

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

**OMAHA MARRIOTT
Room – Salon D
10220 Regency Circle
Omaha, Nebraska**

MINUTES OF FRIDAY, JANUARY 26, 2009 @ 1:30 P.M.

**Notice Published: January 18, 2009 – *Omaha World Herald*
January 18, 2009 - *Lincoln Journal Star***

Open Meetings Act - A copy of the Open Meetings Act was located on the table as you enter the room.

NIFA BOARD MEMBERS PRESENT

Board Members Present: Richard Baier, John Blazek, David Bomberger, Marlin Brabec, Pete Graff, Ginger Langemeier, Michael Maroney, and Mary Jo McClurg

Board Members Absent: Carl Brasee

NIFA Staff Present: Executive Director and Board Secretary Tim Kenny, Clerk Karon Andretti, Deputy Director of Finance Christie Weston, Deputy Director of Programs Ted Simpson, Chief Operating Officer Steve Clements, Treasurer Judy Krasomil, Ag Manager Dudley Beyer, LIHTC and CRANE Manager Robin Ambroz-Hollman and Deputy Director of Community Investment Steve Peregrine

Guests: Jeff Gertz, Bruce Lefler, Leo Graff, Paula Rhian, Tamara Westbrook and Patti Peterson

1. Call Meeting to Order and Roll Call

Chair Richard Baier called the meeting to order at 1:30 p.m. with eight members present. Richard stated that a copy of the Open Meetings Act was located on the table as persons entered the room. Karon Andretti reported that notice of the meeting was published on Sunday, January 18, 2009 in the *Omaha World Herald* and in the *Lincoln Journal Star*. Karon also noted that the agenda had been amended on Thursday, January 22, 2009 at 1:00 p.m. by adding Agenda Item 10a.

2. Approval of the December 12, 2008 NIFA Board of Directors Meeting Minutes

Moved by Bomberger, seconded by Graff to approve the December 12, 2008 NIFA Board of Directors Meeting Minutes. Motion carried unanimously.

3. Executive Director's Report

Tim Kenny reported that he and Michael Maroney had met with Senator Johanns to discuss the upcoming housing legislation and the Low Income Housing Tax Credit Program income limits in non metro areas of the state. Tim extended an invitation to the board to attend the Nebraska Development Council Meeting and the Nebraska Housing Homeless Annual Meeting immediately following the NIFA Board Meeting.

4. Public Comment related to the January 26, 2009 Agenda Items (comment period limit to five minutes)

Richard Baier asked if anyone wished to comment on any of the agenda items and directed that they come forward and state their name and address for the record. No one came forward to comment on any of the agenda items.

AGRICULTURAL FINANCE DIVISION

5. **Ratification of the Public Hearing held Friday, January 23, 2009, at 9:30 a.m. for the following project:** Moved by Graff, seconded by Bomberger to ratify the Public Hearing held Friday, January 23, 2009, at 9:30 a.m. for the following project. Karon Andretti reported no one attended the public hearing. Motion carried unanimously.

#1277 – Daniel and Trisha Bruntz

6. **Adoption of State Bond Allocation**

Moved by McClurg, seconded by Bomberger to adopt the following State Bond Allocation. Motion carried unanimously.

Allocation: 09-30-002 – Daniel and Trisha Bruntz

Issuer: NIFA

Allocation Amount: \$225,000

Allocation Classification: Industrial Revenue

7. **Adoption of Agricultural Finance Division Bond Resolution**

Moved by Bomberger, seconded by Blazek to adopt the following Agricultural Finance Division Bond Resolution. Motion carried unanimously.

Bond Resolution #1277 – Daniel and Trisha Bruntz in the amount of \$225,000 for the purchase of 80 acres of farm real estate, including a new center pivot irrigation system, diesel power unit, pipeline and fittings, located in Adams County, Nebraska.

OUTREACH

8. **Report from the Outreach Department**

Ted Simpson gave an overview of the agenda for NIFA's Housing Innovation Marketplace Conference being held at the Marriott Regency on January 27 and 28, 2009. Ted reported the 2009 Profile of Nebraska prepared by Robert Gaudin, Western Economic Services, would be released at the housing conference on flash drives. Ted distributed a copy to the board members. Steve Peregrine gave an update on the foreclosure mitigation counseling. NIFA was approved for a 6 month extension until June 30, 2009 for counseling under the NFMC grant. NIFA was awarded \$233,390 in Round 2 funding to serve an additional 475 clients during 2009 and into at least the first half of 2010. A match was required for the grant which was met with \$45,000 in grants that the Nebraska Department of Banking and Finance awarded for counseling outreach efforts. NIFA added Credit Advisors Foundation, a nonprofit based in Omaha, as a new sub-grantee.

