



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

Held: March 23, 2023

A regular meeting of the Board of Directors of the Indiana Housing and Community Development Authority ("IHCDA" or "Authority") was held on Thursday, March 23, 2023 at 10:00 a.m. EST at 30 S. Meridian Street, Suite 900, Indianapolis, IN 46204.

The following individuals were present at the meeting: Anne Valentine (designee for the Lieutenant Governor); Indiana Treasurer of State Daniel Elliott; Mark Pascarella (Indiana Public Finance Director designee); J. Jacob Sipe (IHCDA Executive Director); members of the staff of the Lieutenant Governor; members of the staff of the Authority and the general public. Board Members G. Michael Schopmeyer, J. June Midkiff and Andy Place Sr. attended virtually. Board Member Tom McGowan was not present.

Anne Valentine, designee for Lieutenant Governor Suzanne Crouch, served as Chair of the meeting and upon noting the presence of a quorum, called the meeting to order. Lauren Tillery served as Secretary.

I. Approval of Minutes

A. Meeting Minutes

A motion was made by Andy Place Sr. to approve the February 23, 2023, Meeting Minutes, which was seconded by Mark Pascarella. The motion passed unanimously by roll call.

RESOLVED, the Minutes of the Board meeting held on February 23, 2023, are hereby approved to be placed in the Minute Book of the Authority.

II. Real Estate Department

A. Mullen Flats

Chairperson Valentine recognized Hayden Wiesinger who presented the Mullen Flats Board Memo.

Background

On November 18, 2021, the IHCDA Board of Directors awarded Mullen Flats, L.P. \$1,200,000 in annual Rental Housing Tax Credits in the 2022A-C Tax Credit Application round. The developer, Mental Health America of West Central Indiana, was proposing the new construction of 42 units of permanent supportive housing in Terre Haute.

Process

In June of 2022, the developer informed IHCDA that the surge in construction costs had created a funding gap for the project. While the project applied for \$500,000 in Housing Trust Fund through the Gap Financing Policy, the development team later indicated that an additional \$500,000 was needed to fill the gap. As a result, they submitted a \$500,000 request for a Development Fund loan on February 22, 2023. The Development Summary Sheet is attached hereto as **Exhibit A**.

As with any request for supplementary funding following a tax credit allocation that is made outside of an approved Gap Financing Policy, IHCDA staff reviewed the request under the terms of the Qualified Allocation Plan (QAP).

Under the terms of the QAP, developments that request additional IHCDAs resources after a tax credit allocation is made will be subject to sanctions if the funding request is approved by IHCDAs Board of Directors. This will apply to the applicant, owner, developer, and/or other applicable development team members at the discretion of IHCDAs.

IHCDAs ensured that the Mullen Flats team was aware of the QAP requirements prior to proceeding with the review process. Mental Health America of West Central Indiana and ALK Development, LLC serve as co-developers of the project.

IHCDAs has underwritten the development with a \$500,000 Development Fund loan at 1.5% interest for 15 years, which is consistent with debt structure for Development Fund loans.

If approved, Mental Health American of West Central Indiana and ALK Development, LLC will be ineligible to request IHCDAs capital funding sources for a period of one year, commencing on the date of this memo. Furthermore, a \$32,500 fine will be assessed to the above referenced entities, which will be payable at the completion of the one-year suspension as a condition of being removed from the suspension list.

Board member Mark Pascarella asked if we can be sure that the additional amount asked for is enough to complete the project? He then asked what guarantee the Board has that the requested funds are enough, because if the additional funds asked for are not enough, they will not be able to come back for more. Presenter Hayden Wiesinger was not able to answer this question. After discussion, which included input from Board member Daniel Elliott, a suggestion was made to table the Mullen Flats Board Memo until Wiesinger could get more information concerning the projects status. Mark Pascarella made a motion to table the board memo and the motion was seconded by Daniel Elliott. The motion to table passed unanimously by roll call.

B. CreatING Places Program Funding and Delegated Authority

Chairperson Valentine recognized Meagan Heber, who presented the CreatING Places Program Funding and Delegated Authority.

