

## MINUTES

### MINNESOTA HOUSING FINANCE AGENCY BOARD MEETING

Thursday, November 18, 2010

1:00 p.m.

#### State Street Conference Room - 1<sup>st</sup> Floor

400 Sibley Street

St. Paul, MN

#### 1. Call to Order.

Chair Finch called to order the regular meeting of the Board of the Minnesota Housing Finance Agency at 1:08 p.m.

**Members Present:** Messrs. Finch, Himle and Johnson. Meses. Bostrom, Lyon, Auditor Otto.

**Members Absent:** Meses. Sanderson.

**Minnesota Housing Staff Present:** Commissioner Dan Bartholomay, Deputy Commissioner Patricia Hippe, Gene Aho, Chris Allen, Tami Bayne-K, Jeannette Blankenship, Shelley Bork, Joe Gonnella, Cal Greening, Mike Haley, Pat Hanson, Karen Hassan, Sue Haugen, Bill Kapphahn, Jessica Kaufhold, Marcia Kolb, Holli Largent, Katy Lindblad, Julie LaSota, Amy Long, Judy Marder, Carrie Marsh, Eric Mattson, Tonja Orr, John Patterson, Tony Peleska, Adaire Peterson, Tou Perrizo, Megan Ryan, Becky Schack, Kim Stuart, Anne Thomson, Will Thompson, Krista Turner, Elaine Vollbrecht, Heidi Whitney, Don Wyszynski.

**Others Present:** Melanie Lien, Piper Jaffray, Inc.; Leigh Rosenberg, Minnesota Housing Partnership; Frank Fallon, RBC; Paula Rindels, Dorsey and Whitney (by phone); Gene Slater, CSG Advisors (by phone); Tom O'Hern, Assistant Attorney General; Celeste Grant, Office of the State Auditor.

#### 2. Agenda Review.

It was noted that item 8.A.6 would be presented as the first general discussion item. Revised Board reports were distributed for items 8.A.3., 8.A.8. and 8.B.3.

#### 3. Approval of the Minutes.

##### A. Program Committee Meeting of October 28, 2010.

The program committee minutes were presented.

##### B. Regular Board Meeting of October 28, 2010.

The regular meeting minutes were approved by a unanimous voice vote with the following change: Strike Meses. Bostrom from the affirmative vote for item 10.B. – Approval, Formalization Board Committees.

#### 4. Chairman's Report.

There was no chairman's report.

**5. Commissioner's Report and Introductions.**

Anne Thomson, Multifamily, introduced Holli Largent, Administrative and Office Support Specialist. Gene Aho, Single Family, introduced Chris Allen, Community Business Representative and Cal Greening, Housing Professional – Policy Development Team.

The Commissioner congratulated Auditor Otto on her re-election, provided an update on the Energy Saver Rebate program, distributed information to Board members about the Rethinking Housing Conference and thanked the Supportive Housing Team for their pre-meeting presentation of the film “Homeless Youth: Finding Home.”

**6. Program Committee:**

None.

**7. Finance Committee:**

None.

**8. Action Items:**

**A. Summary Review:**

- 8.A.(1). Approval, Selections, Community Activity Set Aside Program (CASA).
- 8.A.(2). Approval, Program Waivers, HOME Homeowner Entry Loan Program (HELP) Program.
- 8.A.(3). Approval, Changes, Quick Start Procedural Manual.
- 8.A.(4). Approval, Commitment, Modification/Change, Housing Trust Fund (HTF) Operating Subsidy Supplemental Grants.
- 8.A.(5). Approval, Commitment/Selection, Housing Trust Fund (HTF) Rental Assistance - Metropolitan Council Housing & Redevelopment Authority (HRA); - Morrison County Housing & Redevelopment Authority (HRA).
- 8.A.(6). Approval, Commitment, Low and Moderate Income Rental (LMIR) Program, Approval, Commitment/Selection, Low and Moderate Income Rental Bridge Loan (LMIR-BL) Program and Approval, Assumption and Loan Modification, Preservation Affordable Rental Investment Fund (PARIF) Program - Dover Hill, Golden Valley.
- 8.A.(7). Approval, Commitment, Housing Trust Fund (HTF) Program, 501(c)(3) Non-Profit Housing Bonds (a) - Boxleitner Place, Minneapolis; (b) - Youngdahl Living, Owatonna.
- 8.A.(8). Approval, Commitment, Housing Trust Fund (HTF) Program, 501(c)(3) Non-Profit Housing Bonds and Approval, Assumption

