY OF ANY PART OF THIS BOND RESOLUTION SHALL NOT AFFECT THE REMAINDER; INCORPORATING WITHIN THIS BOND RESOLUTION THE PROVISIONS OF SECTIONS 58-201 ET SEQ. OF THE NEBRASKA STATUTES; AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS; REPEALING ALL RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HEREWITH AND PROVIDING FOR THE DATE OF EFFECT OF THIS BOND RESOLUTION.

WHEREAS, the Nebraska Investment Finance Authority (the “Authority”) is a duly organized and existing body politic and corporate, not a state agency, but an independent instrumentality exercising essential public functions under the constitution and laws of the State of Nebraska (the “State”); and

WHEREAS, the Director of the Nebraska Department of Environment and Energy (the “NDEE”) and the Authority previously entered into a Memorandum of Understanding dated as of November 1, 2000, as supplemented and amended by Supplement No. 1 to Memorandum of Understanding, dated as of August 1, 2017 (the “Memorandum of Understanding”), between NDEE and the Authority, to define the cooperative relationship between the NDEE and the Authority to jointly administer certain provisions of the Nebraska Wastewater Treatment Facilities Construction Assistance Act, as amended, Neb. Rev. Stat. §§ 81-15,147 to 81-15,158, which act, among other things, establishes the Wastewater Treatment Facilities Construction Loan Fund; and

WHEREAS, the federal government, pursuant to the Federal Clean Water Act, 33 U.S.C. § 1251 et seq., as amended by the Water Quality Act of 1987 (collectively, the “Clean Water Act”), has provided for capitalization grants to capitalize state revolving funds for wastewater treatment projects, on the condition that each state provide appropriate matching funds for deposit into such state’s revolving fund; and

WHEREAS, for the purpose of protecting and improving the State's water quality, alleviating the problem of water pollution and promoting economic growth and development, the Authority desires to cause to be provided financing to assist municipalities and counties in providing modern and efficient sewer systems and wastewater treatment facilities; and

WHEREAS, the Authority is authorized by Neb. Rev. Stat. §§ 58-201 to 58-250, as amended (the "Act"), to issue its bonds to assist in the construction, development, rehabilitation and improvement of wastewater treatment facilities in the State, to provide for clean water to protect the health and welfare of the citizens and residents of the State and promote economic well-being; and

WHEREAS, the NDEE has requested the Authority to issue the Bonds, the proceeds of which shall be applied to satisfy the state match requirement under the Clean Water Act; and

WHEREAS, pursuant to the Pledge Agreement dated as of July 1, 2021 (the "Pledge Agreement") between NDEE and the Authority, the NDEE will provide funds (derived from investment earnings and interest paid by municipalities or counties on loans made by NDEE from the Wastewater Treatment Facilities Construction Loan Fund) to secure the payment of principal and interest on the Bonds; and

WHEREAS, the Authority has determined that it is necessary and advisable for the purpose of providing funds for the NDEE to provide loans from the Wastewater Treatment Facilities Construction Loan Fund to municipalities and counties to pay the costs of acquiring, constructing, improving, repairing, rehabilitating or extending wastewater treatment facilities and in order to meet the state match requirements of the Clean Water Act that the Authority issue Bonds; and

WHEREAS, the Bonds shall be issued pursuant to and secured by the Indenture of Trust dated as of July 1, 2021 (the "Indenture") between the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee"); and

WHEREAS, the Authority intends to sell the Bonds to an institutional purchaser (the "Purchaser") in a private placement, with Piper Sandler & Co. acting as placement agent (the "Placement Agent") pursuant to a Placement Agent Agreement between the Authority and the Placement Agent (the "Placement Agent Agreement"), and the Authority deems it necessary and advisable to proceed with the issuance, sale and delivery of the Bonds in an original aggregate principal amount of not to exceed \$2,000,000;

WHEREAS, there have been presented to the Authority on this date, the following:

- (a) a form of the Indenture setting forth the terms of the Bonds and the conditions and security for the Bonds and providing a form of the Bonds and investment letter;
- (b) a form of the Pledge Agreement;
- (c) a form of the Tax Regulatory Agreement among the Authority, the Trustee and NDEE; and