Background

IHCDAs launched CreatING Places in the fall of 2016 as a program which allows not-for-profit and local unit of government applicants to raise funds for place-based improvements or placemaking activities within their community. This program combines traditional online-based crowdfunding with a matching grant opportunity, referred to as "crowdgranting." IHCDAs and Patronicity, a private entity that has developed an online crowdgranting platform, have collaborated to administer this program.

Over the past seven years, CreatING Places has launched 194 fundraising campaigns. As of today, 187 campaigns have successfully met their goal, 9 are currently live, and seven failed to meet their goal (96% success rate). CreatING Places campaigns have raised \$7,522,716 in donations, received \$6,362,950 in IHCDAs matching grants, leveraged \$19,291,739, and activated 11,700,137 square feet of underutilized space.

Process

Initial applications are accepted through the CreatING Places portal located on Patronicitys website. Patronicity and the IHCDAs Placemaking and Environmental Review Manager work with the project developer/applicant to meet project feasibility standards and meet all CreatING Places eligibility requirements, as well as to hone their projects scope. Once their project page/application is complete, Patronicity forwards the application to IHCDAs review team for approval. IHCDAs review team approves the application within 3 business days, and if the project is approved, Patronicity then works with the project team to set a timeline to launch the projects crowdfunding webpage, coaches them through crowdfunding best practices, and prepares them to market the project. After the project goes live for crowdfunding on IHCDAs portal, the project has a maximum of 60 days to raise its campaign goal. Once the projects campaign goal is reached, IHCDAs will match those funds, as described above.

IHCDAs staff are requesting an increase to the annual award amount for the CreatING Places program, from a \$1,000,000 to \$1,500,000. As interest in the program has grown and more projects have been successful in crowdfunding to meet the \$50,000 maximum match, the demand for program funds has increased. From calendar year

2021 to calendar year 2022, the CreatINg Places program saw an increase in 13 successful campaigns—a 30% increase in the number of matched grants provided to communities across the state.

Applications for the CreatINg Places program will continue to be accepted on a rolling basis. Therefore, staff is further requesting the continuation of the Board's approval to delegate the authority to award these matching funds to IHCD staff. The IHCD review team consists of the Executive Director, the Deputy Executive Director/Chief Real Estate Development Officer, and the Placemaking and Environmental Review Manager.

IHCD's Placemaking and Environmental Review Manager will continue to provide an annual CreatINg Places status update to IHCD's Board of Directors. The status update will include a list of all awards made since the last meeting as well as information regarding the total amount of applications pending and amount of funds remaining to award under the program. The status update will also provide time for the Board to ask any questions about the program. The PowerPoint presentation is attached hereto as Exhibit A.

Key Performance Indicators

IHCD will track the following Key Performance Indicators in relation to this Development Funds request:

1. The localities applying for project funds so as to target regions and/or communities that have not yet benefited from this program.
2. The number of project extension requests and the reasons there of, specifically in relation to delays due to the availability and cost of building supplies.
3. The Total Private Investment (TPI) of each project.
4. The overall campaign success rate for projects launched on the Patronicity website.

Recommendation

Staff recommends the following: (1) that the Board authorizes the IHCD staff to take all actions necessary to approve the allocation of the crowdfunding grants, provided that the Board is informed of all crowdfunding awards on an annual basis; and (2) that the Board approves the allocation of Development Fund in the form of grants, in an amount not to exceed \$1,500,000 to continue the program for an eighth year.

Following discussion, a motion was made by Daniel Elliott to authorize IHCD staff to take all actions necessary to approve the allocation of the crowdfunding grants, provided that the Board is informed of all crowdfunding awards on an annual basis. The motion was seconded by Andy Place. The motion was passed unanimously by roll call.

RESOLVED, that the Board approve authorizing IHCD staff to take all actions necessary to approve the allocation of the crowdfunding grants, provided that the Board is informed of all crowdfunding awards on an annual basis as recommended by staff.

Following discussion, a motion was made by Andy Place to approve the allocation of Development Fund in the form of grants, in an amount not to exceed \$1,500,000. The motion was seconded by June Midkiff. The motion was passed unanimously by roll call.

