



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

Held: May 28, 2020

A regular meeting of the Board of Directors of the Indiana Housing and Community Development Authority (“IHCDA” or “Authority”) was held on Thursday, May 28, 2020, at 10:00 a.m. telephonically.

The following individuals were present telephonically: Lieutenant Governor Suzanne Crouch; Mark Wuellner (Indiana Treasurer of State designee); Mark Pascarella (Indiana Public Finance Director designee); Board Member G. Michael Schopmeyer; Board Member Andy Place, Sr.; Board Member J. June Midkiff; 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 Member Tom McGowan was not in attendance.

Suzanne Crouch served as Chair of the meeting, and upon noting the presence of a quorum, called the meeting to order. Shenna Robinson served as Secretary.

I. Approval of Minutes

A. Meeting Minutes

A motion was made by G. Michael Schopmeyer to approve the April 23, 2020 Meeting Minutes, which was seconded by Andy Place, Sr. and the following Resolution was unanimously approved:

RESOLVED, the Minutes of the Board meeting held on April 23, 2020 are hereby approved to be placed in the Minute Book of the Authority.

II. Real Estate

A. Bond Volume/4% Credits – KHA RAD I

Chairperson Crouch recognized Peter Nelson, who presented a Bond Volume/4% Credits – KHA RAD I.

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, 2019, IHCDA began the 2019A-B bond round for multi-family bond volume. The nineteenth application received and reviewed represented a total development cost of \$41,143,542 with \$21,200,000 in bond volume and \$1,378,035 in LIHTCs annually for ten years to preserve 335 units of affordable housing.

The Kokomo Housing Authority partnering with Advantix Development Corporation is proposing the rehabilitation and RAD conversion of 335 public housing units. The project contains 1, 2, 3, and 4 bedroom units for families. The scope of rehab includes replacement of mechanical systems, new flooring, cabinets, fixtures, and appliances. Each site of the project is within a mile of retail, restaurants, and a grocery store.

During the round, the Real Estate Department staff reviewed the application to ensure it met the criteria set forth in the 2020-2021 Qualified Allocation Plan. The development summary sheet is attached hereto. The development summary sheet is attached hereto as **Exhibit** .

Key Performance Indicators

2020 Bond Approvals

Location	# Affordable Units	Construction Type	Development Type
Indianapolis	159	New Construction	Family
Bloomington	116	Rehabilitation	Family
Washington	150	Rehabilitation	Family
Fort Wayne	94	Rehabilitation	Family
Lafayette	100	Rehabilitation	Family
Goshen	120	New Construction	Assisted Living
Total Units	739		

Following discussion, a motion was made by Andy Place, Sr. to approve awarding \$21,200,000 in bond volume and \$1,378,035 in annual LIHTC to KHA RAD I, LP for KHA RAD I according to the terms of the 2019A-B Application Round, as recommended by staff. The motion was seconded by G. Michael Schopmeyer. The motion passed unanimously.

RESOLVED, that the Board approve awarding \$21,200,000 in bond volume and \$1,378,035 in annual LIHTC to KHA RAD I, LP for KHA RAD I according to the terms of the 2019A-B Application Round, as recommended by staff.

B. Bond Volume/4% Credits – Monon Crossing

Chairperson Crouch recognized Peter Nelson, who presented a Bond Volume/4% Credits – Monon Crossing.

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, 2020, IHCDA began the 2020A-B bond round for multi-family bond volume. The sixth application received and reviewed represented a total development cost of \$44,427,662 with \$35,000,000 in bond volume and \$1,626,300 in LIHTCs annually for ten years to construct 240 units of affordable housing.

Herman & Kittle Properties, Inc is proposing new construction of 240 multifamily units in New Albany, Indiana. The project contains 1, 2, 3, and 4 bedroom units for families with generously sized rooms including a living room, dining area, kitchen, and bathroom(s). A variety of amenities will also be available within the clubhouse, including a fitness center, computer center, community room with kitchen, and a game/activity room. The project site is located within a mile of retail, restaurants, and a grocery store.

