

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

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

MINUTES OF FRIDAY, NOVEMBER 21, 2008 @ 1:00 P.M.

**Notice Published: November 16, 2008 – *Omaha World Herald*
November 16, 2008 - *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, David Bomberger, Marlin Brabec, Carl Brasee, Pete Graff, Ginger Langemeier (designated representative of Greg Ibach), Michael Maroney, and Mary Jo McClurg

Board Members Absent: John Blazek

NIFA Staff Present: Executive Director and Board Secretary Tim Kenny, Clerk Susan Lauver, Deputy Director of Finance Christie Weston, Deputy Director of Programs Ted Simpson, LIHTC and CRANE Manager Robin Ambroz-Hollman, Assistant Single Family Program Manager Cindy Trautman and Deputy Director of Community Investment Steve Peregrine

Guests: Cindy Koster, Mike Fallesen, Bob Peterson, Phil Lorenzen, Peter Weiss and Patti Peterson

1. Call Meeting to Order and Roll Call

Chair Richard Baier called the meeting to order at 1:04 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. Susan Lauver reported that notice of the meeting was published on Sunday, November 16, 2008 in the *Omaha World Herald* and in the *Lincoln Journal Star*.

2. Approval of the October 24, 2008 NIFA Board of Directors Meeting Minutes

Moved by Bomberger, seconded by McClurg to approve the October 24, 2008 NIFA Board of Directors Meeting Minutes. Motion carried unanimously.

3. Executive Director's Report

Tim Kenny shared a PowerPoint on "The Economy and Housing", presented by David Crowe of the National Association of Homebuilders to the Lincoln Housing Forum this month.

4. Public Comment related to the October 24, 2008 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.

DEVELOPMENT FINANCE DIVISION

5. Technical Assistance for Economic Development Activities

A discussion was held regarding a request for NIFA funds to provide technical assistance in connection with certain economic development activities, specifically for venture capital programs and "angel investing", to stimulate and support small businesses in Nebraska. Richard Baier indicated that a proposal will be presented to the board at the next meeting.

LOW INCOME HOUSING TAX CREDITS

6. Ratification of the Public Hearing held Monday, November 10, 2008 at 10:00 a.m. for the following:

2008 and 2009 Low Income Housing Tax Credit Qualified Allocation Plan (QAP) Amendments
Moved by Graff, seconded by Brabec, to ratify public hearing held Monday, November 10, 2008 at 10:00 a.m. for the 2008 and 2009 Low Income Housing Tax Credit Qualified Allocation Plan Amendments. Motion carried unanimously.

7. Report from the Programs Committee

Tim Kenny reported the Programs Committee, consisting of Mary Jo McClurg and Pete Graff (sitting in for John Blazek) met to discuss the amendments to the 2008 and 2009 Low Income Housing Tax Credit Qualified Allocation Plans resulting from the passage of the Emergency Economic Stabilization Act of 2008 (H.R. 1424). Robin Ambroz-Hollman reported a Public Hearing was held November 10, 2008 and gave a brief overview of the amendments. All comments received at the Public Hearing and the written comments were considered in developing the final draft of the Amendments to the 2008 and 2009 Low Income Housing Tax Credit Qualified Allocation Plans. Robin reported that approximately \$7 million in requests were received by the application deadline of November 14, 2008 for Round Three. Tim Kenny indicated that notification from the IRS of the amount of additional tax credits for the Midwestern Disaster Areas is expected later this month.

8. Consideration and Approval of the Amended 2008 and 2009 Low Income Housing Tax Credit Qualified Allocation Plans

The following motion was made by McClurg and seconded by Bomberger. Motion carried unanimously.

Whereas the Nebraska Investment Finance Authority held a Public Hearing on November 10, 2008, regarding the amendments to the 2008 and 2009 Low Income Housing Tax Credit Qualified Allocation Plans as a result of the passage of the Emergency Economic Stabilization Act of 2008 (H.R. 1424), and;

Whereas the Nebraska Investment Finance Authority has completed the review of the amendments to the 2008 and 2009 Low Income Housing Tax Credit Qualified Allocation Plans, and;

Whereas said review was conducted pursuant to Section 42 of the Internal Revenue Code;

Be it resolved that, contingent upon the receipt of sufficient additional 2008 and 2009 Tax Credits under the Emergency Economic Stabilization Act of 2008 (H.R. 1424) for the Midwestern Disaster Area, the NIFA Board of Directors hereby approves the amendments made to the 2008 and 2009 Low Income Housing Tax Credit Qualified Allocation Plans, and authorizes its submittal to the Governor of Nebraska for final approval.

9. Consideration and Approval of 2008 Low Income Housing Tax Credit Supplemental Allocations

Robin Ambroz-Hollman reported that NIFA received 9 requests for supplemental allocations of tax credits; five exceeded a 15% increase and therefore require board approval. Robin reported that increases in construction costs and decreases in credit pricing were the primary factors in the requests for supplemental allocations. The following motion was made by Bomberger, seconded by Brabec. Motion carried with Baier voting yes, Bomberger voting yes, Brabec voting yes, Brasee voting yes, Graff voting yes, Langemeier voting yes, Maroney abstaining because of being a developer and submitting projects from time to time for consideration of tax credits, and McClurg voting yes.