RESOLVED, that the Board approve the allocation of Development Fund in the form of grants, in an amount not to exceed \$1,500,000, as recommended by staff.

III. Finance

A. Vita of New Whiteland Independent Living Bond Recommendation

Chairperson Valentine recognized Richard Harcourt, who presented the Vita of New Whiteland Independent Living Bond Recommendation.

Background

The purpose of this memo and the attached resolution is to request the approval for the issuance of the Series 2023 Multifamily Housing Revenue Bonds (Vita of New Whiteland IL Project) in the principal amount not to exceed \$17,242,369 (the "Bonds").

Process

The Bonds will be issued on behalf of Vita of New Whiteland IL, LLC (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 and rehabilitation of its multifamily housing complex. **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.**

The Borrower is proposing the new construction of a 130-unit apartment community in New Whiteland comprised of 102 tax credit units targeting seniors earning up to 60% of area median income and 28 market rate units. 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.

Recommendation

Staff recommends the Board to approve issuance of the Series 2023 Multifamily Housing Revenue Bonds (Vita of New Whiteland Project) pursuant to the Resolution attached hereto as **Exhibit B**.

Following discussion, a motion was made by Mark Pascarella to approve the Series 2023 Multifamily Housing Revenue Bonds (Vita of New Whiteland Project), pursuant to the Resolution attached hereto as **Exhibit B**. The motion was seconded by G. Michael Schopmeyer. The motion was passed unanimously by roll call.

RESOLVED, that the Board approve the Series 2023 Multifamily Housing Revenue Bonds (Vita of New Whiteland Project), pursuant to the Resolution attached hereto as **Exhibit B**, as recommended by staff.

B. Beechwood Court Bond Recommendation

Chairperson Valentine recognized Richard Harcourt, who presented the Beechwood Court Bond Recommendation.

Background

The purpose of this memo and the attached resolution is to request the approval for the issuance of the Series 2023 Multifamily Housing Revenue Bonds (Beechwood Court Project) in the principal amount not to exceed \$10,185,608 (the "Bonds").

Process

The Bonds will be issued on behalf of Beechwood Court, LLC (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 and rehabilitation of its multifamily housing complex. **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.**

The Borrower is proposing an 83-unit new construction development in New Albany, Indiana. 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.

Recommendation

Staff recommends the Board to approve issuance of the Series 2023 Multifamily Housing Revenue Bonds (Beechwood Court Project) pursuant to the Resolution attached hereto as **Exhibit C**.

Following discussion, a motion was made by Daniel Elliott to approve the Series 2023 Multifamily Housing Revenue Bonds (Beechwood Court Project), pursuant to the Resolution attached hereto as **Exhibit C**. The motion was seconded by Mark Pascarella. The motion was passed unanimously by roll call.

RESOLVED, that the Board approve the Series 2023 Multifamily Housing Revenue Bonds (Beechwood Court Project), pursuant to the Resolution attached hereto as Exhibit C, as recommended by staff.

C. Partners Preservation Projects Bond Recommendation

Chairperson Valentine recognized Richard Harcourt, who presented the Partners Preservation Projects Bond Recommendation.

Background

The purpose of this memo and the attached resolution is to request the approval for the issuance of the Series 2023 Multifamily Housing Revenue Bonds (Partners Preservation Projects) in one or more taxable or tax-exempt series or sub-series, in an aggregate principal amount not to exceed Seven Million Five Hundred Thousand Dollars (\$7,500,000) (the "Bonds").

Process

The Bonds will be issued on behalf of Triple P Apartments, LP (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 construction of its multifamily housing complex. **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.**

The Borrower is proposing the rehabilitation of four multifamily housing developments in Indianapolis. 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.

Recommendation

Staff recommends the Board to approve issuance of the Series 2023 Multifamily Housing Revenue Bonds (Partners Preservation Projects) pursuant to the Resolution attached hereto as Exhibit D.

Following discussion, a motion was made by Mark Pascarella to approve the Series 2023 Multifamily Housing Revenue Bonds (Partners Preservation Projects), pursuant to the Resolution attached hereto as Exhibit D. The motion was seconded by Andy Place. The motion was passed unanimously by roll call.