(d) a form of the Placement Agent Agreement; and

WHEREAS, it appears that each of the instruments above referred to, which are now before each of the members of the Authority, is in appropriate form and is an appropriate instrument for the purposes intended;

NOW, THEREFORE, BE IT RESOLVED by the members of the Nebraska Investment Finance Authority, as follows:

## ARTICLE I

### LEGAL AUTHORIZATION; FINDINGS

**Section 1.01. Legal Authorization.** The Authority is a body politic and corporate, not a state agency, but an independent instrumentality exercising essential public functions, existing under the Constitution and laws of the State and is authorized under the Act to issue and sell its revenue bonds in the form of one or more debt instruments such as the Bonds for the purpose, in the manner and upon the terms and conditions set forth in the Act, in this Bond Resolution and in the Indenture.

**Section 1.02. Findings.** The Authority has heretofore determined, and does hereby determine, as follows:

(a) The issuance of the Bonds will effectuate the public purposes of the Authority and carry out the purposes of the Act by, among other things, assisting in the construction, development, rehabilitation and improvement of wastewater treatment facilities in the State to be available for public purposes of the Authority and NDEE.

(b) The Bonds are limited obligations of the Authority and are payable solely out of the funds, income, revenues and receipts pledged pursuant to the Indenture and shall not be a general liability of the Authority or a charge against its general credit.

(c) The Bonds shall be payable solely and only out of the property and revenues pledged or assigned or in which a security interest is granted for such payment.

(d) The Bonds will not and shall never constitute a debt, liability or general obligation of the State of Nebraska, or any political subdivision, agency or instrumentality thereof (other than limited obligations of the Authority), nor will the faith and credit or the taxing power of the State of Nebraska, or any political subdivision be pledged to the payment of the principal of or interest on the Bonds (other than any loan payments of a political subdivision pledged by NDEE).

(e) The payment of principal and interest on the Bonds is, or upon issuance will be, funded by the amounts on deposit in certain funds and accounts under the Indenture, which amounts were provided by NDEE from investment earnings and interest paid by municipalities or counties on loans made by NDEE from the Wastewater Treatment Facilities Construction Loan Fund and investment earnings thereon, all in accordance with the terms and conditions of the Indenture.

## ARTICLE II

### **AUTHORIZATION TO EXECUTE DOCUMENTS AND ISSUE BONDS**

**Section 2.01. Approval and Authorization of Documents.** The Indenture, the Pledge Agreement, the Tax Regulatory Agreement and the Placement Agent Agreement be and the same are in all respects hereby approved, authorized, ratified and confirmed, and the Chairman and Executive Director be and they are each separately and individually hereby authorized and directed to execute and deliver, for and on behalf of the Authority, the Indenture, the Pledge Agreement, the Tax Regulatory Agreement and the Placement Agent Agreement in substantially the form and content as presented to the Authority on this date (subject to the approval of general counsel to the Authority), but with such changes, modifications, additions and deletions therein as shall to him seem necessary, desirable or appropriate, his execution thereof to constitute conclusive evidence of his approval of any and all changes, modifications, additions and deletions from the form thereof as presented to this meeting.

**Section 2.02. Authorization To Issue and Sell the Bonds.** The issuance of the Bonds in a principal amount (to be determined severally by the Chairman or the Executive Director) of not to exceed \$2,000,000 is hereby approved. The Bonds shall be in such series, bear interest at a rate (to be determined by the Chairman or the Executive Director) not to exceed a maximum coupon rate of 4.00%, bear such date, mature on a date (to be determined by the Chairman or the Executive Director) not later than December 31, 2022 and be payable at such place and in such form, carry such registration privileges, be executed in such form and contain such terms, covenants and conditions all to be as set forth in the Indenture, and as determined by the Executive Director within the parameters of this Bond Resolution. The sale of the Bonds to the Purchaser is and the same is in all respects hereby approved, authorized and confirmed, and the Chairman and Executive Director are each hereby severally authorized and directed to execute, seal and deliver, whether by manual or facsimile signature, the Bonds for and on behalf of the Authority to the Trustee for authentication pursuant to the Indenture. The Bonds shall be sold to the Purchaser for a purchase price equal to the principal amount thereof. The Authority shall pay a fee to the Placement Agent (from funds provided by NDEE) in connection with the sale of the Bonds in an amount not to exceed 0.6% of the principal amount thereof.