Whereas , the Nebraska Investment Finance Authority has completed the review of supplemental requests for Low Income Housing Tax Credits ("Tax Credits") for projects which previously received a reservation of Tax Credits under the 2008 LIHTC Program, and;

Whereas, said review was conducted pursuant to the plan for the 2008 Low-Income Housing Tax Credit Program, as amended, then

Therefore, be it resolved that, subject to the conditions outlined below, a supplemental reservation of Tax Credits shall be granted to the following projects:

<u>Applicant</u>	<u>County</u>	<u>City</u>	<u>Amount</u>
Fontenelle Cottages Limited Partnership	Douglas	Omaha	\$ 37,894
Pedcor Investments-2005-LXXVII, L.P. (Stoneridge Apartments – Phase II)	Buffalo	Kearney	\$ 79,458
Ville de Sante III Limited Partnership	Douglas	Omaha	\$ 90,391
SSCNE, L.P. (Liberty Place)	Dakota	S. Sioux City	\$ 287,847
Help the Homeless of the Metro, LLC (Open Door Mission)	Douglas	Omaha	\$ 102,623
Total =			\$ 598,213

Conditions:

1. Amounts reserved are subject to the receipt of sufficient additional 2008 Tax Credits under the Emergency Economic Stabilization Act of 2008 (H.R. 1424) for the Midwestern Disaster Area.
2. A conditional reservation will become a final reservation upon the resolution of all outstanding questions, including financial and technical questions, to the satisfaction of the Executive Director within sixty days. Upon satisfaction of such conditions, a reservation will require no future action by this Board to become a final reservation.
3. Reservations and allocations of Tax Credits will be made pursuant to the requirements of Section 42 of the Code and are subject to the representations made in the application, the conditions imposed by the allocation plan and such other conditions as the Executive Director deems necessary in light of his review of the application within the purposes of the LIHTC Program.

10. Report on the Collaborative Resource Allocation for Nebraska (CRANE) Meeting held Wednesday, November 12, 2008

Robin Ambroz-Hollman reported on the following projects are in the CRANE process:
 The Margaret – Omaha
 Creekside Village – Lincoln
 Prime-Fallesen Development – Norfolk & Columbus

SINGLE FAMILY HOUSING FINANCE DIVISION

11. Status Report on Single Family Program and Market Developments

Cindy Trautman reported that the increases in NIFA mortgage interest rates have stopped loan production. The current NIFA government par rate is 7.84% compared to the non-NIFA market rate of 6.38% and the NIFA conventional par rate is 8.24% compared to the non-NIFA market rate of 6.38%. Peter Weiss, J.P. Morgan, gave an overview of the national bond market.

OUTREACH

12. Report from the Outreach Department

Ted Simpson gave the following report:

NCSHA Annual Conference – NIFA staff attended NCSHA's Annual Conference in Denver. NIFA was awarded the Best of HFAs – 2008 Homeownership Award (New Production) for its Outreach Partnership Program. NIFA's Housing Study Grant Program and the Outreach Partnership Program were presented at the Conference.

Advanced Outreach Partnership Program – NIFA Outreach staff has selected Dawson Area Development Corp., Southwest Nebraska Community Betterment Corp., and Hi Plains Community Development Corp. as Advanced Outreach Partnership Program participants. Board of Director training sessions were conducted for these partners.

Other Events – Steve Peregrine attended the Nebraska Community Foundation's annual banquet in McCook on November 6, 2008 and represented NIFA at the Governor's Conference on Rural Development and the 45th annual NCIP Awards Banquet in Kearney on November 14, 2008. Tim Kenny and staff attended the ribbon cutting for Greenview Estates in Omaha on October 30, 2008.

Steve Peregrine gave the board an update on foreclosure counseling efforts in Nebraska.

OTHER BUSINESS/ANNOUNCEMENTS

13. Announcements and Discussion of Upcoming Events and Scheduling

Tim Kenny reported on the following upcoming events:

December NIFA Board Meeting moved to Friday, December 12, 2008, at 1:00 p.m.

Partner Appreciation Luncheon on December 19, 2008 at the Cornhusker Marriott at 11:30 a.m.

Proposed January NIFA Board Meeting Monday, January 26, 2009 at 9:30 a.m. at the Omaha Marriott

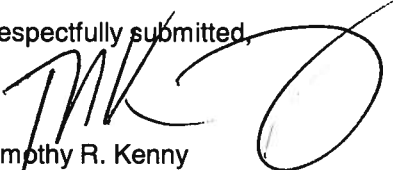
Annual Housing Conference January 27 & 28, 2009 at the Omaha Marriott

NIFA Board Retreat at Arbor Lodge in Nebraska City on March 26 & 27, 2009.

14. Adjournment

Moved by McClurg and seconded by Bomberger to adjourn at 2:39 p.m. Motion carried unanimously.

Respectfully submitted,


Timothy R. Kenny
Executive Director