During the round, the Real Estate Department staff reviewed the application to ensure it met the criteria set forth in the 2020-2021 Qualified Allocation Plan. The development summary sheet is attached hereto as Exhibit .

Key Performance Indicators

Location	# Affordable Units	Construction Type	Development Type
Indianapolis	159	New Construction	Family
Bloomington	116	Rehabilitation	Family
Washington	150	Rehabilitation	Family
Fort Wayne	94	Rehabilitation	Family
Lafayette	100	Rehabilitation	Family
Goshen	120	New Construction	Assisted Living
Total Units:	739		

Following discussion, a motion was made by Mark Wuellner to approve awarding \$35,000,000 in bond volume and \$1,626,300 in annual LIHTC to Monon Crossing, L.P. for Monon Crossing according to the terms of the 2020A-B Application Round, as recommended by staff. The motion was seconded by Andy Place, Sr. The motion passed unanimously.

RESOLVED, that the Board approve awarding \$35,000,000 in bond volume and \$1,626,300 in annual LIHTC to Monon Crossing, L.P. for Monon Crossing according to the terms of the 2020A-B Application Round, as recommended by staff, as recommended by staff.

C. Application Denials for Bond Volume/4% Credits

Chairperson Crouch recognized Alan Rakowski, who discussed the Application Denials for Bond Volume/4% Credits.

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, 2020, IHCDA began the 2020A-B bond round for multi-family bond volume. The first, second, and ninth applications received were Sagamore Village Assisted Living, Vita of West Lafayette, and Green Oaks of Granger, respectively. A detailed summary of each project is provided in the development summary sheets attached hereto.

During the round, the Real Estate Department staff reviewed the applications to ensure they met the criteria set forth in the 2020-2021 Qualified Allocation Plan, which includes a review of the project's market study. IHCDA's market study review includes, but is not limited to, an assessment of penetration rates, capture rates, lease-up performance and occupancy rates for comparable properties in the primary market area, and the concentration of similar project types in the primary market area (including both operational and currently funded properties).

IHCDA Determination

After reviewing the market study for each project, IHCDA determined that an analysis of each market does not demonstrate demand for the proposed developments at this time. For this reason, IHCDA denied the funding request for each of these three applications this month.

Andy Place, Sr. asked whether the applications have the opportunity to come back in for consideration. Alan Rakowski stated that applications denied for these reasons are denied because they do not meet threshold requirements. The QAP states that applicants can reapply within 60 days. Applicants would need to address IHCDA's concerns in a future application, including a market study showing a demand for the project.

No action is required, as this is an update to the Board
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D. 2019-2020 HOME Investment Partnerships Program Award Recommendations

Chairperson Crouch recognized Chris Nevels, who discussed a 2019-2020 HOME Investment Partnerships Program Award Recommendations.

Background:

The HOME Investment Partnerships Program (HOME) provides funding for the construction and/or rehabilitation of affordable housing for low and moderate-income residents. HOME funding can also be used for capacity building activities for Community Housing Development Organizations (CHDOs). CHDOs are IHCDCA-certified not-for-profit housing organizations that meet certain HOME regulations and are 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.

Process:

The 2019-2020 HOME Round was a competitive rental-only round. Applications were due on or before March 9, 2020. On January 7, the Real Estate Production staff hosted a webinar to discuss changes to the policy and provide technical assistance. Potential applicants were provided with an opportunity to ask staff questions during the webinar and slides were later made available to anyone unable to attend.

IHCDA received a total of 20 rental applications. Each application received by IHCDA was scored by reviewers based on requirements outlined in the HOME Rental Application Policy. Applications were checked for completeness and to determine whether all threshold requirements were met. Each applicant was given the opportunity to respond to staff questions regarding its application. Only applications having a score that equaled or exceeded the minimum score of 68 points were eligible to receive funding in the 2019-2020 HOME Round.

