



**MINUTES AND MEMORANDA OF A MEETING
OF
THE BOARD OF DIRECTORS OF
INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY**

Held: August 25, 2016

A regular meeting of the Board of Directors of the Indiana Housing and Community Development Authority (“IHCDA” or “Authority”) was held August 25, 2016 at 10:00 a.m. at the JW Marriott Hotel, 10 South West Street, Rooms 309-310, Indianapolis, Indiana 46204.

The following individuals were present at the meeting: Mark Wuellner (Lieutenant Governor delegate), Mark Pascarella (Public Finance Director of the State of Indiana delegate), Kelly Mitchell (Treasurer of the State of Indiana), David Miller, Scenario Adebessin, Andy Place, Sr., Jacob Sipe (Executive Director for IHCDA), members of the staff of the Authority, and the general public. Tom McGowan was not present

Mark Wuellner served as Chair of the meeting, and upon noting the presence of a quorum, called the meeting to order. Sondra Craig served as Secretary.

I. Approval of Minutes

A. Meeting Minutes

A motion was made by Scenario Adebessin to approve the July 28, 2016 Meeting Minutes, which was seconded by Andy Place; the following Resolution was unanimously approved:

RESOLVED, the Minutes of the Board meeting held July 28, 2016 are hereby approved to be placed in the Minute Book of the Authority.

II. Community Programs

A. Relocation Funding for East Chicago West Calumet Housing Complex Residents

Chairman Wuellner recognized Donna Billiard-Wright who presented information regarding Relocation Funding for East Chicago West Calumet Housing Complex Residents.

Background

On May 24, 2016, the U.S. Environmental Protection Agency (EPA) notified the city of East Chicago of elevated lead and arsenic levels in the soil at the West Calumet Housing Complex. This complex is a U.S. Department Housing and Urban Development (HUD) public housing complex of apartments that provide housing for 332 low-income Hoosier households. On July 11, 2016, the EPA notified owners and residents of East Chicago of test results from its 2014 soil testing. In late July, the mayor of East Chicago sent letters to residents of the West Calumet Housing Complex recommending residents to temporarily relocate their households as soon as possible.

On August 3, 2016, HUD’s Midwest Regional Office and the Indianapolis Field Office contacted IHCDA requesting assistance with the relocation of 332 low-income households. IHCDA had several phone conversations with HUD and eventually met with the East Chicago Housing Authority (ECHA) and HUD representatives on August 18, 2016. HUD and ECHA are still working through the logistics of the relocation of the households but HUD has issued 332 Tenant Protection Vouchers to ECHA. On August 18, 2016, ECHA distributed 132 HUD Tenant Protection Vouchers so 1/3 of the households could begin their housing search and relocation process. These vouchers are effective September 1, 2016. HUD has notified these households that they have until November 30, 2016 to move out of the complex or they will be evicted.

On August 22, 2016, the Governor's Office received a letter from the city of East Chicago's mayor, Anthony Copeland, requesting that the state assist with moving and relocation costs of low-income households residing at the West Calumet Housing Complex that were impacted by the high lead and arsenic levels.

Process

This situation is unique in that 332 households need to relocate before November 30, 2016, and these households have been living in public housing for many years. Not only are these households impacted with moving expenses, such as boxes, tape, and moving vans, but they will also need to provide security deposits, connect utilities, work with landlords and pay application fees. Through IHCD's IndianaHousingNow.org, IHCD was able to locate 64 available units in the Lake County area. This will necessitate households to move out of the East Chicago area, so they will incur added expenses due to the distance associated with the relocation.

One of IHCD's strategic goals is to "Create and preserve housing for Indiana's most vulnerable population." To assist these households with their financial burdens related to relocating, IHCD proposes to allocate funding from the Community Services Block Grant Discretionary funds in the amount of \$50,000 and \$50,000 from IHCD's General Fund account. The Community Services Block Grant (42 U.S.C. § 9901 et seq.) funds which are administered by the U.S. Department of Health and Human Services (HHS) are designed to help low-income individuals and families alleviate the causes and conditions of poverty. Funds may be used in local communities for a variety of purposes, one of which is obtaining adequate housing.

Therefore, these funds would be directed to support relocation expenses, such as security deposits and utility deposits and connection fees, which are the type of expenses that are provided through IHCD's HUD-funded rental assistance programs. The ECHA would be directed to use these funds to support the most vulnerable populations first, which HUD has defined as the following:

1. Children under age 6;
2. Women known to be pregnant;
3. Children ages 6 to 17; and
4. Adults who work with lead.

Any of these households with confirmed blood lead levels 5 µg/dL or higher are HUD's top priority. As a reference, the West Calumet Housing Complex's 332 units are occupied by approximately 1,200 residents, including 680 children under the age of 18.

Following discussion, a motion was made by Scenario Adebessin to approve the allocation of \$50,000 in Community Services Block Grant funds and \$50,000 in IHCD general funds to the East Chicago Housing Authority to provide relocation expenses for residents of the West Calumet Housing Complex, as recommended by staff, which was seconded by Kelly Mitchell; the motion passed unanimously:

RESOLVED, that the Board approve the allocation of \$50,000 in Community Services Block Grant funds and \$50,000 in IHCD general funds to the East Chicago Housing Authority to provide relocation expenses for residents of the West Calumet Housing Complex, as recommended by staff.

III. Real Estate

A. Campaign Flats Supplemental Funding

Chairman Wuellner recognized Drew Rosenbarger who presented a recommendation regarding Campaign Flats Supplemental Funding.

