

NEBRASKA INVESTMENT FINANCE AUTHORITY
BOARD OF DIRECTORS MEETING

NIFA's Conference Room
1230 O Street, Suite 200, Lincoln, NE

Minutes of Friday, March 22, 2024

Notice Published: March 17, 2024 – Omaha World Herald
March 17, 2024 – Lincoln Journal Star
[Affidavits Attached]

Open Meetings Act:

Copies of the Open Meetings Act are located on the table at the entrance to the meeting room and posted against the wall and are online at:

<https://www.nifa.org/about/board-of-directors>

All votes taken by roll call of the members.

Board Members Present: K.C. Belitz
George Achola
Warren Arganbright
Susan Bredthauer
Herb Freeman
Galen Frenzen
Ellen Hung
Sherry Vinton
Colten Zamrzla

NIFA Staff Present: Shannon Harner, Executive Director and Board Secretary
Amy Krutz, Executive Assistant and Board Clerk
Christie Weston, Deputy Director of Finance and Administration
Robin Ambroz, Deputy Director of Programs and Marketing
Jody Cook, Controller
Sara Tichota, LIHTC Allocation Manager
John Turner, Partner and Program Development Manager
Kelly Schultze, LIHTC Compliance Manager

Eileen Chalupa, Marketing Manager
Tammy Burd, LIHTC Compliance Assistant Manager
Liz Woods, ERA Specialist
Cassandra Stark, LIHTC Allocation Coordinator

Guests Present:

Patti Peterson, Kutak Rock LLP
Jeff Gertz, JP Morgan
Ben Myer, Kutak Rock LLP
Erika Lynch, Kutak Rock LLP
Mike Rogers, Gilmore & Bell, P.C.
Carly Davis, Hoppe Development
Lindsay Limbach, Ice Miller
Drew Sora, White Lotus Group

1. Call Meeting to Order and Roll Call

Chair Belitz called the meeting to order at 9:02 a.m. with 9 members present. Belitz reported that copies of the Open Meetings Act were posted against the wall and located on the table at the back of the room. Notice of the meeting was published on Sunday, March 17, 2024 in the Omaha World Herald and Lincoln Journal Star. Affidavits of the publication are attached.

2. Public Comment Related to the March 22, 2024 Agenda Items (comment period limited to five minutes)

Chair Belitz asked if anyone wished to comment on any of the agenda items and directed that they come forward and state their name for the record. No individuals came forward.

3. Consent Agenda

- a. January 19, 2024 NIFA Board of Director Meeting Minutes
- b. January 24, 2024 NIFA Board of Directors Meeting Minutes
- c. Executive Director's Report
- d. Report on Homeownership Program
- e. Report on Agriculture Loan Program, Including Loans in Process
 - Borrower: Brian and Olivia Bayer
 - Purpose: Purchase of approximately 76 acres of farm real estate located the E ½, SW ¼, Section 3-13-7, Saunders County, Nebraska

- Purchase Price: \$832,000
 - NIFA Bond Amount: \$416,000
 - Interest Rate: 6.72% variable (Lender's normal rate: 8.15% variable)
 - Bond Purchaser: First State Bank Nebraska – Hallam, Nebraska
- f. Report on Homeowner Assistance Fund
 - g. Report on Nebraska Emergency Rental Assistance
 - h. Report on Community Engagement Activities
 - i. Report on Marketing Department Activities
 - j. Report on Collaborative Resource Allocation of Nebraska (CRANE)
 - k. Private Activity Bond Cap Summary

Board Member Arganbright requested to pull the minutes from the Consent Agenda to be voted on separately. Moved by Achola, seconded by Vinton to accept the reports on the Consent Agenda, items C-K.

Via roll call, the following votes were recorded:

Voting AYE: Achola, Arganbright, Belitz, Bredthauer, Freeman, Frenzen, Hung
Vinton, Zamrzla

The motion passed unanimously.

Moved by Achola, seconded by Zamrzla to approve the minutes on the Consent Agenda, items A-B.

Via roll call, the following votes were recorded:

Voting AYE: Achola, Belitz, Bredthauer, Freeman, Hung Vinton, Zamrzla
Abstaining: Arganbright, Frenzen

The motion passed.

