



**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
FINANCE COMMITTEE MEETING MINUTES
Friday, May 15, 2026**

The meeting of the Finance Committee of the Illinois Housing Development Authority took place on Friday, May 15, 2026, at 10:00am at 111 East Wacker Drive, Chicago, IL.

I.A. Ms. Poethig called the meeting to order at 10:00am.

I.B. Ms. Davis called the roll. Acting Finance Committee Chair Ms. Erika Poethig, Chairman King Harris, Mr. Brice Hutchcraft, Ms. Luz Ramirez, Ms. Sonia Berg, Mr. Daniel Hayes, Ms. Claire Leopold, and Mr. Tom Morsch were present. Finance Committee Chair Sam Tornatore was absent.

I.C. Ms. Poethig called a motion for the approval of the April 17, 2026 minutes to be approved as presented. Motion carried.

II.A. Presentation of Consolidated Interim Financial Statements

Mr. Jalaluddin stated: April fiscal YTD data for ten months of FY26 shows operating revenues of \$52.9M, \$4.2M favorable to budget, driven by strong fee activity in bond administration, compliance credit monitoring, and higher federal 9% tax credit origination fees. These gains were partially offset by lower insurance fee activity and reduced AUM-related revenues. Administrative reimbursements totaled \$27.2M, favorable by \$1.3M.

Mr. Jalaluddin continued: Operating expenses are \$57.1M, favorable to budget by \$9.6M due to vacancy savings, lower professional services spend, lower financing costs within bond indentures, and timing-related favorability in office administration and technology initiatives. The Administrative Fund continues to show revenue and expense favorability, reflecting the same drivers and isolating the Authority's operating performance apart from reimbursements.

Mr. Jalaluddin continued: Governmental Fund operating revenues total \$27.2M, \$1.3M favorable to budget, driven by higher Illinois Affordable Housing Trust Fund and HOME activity, partially offset by slower activity in other programs. Certain programs, including SLFRF and the Opioid Settlement Fund, are expected to remain below budget for the fiscal year. Governmental Fund operating expenses total \$27.3M, \$1.4M unfavorable, driven by higher staffing costs, though overall performance remains near breakeven.

II.B. Multifamily Update

Ms. Pawlus stated: The Multifamily Update includes five items scheduled for Board action. Permanent Supportive Housing Round 12 recommended six projects across four counties, creating 142 new PSH units. Additional agenda items include Lake Plain Senior

Residences, a 40-unit elderly development in Beach Park, along with three rehabilitation projects: San Miguel Apartments, Logan Vistas, and Deville Manor.

Ms. Pawlus continued: Lake Plain Senior Residences is recommended for a Credit Advantage Risk-Sharing Loan and reallocation of 2025 LIHTC credits due to federal limitations on FFB transactions. San Miguel Apartments, a 71-unit rehabilitation in Chicago, is recommended for 200K IAHTC credits. Logan Vistas, a 49-unit elderly HUD Section 8 property, is recommended for tax-exempt conduit bonds not to exceed \$8.46M and a Trust Fund Loan of \$1.427M. Deville Manor, due to an FFB approval-letter error and the current pause in FFB funding, is recommended for conversion to a Credit Advantage structure.

Ms. Pawlus concluded: Department updates include the upcoming release of the Draft 2027–2028 Qualified Allocation Plan on May 15, with a public comment period through June 15 and a hearing on June 8. Recommended awardees for the 2026 9% LIHTC round will be presented next month.

Ms. Poethig commented on potential changes to federal risk share programs. Ms. Faust noted ongoing advocacy efforts and provided additional commentary.

II.C. Single Family/Homeownership Update

Mr. Nestlehut stated: Homeownership reservations for April 2026 totaled nearly \$227M in first mortgages, a 52% increase by loan count and a 63% increase by loan volume compared to April 2025. He noted this was the largest April in six years.