Background

The Home Investment Partnerships Program (HOME) funding can be used to develop affordable housing for low to moderate income households. HOME provides funding for new construction and rehabilitation of homebuyer and rental projects. HOME funding also can be used for capacity building activities of Community Housing Development Organizations (CHDOs). CHDOs are IHCD certified not-for-profit housing organizations that meet HOME regulations related to CHDOS and are also eligible to receive HOME funds to use as an operating supplement when carrying out a HOME funded development. Developments funded with HOME funds have strict requirements on rent limits, income eligibility of tenants, housing development costs, and long-term affordability.

Project Summary

Campaign Flats is an adaptive reuse of the Army-Navy Building at 103 North Main Street in Rushville into seven units of affordable senior housing and a not-for-profit bookstore. Campaign Flats previously received a \$500,000 grant during the 2014-2015 HOME Investment Partnership Program Awards. However, due to construction bids coming in over budget, Southern Indiana Housing and Community Development Corporation (SIHCDC), a certified CHDO, is requesting an additional \$81,000 to cover costs.

SIHCDC and its consultant, Milestone Ventures, have taken a number of steps in addition to this request to make the project feasible including: value-engineering to save costs, contributing all of the developer and consulting fees to the project, securing additional tax abatement from Rushville, leveraging additional private debt, securing a foundation grant, and utilizing NAP Tax Credits for equity.

Project Name:	Campaign Flats
IHCDA Amount Requested:	\$81,000
HOME Amount Recommended:	\$81,000
Original IHCDA Per Unit Subsidy (Rehabilitation, Relocation, Program Delivery):	\$71,428.57
Final IHCDA Per Unit Subsidy (Rehabilitation, Relocation, Program Delivery):	\$83,000
Original Project Costs:	\$1,067,500
Final Project Costs:	\$1,226,479
Other Funding:	HOME Grant: \$500,000 AHP: \$500,000 Private Loan: \$90,500 Milestone Ventures Grant: \$40,693 NAP Tax Credits: \$9,286 Foundation Grant: \$5,000
Location:	103 North Main Street Rushville, Rush County
Developer:	Milestone Ventures
Activity:	Rental Rehabilitation
Award Type:	HOME Grant

Following discussion, a motion was made by Andy Place to approve awarding an additional allocation of HOME funding in the form of a grant to Southern Indiana Housing and Community Development Corporation for Campaign Flats, in an amount not to exceed \$81,000, as recommended by staff, which was seconded by Mark Pascarella; the motion passed unanimously:

RESOLVED, that the Board approve awarding an additional allocation of HOME funding in the form of a grant to Southern Indiana Housing and Community Development Corporation for Campaign Flats, in an amount not to exceed \$81,000, as recommended by staff.

B. Bond Volume/4% Credits – Fulton Square

Chairman Wuellner recognized Peter Nelson who presented a recommendation regarding Bond Volume/4% Credits – Fulton Square.

Background

IHCDA is empowered to act as the housing credit agency for the State to administer, operate, and manage the allocation of the Internal Revenue Service Section 42 low-income housing tax credit (LIHTC) program. The purpose of the LIHTC is to provide an incentive for private developers and investors to provide more affordable rental housing. This may be accomplished by new construction and rehabilitation of existing structures.

Process

On January 1, 2016, the IHCDA began the 2016A-B bond round for multi-family bond volume. The 11th application received and reviewed represented a total development cost of \$17,166,038 with \$8,900,000 in bond volume and \$615,216 in annual LIHTCs to preserve 193 units of affordable housing. The initial application also included a request for a \$500,000 loan from the Affordable Housing and Community Development Fund.

Advantix Development Corporation is proposing the rehabilitation of 193 public housing units in Evansville as part of its Rental Assistance Demonstration (RAD) program. The unit mix varies from efficiency units to 4 bedroom units, attracting individuals and families alike. The scope of work includes installing new kitchen and bathroom fixtures, energy efficient appliances and HVAC systems, new flooring, new roofing, and to repair or replace damaged sidewalks.

Fulton Square is located in the Star Neighborhood on the near North Side of Evansville. Residents will have easy access to public transportation and be located within close proximity to several amenities including a grocery store, drug store, retail, and restaurants. The nearby Cedar Hall School and onsite Boys and Girls Club provide afterschool programs.

During the round, the Real Estate Department staff reviewed the application to ensure it met the criteria set forth in the 2016-2017 Qualified Allocation Plan. Additionally, on August 8, 2016, the applicant was given an opportunity to present the development to members of the Executive Committee and the Real Estate Department.

Following discussion, a motion was made by Mark Pascarella to approve awarding \$8,900,000 in bond volume, \$615,216 in annual LIHTC, and a cash flow loan at 3% for 40 years in the amount of \$500,000 from the Affordable Housing and Community Development Fund to EHA RAD IV, LP for Fulton Square according to the terms of the 2016A-B Application Round, as recommended by staff, which was seconded by David Miller; the motion passed unanimously:

RESOLVED, that the Board approve awarding \$8,900,000 in bond volume, \$615,216 in annual LIHTC, and a cash flow loan at 3% for 40 years in the amount of \$500,000 from the Affordable Housing and Community Development Fund to EHA RAD IV, LP for Fulton Square according to the terms of the 2016A-B Application Round, as recommended by staff.

C. 2016 Community Development Block Grant Owner Occupied Rehabilitation Award Recommendations

Chairman Wuellner recognized Dani Miller who presented a recommendation regarding 2016 Community Development Block Grant Owner Occupied Rehabilitation Award Recommendations.