Action Items

Programs Committee

- 4. Consideration of a Motion to Adopt Resolution No. 478 Establishing and Allocating Funds from the Nebraska Opportunity Fund (NOF) in the Amount of \$5,000,000 to the NIFA Multi-Family Lending Pilot Program Account for the Multi-Family Lending Pilot Program for the Purpose of Making Loans to Owners of 9% Federal Low-Income Housing Tax Credit Projects for the Financing of Multi-Family Rental Housing for Occupancy by Persons and Families of Low and Moderate Income**

David Young briefed the Board on the proposed NIFA Multi-Family Lending Pilot Program. Based on maximum loan size, this program is expected to serve mainly rural developers, in line with the goals of the Board to provide additional resources in that area. Moved by Achola, seconded by Bredthauer to adopt Resolution No. 478.

Via roll call, the following votes were recorded:

Voting AYE: Achola, Arganbright, Belitz, Bredthauer, Freeman, Frenzen, Hung Vinton, Zamrzla

The motion passed unanimously.

5. Consideration of a Motion to Adopt Board Resolution No. 479 with Respect to Authorizing the Execution and Filing of Applications with Respect to Requesting Federal Funding Available Pursuant to the Housing Counseling Program Homeownership Initiative, to be used in Connection with Housing Counseling Services for Prospective Homebuyers

Director Harner informed the Board that, after further review by staff, NIFA does not intend to make application for the program and thus the motion does not need further consideration. NIFA remains committed to pursuing similar federal funding opportunities.

6. Review and Consideration of Adoption of Limited Purpose Intent Resolutions for the Issuance of Nebraska Investment Finance Authority Multifamily Housing Revenue Bonds in an Aggregate Principal Amount not to Exceed \$78,000,000 to Finance Multifamily Rental Housing Projects

7. Consideration of a Motion to Approve Conditional Allocations of Private Activity Volume Cap in an Amount not to Initially Exceed \$100,000,000 (Unless Otherwise Approved by the Executive Director) for the Issuance of Bonds in Conjunction with 4% 2024 Low-Income Housing Tax Credits (LIHTC) and Affordable Housing Tax Credits (AHTC)

Tax Credit Allocation Manager, Sara Tichota, presented agenda items 6 and 7 together. Tichota provided an overview of the QAP scoring process and the recommended projects, as well as read the names of the developers involved in each project.

Tichota led a discussion on the impact of the last QAP changes, presenting the ways in which the recommended projects are in line with the Board's strategic objectives. Tichota highlighted the importance of the LIHTC Compliance department in working with projects to maintain supportive services and the physical condition of the properties. The Board also discussed potential legislation on property valuation projected to impact NIFA's programs.

MOTION

Approval of the allocations of 2024 Private Activity Volume Cap, subject to the conditions set forth in this Motion, including that such allocations shall expire on December 20, 2024, at 5:00 p.m. (Central Time), not to exceed initial applicable Allocation Amounts set forth below for the following multifamily rental housing developments:

Allocation: 24-30-002 – Multifamily Housing Bonds (**Bridgeport Apartments**, 1431/1515 Hilltop Road, Lincoln, NE)

NIFA Project #: 67223

Issuer: NIFA

Allocation Amount: Up to \$18,000,000

Allocation Classification: Non-Statewide Housing

Project: Acquisition and Rehabilitation; 4% LIHTC only; 182 dwelling units

Project Applicant/Borrower: Hoppe & Son, LLC; Bridgeport Hilltop Road NE Owner, LP; Bridgeport Hilltop Road NE GP, LLC; and April Housing, a Blackstone Real Estate Trust, Inc. portfolio company

Allocation: 24-30-003 – Multifamily Housing Bonds (**CT Redevelopment**, 1000 S 13th Street, Lincoln, NE)

NIFA Project #: 67224

Issuer: City of Lincoln

Allocation Amount: Up to \$22,000,000

Allocation Classification: Non-Statewide Housing

Project: New Construction; 4% LIHTC; 125 dwelling units

Project Applicant/Borrower: Hoppe & Son, LLC; CT Redevelopment, LP; and CT Redevelopment GP

Allocation: 24-30-004 – Multifamily Housing Bonds (**Tallgrass Bond**, located at approximately 6901 Capehart, Papillion, NE)

NIFA Project #: 67225

Issuer: NIFA

Allocation Amount: Up to \$18,000,000

Allocation Classification: Non-Statewide Housing

Project: New Construction; 4% LIHTC and Nebraska AHTC; 130 dwelling units

Project Applicant/Borrower: Hoppe & Son, LLC; Tallgrass Bond, LP; and Tallgrass Bond GP, LLC

Allocation: 24-30-005 – Multifamily Housing Bonds (**Waterbrook Apartments**, 3101/3165 N Hill Road, Lincoln, NE)

