



MISSOURI HOUSING

DEVELOPMENT COMMISSION

TAB 2



Strength, Dignity, Quality of Life
MISSOURI HOUSING
DEVELOPMENT COMMISSION

Minutes of the Regular Meeting

of the

Missouri Housing Development Commission

Jeremiah W. (Jay) Nixon
Governor

Peter Kinder
Lieutenant Governor

Clint Zweifel
State Treasurer
Chairman

Chris Koster
Attorney General

Claudia L. Oñate Greim
Vice Chairman

Cale Bradford
Secretary - Treasurer

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Commissioner

Timothy Joyce
Commissioner

John Stanfield
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The Regular Meeting of Missouri Housing Development Commission was held at 9:00 A.M. on **Friday, December 18, 2009, at the Capitol Plaza Hotel, Truman Room, 415 W. McCarty, Jefferson City, Missouri.**

Commissioners present:

Clint Zweifel, State Treasurer, Chairman
Claudia Oñate Greim, Vice-Chairman
Cale Bradford, Secretary-Treasurer
Peter Kinder, Lieutenant Governor
Troy Nash, Commissioner
John J. Temporiti, Commissioner
Timothy Joyce, Commissioner
John Stanfield, Commissioner

Commissioners absent:

Jay Nixon, Governor
Chris Koster, Attorney General's Office

Staff, Consultants and others present:

Pete Ramsel, Executive Director
Rex M. Burlison, Governor's Office
Jerry Dowell, Deputy Lieutenant Governor, Lieutenant Governor's Office
Angie Heffner Robyn, General Counsel and Director of Policy, State Treasurer's Office
Jon Galloway, Director of Communication and Policy Assistant, State Treasurer's Office
Janell Thome, Director of Rental Production
Mary Helen Murphy, Director of Operations
Marilyn Lappin, Director of Finance
Ron Hill, Fiscal and Accounting Manager
Tina Beer, Commission Secretary
Bram Higgins, General Counsel MHDC
Heather Bradley-Geary, Trust Fund and Community Initiatives Manager
Katie Watts, Special Assistant to Director of Rental Production

Greg Spurgeon, Single Family Homeownership
Administrator
Andi Benson, Communications Administrator
James Kalthoff, Chief Technology Officer
Susan Kornelis, Executive Assistant
Diana Greener, Administrative Assistant
Bob Detjen, CSG Advisors (Financial Advisor)
Dennis Lloyd, Columbia Capital (Financial
Advisor)
Kelsi Powell, Columbia Capital (Financial Advisor)
Kim Wells, Gilmore and Bell, PC (Bond Counsel)
Peter Czajkowski, Stifel Nicolaus
Keith Tully, G K Baum
Jean Matzeder, Hardwick Law Firm, LLC (Bond
Counsel)
Jerry Breed, Bryan Cave (via conference call)
Jean Peterson, Reznick Group (via conference call)
Laura Roberson, UMB Bank
Bob Cole, Stern Brothers
Mark Gardner, Gardner Capital
Debbie Shantz, Sustainable Housing Solutions
Matt Miller, Sustainable Housing Solutions
Kevin Buchek, E.M. Harris
Diana Moore, CMCA
Don Rosemann, Rosemann and Associates
Daniel Sanders, DRS Consulting
James McDonald, Zimmerman Properties, LLC
Mark Stroker, HASLC
Mike Hentrich, HASLC
Chris Hite, Sugar Creek Realty
Liz Hager-Mace, DMH
Jim Moody, Moody & Associates
Bob Ring, JES Development Co.
Patti Maguder, MACA
Ken Maddox, MACO
Jason Maddox, MACO
Brian Kimes, Affordable Equity Partners
Brian Bruce, Council Tower
Bill Bruce, Council Tower
Jack Sheredano, Council Tower
Chuck Pierce, MoCAP Development
Brian Leary, Zerrick Partnership
Ken Nuernberger, ND Consulting Group
Michele Duffe, ND Consulting Group
Garen Miller, AGM, Inc.
Kurt Wallace, Wallace Architects
Ivan Vassilev, North Tower Group

James Halls, H & H
Tom Heinsz, Carpenters District Council
D. Kim Lingle, MBL Development Co.
Matt Fulson, MHP
C. Vadcer, Council Tower
Kirsten Vaselaar, HRI Properties
Art Weiss, Lisart Capital, LLC

Chairman Zweifel called the December 18, 2009, meeting to order and asked Commission Secretary Beer to proceed with roll call. Roll call was taken, and a quorum of eight was present. Chairman Zweifel welcomed Commissioner Stanfield to the commission. Chairman Zweifel stated that this was the first commission meeting to be webcast, which allows the citizens across the state to watch and listen to the work that is being done by the commission.