Background

Each year IHCDA receives an allocation of Community Development Block Grant (CDBG) funding from the Indiana Office of Community and Rural Affairs to rehabilitate affordable housing in the rural, non-entitlement areas of the State. For the 2016 CDBG program year there is \$2,835,387 in CDBG funding available to cities, towns, and counties to develop and support Owner Occupied Rehabilitation (OOR) projects.

In 2008, IHCD received CDBG Disaster (CDBG-D) funding as a result of floods throughout the State of Indiana. IHCD set aside \$23,000,000 for owner occupied rehabilitation programs. Prior to the beginning of the 2016 CDBG OOR program year, \$1,862,050 CDBG-D OOR funds remained. IHCD allocated \$1,862,050 of CDBG-D OOR funds as supplemental funding in this CDBG OOR round to eligible not-for-profit organizations and cities.

IHCD received 26 applications during this round of the 2016 CDBG program year. IHCD is recommending 20 awards for funding. Eleven awards will be funded with CDBG funds and nine awards will be funded with CDBG-D funds.

APPLICATIONS RECEIVED		AWARDS RECOMMENDED	
No. of Applications	Amt. Requested	No. of Awards	Amt. Recommended
26	\$7,492,970	20	\$4,697,437

CDBG (11 applications recommended)	\$2,835,387
CDBG-D (9 applications recommended)	<u>\$1,862,050</u>
2016 CDBG Owner Occupied Repair, Round Total	\$4,697,437

Total Number of Assisted Households 198

Process

Each OOR application was scored by a reviewer based on the requirements outlined in the 2016 CDBG OOR application policy. Applications were checked for completeness and threshold requirements. Applications that received the highest scores (49-61) were funded at 100% of their request. Applications that scored 48 were funded at 90% of their request; applications that scored between 45.5 and 46 points were funded at 70% of their request. Applications that scored 43 were funded at 60% of their request.

Recommendations

Martin County Board of Commissioners		DR2OR-016-001
Amount Requested:	\$350,000	
Amount Recommended:	\$350,000	
Total Project Costs:	\$396,783.56	
Score:	61	
Primary Project County:	Martin	
Housing Activity:	Owner Occupied Rehabilitation	
Anticipated Number of Assisted Units:	14	
County of Ripley		HD-016-001
Amount Requested:	\$350,000	
Amount Recommended:	\$350,000	
Total Project Costs:	\$385,000	
Score:	55	
Primary Project County:	Ripley	
Housing Activity:	Owner Occupied Rehabilitation	
Anticipated Number of Assisted Units:	14	
Town of Worthington		DR2OR-016-002
Amount Requested:	\$300,000	
Amount Recommended:	\$300,000	
Total Project Costs:	\$310,783.57	
Score:	53.5	
Primary Project County:	Greene	
Housing Activity:	Owner Occupied Rehabilitation	
Anticipated Number of Assisted Units:	12	

Town of Wheatland	HD-016-002
Amount Requested:	\$200,000
Amount Recommended:	\$200,000
Total Project Costs:	\$211,783.57
Score:	50
Primary Project County:	Knox
Housing Activity:	Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:	9
City of Salem	HD-016-003
Amount Requested:	\$290,000
Amount Recommended:	\$290,000
Total Project Costs:	\$308,000
Score:	49
Primary Project County:	Washington
Housing Activity:	Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:	9
Town of Sandborn	HD-016-004
Amount Requested:	\$275,000
Amount Recommended:	\$275,000
Total Project Costs:	\$310,500
Score:	49
Primary Project County:	Knox
Housing Activity:	Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:	11
Franklin County	HD-016-005
Amount Requested:	\$350,000
Amount Recommended:	\$315,000
Total Project Costs:	\$385,000
Score:	48
Primary Project County:	Franklin
Housing Activity:	Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:	12
Town of Camden	DR2OR-016-003
Amount Requested:	\$275,000
Amount Recommended:	\$247,500
Total Project Costs:	\$287,000
Score:	48
Primary Project County:	Carroll
Housing Activity:	Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:	8
Town of Dublin	HD-016-006
Amount Requested:	\$300,000
Amount Recommended:	\$270,000
Total Project Costs:	\$320,150
Score:	48
Primary Project County:	Wayne
Housing Activity:	Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:	8

Town of East Germantown		DR2OR-016-004
Amount Requested:		\$225,000
Amount Recommended:		\$202,500
Total Project Costs:		\$245,045
Score:		48
Primary Project County:		Wayne
Housing Activity:		Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:		7

City of Austin		HD-016-007
Amount Requested:		\$350,000
Amount Recommended:		\$315,000
Total Project Costs:		\$366,020
Score:		48
Primary Project County:		Scott
Housing Activity:		Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:		17

City of Cannelton		HD-016-008
Amount Requested:		\$350,000
Amount Recommended:		\$315,000
Total Project Costs:		\$354,000
Score:		48
Primary Project County:		Perry
Housing Activity:		Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:		13

City of Columbus		DR2OR-016-009
Amount Requested:		\$350,000
Amount Recommended:		\$245,000
Total Project Costs:		\$380,000
Score:		46
Primary Project County:		Bartholomew
Housing Activity:		Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:		12

Town of Wolcott		HD-016-010
Amount Requested:		\$275,000
Amount Recommended:		\$190,917.50
Total Project Costs:		\$298,100
Score:		45.5
Primary Project County:		White
Housing Activity:		Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:		7

Town of Elnora		HD-016-011
Amount Requested:		\$152,000
Amount Recommended:		\$104,817.50
Total Project Costs:		\$160,000
Score:		45.5
Primary Project County:		Daviess
Housing Activity:		Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:		6