NIFA Project #: 67226

Issuer: NIFA

Allocation Amount: Up to \$24,000,000

Allocation Classification: Non-Statewide Housing
Project: Acquisition/Rehabilitation; 4% LIHTC only; 246 dwelling units
Project Applicant/Borrower: Hoppe & Son, LLC; Bridgeport Hilltop Road NE Owner, LP; Bridgeport Hilltop Road NE GP, LLC; and April Housing, a Blackstone Real Estate Trust, Inc. portfolio company

Allocation: 24-30-006 – Multifamily Housing Bonds (**Southside Terrace Phase 2**, 5701 South 30th, Omaha, NE)
NIFA Project #: 67229
Issuer: NIFA
Allocation Amount: Up to \$18,000,000
Allocation Classification: Non-Statewide Housing
Project: New Construction; 4% LIHTC and Nebraska AHTC; 76 dwelling units
Project Applicant/Borrower: SST Phase 2 LIHTC, LLC; Brinshore TL, LLC; River City Housing Connections, Inc., d/b/a River City Housing; Southside Redevelopment Corporation, d/b/a Canopy South; SST Phase 2 LIHTC Manager, LLC and Brinshore Development, LLC

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:

Conditions: No later than April 22, 2024, the applicant must submit to NIFA the following:

- (i) the Volume Cap Application specifying the amount of the requested Volume Cap Allocation Amount (not to exceed the amount set forth above) and applicable fees along with a completed NIFA Project Summary, templates of which will be available in your Engage Workspace;
- (ii) an acknowledgement that the allocation will expire at 5:00 p.m. Central Time on December 20, 2024; and
- (iii) a detailed timeline for the bond issuance.

Moved by Arganbright, seconded by Zamrzla to adopt the Limited Purpose Intent Resolutions and to approve Conditional Allocations of Private Activity Volume Cap for the Issuance of Bonds in Conjunction with 4% 2024 LIHTC and AHTC.

Via roll call, the following votes were recorded:
Voting AYE: Achola, Arganbright, Belitz, Bredthauer, Freeman, Frenzen, Hung
Vinton, Zamrzla
The motion passed unanimously.

Multifamily Finance

8. **Ratification of Public Hearing held Thursday, March 21st, 2024 at 9:30 a.m. for the Following Projects:**

**Multifamily Housing Revenue Bonds
(18Howard Apartments) Series 2024**

**Multifamily Housing Revenue Bonds
(Southside Terrace Phase I) Series 2024**

9. **Review and Consideration of Adoption of Bond Resolution No. MF-212 Authorizing the Issuance of Nebraska Investment Finance Authority Multifamily Housing Revenue Bonds (18Howard Apartments), Series 2024 in an Aggregate Principal Amount not to Exceed \$20,000,000, in Connection with the Construction of an Approximate 120-Unit Multifamily Housing Development to be Located in Omaha, Nebraska**
10. **Review and Consideration of Adoption of Bond Resolution No. MF-218 Authorizing the Issuance of Nebraska Investment Finance Authority Multifamily Housing Revenue Bonds (Southside Terrace Phase I), Series 2024 in an Aggregate Principal Amount not to Exceed \$13,000,000, in Connection with the Construction of an Approximate 68-Unit Multifamily Housing Development to be Located in Omaha, Nebraska**

Agenda Items 8, 9, and 10 were considered together. Jody Cook briefed the Board on the public hearings held and the bond resolutions. Moved by Achola, seconded by Arganbright to ratify the public hearing held Thursday, March 21, 2024 and to adopt Bond Resolutions No. MF-212 and MF-218.

Via roll call, the following votes were recorded:

Voting AYE: Achola, Arganbright, Belitz, Bredthauer, Freeman, Frenzen, Hung
Vinton, Zamrzla

The motion passed unanimously.

Governance Committee

11. **Consideration of a Motion to Approve NIFA's Re-forecasted Operating Fund and NOF Budgets for the Fiscal Year Ending June 30, 2024**

Christie Weston presented an overview of the year-to-date Operating Fund budget report and proposed budget adjustments based on a reforecast for the remainder of fiscal year 2024.

Board Member Achola left at 9:50 am.

Moved by Frenzen, seconded by Hung to approve NIFA's Re-forecasted Operating Fund and NOF Budgets for the Fiscal Year Ending June 30, 2024.

Via roll call, the following votes were recorded:

Voting AYE: Arganbright, Belitz, Bredthauer, Freeman, Frenzen, Hung Vinton, Zamrzla

Absent: Achola

The motion passed unanimously.