**and Loan Modification, Preservation Affordable Rental Investment Fund (PARIF) Program - Redeemers Arms, St. Paul.**

**8.A.(9). Approval, Commitment, Modification/Change, Low and Moderate Income Rental (LMIR) Program Loan - Northgate Woods, Blaine.**

Ms. Susan Haugen answered questions regarding 8.A.4. and 8.A.7.b. Elaine Vollbrecht answered questions regarding 8.A.5. Auditor Otto requested that the sponsor name listed on the resolution for 8.A.7.b. be corrected to read the same as in related documents. **MOTION:** Mr. Himle motioned to approve the summary review items with the change noted above and adopt the following resolutions: Resolution No. MHFA 10-99: Resolution Extending Commitment Date Housing Trust Fund Operating Subsidy; Resolution No. MHFA 10-100: Resolution Approving Grant Amendment/Commitment Housing Trust Fund (HTF) Program; Resolution No. MHFA 10-105: Resolution Approving Mortgage Loan Commitment Housing Trust Fund (HTF) Program, 501(c)(3) Bonds - Youngdahl Living; Resolution No. MHFA 10-108: Resolution Approving Mortgage Loan Commitment Housing Trust Fund (HTF) Program, 501(c)(3) Bonds - Redeemers Arms; Resolution No. MHFA 10-109: Resolution Approving Assumption Sale Preservation Affordable Rental Investment Fund (PARIF) Program - Redeemers Arms; Resolution No. MHFA 10-110: Resolution Approving Loan Modification PARIF Program - Redeemers Arms; Resolution No. MHFA 10-111: Resolution Approving Mortgage Commitment Extension Low and Moderate Income Rental (LMIR) Program - Northgate Woods; Resolution No. MHFA 10-112: Resolution Approving Mortgage Loan Commitment Housing Trust Fund (HTF) Program, 501(c)(3) Bonds - Boxleitner Place. Mr. Johnson seconded the motion. Upon voting, the following voted yes: Messrs. Finch, Johnson, and Himle; Mses. Lyon, Bostrom and Auditor Otto. Voting No: None. Abstain: None. Absent: Mses. Sanderson.

**B. Discussion - General:**

Ms. Julie LaSota presented information and answered questions regarding 8.A.6. Ms. Bostrom moved to approve the item and adopt the following resolutions: Resolution No. MHFA 10-101: Resolution Approving Mortgage Commitment Low and Moderate Income Rental Bridge Loan (LMIR-BL) - Dover Hill; Resolution No. MHFA 10-102: Resolution Approving Mortgage Loan Commitment Loan and Moderate Income Rental (LMIR) - Dover Hill; Resolution No. MHFA 10-103: Resolution Approving Loan Modification PARIF Program - Dover Hill; Resolution No. MHFA 10-104: Resolution Approving Assumption Sale Preservation Affordable Rental Investment Fund (PARIF) Program - Dover Hill. Auditor Otto seconded the motion. Upon voting, the following voted yes: Messrs. Finch, Johnson, and Himle;

Mses. Lyon, Bostrom and Auditor Otto. Voting No: None. Abstain: None. Absent: Mses. Sanderson.