City of Aurora	DR2OR-016-005
Amount Requested:	\$226,750
Amount Recommended:	\$136,050
Total Project Costs:	\$249,425
Score:	43
Primary Project County:	Dearborn
Housing Activity:	Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:	6

REAL Services, Inc.	DR2OR-016-006
Amount Requested:	\$175,000
Amount Recommended:	\$105,000
Total Project Costs:	\$200,755
Score:	43
Primary Project County:	Kosciusko
Housing Activity:	Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:	8

REAL Services, Inc.	DR2OR-016-007
Amount Requested:	\$175,000
Amount Recommended:	\$105,000
Total Project Costs:	\$200,755
Score:	43
Primary Project County:	Marshall
Housing Activity:	Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:	8

City of Mitchell	DR2OR-016-008
Amount Requested:	\$285,000
Amount Recommended:	\$171,000
Total Project Costs:	\$290,000
Score:	43
Primary Project County:	Lawrence
Housing Activity:	Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:	8

City of Seymour	HD-016-009
Amount Requested:	\$349,420
Amount Recommended:	\$209,652
Total Project Costs:	\$353,170
Score:	43
Primary Project County:	Jackson
Housing Activity:	Owner Occupied Rehabilitation
Anticipated Number of Assisted Units:	9

The following organizations are not being recommended for funding as there was more funding requested than there is available:

Applicant	Amount Requested	Applicant Score
City of New Haven	\$350,000	40
Interlocal Community Action Program	\$200,000	39
Community Action Program of Evansville and Vanderburgh County	\$300,000	36
Hamilton County Neighborhood Development	\$350,000	35
City of Union City	\$350,000	34
City of Knox	\$339,800	23

Following discussion, a motion was made by Scenario Adebessin to approve awarding CDBG grant funds for Owner Occupied Rehabilitation to the 11 applicants listed above, in an amount not to exceed \$2,835,387, as recommended by staff, which was seconded by Andy Place; the motion passed unanimously:

RESOLVED, that the Board approve awarding CDBG grant funds for Owner Occupied Rehabilitation to the 11 applicants listed above, in an amount not to exceed \$2,835,387, as recommended by staff.

Following discussion, a motion was made by Mark Pascarella to approve awarding CDBG-D grant funds to the nine applicants listed above in an amount not to exceed \$1,862,050, as recommended by staff, which was seconded by Andy Place; the motion passed unanimously:

RESOLVED, that the Board approve awarding CDBG-D grant funds to the nine applicants listed above in an amount not to exceed \$1,862,050, as recommended by staff.

IV. Marketing and Communications

A. Marketing and Communications Update

Chairman Wuellner recognized Brad Meadows who presented information regarding Marketing and Communications Update.

No action was required as this was an update to the Board.

V. Finance

A. The Monon Lofts, L.P. Bond Recommendation

Chairman Wuellner recognized Paul Jones who presented a recommendation regarding The Monon Lofts, L.P. Bond Recommendation.

Background

This memo and the attached resolution respectfully requests approval for the issuance of the Series 2016 Multifamily Housing Revenue Notes (Monon Lofts Project) (the "Bonds").

Process

The Bonds will be issued on behalf of The Monon Lofts, L.P., an Indiana limited partnership (the "Borrower"). The Indiana Housing and Community Development Authority (the "Authority") will serve as a conduit issuer for the Bonds; thereby, loaning the proceeds to the Borrower to finance the acquisition, rehabilitation, and equipping of a residential rental development. **The Bonds are backed solely by the revenues derived from the development and will not constitute a debt, liability, or obligation of the Authority or the State of Indiana.**

Monon Lofts will be a 142 unit affordable living multi-family housing complex located at 1102 East 16th Street in Indianapolis (the "Project"). The initial allocation of the 4% tax credits and bond volume was approved by the Board at the May 2016 meeting. With the Authority serving as the issuer of the bonds, an additional approval by the Board, in addition to the approval of the allocation of tax credits and bond volume is necessary. The resolution also authorizes a refunding of the Bonds following the placed in service date of the Project.

Following discussion, a motion was made by Mark Pascarella to approve the Series 2016 Multifamily Housing Revenue Notes (Monon Lofts Project), pursuant to the Resolution attached hereto as **Exhibit A**, as recommended by staff, which was seconded by Kelly Mitchell; the motion passed unanimously:

RESOLVED, that the Board approve the Series 2016 Multifamily Housing Revenue Notes (Monon Lofts Project), pursuant to the Resolution attached hereto as Exhibit A, as recommended by staff.

VI. Legal

A. Authorized Signatory Policy

Chairman Wuellner recognized David Stewart who presented a recommendation regarding Authorized Signatory Policy.

Background

On December 15, 2015, the IHCDAs Board of Directors approved the current Authorized Signatory Policy including an attached spreadsheet. The Authorized Signatory Policy authorizes different individuals to be responsible for specific approvals and authorizations, and it is an important part of the IHCDAs internal control structure. The current policy was approved with a requirement for legal counsel or their designee to review and update the policy at least annually. Since the current policy was implemented it has been determined that some changes are needed to effectively carry out proper internal controls.

Process

A meeting of the Audit Committee was held August 17, 2016 wherein the recommended changes were approved. These changes are identified by red type in Exhibit A-1 to the Authorized Signatory Policy under the Agreements and Related Documents for IHCDAs Funded Programs section and are outlined below:

- Addition of "Applications and/or agreements for new funding". This gives formal approval to the Executive Director and the Deputy Executive Director to submit or approve the submission of applications to new funding sources for programs that support IHCDAs initiatives and/or enter into agreements with entities to receive new funding.
- Addition of "Competitive funding awards with prior approval by the Board" to have the same approvals as non-competitive and formulaic funding awards. This was the intention before, but it was not spelled out clearly.
- Combine the lines related to amendments to program award agreements into one line to reduce confusion.
- Deletion of the line "Budget modifications, extensions". Budget modifications are low-risk activities that simply move funds amongst allowable activities within an award – they do not increase or decrease the funding amount. It is appropriate for program level staff to be able to perform and oversee this activity. Extensions always require amendments, therefore it was misleading to list the two activities in the same category.

