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Equal Opportunity Housing and Equal Opportunity Employment

NOTICE OF SPECIAL BOARD MEETING

Date: Wednesday, June 14, 2017

Time: 1:00 p.m.

Location: Minnesota Housing
Jelatis Conference Room
400 Sibley Street, Suite 300
St. Paul, MN 55101

Or

**Dial-in:1.888.742.5095 Code:
4014552918**

Agenda

1. Call to Order
2. Roll Call
3. Resolution authorizing issuance and sale of Minnesota Housing Finance Agency Residential Finance Housing Bonds, 2017 Series C, and authorizing execution of certain documents related thereto
4. Approval of Any Related Administrative Matters that May be Necessary
5. Adjournment

NOTE: The information and requests for approval contained in this packet of materials are being presented by Minnesota Housing staff to the Minnesota Housing Board of Directors for its consideration on Wednesday, June 14, 2017.

Items requiring approval are neither effective nor final until voted on and approved by the Minnesota Housing Board.

The Agency may conduct a meeting by telephone or other electronic means, provided the conditions of Minn. Stat. §462A.041 are met. In accordance with Minn. Stat. §462A.041, the Agency shall, to the extent practical, allow a person to monitor the meeting electronically and may require the person making a connection to pay for documented marginal costs that the Agency incurs as a result of the additional connection.

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Special Board Agenda Item: 3
Date: 6/14/2017

Item: Resolution authorizing issuance and sale of Minnesota Housing Finance Agency Residential Finance Housing Bonds, 2017 Series C, and authorizing execution of certain documents related thereto.

Staff Contact(s):

Kevin Carpenter, 651-297-4009 Terry Schwartz, 651-296-2404 Paula Rindels, 651-296-2293

Request Type:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Approval | <input type="checkbox"/> No Action Needed |
| <input checked="" type="checkbox"/> Motion | <input type="checkbox"/> Discussion |
| <input checked="" type="checkbox"/> Resolution | <input type="checkbox"/> Information |

Summary of Request:

Agency staff is preparing to issue bonds, under the Residential Housing Finance Bond (RHFB) resolution, to provide funds for the acquisition of newly originated mortgage-backed securities that funded the origination of single family mortgages. In addition, the new bond issue will refund outstanding RHFB bonds, 2007 Series QS, and 2009 Series C.

The Board will be asked to approve the issuance and sales of the 2017 Series C bonds to be issued under the attached resolution. These will be variable rate bonds, with the Federal Home Loan Bank of Des Moines as the liquidity provider and RBC as remarketing agent. The Agency expects to enter into an interest rate swap agreement with Wells Fargo to convert the variable rate payments into a fixed rate obligation.

This RHFB bond issue will also include fixed rate bonds, 2017 Series AB, to be issued under the Series bond resolution adopted by the board at its April 28, 2016 meeting. The Preliminary Official Statement describes the entire transaction. Staff anticipates pricing the transaction on June 20th, with closing scheduled for mid-July.

Fiscal Impact:

The upcoming transaction will enable the Agency to capture interest rate savings by refunding outstanding debt as well as putting assets on the balance sheet at a profitable spread such that the Agency builds the earnings power of the balance sheet into the future.

Meeting Agency Priorities:

- Address Specific and Critical Local Housing Needs
- Finance Housing Responsive to Minnesota's Changing Demographics
- Preserve Housing with Federal Project-Based Rent Assistance
- Prevent and End Homelessness
- Reduce Minnesota's Racial and Ethnicity Homeownership Disparity

Attachment(s):

- Resolution
- Preliminary Official Statement