Chairman Zweifel moved to the next item on the agenda, **approval of the minutes of the September 18, 2009, meeting.** Commissioner Greim made a motion for approval of the September 18, 2009, minutes, and Chairman Zweifel seconded the motion. A roll call vote was taken and the motion was passed unanimously with a vote of 8 to 0. Chairman Zweifel moved to **approval of the minutes of the November 5, 2009, special meeting.** Chairman Zweifel made a motion for approval of the November 5, 2009, minutes, and Commissioner Temporiti seconded the motion with an amendment to page 5 to correct the spelling of Temporiti. A roll call vote was taken, and the motion was passed unanimously with a vote of 8 to 0.

Chairman Zweifel moved to the next item on the agenda, **Report of the Chairman and the Committee Reports.**

Chairman Zweifel moved to the report of the **Audit Committee.** Commissioner Bradford stated that the committee had not met since the last commission meeting, so there was no report. Mr. Ramsel stated that some additional language had been added to the BKD letter. Commissioner Bradford stated that, unless the chairman had any additional changes, the committee recommendation was

to ask for approval of the revised letter after it has been distributed to all the commissioners for their review.

Chairman Zweifel moved to the report of the **Auditor Report Committee**. Chairman Zweifel stated that the committee has met twice and is presenting the committee report to the commission for approval of the recommendations that have been made regarding financial issues, internal control issues, accounting-related issues and best practice issues. **Chairman Zweifel made a motion for approval of the Auditor Report Committee recommendations, and Commissioner Temporiti seconded the motion. The motion passed unanimously with a vote of 8 to 0.**

Chairman Zweifel moved to the report of the **Tax Credit Committee**. Mr. Ramsel stated that there is a memo in the commission binder that has been prepared by the tax credit consultants detailing the structure being proposed for the Missouri state low income housing tax credit program (LIHTC), the role of MHDC, the formation of the LLC, the role of the IRS and what rulings are needed from the IRS. Chairman Zweifel asked the tax credit consultants to give a brief report. Ms. Peterson, Reznick Group, stated that the point of the structure being proposed is to increase the amount of private equity dollars actually provided to affordable housing developments. Ms. Peterson stated that the proposed Missouri state low income housing tax credit program is a combination of allocated and certificated credit. A limited liability company would be created that would acquire a one percent limited partnership interest in each project partnership. Ms. Peterson stated this will permit the LLC, which is controlled by MHDC, to be allocated 100 percent of the state low income housing tax credit; the LLC would convert the credit to certificates. The certificate structure would consist of 10 certificates, one for each year of the 10-year LIHTC credit period. Those certificates would then be sold to third parties. Ms. Peterson stated that the IRS has been given a general outline of the proposed structure of the program. There are staff at the IRS who are not familiar with the way the federal tax credit program and the Missouri state tax credit program work, which could delay the process. Mr. Breed, Bryan Cave, stated that the reason for going to the IRS is to provide some level of certainty as to the state and federal income tax

consequences of the program to the various participants in the program, and to make sure that the federal investor and the state and the project partnership will not have taxable income. The primary ruling would be that the entity created by MHDC would be treated as a partner in the project partnership. There was discussion among the commissioners regarding the proposed structure to the Missouri state low income housing tax credit program. Chairman Zweifel inquired about the risks or unintended consequences of the structure being proposed. Mr. Breed stated that there was a high degree of certainty that the assets of MHDC would not be subject to risk. Chairman Zweifel stated that the committee would plan to meet again in early February.