**8.B.(1.) Approval, Resolution Authorizing Issuance and Sale of Minnesota Housing Finance Agency Limited Obligation Note, Series 2010C.**

Deputy Commissioner Patricia Hippe and Ms. Paula Rindels, Dorsey & Whitney, presented information regarding the bond issue. **MOTION:** Ms. Lyon moved to approve the item and adopt Resolution No. MHFA 10-106: Resolution Authorizing Issuance and Sale of Minnesota Housing Finance Agency Limited Obligation Note, Series 2010C. Mr. Johnson seconded the motion. Upon voting, the following voted yes: Messrs. Finch, Johnson, and Himle; Mses. Lyon, Bostrom and Auditor Otto. Voting No: None. Abstain: None. Absent: Mses. Sanderson.

**8.B.(2.) Approval, Resolution Authorizing Issuance and Sale of Rental Housing Bonds 2010, Series C.**

Deputy Commissioner Patricia Hippe presented information regarding the bond issue. Mr. Gene Slater, CSG Advisors, provided information regarding the current bond market. Ms. Rindels provided details regarding the rate and term of the issuance. **MOTION:** Mr. Johnson moved to approve the item and adopt Resolution No. MHFA 10-107: Resolution Relating to Rental Housing Bonds, Authorizing the Issuance and Sale Thereof. Mr. Himle seconded the motion. Upon voting, the following voted yes: Messrs. Finch, Johnson, and Himle; Mses. Lyon, Bostrom and Auditor Otto. Voting No: None. Abstain: None. Absent: Mses. Sanderson.

**8.B.(3.) Approval, 2011-2012 Strategic Plan.**

Commissioner Dan Bartholomay presented an overview of changes to the Plan since the November meeting. Discussion followed. **MOTION:** Ms. Bostrom moved to approve the 2011-2012 Strategic Plan with the following changes: remove the listing of Board members from the publication and add the date of approval, add an action step addressing succession planning within the Organizational Capacity priority and include additional information regarding foreclosure response activities in the "Minnesota Housing by the Numbers" section. Mr. Johnson seconded the motion. Upon voting, the following voted yes: Messrs. Finch, Johnson, and Himle; Mses. Lyon and Bostrom. Voting No: None. Abstain: Auditor Otto. Absent: Mses. Sanderson.

**C. Discussion - Homes:**

**8.C.(1.) Approval, Changes, Revenue Bond Program Procedural Manual, MBS and HOME Homeownership Entry Loan Program (HOME HELP) Procedural Manual.**

Ms. Kim Stuart presented the information to the Board for approval.

**MOTION:** Ms. Bostrom moved to approve the requested changes. Mr. Johnson seconded the motion. Upon voting, the following voted yes: Messrs. Finch, Johnson, and Himle; Mses. Lyon, Bostrom and Auditor Otto. Voting No: None. Abstain: None. Absent: Mses. Sanderson.

**D. Discussion - Multifamily:**

**8.D.(1). Approval, Loan Modification, Preservation Affordable Rental Investment Fund (PARIF) Program - Apple Valley Villa, Apple Valley.**

Ms. LaSota presented the information to the Board. **MOTION:** Mr. Himle moved to approve the item and adopt Resolution No. MHFA 10-113: Resolution Approving Loan Modifications Preservation Affordable Rental Investment Fund (PARIF) Program - Apple Valley Villa. Ms. Bostrom seconded the motion. Upon voting, the following voted yes: Messrs. Finch, Johnson, and Himle; Mses. Lyon, Bostrom and Auditor Otto. Voting No: None. Abstain: None. Absent: Mses. Sanderson.

**8.D.(2). Information, Low and Moderate Income Rental Bridge Loan (LMIR-BL) Program - Lyndale Green, Minneapolis.**

Ms. Karen Hassan presented information to the Board and answered questions. Informational item; no action needed.

**9. Review and Information Items.**

**A. Information, Partner Update - Greater Minnesota Housing Fund.**

Mr. Warren Hanson, Greater Minnesota Housing Fund, presented information and answered questions from the Board regarding the history and current activities of the organization. Mr. Himle noted that Minnesota Housing has one seat on the Board of the Greater Minnesota Housing Fund and encouraged other Board members to take the opportunity to participate.

**10. Other Business.**

None.

**11. Adjournment.**

The meeting was adjourned at 2:40 p.m.