IHCDA allowed organizations to apply for CHDO certification prior to submitting a HOME application. If certified, the organization would be eligible to request HOME funds up to \$1,500,000. This amount is \$500,000 more than the maximum grant allowable for non-CHDOs. Eleven applicants applied to be certified as CHDOs during the 2019-2020 HOME Round. All CHDO applications were checked by IHCDA Real Estate Production staff for completeness and to determine whether all requirements were met. Each applicant was given the opportunity to respond to any staff questions regarding its application. Upon completion of this review, ten applicants were certified as CHDOs. Of the ten applicants that were certified as CHDOs, eight subsequently applied for 2019-2020 HOME funding.

Key Performance Indicators

IHCDA will track the following Key Performance Indicators in relation to this HOME Rental funding round:

1. The total number of rental units produced with HOME funds including the number of units that target special populations.

Fiscal Year	Total Number of HOME-assisted Units
2016 (2 rounds)	130
2017 (2 rounds)	155
2018 (1 round)	130
2019 (1 round)	216

2. The number of certified Community Housing and Development Organizations (CHDOs).
3. Development benchmark tracking including release of funds, start and completion of construction, funds drawn, inspections, and lease-up.

Summary of Applications Received

Of the 20 applications received, 13 are being recommended to receive HOME funding:

HOME Development Applications – Rental Activities				
	Applications Reviewed & Amount Requested		HOME Awards Recommended	
HOME (rental activities)	20	\$17,670,467.00	13	\$13,340,467.00

Of the 20 applications, five also included requests for Indiana Affordable Housing and Community Development Fund (“Development Fund”) loans. Of those five applications, one is being recommended to receive Development Fund:

IHCDA Development Fund Applications				
	Applications Reviewed & Amount Requested		Development Fund Award Recommended	
Development Fund	5	\$1,680,820.00	1	\$385,150.00

Of the 13 applicants, eight also included requests for CHDO Operating Supplement funds. Of those eight requests, six applicants are being recommended to receive CHDO Operating Supplement funds:

CHDO Operating Supplement Applications				
	Applications Reviewed & Amount Requested		Awards Recommended	
CHDO Operating Supplement	8	\$391,000.00	6	\$291,000.00

The applications recommended for award are listed in Table A below. Project summaries for all the applications recommended for award are attached hereto as **Exhibit A**. A map of the projects recommended for award is attached hereto as **Exhibit C**.

TABLE A

Award Number	Applicant Name	Project Name	Score	HOME Rental Amount Recommendation	CHDO Operating Supplement Recommendation	Development Fund Recommendation
CH-019-009 CO-019-006	Whitley Crossings Neighborhood Corporation	Oak Street Homes	97	\$1,230,000.00	\$41,000.00	\$0.00
CH-019-010	Whitley Crossings Neighborhood Corporation	Clugston Apartments Rehabilitation	94	\$1,333,638.00	\$0.00	\$0.00
CH-019-001 CO-019-001	Blue River Services, Inc.	Pine View SRO Home	91	\$450,000.00	\$50,000.00	\$0.00
CH-019-005 CO-019-003	Housing Opportunities, Inc.	College Hill Apartments	89.5	\$585,000.00	\$50,000.00	\$0.00
CH-019-002	Blue River Services, Inc.	Apple Orchard Phase 2	88	\$1,150,000.00	\$0.00	\$0.00
CH-019-006	Housing Opportunities, Inc.	La Porte Affordable Rentals	86	\$825,000.00	\$0.00	\$0.00
CH-019-007 CO-019-004 DFL-020-500	LaCasa of Goshen, Inc.	State St. Duplexes	85.5	\$1,116,204.00	\$50,000.00	\$385,150.00
HM-019-003	Community Action Program Inc of Western Indiana	Attica 2020	85	\$764,000.00	\$0.00	\$0.00
CH-019-003	Blue River Services, Inc.	Grandview Manor North	83.5	\$1,500,000.00	\$0.00	\$0.00