Chairman Zweifel moved to the next item on the agenda, the report of the **Asset Management Committee**. Commissioner Greim reported that the last committee meeting was held in August 2009, and the committee planned to meet again in January 2010. Commissioner Greim stated the committee is receiving rental production and trust fund watch lists. Ms. Murphy gave an update on the situation with the Justine Peterson Housing and Reinvestment Corporation (Justine Peterson) and stated that Justine Peterson has agreed to tender funds associated with files that were not in compliance. The total amount of recapture would be \$13,000 and, once an agreement is executed and the payment is made, Justine Peterson will be removed from the watch list, and the issue will be resolved. Mr. Ramsel introduced Marian Stewart, the new director of asset management. Chairman Zweifel asked Mr. Ramsel to outline the present role of the previous director of asset management, Deb Giffin. Mr. Ramsel stated that Ms. Giffin is now a consultant for MHDC and is assisting with the rebidding of the HUD project-based Section 8 contract. Chairman Zweifel asked if Ms. Giffin has consulting agreements in place with individuals or businesses that come before the commission. Mr. Ramsel stated Ms. Giffin was aware of conflicts of interest and her only involvement with MHDC would be with the renewal of the HUD project-based contract. There was discussion among the commissioners regarding conflicts of interest. **Commissioner Temporiti made a motion to continue the relationship with Ms. Giffin for the period necessary to transition the renewal of the HUD contract, providing that MHDC be the exclusive relationship of Ms. Giffin during that period, and that Ms. Giffin provide a list**

of current clients to the commission. Chairman Zweifel seconded the motion. A roll call vote was taken, and the motion was passed unanimously with a vote of 8 to 0. Chairman Zweifel stated he would like to have a review at the next commission meeting of the contractual relationships that exist with Ms. Giffin to see if there are any issues under the standards of conduct policy that is currently in place.

Chairman Zweifel moved to the next item on the agenda, **Report of the Executive Director.**

Mr. Ramsel asked Mr. Hill to give **the Financial Report.** Mr. Hill reported that total assets as of October 31, 2009, were \$2,270,000,000. For the first four months of the fiscal year, net operating results before the implementation of GASB 31 were \$10,800,000. Results were \$2,200,000 better than budget. For the fiscal year, the overall fair value of investments and mortgage-backed securities has increased by \$25,000,000. Please remember that GASB 31 adjustments are due to changes in the level of interest rates and do not reflect changes in the quality of the underlying securities. MHDC has no subprime mortgages and a conservative asset base with 52 percent being guaranteed mortgage-backed securities. Uninsured loans including 50 percent of risk share loans, total \$339,500,000 on October 31, 2009, with reserves of \$42,800,000. Commissioner Temporiti asked why the health care expenses were 37 percent over the budgeted amount. Ms. Lappin stated that the MHDC budget process is on a fiscal year basis and the health care contracts, which are negotiated by Missouri Consolidated Health Care, are on a calendar year basis. Ms. Lappin stated that the budgeted amount had been increased substantially, due to the staggering increase in the health care expenses.

Chairman Zweifel moved to the next item on the agenda, staff recommendation regarding **expenditure of \$20,000,000 of MHDC reserves.** Mr. Ramsel stated that, at the August and September commission meetings, there was considerable discussion regarding the MHDC fund balance and how to expend the funds to help stimulate the economy, with an emphasis on housing. Mr. Ramsel stated that, at the September meeting, a decision was made to expend \$20,000,000 of



MHDC reserves, and staff was asked to develop a plan with specific funding recommendations. Mr. Ramsel stated that the staff recommendations are as follows:

- 1.) \$5,000,000 of fund balance funds will be used to fund down payment and closing cost assistance (First Time Homebuyer Program).
- 2.) \$15,000,000 of fund balance funds will be used to fund HOPE, a plan proposed by Governor Nixon and State Treasurer Zweifel to increase homeownership by paying the first year of property taxes for low- and middle-income Missourians who buy a new or existing home after January 1, 2010. The eligible homebuyers who purchase an existing home will be entitled to qualify for up to \$1,750 for property taxes and improvements that will make the home more energy efficient. Purchasers of a new home that is energy efficient will qualify for \$1,750.
- 3.) \$15,000,000 of federal stimulus funds will be used to fund GAP financing for rental production in the calendar year 2010.

Chairman Zweifel stated that, in order to spur the Missouri economy and position MHDC to create and retain Missouri jobs, **he would make a motion for approval of the recommendations, and that staff will implement anti-fraud measures to ensure that the \$35,000,000 expended is used correctly and efficiently. Commissioner Greim seconded the motion. Lieutenant Governor Kinder made a substitute motion requesting that the \$15,000,000 proposed to pay property taxes be voted on as a separate item. The motion was seconded by Commissioner Bradford. A roll call vote was taken and the motion failed with a vote of 3 to 5, with Chairman Zweifel, Commissioner Temporiti, Commissioner Joyce, Commissioner Nash and Commissioner Stanfield voting no and Lieutenant Governor Kinder, Commissioner Greim and Commissioner Bradford voting yes. A roll call vote was taken on the original motion made by Chairman Zweifel and the motion passed with a vote of 7 to 1, with Lieutenant Governor Kinder voting no.**