Following discussion, a motion was made by Kelly Mitchell to approve Exhibit A-1 to the Authorized Signatory Policy which are attached hereto as **Exhibit B**, as recommended by staff, which was seconded by Mark Pascarella; the motion passed unanimously:

RESOLVED, that the Board approve Exhibit A-1 to the Authorized Signatory Policy which are attached hereto as Exhibit B, as recommended by staff.

VI. Executive

A. Executive Update

Chairman Wuellner recognized Jacob Sipe who presented an Executive Update.

Annual Internal Auditor Annual Report

Jacob recognized Aimee Jacobsen, IHCDAs Director of Internal Audit. Aimee gave the Board a copy of the Annual Report which included activities over the last year such as, completed activities and completed training/education, as well as the internal audit activities planned for the third quarter of 2016.

Disasters in Indiana

Flooding in South Bend

Jacob informed the Board that the Indiana Department of Homeland Security (IDHS) had already been in touch with Matt Rayburn, IHCDAs Deputy Executive Director, who is active in the coordination of State agencies to prepare for and respond to disasters in Indiana. IDHS has identified five households who suffered extensive damage to their homes that need temporary rental housing for approximately three months. IDHS continues to conduct assessments to identify others with housing needs. The Red Cross is also assisting with the efforts.

IHCDA's policy allows for payment of a security deposit plus one to three months of rental assistance which is capped at HUD's fair market rents amount. The Agency is providing two months of rental assistance to four households with an option for a one month extension.

Tornado in Kokomo

Jacob told the Board that IHCDA was working closely with the Indiana Department of Homeland Security to assist families in Kokomo. As of the time of the Board meeting, the capacity of the assistance was unknown.

Jacob stated that prior to now, there had not been a budget for disaster response. It had been deducted from the Executive budget. He will be reviewing historical data to obtain an estimate for IHCDA's budget, which will have a line item from 2017 forward.

Moving Forward 2.0

The Moving Forward 2.0 awards will also be announced during the Awards Luncheon. The program, which brings a local unit of government together with a for profit developer, marries housing and transportation and with the goal of ending generational poverty. Jacob reminded the Board that IHCDA received five proposals:

<u>CAA</u>	<u>Project City</u>
Area IV	Lafayette
CAPE	Evansville
CAGI	Indianapolis
SCCAP	Bloomington
Brightpoint	Fort Wayne

A workshop for the two awardees will be held in November.

Indiana Housing Conference

The Lieutenant Governor's Excellence in Affordable Housing Awards Luncheon will be held on August 26th, the last day of the Housing Conference. Jacob listed the categories for the Board's referenced: Rural Housing, Urban Housing, Senior Housing, Special Needs, and Outstanding Resident Volunteer. The Resident Volunteer award is being presented in partnership with IAHC and is the first year for the award.

CFO Transition Update

Finally, Jacob informed the Board that interviews are wrapping up for the CFO position Monday. The new CFO will be in place by the end of September

No action was required as this was an update to the Board.

VII. Other Business

Andy told Jacob and the Board that he had the opportunity to go to the 30th anniversary celebration for RHTC at the YWCA in South Bend. He gave kudos to everyone involved.

There being no further business a motion was made by Mark Pascarella to adjourn the meeting, which was seconded by Kelly Mitchell; the motion passed unanimously and the meeting was adjourned at 11:09 a.m.

Respectfully submitted,



 Mark J. Wuellner as designee of
 Lieutenant Governor, Eric Holcomb

ATTEST:



 J. Jacob Sipe
 Executive Director for IHCDA

**RESOLUTION OF THE
INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY
CONCERNING THE ISSUANCE OF
INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY
MULTIFAMILY HOUSING REVENUE NOTES
(MONON LOFTS PROJECT)**

WHEREAS, the Indiana Housing and Community Development Authority (the “Authority”) is a public body corporate and politic of the State of Indiana (the “State”), created and existing under the authority of Title 5, Article 20, Chapter 1, of the Indiana Code, as amended (the “Act”). The Indiana General Assembly in 1978 found and declared to be a matter of legislative determination and made further findings that (i) there has existed in the State a need for safe and sanitary residential housing within the financial means of low and moderate income persons and families, a need which if unmet, is a threat to the health, safety, morals, and welfare of State residents and which will require an excessive expenditure of public funds for the social problems thus created; (ii) private enterprise and investment is more adequately able to produce the needed construction of decent, safe, and sanitary residential housing at prices or rentals which persons and families of low and moderate income can afford, or to achieve the urgently needed rehabilitation of much of the present low and moderate income housing; (iii) the provision of decent, safe, and sanitary housing for persons and families of low and moderate income who would otherwise be unable to obtain adequate housing at costs they could afford is a valid public purpose for which public moneys may be spent; and (iv) the provision of money for mortgage loans through the issuance of mortgage-backed bonds, notes, or other securities will assist in meeting the needs identified in the Act; and

WHEREAS, in a case challenging the constitutionality of the Act, the State Supreme Court has determined that the Act comports with the constitution of both the State and the United States of America and that the financing of housing for persons and families of low and moderate income pursuant to the Act is a valid and constitutional public purpose; and