CH-019-008 CO-019-005	Providence Housing Corporation	Providence Place Phase VII	83.5	\$886,625.00	\$50,000.00	\$0.00
HM-019-005	Washington County Senior Citizens Housing, Incorporated	Meadow Dell Apartments Rehabilitation	83	\$1,000,000.00	\$0.00	\$0.00
HM-019-004	Fairhaven Apartments Inc	Fairhaven West Apartment Renovation	81.5	\$1,000,000.00	\$0.00	\$0.00
CH-019-004 CO-019-002	Hoosier Uplands Economic Development Corporation	New Horizon Apartments	77.5	\$1,500,000.00	\$50,000.00	\$0.00
Total Request Amount				\$13,340,467.00	\$291,000.00	\$385,150.00
Total Recommended Amount				\$13,340,467.00	\$291,000.00	\$385,150.00

The seven applications listed in Table B below are recommended for denial because the application was withdrawn or did not meet minimum scoring, completeness, and/or threshold guidelines. Project summaries for all denied applications are attached hereto as **Exhibit B**.

Application Number	Applicant Name	Project Name	Score	HOME Amount Requested Rental	CHDO Operating Supplement Requested	Development Fund Requested	Reason for Denial
2020-HM-009	Four Rivers Resource Services, Inc.	Orchard Park	74.5	\$816,000.00	\$50,000.00	\$0.00	Insufficient Funding Available
2020-HM-014	LaCasa Inc.	410 E. Jefferson St.	72.5	\$336,000.00	\$50,000.00	\$0.00	Insufficient Funding Available
2020-HM-012	Hendricks County Community Development Corporation	Lincoln Apartments	70.5	\$468,000.00	\$0.00	\$0.00	Insufficient Funding Available
2020-HM-016	New Hope Development Services, Inc.	Highland Woods II	65	\$666,000.00	\$50,000.00	\$330,670.00	Did Not Meet Minimum Score
2020-HM-017	New Hope Development Services, Inc.	White River Landing	63.5	\$1,237,000.00	\$50,000.00	\$500,000.00	Did Not Meet Minimum Score
2020-HM-008	Vision Communities, Inc.	The Landing	62	\$414,000.00	\$0.00	\$250,000.00	Failed Threshold
2020-HM-007	Vision Communities, Inc.	River Pointe	58	\$393,000.00	\$0.00	\$215,000.00	Failed Threshold

Following discussion, a motion was made by Andy Place, Sr. to approve HOME funding in the form of grants in an aggregate amount not to exceed \$13,340,467.00 to the applicants as set forth in Table A and Exhibit A, as recommended by staff. The motion was seconded by G. Michael Schopmeyer. The motion passed unanimously.

RESOLVED, that the Board approve HOME funding in the form of grants in an aggregate amount not to exceed \$13,340,467.00 to the applicants as set forth in Table A and Exhibit A, as recommended by staff.

Following discussion, a motion was made by Mark Wuellner to Development Fund loans in an aggregate amount not to exceed \$385,150.00 to the applicants as set forth in Table A and Exhibit A, as recommended by staff. The motion was seconded by Andy Place, Sr. The motion passed unanimously.

RESOLVED, that the Board approve Development Fund loans in an aggregate amount not to exceed \$385,150.00 to the applicants as set forth in Table A and Exhibit A, as recommended by staff.

Following discussion, a motion was made by Andy Place, Sr. to approve the HOME CHDO Operating Supplement funding in the form of grants in an aggregate amount not to exceed \$291,000.00 to the applicants as set forth in the Table A and Exhibit A, as recommended by staff. The motion was seconded by Mark Wuellner. The motion passed unanimously.