Chairman Zweifel moved to the next item on the agenda, staff recommendation for approval of **Resolution 1008 – Amendment to Single Family**

Mortgage Revenue Bonds (Special Homeownership Loan Program), Resolution No. 1004. Mr. Ramsel stated that Resolution 1008 is an amendment to Resolution 1004 that was passed at the special meeting in November. Resolution 1004 was for \$400,000,000, and Resolution 1008 is for an increase of \$34,000,000, bringing the total amount of Resolution 1008 to \$434,000,000. **Chairman Zweifel made a motion for approval of Resolution 1008, and Commissioner Temporiti seconded the motion. A roll call vote was taken, and the motion passed unanimously with a vote of 8 to 0.**

Chairman Zweifel moved to the next item on the agenda, staff recommendation for approval of **MHDC MBS Warehousing Program utilizing FHLB Advances, Resolution No. 1009.** Mr. Ramsel stated that this program allows MHDC to warehouse mortgage-backed securities utilizing the Federal Home Loan Bank (FHLB) advances until proceeds of the New Issue Bond Program are available in conjunction with Market Bond issuance (up to three issuances in 2010). Chairman Zweifel asked Mr. Ramsel to explain how the warehousing benefits MHDC. Mr. Ramsel stated that the program allows MHDC to warehouse the mortgage-backed securities at a very attractive rate. **Chairman Zweifel made a motion to approve Resolution No. 1009, and Commissioner Greim seconded the motion. A roll call vote was taken, and the motion was passed unanimously with a vote of 8 to 0.**

Chairman Zweifel moved to the next item on the agenda, staff recommendation for approval of **Draw Down program with the FHLB, Resolution No. 1010.** Mr. Ramsel stated that the draw down program will be done with the Federal Home Loan Bank and is a refunding of previously issued revenue bonds. This program will allow payments from previous bond issues to be recycled and will provide \$40 to \$50 million in bond cap, with the remainder of bond cap coming out of the 2010 bond cap secured by DED. **Chairman Zweifel made a motion to approve Resolution No. 1010, and Commissioner Nash seconded the motion. A roll call vote was taken, and the motion was passed unanimously with a vote of 8 to 0.**

Chairman Zweifel moved to the next item on the agenda, staff recommendation for approval of **the Professional Services Policy**. Ms. Murphy stated that this is the policy requested by the commission stating that, if staff should need professional services, the contract would be brought to the chairman of the commission. There would be a cap on the amount incurred by these anticipated services. If these services were the result of a need by the chairman of the commission, that contract would be brought to the commission as a whole for a vote. **Chairman Zweifel made a motion to approve the Professional Services Policy. Commissioner Nash seconded the motion. Commissioner Greim requested that an amendment be made to the language in the policy to state, "in connection with his or her role with MHDC."** A roll call vote was taken, and the modified motion was passed unanimously with a vote of 8 to 0.

Chairman Zweifel moved to the next item on the agenda, staff recommendation for approval of **an affirmative marketing plan for our Single Family programs**. Mr. Ramsel outlined the marketing plan and stated there were three goals: 1.) reach out to low-income minority audiences; 2.) reach out to rural audiences; 3.) gain recognition of our first-time homebuyer programs. Mr. Ramsel requested approval of a budget of \$75,000 to implement the marketing plan. There was discussion among the commissioners regarding the marketing plan. **Chairman Zweifel made a motion to approve the budget for communications for this program, and to allow staff the freedom to continue to develop the message. Commissioner Temporiti seconded the motion. A roll call vote was taken and the motion was passed unanimously with a vote of 8 to 0.**

Chairman Zweifel moved to the next item on the agenda, **HOME Repair recommendations for funding**. Ms. Thome stated that every year, funds are set aside from the HOME allocation to provide funding for the HOME Repair program. The HOME Repair program covers lead-based paint remediation, weatherization, rehabilitation and accessibility improvements for owner-occupied homes that are the principal residence of households making up to 80 percent of median income. Ms. Thome stated that grants of these funds are approved for nonprofit agencies,

municipalities and regional planning commissions across the state who then work directly with the homeowners. Ms. Thome requested approval of staff's recommended allocation of HOME Repair funds. **Chairman Temporiti made a motion for approval, and Chairman Zweifel seconded the motion. A roll call vote was taken, and the motion was passed unanimously with a vote of 8 to 0.**