**Section 2.03. Authority To Execute and Deliver Additional Documents and General Authorization.** The Chairman and Executive Director are hereby authorized to execute and deliver for and on behalf of the Authority any and all additional certificates, documents (including, but not limited to, one or more agreements with NDEE, agreements related to investment of funds and accounts under the Indenture and agreements with the Placement Agent as the Chairman or Executive Director, in consultation with bond counsel, shall consider necessary or desirable) and other papers and to perform all other acts as they may deem necessary or appropriate, in consultation with bond counsel, to implement and carry out the purposes and intent of this Bond Resolution, including the preamble hereto. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Authority hereby authorizes and directs all of the officers and employees of the Authority to perform or cause to be performed such obligations of the Authority and such other actions as they shall consider necessary or desirable in connection with or in furtherance of this Bond Resolution and the transactions contemplated by the documents

and agreements identified in this Bond Resolution. The execution and delivery by any such officer of the Authority of any of such documents, instruments or certifications, or the performance of any act in connection with any of the matters which are the subject of this Bond Resolution, shall constitute conclusive evidence of the approval thereof of such officer and the Authority and shall conclusively establish such officer's absolute, unconditional and irrevocable authority with respect thereto from the Authority and the approval and ratification by the Authority of the documents, instruments and certifications so executed and the action so taken.

**Section 2.04. Designation of Trustee.** The appointment and designation of Wells Fargo Bank, National Association, as Trustee for the Bonds under the Indenture is hereby ratified and confirmed in every respect.

**Section 2.05. Terms of the Indenture.** As provided in Section 58-257 of the Act, any resolution authorizing the issuance of bonds may contain provisions as described in such section which shall be a part of the contract with the holders of the bonds. Such provisions, to the extent included in the Indenture as executed by the Authority, are hereby incorporated into this Bond Resolution as if set forth herein.

**Section 2.06. Ratification of Prior Actions.** All actions heretofore taken with respect to the Bonds and matters incident thereto by the officers of the Authority be and the same are hereby in all respects adopted, ratified, approved and confirmed.

## **ARTICLE III**

### **SUPPLEMENTAL RESOLUTIONS**

The Authority may, subject to the terms and conditions of the Indenture, pass and execute resolutions supplemental to this Bond Resolution which shall not be inconsistent with the terms and provisions hereof.

## **ARTICLE IV**

### **MISCELLANEOUS**

**Section 4.01. Limitation of Rights.** With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Bond Resolution or the Bonds is intended or shall be construed to give to any person, other than the Authority and the Trustee, any legal or equitable right, remedy or claim under or with respect to this Bond Resolution or any covenants, conditions and provisions herein contained; this Bond Resolution and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Authority and the Trustee as herein provided.

**Section 4.02. Severability.** If any provision of this Bond Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

**Section 4.03. Immunity of Officers.** No recourse for the payment of any part of the principal of, premium, if any, or interest on the Bonds for the satisfaction of any liability arising

from, founded upon or existing by reason of the issue, purchase or ownership of the Bonds shall be had against any official, officer, member or agent of the Authority or the State, all such liability to be expressly released and waived as a condition of and as a part of the consideration for the issue, sale and purchase of the Bonds.

**Section 4.04. Prior Resolutions.** All provisions of prior resolutions, or parts thereof, in conflict with the provisions of this Bond Resolution are, to the extent of such conflicts, hereby repealed.

**Section 4.05. Effective Date.** This Bond Resolution shall be in full force and effect immediately upon its passage and approval.

**Section 4.06. Captions.** The captions or headings in this Bond Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Bond Resolution.

**Section 4.07. Validity of Bonds.** The Bonds shall contain a recital that such Bonds are issued pursuant to the Act, and such recital shall be conclusive evidence of their validity and of the regularity of their issuance.

Passed and approved this 18<sup>th</sup> day of June, 2021.

[SEAL]

NEBRASKA INVESTMENT FINANCE  
AUTHORITY

By \_\_\_\_\_  
Executive Director