RESOLVED, that the Board approve the HOME CHDO Operating Supplement funding in the form of grants in an aggregate amount not to exceed \$291,000.00 to the applicants as set forth in the Table A and Exhibit A, as recommended by staff.

III. Finance

A. MAH Cedar Glen, LP

Chairperson Crouch recognized Rich Harcourt, who presented the MAH Cedar Glen, LP.

Background:

The purpose of this memo and the attached resolution is to request the approval for the issuance of the Series 2020 Multifamily Housing Revenue Notes (Cedar Glen Apartments Project) (not to exceed \$7,300,000) (the “Bonds”).

Process:

The Bonds will be issued on behalf of MAH Cedar Glen, LP, 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 new construction 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**

Cedar Glen Apartments is the rehabilitation of 179 units of affordable housing in South Bend by Merchants Affordable Housing. 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.

Following discussion, a motion was made by Mark Pascarella to approve the Series 2020 Multifamily Housing Revenue Bonds (Cedar Glen Apartments Project), pursuant to the attached Resolution, as recommended by staff. The motion was seconded by G. Michael Schopmeyer. The motion passed unanimously.

RESOLVED, that the Board approve the Series 2020 Multifamily Housing Revenue Bonds (Cedar Glen Apartments Project), pursuant to the attached Resolution, as recommended by staff.

B. Monon Crossing Bond Recommendation

Chairperson Crouch recognized Rich Harcourt, who presented the Monon Crossing Bond Recommendation.

Background:

The purpose of this memo and the attached resolution is to request the approval for the issuance of the Series 2020 Multifamily Housing Revenue Bonds (Monon Crossing Apartments Project) (not to exceed \$35 million) (the “Bonds”).

Process:

The Bonds will be issued on behalf of Monon Crossing LP, 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, construction, improving 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.**

The Monon Crossing Apartments project is a 240-unit affordable living multi-family housing complex, located at 2710 Grantline Road, New Albany, Indiana (the “Project”). This is an acquisition and construction project. With the Authority

serving as the issuer of the bonds, a further approval by the Board, in addition to the approval of the allocation of tax credits and bond volume is necessary.

Following discussion, a motion was made by Mark Pascarella to approve the Series 2020 Multifamily Housing Revenue Bonds (Monon Crossing Apartments Project), pursuant to the attached Resolution, as recommended by staff. The motion was seconded by Andy Place, Sr. The motion passed unanimously.

RESOLVED, that the Board approve the Series 2020 Multifamily Housing Revenue Bonds (Monon Crossing Apartments Project), pursuant to the attached Resolution, as recommended by staff.

C. Private Activity Bond Volume Recommendation

Chairperson Crouch recognized Rich Harcourt, who presented the Private Activity Bond Volume Recommendation.

Background:

The purpose of this memo and the attached resolution is to request the delegation of authority to the Executive Director, Chief Financial Officer or Director of Real Estate to enter interlocal cooperation agreements with local jurisdictions in order to document an allocation of carryforward volume cap. Each calendar year, the State of Indiana receives authority from the federal government in the form of private activity volume cap of approximately \$700 million. Of that amount, approximately \$140 million is designated by state statute for use by cities, towns and counties for multifamily housing projects. IHCD is the allocating agency with respect to this volume. If a portion of the volume cap is unused in a calendar year, an issuer may elect to “carryforward” that volume cap for use in the following three calendar years. IHCD typically receives all carryforward volume the State is willing to dedicate to multi-family housing.

Process:

IHCD staff has surveyed similarly situated states as well as states that frequently use all of the annual volume cap allocation and, in consultation with bond counsel, would recommend implementing a process to further document the allocation of carryforward volume cap to a local issuer. Other state agencies consider this a best practice, and in Indiana, an interlocal cooperation agreement is the optimal method for implementation.