Chairman Zweifel moved to the next item on the agenda, **Trust Fund recommendations for funding.** Ms. Bradley-Geary stated that Trust Fund applications came in on September 11, 2009, and went through the review process. Ms. Bradley-Geary asked for approval of funding for the Trust Fund recommendations. **Chairman Zweifel made a motion for approval of all applications not on the Watch List. Chairman Zweifel stated those agencies that are on the Watch List, specifically West Central Community Action Agency, Salvation Army Kansas City and Salvation Army North, would be approved upon becoming compliant. Commissioner Temporiti seconded the motion. A roll call vote was taken, and the motion passed with a vote of 7 to 0, with Commissioner Greim abstaining.**

Chairman Zweifel moved to the next item on the agenda, **staff recommendation for the selection of the bond underwriting team.** Mr. Ramsel stated that responses to the RFP for bond underwriters have been received. Ms. Lappin stated that the proposals have been reviewed, and staff recommended firms that would best serve the commission in the current economic environment. The firms recommended for rotating senior book-runners were George K. Baum and RBC Capital Markets. Commissioner Temporiti stated that, previously, MHDC used George K. Baum, a Kansas City company, and also Stifel Nicolaus, and he asked why Stifel Nicolaus is not a participant. Commissioner Temporiti stated that Stifel Nicolaus is a very vibrant company in the St. Louis community and also in the state of Missouri. Ms. Lappin stated that Stifel Nicolaus had not been eliminated but had been placed in the co-manager position. Ms. Lappin stated that there were a couple of other options available, one option being to swap the two firms, and the other option, to have three book runners that could be rotated. **Commissioner Temporiti**

made a motion to approve the recommendation for the selection of the bond underwriting team with the change that George K. Baum and Stifel Nicolaus would be the book runners. The motion was seconded by Commissioner Joyce. Chairman Zweifel stated his preference would be to delay voting on this until the next commission meeting. After discussion among the commissioners, **Commissioner Temporiti withdrew his motion.** It was decided by the commissioners to bring this agenda item back to the commissioners at the February meeting.

Chairman Zweifel moved to the next item on the agenda, staff request for permission to **issue the RFP for bond counsel.** Mr. Ramsel stated that staff was asking permission to issue the RFP for bond counsel. **Lieutenant Governor Kinder made a motion for approval, and Commissioner Nash seconded the motion. A roll call vote was taken, and the motion was passed unanimously with a vote of 8 to 0.**

Chairman Zweifel moved to the next item on the agenda, **staff request for permission to issue the RFP for brokerage services in our quest for new office space for the Kansas City office.** Mr. Ramsel stated that staff is evaluating new office space and would like to request permission to issue an RFP for brokerage services. Chairman Zweifel asked if this would be brought back to the commission before a definite decision is made on a move. Mr. Ramsel stated it would. **Chairman Zweifel made a motion for approval, and Commissioner Temporiti seconded the motion. A roll call vote was taken, and the motion was passed unanimously with a vote of 8 to 0.**

Chairman Zweifel moved to the next item on the agenda, approval of **Rental Production NOFA (tax-exempt bond/4% tax credit proposals).** Ms. Thome stated that the state legislature passed a change to the state statute regarding the state low income housing tax credit last May, which placed a cap on the 4% credit of \$6,000,000. Ms. Thome stated that, at the May commission meeting, staff and commissioners agreed to make access to the federal and state 4% LIHTC available through a competitive process conducted twice a year. Ms. Thome requested

approval of the 2010 Round 2 Notice of Funding Availability for 4% federal and state low income housing tax credits. **Chairman Zweifel made a motion for approval, and Commissioner Greim seconded the motion. A roll call vote was taken, and the motion was passed unanimously with a vote of 8 to 0.**

Chairman Zweifel moved to the next item on the agenda, **Status Report - Rental Production**. Ms. Thome reported that MHDC received 124 applications in November in response to the Notices of Funding Availability. Staff has been reviewing each application for presentation of recommendations to the board in February. Ms. Thome stated that six of the applications had been removed from the competition, and staff is continuing the evaluation process for the remaining applications.

