
FISCAL UPDATE Article

Fiscal Services Division

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IOWA FINANCE AUTHORITY BOARD MEETING — DECEMBER 2021

Board Meeting. The [Iowa Finance Authority \(IFA\)](#) Board met on December 1, 2021, and took the following actions.

Authorizing Resolutions. The Board approved eight authorizing resolutions for [Beginning Farmer Loan Program \(BFLP\)](#) bond issuances totaling \$2.8 million 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 one amendment for existing BFLP bond issuances for \$214,000 to adjust interest rates for one issuance.

Loan Participation Program. The Board approved one application from the [Loan Participation Program](#) for \$200,000 to purchase land and buildings. The Program assists farmers in making down payments for the purchase of agricultural land, depreciable machinery or equipment, breeding livestock, or buildings.

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:

- \$43.0 million of IFA Multifamily Housing Revenue Bonds for Baxter Development for a 200-unit project in Council Bluffs.
- Changes to the terms and conditions of a Notes and Loan Agreement for the Bartels Lutheran Retirement Community project in Waverly that will lower interest rates.
- \$20.5 million of IFA Multifamily Housing Revenue Bonds for Windsor TWG to acquire and rehabilitate an existing facility in Ames.

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:

- 3 SRF Construction Loans totaling \$24.7 million to the following cities: Cedar Rapids, Elkhart, and Ely.

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:

- Forgiving the [HOME Program](#) loan interest for an \$800,000 loan with the payment of the principal by a new buyer for the Creston Plaza Apartments in Creston. The amount of interest forgiven is estimated at \$101,000.
- Forgiving a HOME Program loan balance of \$419,000 for the Twin Oaks Manor project for the elderly in Denmark, as the project does not have high cash flow.

Housing Programs. The Board approved the following awards:

- 27 Iowa [Emergency Solutions Grant \(ESG\)](#) program awards totaling \$2.8 million. The Program helps individuals and families experiencing a housing crisis to be quickly rehoused and stabilized.
- 35 [Shelter Assistance Fund \(SAF\)](#) program awards totaling \$2.1 million. The Program supports the costs and operations of homeless and domestic violence shelters.
- [Local Housing Trust Fund Program](#) awards totaling \$9.1 million that are estimated to assist a total of 2,128 affordable housing units across the State.

Iowa Title Guaranty Program. The Board approved a \$1.25 million transfer of excess funding from the [Iowa Title Guaranty Program](#) to assist Iowa homebuyers with down payment assistance.

Bell Campus Updates. IFA and [Iowa Economic Development Authority \(IEDA\)](#) staff discussed the construction at 1963 Bell Avenue in Des Moines that will add conservation elements to the land around the building, including storm water management enhancements and reduced mowing on the land that will save money. Energy efficiency enhancements could include more electric vehicle (EV) charging stations. IFA and IEDA are working with local stakeholders and have reached a contract with BNIM for not more than \$20,000 for site planning.

Executive Director Report. IFA Executive Director Debi Durham and IFA staff briefed the Board on the boiler system at 1963 Bell Avenue, which is operational. Director Durham then discussed the [Iowa Rent and Utility Assistance Program](#). The IFA has thus far expended more than \$73.0 million of the \$195.1 million allocation from the federal government; however, another \$30.0 million has been approved to be transferred to Polk County for a local rental assistance program. Director Durham explained that IFA may administer rental assistance for refugees through this source of funding. The [American Rescue Plan Act \(ARPA\) of 2021](#) allocated a second tranche of emergency rental assistance funding to Iowa, which has not yet been spent. Director Durham explained to the Board that, given flexibility from the federal government, the ARPA funding may be used for broader programs, such as emergency shelters and rapid rehousing for Iowans coming out of the prison system. IFA staff then briefed the Board on the [Homeowner Assistance Fund \(HAF\)](#), which saw a \$50.0 million allocation from ARPA to the State and can be used to prevent foreclosures and clearing delinquencies. IFA is expected to submit plans for the HAF funding to the [U.S. Treasury](#) for approval.

More Information. Information on the December 1, 2021, IFA Board meeting can be found [here](#). The next Board meeting will be held on January 5, 2022.

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