Following discussion, a motion was made by Mark Pascarella to approve the form of interlocal cooperation agreement and the delegation of authority to the Executive Director, Chief Financial Officer or Director of Real Estate to enter interlocal cooperation agreements pursuant to the attached Resolution, as recommended by staff. The motion was seconded by G. Michael Schopmeyer. The motion passed unanimously.

RESOLVED, the form of interlocal cooperation agreement and the delegation of authority to the Executive Director, Chief Financial Officer or Director of Real Estate to enter interlocal cooperation agreements pursuant to the attached Resolution, as recommended by staff.

D. Brookhaven Apartments Refinancing Bond Recommendation

Chairperson Crouch recognized Rich Harcourt, who presented the Brookhaven Apartments Refinancing Bond Recommendation.

Background:

The purpose of this memo and the attached resolution is to request the approval for the issuance of one or more series of Multifamily Housing Revenue Refunding Bonds (not to exceed \$36 million (\$24 million tax-exempt)) (the “Bonds”) and the loan of proceeds thereof to Brookhaven Apartments, L.P. (the “Borrower”), to redeem previously issued bonds (the “Prior Bonds”) and refinance the multifamily housing project (the “Project”) located at 940 Wild Indigo Lane, Indianapolis, Indiana, and as further described in the resolution.

Process:

The Bonds will be issued on behalf of the Borrower, which is an Indiana limited partnership. 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 redeem previously issued bonds (the “Prior Bonds”) and refinance the Project. The security for the Bonds will be a mortgage on the Project. **The Bonds are backed solely by the revenues of the project and will not constitute a debt, liability, or obligation of the Authority or the State of Indiana.**

The Project is not seeking new tax credit allocations and no volume allocation is required because the principal amount of the tax-exempt Bonds will not exceed the outstanding amount of the Prior Bonds.

Following discussion, a motion was made by G. Michael Schopmeyer to approve the Series 2020 Multifamily Housing Revenue Refunding Bonds and the loan of the proceeds thereof to Brookhaven Apartments, L.P., pursuant to the attached Resolution, as recommended by staff. The motion was seconded by Andy Place, Sr. The motion passed unanimously.

RESOLVED, that the Board approve the Series 2020 Multifamily Housing Revenue Refunding Bonds and the loan of the proceeds thereof to Brookhaven Apartments, L.P., pursuant to the attached Resolution, as recommended by staff.

IV. Executive

A. Executive Update

Chairperson Crouch recognized J. Jacob Sipe, who presented the Executive Update.

1. Operations:

- a. J. Sipe mentioned that IHCD staff has continued to operate remotely without any disruptions.
- b. J. Sipe mentioned that Chris Nevels showed a good example of no disruptions in terms of insuring that IHCD is reviewing the applications and sticking to the timelines set before IHCD began working remotely. IHCD has continued to meet deadlines and timelines.
- c. J. Sipe thanked Kyleen Welling, IHCD's Chief Operating Officer for all her work on pulling together the Back on Track Indiana plan.
- d. IHCD plans to begin working in a hybrid mode of going back into the office at the beginning of phase 4, which is currently June 14th.
- e. J. Sipe mentioned that IHCD will have a hybrid, which will be broken into two different teams, Team A and Team B. Team A will come into the office on Mondays and Tuesdays; on Wednesdays, everyone will work remotely while the office is cleaned; and on Thursdays and Fridays, Team B will be in the office.
- f. J. Sipe mentioned that IHCD is coordinating with internal operations; Kite Development, which is the owner of 30 South Meridian; and the State of Indiana, in terms of the Back on Track Indiana plan.