WHEREAS, pursuant to the Act, the Authority has all the powers necessary or convenient to make or participate in the making of construction loans to sponsors of multiple family residential housing; and

WHEREAS, Monon Lofts, L.P., an Indiana limited partnership (the “Borrower”) submitted application materials and other information to the Authority and has requested that the Authority make a loan to the Borrower (the “Loan”) through the issuance of revenue bonds or notes to assist in the financing of the acquisition, construction, improving, and equipping of privately owned real and personal property comprising a multifamily housing complex, located at 1102 East 16th Street, Indianapolis, Indiana, containing 142 affordable living units (the “Project”); and

WHEREAS, the Act specifically empowers the Authority to issue revenue notes and refunding notes and make loans of the proceeds thereof in order to carry out and effectuate its purposes, the payment of principal of and interest on such revenue notes or refunding notes to be

paid solely from the revenues derived from operations and loan repayments of a development and in no manner from the general funds of the Authority; and

WHEREAS, the Authority staff has reviewed the application materials and other information submitted by the Borrower and has made a recommendation to the Executive Director and a determination that the Project is eligible for financing with a Loan; and

WHEREAS, the Borrower has also requested that the Authority issue refunding revenue notes (the "Refunding Notes," and with the hereinafter defined Notes, the "Authority Notes"), the proceeds thereof to be loaned to the Borrower (the "Refunding Loan," and with the Loan, the "Loans") to be used for the refunding and redemption of the Notes following the placed in service date of the Project in order to refinance the Project (the "Refunding Transaction") through the Federal Home Loan Mortgage Corporation's Tax-Exempt Loan program; and

WHEREAS, the Authority staff has completed its review of the Project and the Executive Director, based upon the Authority staff analysis, has recommended that the Authority make the Loans to the Borrower with respect to the Project; and

WHEREAS, the Authority has reviewed the Authority staff analysis and recommendation of the Executive Director and has determined that the Project meets the requirements of the Act and the rules and regulations of the Authority; and

WHEREAS, the Authority has reviewed the Authority staff and analysis and recommendation of the Executive Director and has determined that the Refunding Transaction will be beneficial and convenient and meets the requirements of the Act and the rules and regulations of the Authority; and

WHEREAS, the Authority has determined to issue, initially, its Notes, and subsequently, its Refunding Notes to assist in financing and refinancing the Project, which revenue notes will not constitute a debt, liability or obligation of the State of Indiana or the Authority or a pledge of the faith and credit of the State of Indiana or the Authority, but shall be payable solely from the revenues of the Project and loan repayments made to the Authority by the Borrower;

NOW, THEREFORE, BE IT RESOLVED BY THE INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY THAT:

1. The legislative findings of the Indiana General Assembly itemized in IC 5-20-1-1, Section 1 of the Act hereby are ratified and confirmed and it is specifically found that:

(a) there continues to exist in the State a need for safe and sanitary residential housing within the financial means of low and moderate income persons and families, a need which if unmet is a threat to the health, safety, morals and welfare of Indiana residents and which will require an excessive expenditure of public funds for social programs thus created;

(b) private enterprise and investment continue to be able to more adequately produce the needed construction of adequate, safe and sanitary residential housing at prices which persons and families of low and moderate income can afford or to achieve the urgently needed rehabilitation of the present low and moderate income housing, and that private enterprise and

investment be encouraged to sponsor, build and rehabilitate residential housing for such persons and families;

(c) the provision of decent, safe and sanitary housing for persons and families of low and moderate income who would otherwise be unable to obtain adequate housing at a cost they could afford continues to be a valid purpose for which public moneys may be spent; and

(d) there exists a need in the State to stimulate the residential housing industry.

2. The Authority hereby makes the following additional findings and determinations in connection with the Loans to be made by the Authority with proceeds of the Authority Notes to assist in the financing or refinancing of the Project:

(a) The Loans to the Borrower pursuant to the Loan Agreement and the Project Loan Agreement (each as defined herein) accomplish the purposes of the Authority by permitting the Borrower to provide decent, safe and sanitary housing for persons and families of low and moderate income who would otherwise be unable to obtain adequate housing at a cost they could afford;

(b) Based upon representations made and information presented by the Borrower:

(i) There exists a need for continued safe and sanitary housing within the financial means of persons and families of low and moderate income and within the general housing market area to be served by the proposed Project;

(ii) The financing and refinancing of the Project will assist private enterprise and investment in providing decent, safe, and sanitary residential housing at rentals which persons of low and moderate income can afford;

(iii) The Borrower will supply well-planned, well-designed residential housing for persons of low and moderate income;

(iv) The Borrower is financially responsible; and

(v) The proposed Project will be of public use and will provide a public benefit.

3. The issuance and sale by the Authority of the Authority Notes in one or more series and the use of the funds therefrom to make the Loans to the Borrower to finance and refinance a portion of the costs of the Project in accordance with the Act are hereby determined to be consistent in all respects with the purposes for which the Authority was created and exists.

4. The Authority hereby authorizes the making of the Loans to the Borrower with proceeds of the Authority Notes with respect to the Project. The Loan Agreements (as defined herein) shall include conditions requiring the Borrower to comply with all provisions of the Act and the rules and regulations of the Authority and any other requirements deemed necessary or appropriate by the Executive Director and the Authority staff. The interest rate with respect to the Loans, the estimated total development cost of the Project and the initial principal amounts of the Loans, together with terms and conditions applicable to any equity contribution by the Borrower

or its limited partners, assurances of successful completion and operational stability of the Project, procedures for the determination of the total development costs and the final principal amounts of the Loans, the terms and amortization requirements of the Loans, related matters and terms and conditions shall be as set forth in the Loan Agreements.