RESOLVED, that the Board approve the Series 2023 Multifamily Housing Revenue Bonds (Partners Preservation Projects), pursuant to the Resolution attached hereto as Exhibit D, as recommended by staff.

D. Homeownership Single Family Bond Presentation

Chairperson Valentine recognized Richard Harcourt, who introduced the Homeownership speakers who provided a high-level overview of the Single-Family Bond resolution and the mortgage market. The speakers were Jeff Sula of RBC Capital Markets, LLC, Jeremy Obaditch of cfX, Inc. and Jeff Gertz of JP Morgan Securities, LLC. Also in the crowd were representatives from Evercrest Advisors and Ice Miller. Sula, Obaditch and Gertz all spoke giving the Board updates on the IHEDA financial situation.

VI. Executive Update

Chairperson Valentine recognized J. Jacob Sipe, who presented the Executive Update and discussed the following topics:

1. Homeownership Team

Jacob wanted to take a moment to thank the Homeownership team for the great work they do and the update they gave at the board meeting. He mentioned that it was great that the Homeownership team has

embraced being out in different Indiana communities and working with realtors to ensure that Hoosiers have access to affordable and safe housing. Jacob gave a special shout out to Marianne, Tom and Rich from Homeownership for their leadership and efforts in assisting Hoosiers across the state.

2. **Next Board Meeting**

Jacob stated he was happy to announce that IHCDCA received a grant to help reduce radon and other hazardous issues in homes. IHCDCA received the largest grant award, \$1,000,000, and was the only housing agency to receive this award under the Weatherization Coordination Demonstrate Program. This was the result of coordination between our Weatherization and Real Estate teams under Healthy Homes to work together to ensure that these homes are healthy and energy efficient. Jacob recognized Samantha Spergel and Jolie Pope, who worked together to submit this application. IHCDCA was one of ten grants awarded and Jacob is very proud of the opportunities IHCDCA now has to reduce radon in housing.

3. **General Set Aside**

Jacob briefly mentioned IHCDCA's General Set Aside for IHCDCA's tax credit Program. IHCDCA sets aside roughly 10% of the credits which allows roughly 2 deals. With these credits, IHCDCA promotes innovation and tackles issues that different communities may have. In the past, IHCDCA has worked on linking healthcare and housing, education and the workforce with housing and transportation and housing. This past year, IHCDCA was able to engage with two new developers that were either minority owned, women owned, or veteran owned. There were 20 total applicants that these two developers were chosen from. Not wanting to leave these other 18 developers behind, IHCDCA has developed a training for these developers to teach them more about the tax credit program and to encourage them to apply again in the future. The 2024 Tax Credits will be discussed in the following week at a public meeting where it will be used to determine how these credits will be allocated for next year. Jacob stated he was very excited to hear the public's opinions and to hear from communities in need of assistance.

4. **2023 Board Meetings**

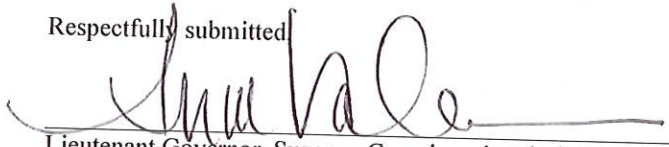
Jacob briefly mentioned that prior to Covid-19, several board meetings each year were held at locations with mixed use spaces that IHCDCA helped fund. As restrictions have since been lifted, Jacob stated that IHCDCA will be on the road again for a few board meetings this year. Jacob stated that he had a few places in mind that the team would be reaching out to, to see if they would be willing to host a board meeting. These travel meetings would occur sometime from June to December in various locations around the state and we'd probably do 2-3 of those. Jacob said further information would be sent to the board members and the public at a later time.

5. **Next Board Meeting**

The next IHCDCA Board Meeting will be held on April 27, 2023, at 10:00 a.m. on the 9th floor. The meeting may be attended virtually.

There being no further business, the meeting was adjourned by Chairperson Valentine at 10:55 a.m.

Respectfully submitted


Lieutenant Governor, Suzanne Crouch, or her designee

ATTEST:



J. Jacob Sipe
Executive Director for IHCDCA