2. CARES Act:

- a. J. Sipe mentioned that IHCD has two programs under the CARES Act that IHCD has been working on to get approval to begin obligating these dollars in partnership with the HUD Indiana field office.
 - i. IHCD will be receiving an additional \$13.5 million in Emergency Solutions Grant (ESG) funds.
 - ii. Entitlement cities will be receiving \$7M of these funds.
- b. J. Sipe mentioned that IHCD will be allocating funds to go into the balance of the state. IHCD has broken the ESG program into three sections, with the majority of the funds focused on:
 - i. Rental assistance, which will be around \$10M:
 - a. Rapid Re-Housing: \$1.6M for those currently experiencing homelessness
 - b. Homeless Prevention: \$7.6M for those at risk of becoming homeless who do not have assistance
 - ii. Shelters, Operations, and Programming
 - a. Supporting emergency shelters will be allocated an estimate of \$2.5M.
 - iii. Outreach and case management for those experiencing homelessness on the street around \$500K.
- c. J. Sipe mentioned that IHCD anticipates getting an approval from the HUD Indiana office within the next week or so.
- d. J. Sipe mentioned that traditionally, IHCD has made the awards with ESG through a network of not-for-profits. However, the need for rental assistance is a top priority across Indiana. To meet this need and to ensure the available resources are used efficiently and can be used to maximize the potential of assistance, IHCD has proposed a new intake process that will determine if an individual is eligible. It will have a single port of client intake called a hub, and IHCD will distribute the client files out to the not-for-profit network. This will hopefully help relieve some of the stress that will be placed on the not-for-profit network.
- e. J. Sipe mentioned that he is very proud of Elspeth Hilton and her team for the work that they have done, for doing a great job understanding the issues and the challenges during this time, and for looking for solutions to the challenges.

- f. J. Sipe mentioned that IHCDCA is waiting on the HUD Indiana field office to give approval for IHCDCA's proposal.
 - i. IHCDCA received another \$231,000 for Housing Opportunities for Persons with AIDS (HOPWA). J. Sipe also mentioned that some entitlement communities received some additional HOPWA funds as well.
 - ii. The funds are to be used to provide HOWPA grantees additional funding to maintain operations and for rental assistance and services, such as short-term rental assistance and utility assistance to prevent homelessness for persons with AIDS.
 - iii. J. Sipe mentioned that for both programs, a virtual public hearing was held on May 22nd, and IHCDCA received public feedback.
 - iv. J. Sipe mentioned that IHCDCA submitted its proposal to HUD. Both programs are waiting on approval from HUD. Once IHCDCA receives the final approval, IHCDCA can begin to use the application process, make some awards, and allocate resources.

3. **Debt Service Relief for HOME, Development Fund, and CDBG-DR Multi-Family Loans:**

- a. J. Sipe mentioned that IHCDCA understands the need for rental assistance and the challenges that renters are up against as it relates to making their payments.
- b. J. Sipe mentioned a new policy with some multi-family properties where IHCDCA has made multi-family loans using Home Investment Partnership Funds, the IHCDCA Development Fund, or Community Development Block Grant Disaster Relief funds.
- c. J. Sipe mentioned that there are certain repayment terms that the loans operate under, and the property is obligated to repay IHCDCA.
- d. J. Sipe mentioned that IHCDCA decided to allow forbearance or deferral of principal payments starting with developments that had a payment due between May 1, 2020 and April 30, 2021. During this period, a property can defer its principal payments and add those onto the maturity of the loan, called the balloon payment. Most of the loans are 15-year loans.
- e. J. Sipe mentioned that the deferral of a loan will put less stress onto the property in terms of cash flow and allow the property to work with its permanent lender. In many cases, IHCDCA's loans are second in position, so the property may be working with its first position lender to re-negotiate the terms of its loan. Deferral allows properties to focus more on working with residents to have payment plans in place so that residents can continue living in their units without the risk of eviction.
- f. J. Sipe stated that he is proud of the Real Estate team, Matt Rayburn, Alan Rakowski, Peter Nelson, and Jerri Bain, for their work, leadership, and forward thinking on the positive impact on indirectly preventing evictions for properties that IHCDCA has financed.