5. To further the purposes of the Authority under the Act, the Authority hereby authorizes and ratifies the issuance of its Multifamily Housing Revenue Notes, Series 2016A (Monon Lofts Project) (the "Notes") and, subsequent to the issuance of the Notes, its Multifamily Housing Refunding Revenue Notes, Series 201__ (Monon Lofts Project) (to be completed by Authority staff with the proper series designation) in one or more series or sub-series, each in an aggregate principal amount not to exceed Fifteen Million Dollars (\$15,000,000), each issued as fixed rate notes or variable rate notes bearing interest at a rate not to exceed eight percent (8%) and maturing no later than forty (40) years from the date of issue. The Authority hereby authorizes and ratifies:

(i) the issuance of (a) the Notes pursuant to a Trust Indenture between the Authority and The Huntington National Bank ("Huntington"), as trustee (the "Indenture"), and (b) the Refunding Notes pursuant to a Funding Loan Agreement among the Authority, Pillar Multifamily, LLC and Huntington, as fiscal agent (the "Funding Loan Agreement"), each substantially in the form presented to this meeting;

(ii) the loan of the proceeds of (a) the Notes by the Authority to the Borrower pursuant to the terms of a Loan Agreement between the Authority and the Borrower (the "Loan Agreement") and a Bond Purchase Agreement among the Authority, the Borrower and BMO Harris Bank N.A. (the "Purchase Agreement") and (b) the Refunding Notes by the Authority to the Borrower pursuant to the terms of the Funding Loan Agreement and a Project Loan Agreement among the Authority, Huntington and the Borrower (the "Project Loan Agreement, and with the Loan Agreement, the "Loan Agreements");

(iii) the sale and delivery of the Authority Notes;

(iv) the regulation of the Project pursuant to one or more Regulatory Agreements substantially in the form presented to this meeting, among the Authority, Huntington and the Borrower (the "Regulatory Agreement"); and

(v) the use of the proceeds received from the sale of the Authority Notes in accordance with the terms of the Indenture and the Loan Agreements, as applicable to the Authority Notes, and in accordance with the Act and the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code").

6. The Authority hereby approves the substantially final forms of the Indenture, the Loan Agreements, the Purchase Agreement, the Funding Loan Agreement and the Regulatory Agreement (all such foregoing documents referred to collectively as the "Note Documents"). The forms of the Note Documents presented hereby are substantially final forms and the Authority hereby authorizes the Chairman, the Executive Director and the interim Chief Financial Officer (the "Authorized Officers"), or any one of them individually, with the advice of counsel to the Authority, to execute and deliver the Note Documents to which they are a party with such changes

in form or substance as may be necessary or appropriate to accomplish the purposes of this Resolution as shall be approved by the Authorized Officers, such approvals to be conclusively evidenced by the execution thereof or certification as applicable, and to take such further actions necessary or appropriate to approve the sale and issuance of the Authority Notes, such approvals to be conclusively evidenced by their execution of the Authority Notes.

7. The Authority hereby delegates to the Authorized Officers the authority to execute and deliver the Note Documents provided that any of the Authorized Officers acting alone is authorized and has full power to execute and deliver the Note Documents, as appropriate, and hereby authorizes the Authorized Officers to take such further actions necessary and appropriate to approve the sale and issuance of the Authority Notes. Notwithstanding the foregoing, if the Refunding Notes require additional volume cap pursuant to Section 146 of the Code, further approval of the Authority board shall be required.

8. The Authority authorizes each of the Authorized Officers to execute such other documents and to take any and all other actions on behalf of the Authority as may be necessary or appropriate to carry out and implement the purposes of this Resolution, including the execution and delivery of any certificates or other agreements in connection therewith. Any Authorized Officer is hereby authorized to execute and deliver the Authority Notes by manual or facsimile signature pursuant to the Indenture or the Funding Loan Agreement, as applicable and to direct Huntington thereunder to authenticate the Authority Notes, and to contract for a book-entry-only registration system for all or any portion of the Authority Notes.

9. The Authority hereby agrees to cooperate with the Borrower in establishing documentation sufficient to provide for post-issuance compliance with respect to the Authority Notes under the Code and the regulations promulgated thereunder. Any one of the Authorized Officers is hereby specifically authorized and empowered to execute and deliver such certificates and enter into such agreements concerning such post-issuance compliance.

* * * * *

APPROVED AND ADOPTED this 25th day of August 2016, in Indianapolis, Indiana.

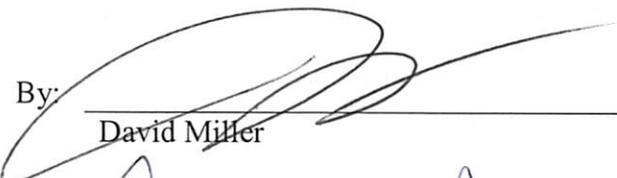
INDIANA HOUSING AND COMMUNITY
DEVELOPMENT AUTHORITY

By: 
Eric Holcomb, Chair, or his designee

By: _____
Kelly Mitchell, Vice Chair, or her designee

By: 
Dan Huges, Public Finance Director of the State
of Indiana, or his designee

By: _____
Thomas K. McGowan

By: 
David Miller

By: 
Andy Place, Sr.