9. **Consideration of Adoption of Board Resolution No. 314 with respect to the Establishment of a Microenterprise Loan Loss Reserve Fund and Provision of Funds for Technical Assistance in connection therewith for Collateral Guarantee Fund, Inc.**

Tim Kenny reported that pursuant to the NIFA Act, NIFA may guaranty all or part of loans to microenterprises (as defined in the Act) and establish and fund any such fund or account as it deems appropriate in connection with such guaranty. Loans to microenterprises are usually referred to as "high touch" lending, involving a lending relationship which includes counseling and mentoring as part of the loan program. This type of loan is generally not available at commercial banks due to the smaller size of the average micro loan and the size of the microenterprise. On August 15, 2008, the Board adopted Board Resolution No. 303, enacting Program Eligibility Guidelines with respect to the establishment of loan loss reserve funds in connection with loans to microenterprises. Tim stated that NIFA staff has received a request from Collateral Guarantee Fund Inc. ("CGF") for a grant in the amount of \$125,000 to be used to establish a loan loss reserve fund for microenterprise loans to be made by CGF for business expansion in four "development opportunity areas" designated in the North Omaha Development Project which include the 24th Street Corridor, 30th and Ames, Adams Park and 16th and Cuming West, all located in Omaha. In addition, CGF has requested \$75,000 over the next three years to be used to provide technical assistance in connection with CGF's microenterprise loan

program. The funds to be approved by NIFA for the grant and technical assistance shall be matched by CGF 2 to 1. Tim introduced Dick Davis, Davis Company, and asked him to give a brief background on this fund and how this fund will benefit North Omaha. Dick reported the Principals of CGF are as follows:

Directors: Carol Woods-Harris
Richard Schenck
Fred Conley
Officers: President, Tamara Westbrook
Vice President, Shaynel Williams (Davis)
Secretary/Treasurer, Lisa L. Laday-Davis.

Moved by Maroney, seconded by Graff to adopt Board Resolution No. 314. Motion carried with Graff voting yes, Langemeier voting yes, Maroney voting yes, McClurg voting yes, Baier abstaining due to possible conflict with the security bond program, Blazek voting yes, Bomberger voting yes and Brabec voting yes.

SINGLE FAMILY HOUSING FINANCE DIVISION

10. Status Report on Single Family Program and Market Developments

Judy Krasomil reported the par rates on non-NIFA loans are averaging 5.50% to 5.80%. Jeff Gertz gave an update on the national bond market.

10a. Ratification of the Public Hearing held Monday, December 15, 2009 for the following:

Moved by Blazek, seconded by Bomberger to ratify the Public Hearing held Monday, December 15, 2009 for the following. Motion carried unanimously.

Single Family Program - \$500,000,000

11. Review and Consideration for Approval of Modification to NIFA Budget for Fiscal Year 2009 and Fiscal Year 2010

Tim Kenny reported due to the recent turmoil in the markets, it has become more important than ever to be able to analyze the impact of certain market events and conditions on NIFA's financial position on a real time basis so that management can react quickly and with full knowledge of the consequences. Several Housing Finance Agencies are utilizing sophisticated modeling systems and services such as those provided by cfX Incorporated. To that end, NIFA staff has met with cfX Incorporated which has extensive expert data base systems in place to do such analysis with NIFA data. NIFA staff is recommending an amendment to the budget of \$550,000 per year for the fiscal years ending June 30, 2009 and June 30, 2010 to facilitate the utilization of the cfX Incorporated expert systems for the purpose of analysis and management of the NIFA bond indentures and financial position. Judy Krasomil gave an overview of the type of reporting and analysis cfX Incorporated would be engaged to provide to NIFA. The Board requested that staff keep the Board informed on the benefits and cost savings of having this pertinent information. Moved by Graff, seconded by Bomberger to approve modifying the NIFA Budget for Fiscal Year 2009 and Fiscal Year 2010 to include \$550,000 per year to engage cfX Incorporated. Motion carried unanimously.

OTHER BUSINESS/ANNOUNCEMENTS

12. Announcements and Discussion of Upcoming Events and Scheduling

NCSHA Legislative Conference - scheduled for March 2-4, 2009 in Washington, DC.

NIFA Board Meetings – The next board meeting is scheduled for February 27, 2009 at the NIFA Board Room. The NIFA Board Meeting and Retreat is scheduled for March 26 and 27, 2009 at the Lied Conference Center in Nebraska City.

Executive Director's Evaluation – All board members were given a copy of the Executive Directors' Evaluation form and were asked to have them returned to Richard Baier no later than February 9, 2009.

13. Adjournment

Moved by Graff, seconded by Bomberger to adjourn at 2:57 p.m. Motion carried unanimously.

Respectfully submitted,


Timothy R. Kenny
Executive Director