Mr. Nestlehut continued: AccessHome accounted for 79% of reservations, followed by Access 4% at 3%, Access 5% at 7%, and Access 10% at 17%. Chicagoland remained the largest region by loan count and volume, followed by the Central, Northwest, and Southern regions. As of April 30, 2026, the pipeline exceeded \$463M, and the average turn-time from reservation to purchase was 47 days. GNMA and Conventional reservation histories showed IHDA's rate trends relative to FHA and Freddie Mac benchmarks.

Mr. Nestlehut concluded: Year-to-date demographic data through April 30, 2026, shows 18.6% of purchased-loan borrowers identified as Black or African American and 29.9% as Hispanic or Latino, both above statewide levels. Performance remains consistent with trends from 2021–2026.

III.A.1. Resolution Ratifying Establishment of Loan Loss Reserve

Mr. Jalaluddin stated: The loan loss reserve reflects an increase of \$0.8M, bringing the total reserve to \$128M. This increase was driven by higher reserve needs within the HTF and administrative portfolios, along with increased operating cost pressures. These increases were partially offset by reduced reserve needs in the HOME portfolio. The adjustments remain consistent with the Authority's reserve methodology and continuing monitoring of portfolio performance and credit risk.

III.A.2. Resolution Authorizing Revenue Bonds, 2026 Series EFGH

Mr. Lindsey stated: Revenue Bonds 2026 Series E, F, G, and H include tax-exempt and taxable, fixed- and variable-rate bonds secured by mortgage-backed securities and issued under the Revenue Bonds Indenture. The bonds are intended to redeploy capital for future single-family originations, refund prior revenue bonds, and lock in long-term spread. The transaction maintains the indenture's variable-rate share at approximately 12%, below the 15% limit.

Mr. Lindsey continued: The request authorizes issuance of Revenue Bonds 2026 Series E, F, G, and H in an amount not to exceed \$350M, with final maturity not later than 35 years. Fixed-rate interest will not exceed 11%, and variable-rate interest will not exceed 15%. The projected closing date is July 14, with Wells Fargo as senior underwriter.

Mr. Lindsey concluded: Additional information includes the Authority's revenue bond portfolio totals, considerations regarding market conditions, and ongoing self-funding of programs through strategic structuring. Volume cap is not expected to be a concern, and syndicate composition remains consistent with prior issuances.

III.B.1. Logan Vistas Apartments

Mr. Lindsey stated: Logan Vistas Apartments is a 49-unit elderly multifamily development. The financing includes publicly offered, tax-exempt, fixed-rate, short-term conduit bonds, followed by permanent taxable long-term financing through Merchants Capital. The request authorizes issuance of Multifamily Housing Revenue Bonds, Series 2026 in an amount not to exceed \$8.46M with final maturity within 48 months and an interest rate not to exceed 8.5% per annum. The projected closing date is July 21, 2026, with Hispanic Housing Development Corporation and Housing and Human Development Corporation as sponsors, and Stifel, Nicolaus & Company Incorporated as underwriter.

III.C.1. Resolution Adopting the Operating and Capital Budget for Fiscal Year 2027

Mr. Runkle introduced the FY27 Operating and Capital Budget, noting a primary focus for the Authority in the upcoming year would be on Strengthening Mission Resiliency. Mr. Runkle then provided an economic overview, main business drivers and highlighted the importance of technology investments being made in the upcoming year.

Mr. Runkle further stated: The FY27 Operating and Capital Budget proposes \$8.7M in operating income, supported by \$62.1M in operating revenue, \$28.2M in government reimbursements, and \$81.6M in expenses. The budget reflects authority-wide planning and incorporates economic, policy, and funding considerations.

Mr. Runkle continued: Total revenues of \$90.3M reflect a 7% increase in operating revenue and continued reductions in government reimbursements due to the runoff of COVID-era programs. Operating expenses increased 1% from FY26, driven by healthcare-related costs, also allowing for strategic technology investments, as well as the Authority's office relocation. Salaries and benefits account for 66% of total operating costs.

Committee members engaged in questions on the budget with Mr. Runkle providing answers and commentary.

IV. Ms. Poethig adjourned the meeting at 10:32am.