By: 
Scenario Adebisin

ATTEST:

By: 
J. Jacob Sipe
Executive Director

EXHIBIT B

Indiana Housing and Community Development Authority

Authorized Signatory Policy

Purpose

The purpose of the Indiana Housing and Community Development Authority Authorized Signatory Policy is to designate responsibility and authority to disburse funds, obligate funds, and/or sign contracts, and other agreements to which Indiana Housing and Community Development Authority (IHCDA) is a party.

Designated Authorized Signatories

Individuals may sign contracts and agreements in the name of IHCDA only if they have the authority to sign as set forth in this policy. Authorized Signatories are set forth in this policy attached hereto and made a part hereof, as Exhibit A-1.

Required notification

The Executive Director, Deputy Executive Director, and General Counsel must be informed in advance of any funding award agreements, professional service/vendor agreements, and any subsequent amendments.

Assurances

Each Authorized Signatory shall acknowledge this policy and subsequent changes.

The Authorized Signatory must ensure that, before signing any contract or agreement that obligates IHCDA, the proposed agreement has been reviewed and vetted by IHCDA legal counsel.

Before signing any document, the Authorized Signatory must have an understanding of what is being approved; ensure information and supporting documentation is accurate and complete; and ensure the terms of the agreement are approved by the Board of Directors or the Delegation Committee.

Before processing any financial transaction, the Authorized Signatory must ensure the transaction is allowable, reasonable, and justified; the transaction is charged to the correct project; there are adequate funds to cover the expense; and the funding source is appropriate for the expenditure.

Interim employees

For the purpose of this policy, an “acting” or “interim” designation does not impact a person’s authority to sign documents in their role.

Electronic and digital signatures

Electronic and digital signatures are acceptable on documents if they are in compliance with IC 26-2-8 Uniform Electronic Transactions Act, IC 5-24-1 Electronic Digital Signature Act, and the regulations pertaining to the funding programs IHCDA administers.

Reviews and updates to policy

The policy should be reviewed and updated by IHCDA General Counsel or their designee at least annually, beginning with the adoption of this policy.

The following items will continue to require Board authorization by separate resolutions:

- Issuance of bonds and incurrence of long-term debt
- Bond and other debt interest rate exchange agreements
- Investment guidelines and authority to invest funds
- Guarantees of debt
- New funding programs
- New competitive programmatic award agreements with funded agencies/partners (i.e. HOME, CDBG, HOPWA, ESG, Blight Elimination, tax credits, Development Funds, Individual Development Accounts)
- Creation or dissolution of subsidiaries and other entities

Amended August 25, 2016

IHCDA Signatory Authorization

Approved 08.25.16

Function	Executive Director	General Counsel	Deputy Executive Director	Chief Financial Officer	Chief Operating Officer	Chief Real Estate Development Officer	Chief Community Programs Officer	Controller	Director of Accounting	Director of Single Family Programs	Deputy Counsel
Disbursement of Funds (All categories except petty cash require at least 2 signatures. Internal controls and segregation of duties are followed for all disbursements. Reconciliation function performed by a separate position.) P = Primary S = Secondary											
Payroll disbursement				S	S			P			
Wire transfer of funds <u>approval</u> process				P	S			P		S	
ACH and check <u>approval</u> process for program expenses, employee expenses, goods, and services				P	S			P		S	
Petty cash disbursement				S	S			P			
Bonds and Other Debt											
Existing bond, debt, and investment management	x		x	x							
Substitutions or renewals of the following for the bond program <u>with approval of the State Public Finance Director</u> : investment bankers, legal counsel, liquidity facility providers, swap counterparties, trustee	x		x	x							
Agreements and Related Documents for IHCDA Funded Programs											
Reoccurring award agreements and contracts with current funding agencies (i.e. HUD, DOE, FSSA, OCRA, etc.)	x		x	x	x	x	x				
New funding programs with prior approval by the Board	x		x	x	x	x	x				
Non-competitive and formulaic funding awards (i.e. CSBG, Weatherization, LIHEAP)	x		x	x	x	x	x				
Competitive funding awards with prior approval by the Board	x		x	x	x	x	x				
Amendments to program award agreements (amendments that increase funding must be approved by Delegation Committee; amendments regarding project funding sources require report to Board)	x		x	x	x	x	x				
Loan modifications/extensions that are consistent with IHCDA's workout policy	x		x	x	x	x					
Execution and releases of mortgages, liens, and UCCs for any IHCDA-funded program	x		x	x	x	x	x			x	
Responses and appearance filings related to IHCDA program foreclosures		x									x
Correspondence related to corrective actions resulting in reduction of funding or funding termination	x	x	x								
Agreements and Contracts with Professional Services/Vendors											
New contracts, Memorandums of Agreement, Memorandums of Understanding, and other agreements	x		x	x	x	x	x				
Amendments for up to four (4) annual renewals if funding available and renewal term not exceeded	x		x	x	x	x	x				

P = Primary
S = Secondary

IHCDA Signatory Authorization

Approved 08.25.16

Function	Executive Director	General Counsel	Deputy Executive Director	Chief Financial Officer	Chief Operating Officer	Chief Real Estate Development Officer	Chief Community Programs Officer	Controller	Director of Accounting	Director of Single Family Programs	Deputy Counsel
Financial and Tax Documents											
Form 8609 (Low Income Housing Credit Allocation and Certification)	x		x			x					
Form 8823 (Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition)	x		x			x					
Tax forms for Individual Development Account (IDA) programs	x		x				x				
Management Representative Letter for audit	x			x					x		
Other											
Documents related to real property and asset disposition	x		x								
Licensing or selling of intellectual property developed by IHCDA (requires report to Board)	x										
Signature of approved legal settlement documents.	x	x									