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## FISCAL UPDATE Article

Fiscal Services Division

November 3, 2021



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### IOWA FINANCE AUTHORITY BOARD MEETING — NOVEMBER 2021

**Board Meeting.** The [Iowa Finance Authority \(IFA\)](#) Board met on November 3, 2021, and took the following actions:

**Authorizing Resolutions.** The Board approved one authorizing resolution for [Beginning Farmer Loan Program \(BFLP\)](#) bond issuances totaling \$320,000 to purchase agricultural land. The BFLP assists new farmers in acquiring agricultural property by offering loans at reduced interest rates.

**Amending Resolutions.** The Board approved four amendments for existing BFLP bond issuances for \$1.4 million to adjust interest rates for two issuances and extend the length of two issuances.

**Beginning Farmer Tax Credit Program.** The [Beginning Farmer Tax Credit \(BFTC\) Program](#) provides an Iowa State tax credit for agricultural asset owners who lease their land, equipment, and/or buildings to beginning farmers. The Board approved 20 BFTC applications totaling \$256,000.

**Private Activity Bond Program.** Through the [Private Activity Bond Program \(PABP\)](#), the IFA issues tax-exempt bonds on behalf of private entities or organizations for eligible purposes. The Board approved the following applications:

- \$8.9 million of IFA Revenue Bonds for Country Ridge Partners LLC for a 94-unit age-restricted project in Adel comprised of 70 1-bedroom units and 24 2-bedroom units.
- \$915.0 million of IFA Midwestern Disaster Area Revenue Refunding Bonds for Iowa Fertilizer Company LLC to refinance debt issued to pay costs for a greenfield nitrogen fertilizer facility in Wever.
- \$85.0 million of IFA Revenue Refunding Bonds for Wesley Retirement Services Inc., to refund or retire several outstanding bond issues and to provide funds for a multi-faceted redevelopment plan that includes amenity upgrades and a full restoration of the Chamberlain Mansion in Des Moines.
- \$220.0 million in IFA Midwestern Disaster Area Economic Development Revenue Refunding Bonds for CJ Bio America Inc. to refinance existing bonds that were issued to construct and equip a production plant in Fort Dodge.

**State Revolving Fund.** The [Department of Natural Resources \(DNR\)](#) and the IFA jointly administer the [State Revolving Fund \(SRF\)](#), which finances the design and construction of Iowa water and wastewater infrastructure. The Board approved the following loans:

- 22 SRF Planning & Design Loans totaling \$9.7 million to the following cities: Central City, Cherokee, Clarence, Crystal Lake, Danbury, Defiance, Doon, Dow City, Dubuque (3 loans), Essex, Farmington, Forest City, Lenox, Libertyville, Milo, Modale, Ricketts, Springville, Volga, and Webster City.
- 4 SRF Construction Loans totaling \$12.4 million to the following cities: Chariton, Peterson, Slater, and Thornton.

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**Financial.** The Board received financial reporting from IFA staff and approved an audited financial report for the IFA and the SRF. The Board also approved the following:

- Issuance of Single-Family Mortgage Bonds in January 2022 in an amount not to exceed \$150.0 million.
- Use of up to \$45.0 million for a revolving line-of-credit (LOC) to Idaho Housing and Finance Association, IFA's master servicer, to acquire IFA single-family mortgage loans from participating lenders with an extension of the current maturity from December 31, 2021, to March 30, 2023.

**Executive Director Report.** IFA Executive Director Debi Durham and IFA staff briefed the Board on the nonfunctional boiler system at IFA headquarters at 1963 Bell Ave. Director Durham also talked about Governor Reynolds providing a consultant to align the \$100.0 million housing [program](#) announced in September. The application process for the \$20.0 million [Downtown Housing Grant Program](#), with a deadline of January 31, 2022, was altered. The \$45.0 million [Federal Housing Tax Credit Program](#) will not be introduced until the [U.S. Department of Treasury](#) signs off on the details of the funding opportunity. Director Durham then discussed the [Iowa Rent and Utility Assistance Program](#), which has seen modest demand statewide. Polk County and IFA are working with U.S. Treasury to request additional funding for the county, which has seen greater demand. Director Durham explained to the Board that IFA will work with supportive services and services for the homeless to utilize emergency rental assistance (ERA) from the [American Rescue Plan Act \(ARPA\) of 2021](#). Director Durham and IFA staff then discussed working with the Governor's Office to utilize ARPA funding for a water quality program, and also working with the Governor's Office and U.S. Treasury to utilize ERA funding to help settle 200 Afghan families (750 to 850 refugees total) in Iowa. Director Durham then discussed the State needing 61,000 new homes by 2030, according to IFA statistics, to reach future housing demand.

**More Information.** Additional information on the November 3, 2021, IFA Board meeting can be found [here](#). The next Board meeting will be held on December 1, 2021.

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