4. **Rural Road to Recovery Plan:**

- a. J. Sipe mentioned that IHCDCA is working in partnership with the Lieutenant Governor's family of business and other agencies to develop a Rural Road to Recovery Plan. The plan puts forth the recovery efforts that a lot of communities are up against.
- b. J. Sipe mentioned that Samantha Spergel has taken the lead on developing IHCDCA's comprehensive strategy.
- a. J. Sipe mentioned that IHCDCA is in collaboration with the Purdue Center for Regional Development. Last week, IHCDCA sent out a survey to community partners requesting them to continue to identify the challenges and opportunities that are presented as a plan is developed.
- b. J. Sipe mentioned that since mid-March, IHCDCA has continued to have weekly calls with our stakeholders. IHCDCA hosts close to 20 calls every week. These calls have identified the many challenges and opportunities based on these listening sessions.
- c. J. Sipe mentioned that IHCDCA recognizes that there are immediate needs, medium needs, and long-term needs.
 - i. Immediate Need: Rental assistance to prevent evictions.
 - ii. Medium Need: Need to provide incentives for landlords to participate in traditional voucher programs with more vouchers coming online. There are situations where an individual has rental assistance, but finding an affordable, safe, and decent place to live is a challenge.
 - iii. Long-Term Need: Production and preservation of housing, whether homeownership or multi-family. There is a need to preserve and create affordable housing that is safe and decent for Hoosiers.

5. **Executive Director Delegation Update:**

- a. J. Sipe mentioned that IHCD A would like to extend the Executive Director Delegation Authority until June 25th to ensure awards are timely made for the Emergency Solutions Grant and HOPWA programs.
- b. J. Sipe requested that the board consider extending the Delegation Authority to June 25th because the current resolution expires today.

Recommendation is to extend the Executive Director Delegation Authority previously approved by the board until June 25th.

Mark Wuellner asked to clarify what was being extended with the Delegation Authority. J. Sipe stated that it allows the Executive Director to make decisions directly related to COVID-19 response, which would include the CARES Act.

Following discussion, a motion was made by Mark Pascarella to extend the Executive Director Delegation policy until another formal Board meeting occurs, as recommended by staff. The motion was seconded by Andy Place, Sr. The motion passed unanimously.

6. **May's IHCD A Board Meeting Location:**

- a. J. Sipe stated that the June 25th Board Meeting is scheduled to be a virtual meeting, and it will be the same format as today's meeting.

Mark Wuellner asked J. Sipe whether the multi-family deferral program includes a commitment from developers not to evict beyond the Governor's current June 30th deadline. J. Sipe responded that IHCD A considered internally whether there should be restrictions on eviction. J. Sipe mentioned that the deferral policy applies across the board and impacts about 200 properties. J. Sipe mentioned that properties are not relieved of making any payments; the payments are only deferred until a later time. J. Sipe mentioned that enforcing any restrictions on evictions would be a challenge for IHCD A given its current capacity. J. Sipe mentioned that IHCD A encourages properties to use eviction as a last resort and that the policy aims to provide relief in an indirect way.

V. Other Business

David Stewart stated that Mark Pascarella joined the meeting at 10:17 a.m. and agreed to all the motions presented during the entire session from the time he joined. David Stewart stated that J. June Midkiff communicated that she came onto the session at about 10:17 a.m. and was unable to be heard, but she was also in agreement with the motions presented during the entire session.

There being no further business, a motion was made by G. Michael Schopmeyer to adjourn the meeting, which was seconded by Andy Place, Sr.; the motion passed unanimously, and the meeting was adjourned at 10:57 a.m.

Respectfully submitted,


Suzanne Crouch (Jun 25, 2020 14:55 EDT)

Lieutenant Governor, Suzanne Crouch, or her designee

ATTEST:



J. Jacob Sipe
Executive Director for IHCD A

May 28, 2020 Board Minutes-Draft (00037678xD2C80).DOCX

Final Audit Report

2020-06-25

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