Other Action Items

12. Ratification of Public Hearing held February 5th, 2024 at 1:30 p.m. for the Following Project:

Colorado Health Facilities Authority Revenue Bonds (CommonSpirit Health Project) Series 2024

Chair Belitz left at 9:52 am; Vice-Chair Arganbright began leading the meeting. Board Member Achola returned at 9:53 am.

Weston reported on the CommonSpirit public hearing held February 5th and provided information about the project. Moved by Achola, seconded by Zamrzla to ratify the public hearing held Monday, February 5, 2024.

Via roll call, the following votes were recorded:

Voting AYE: Achola, Arganbright, Bredthauer, Freeman, Frenzen, Hung Vinton, Zamrzla

Absent: Belitz

The motion passed unanimously.

13. Consideration of a Motion to Adopt Resolution No. 480 Authorizing the Authority to Amend the Employee's Money Purchase Plan and Trust and the Deferred

Compensation Plan and to Approve and Adopt the Charter of the Nebraska Investment Finance Authority Retirement Plans Committee and Appoint Standing Committee Members

Cook briefed the Board on the proposed amendments to the NIFA Retirement Plans (“Plans”) and the new charter of the Retirement Plans Committee. Moved by Achola, seconded by Frenzen to adopt Resolution No. 480, including the amendment of the Plans, adoption of the Committee Charter, and appointment of standing committee members.

Via roll call, the following votes were recorded:

Voting AYE: Achola, Arganbright, Bredthauer, Freeman, Frenzen, Hung Vinton, Zamrzla

Absent: Belitz

The motion passed unanimously.

14. Consideration of a Motion to Adopt Resolution No. 481 Authorizing the Authority to Adopt Additional Resolutions and to Execute Documents, Including the Master Transaction Agreement, In Connection with One or More Warehouse Financings with the Federal Home Loan Bank of Topeka to Provide Interim Financing for Single Family Mortgage Loans and Mortgage-Backed Securities to be Ultimately Financed with the Proceeds of the Authority’s Single Family Housing Revenue Bonds

Cook reported to the Board that after signing new documents in October 2023 with the Federal Home Loan Bank of Topeka (“FHLB”) in connection with our warehouse financing arrangement, FHLB has consolidated the various documents into a single Master Transaction Agreement requiring execution by NIFA. Moved by Achola, seconded by Hung to adopt Resolution No. 481.

Via roll call, the following votes were recorded:

Voting AYE: Achola, Arganbright, Bredthauer, Freeman, Frenzen, Hung Vinton, Zamrzla

Absent: Belitz

The motion passed unanimously.

Strategic Topic

15. NIFA Strategic Objectives and Fiscal Year 2024 WIGs

Director Harner presented an overview of NIFA's strategic objectives and provided an update on the FY2024 Wildly Important Goals (WIGs). Department chairs were available to provide additional information and answer questions.

Chair Belitz returned at 10:56 a.m. and resumed his duties as Chair.

Director Harner encouraged the Board to weigh in on which Strategic Objectives and indicators to prioritize as planning for FY2025 staff goals begins. Relating to goals in the Tax Credit Allocation department, Achola inquired about NIFA's strategies to engage individuals and developers not currently involved in NIFA programs. Tax Credit Allocation Manager Tichota provided the current approach contemplated by staff. Arganbright and Frenzen expressed interest in seeing NIFA focus on Agricultural initiatives in FY2025. NIFA plans to explore opportunities to partner with the Department of Agriculture in the coming year.

NIFA Highlights – 15 minutes

16. Update on the Bond Market

Jeff Gertz, J.P. Morgan, reported on NIFA's latest bond deal and the forecast for the upcoming deal in April. Gertz answered Board Members' questions regarding NIFA and J.P. Morgan's policies and procedures for managing market volatility vis-a-vis projected Federal Reserve movements and the strength and attractiveness of NIFA bonds relative to the market.

17. Announcements and Discussion of Upcoming Events

a. 2024 Innovation Expo

NIFA's newest staff members, Liz Woods (ERA Specialist) and Cassandra Stark (Allocation Coordinator), were introduced to the Board. Director Harner presented the just released 2023 Annual NIFA Impact Report. Harner also reminded the Board of the upcoming 2024 Lender Training, Compliance Training, and Innovation Expo, to be held April 15th to 17th.

18. Adjourn

Moved by Frenzen, seconded by Zamrzla to adjourn at 11:35 a.m.

Respectfully submitted,



Shannon R. Harner
Executive Director and Board Secretary