Chairman Zweifel moved to the next item on the agenda, extension of deadlines - **closing of 2008/2009 rental production transactions**. Ms. Thome stated that there were a handful of developers who had approached staff with the desire to receive another extension for the closing transaction past the December 31 deadline. Ms. Thome stated that complexity of the transactions with the additional layer of HUD review, the current turmoil in the tax credit equity market, and changes in lender requirements have exacerbated the delay in closing. Ms. Thome stated that staff is seeking guidance from the commissioners as to whether the deadline for developments currently subject to the December 31, 2009, deadline be extended to March 1, 2010, and if March 1, 2010, should be an absolute deadline. **Lieutenant Governor Kinder made a motion for approval.** Chairman Zweifel asked that, if a project was not receiving recovery funds, if there was still a need to have the same deadline as there is in projects receiving recovery funds. Ms. Thome stated that the risk to the commission is different because, without the recovery funds, the recaptured funds would not have to come back to MHDC to re-allocate prior to federal deadlines. Ms. Thome stated that one thing to keep in mind is the ability to move forward in a timely manner with everyone getting the same deadline. **Lieutenant Governor Kinder stated he would like his motion to include an**

extension of the deadline beyond March 1, 2010, and into the second quarter for developments that do not have recovery funds. Commissioner Temporiti seconded the motion with a deadline of April 15, 2010. Ms. Thome stated that she had some concerns about extending the deadline for the recovery fund deals and would prefer them to continue on a more timely manner, and she had no concerns with the April 15 deadline for those transactions without recovery funds. **Lieutenant Governor Kinder amended his motion to a June 1, 2010, deadline for Council Towers and a March 1, 2010, deadline for the recovery fund transactions. Commissioner Temporiti seconded the motion. A roll call vote was taken, and the motion was passed unanimously with a vote of 8 to 0.**

Chairman Zweifel moved to the next item on the agenda, **approval of Resolution No. 877, as revised.** Mr. Ramsel requested approval of the revised Resolution No. 877. **Chairman Zweifel made a motion for approval, and Commissioner Greim seconded the motion. A roll call vote was taken, and the motion passed unanimously with a vote of 8 to 0.**

Chairman Zweifel moved to the next item on the agenda, **Working Agreement with DED.** Mr. Ramsel stated that MHDC is currently working with an agreement with DED that is outdated. Mr. Ramsel stated that staff has worked on a draft agreement with the commissioners for some time and, with a new director at DED, this may be a good time to get this accomplished. Chairman Zweifel stated that if there were commission members interested in looking at this issue as a committee, it would make sense to proceed in that way.

Chairman Zweifel moved to the next item on the agenda, **Update Report - Homeownership.** Mr. Spurgeon stated that mortgage loan demand for the single family program was particularly strong during the month of October, and loan demand trailed off during November and December, which is typical during the holiday and winter months. Mr. Spurgeon stated that TCAL helped stimulate home sales across the state and the nation, and since its release in January, over 1,200

Missouri households have used TCAL to assist them with the purchase of their first home. Mr. Spurgeon stated that the Refinance Program is beginning to pick up steam. This is a unique program that offers assistance to responsible homeowners unable to refinance because their mortgage balance exceeds the loan value of their home. Mr. Ramsel stated that MHDC is making \$22,000,000 available for down payment and closing cost assistance, which is a significant number. Commissioner Nash thanked Mr. Spurgeon and staff for their efforts and for making an impact where it counts.

Chairman Zweifel moved to the next item on the agenda, **Watch List - Rental Production**. Mr. Ramsel stated that the Watch List would be discussed in detail during the January 25 Asset Management Committee meeting. Chairman Zweifel asked if there were any applications pending from developers that were on the Watch List, and Mr. Ramsel stated there were.

Chairman Zweifel moved to the next item on the agenda, **Watch List - Trust Fund**. There was no report on the Trust Fund Watch List.

Chairman Zweifel moved to the next item on the agenda, **Watch List - Single Family Lenders**. Mr. Ramsel stated that staff is in the process of developing a Single Family Lenders Watch List. Mr. Ramsel stated that, as the lender base is expanded, a mechanism needs to be in place that can regulate those lenders.

Chairman Zweifel moved to the next item on the agenda, **Work Force Eligibility Report**. There was no Workforce Eligibility Report.

Chairman Zweifel moved to the next item on the agenda, **Report of Financial Advisor, Bond Counsel and General Counsel**. Mr. Lloyd, Columbia Capital, stated the commission sold a \$19,000,000 bond issue for the Courthouse Apartments in Kansas City. The bond issue produced a permanent loan rate to the developer of 5 3/8 percent, which will greatly assist this project.



Commissioner Temporiti made a motion to adjourn, and Chairman Zweifel seconded the motion.

Cale Bradford, Secretary-Treasurer

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