



IOWA FINANCE
AUTHORITY

PERFORMANCE REPORT

Performance Results for
Fiscal Year 2016

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INTRODUCTION

The Iowa Finance Authority (IFA) is dedicated to enhancing the quality of life for Iowans by making affordable financing possible for home and community.

Affordable financing needs for housing developers, beginning farmers, home buyers and cities in Iowa are constantly evolving. Therefore we are constantly looking for ways to innovate and improve so we can better meet those needs and enhance the quality of life for Iowans. The Authority's innovation to meet needs was strong in FY16:

Workforce Housing Loan Program: Many Iowa communities were seeing an increase in workforce due to new and expanding businesses. The Authority created a new Workforce Housing Loan Program (WHLP) to offer cities and counties low-interest loans to help meet the demands of local employment growth. The program awarded a combined total of \$1.3 million in low-interest loans to the cities of Chariton and Forest City for the development of 48 new workforce rental housing units. WHLP remains as a new resource for cities to advance housing initiatives.

Homelessness Set-Aside: To target a need for permanent supportive housing, the Authority introduced a new homelessness set-aside in the 2016 Housing Tax Credit Qualified Allocation Plan to provide affordable housing for persons experiencing homelessness.

Financial Management: Embarked on a plan that would use existing resources in conjunction with new tax-exempt bonds to rejuvenate the FirstHome program, improve the risk profile and strengthen long-term financial health by profitably growing single-family mortgage backed security assets.

100% Name Awareness: The Iowa Finance Authority has a goal of having 100 percent name awareness by the year 2025. This goal is central to our mission because the more Iowans are aware of available programs, the more we will be able to assist Iowans, their families and communities. This goal has already been fruitful, as indicated below - our programs are assisting many Iowans and in some cases, more than ever in recent history.

The following report illustrates the performance of the Iowa Finance Authority programs during FY16. It does not include information about programs that were inactive during the fiscal year.

Highlights of the impact IFA had on Iowans in FY16 include:

- **1,959** Iowans realized their dream of homeownership through the Iowa Finance Authority's affordable homeownership programs, the most in any single year since 2008.
- **492** military service members and veterans received up to \$5,000 in down payment and closing cost assistance to purchase a home in Iowa through the Military Homeownership Assistance Program.
- **590** Iowa families will have access to affordable housing through more than \$7.7 million in Housing Tax Credits that were awarded in 2015.
- **63** communities received low-cost State Revolving Fund loans for water quality projects.
- **\$13.4 billion** worth of Iowa residential and commercial real estate was covered by Iowa Title Guaranty and associated revenues were kept in Iowa to support affordable housing.
- **513** beginning farmers received assistance beginning their farming operations through the Iowa Agricultural Development Division.
- **Rating increase** – S&P Global Ratings improved the Authority's outlook from AA to AA/Positive and IFA maintained its issuer credit rating of Aa3 from Moody's.

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AGENCY OVERVIEW

The Iowa Finance Authority was established in 1975 with the purpose of advancing affordable housing in the state. Since then, the agency's role has expanded considerably.

The Iowa Finance Authority has one office location at 2015 Grand Ave. in Des Moines and has approximately 90 full-time employees (FTE).

Core Focus:

Enhance the quality of life for Iowans by making affordable financing possible for home and community.

Core Values:

Integrity – Our employees, partners and customers can count on IFA to be honest and trustworthy

Mission Oriented – We keep a constant focus on the Iowans our programs benefit

Purposeful Work Ethic – We nurture a culture of outstanding work ethic, teamwork and diligence

Accountability – We accept responsibility and honor our commitments

Customer Service Focus – We are friendly, courteous and responsive

Trusted Resource – We are a reliable resource for Iowans

Core Functions:

The Iowa Finance Authority performs its mission through the following core functions:

- **Affordable Housing:** Provides opportunities for all Iowans to obtain safe, affordable and accessible housing.
- **Iowa Title Guaranty:** Offers a low-cost mechanism to guarantee title to real property in Iowa, working with attorneys, abstractors, and lenders throughout the state to ensure the integrity of the land title transfer system and facilitate transactions in the secondary mortgage market.
- **Water Quality Programs:** Provides low-cost financing to Iowa communities for clean water and drinking water projects.
- **Community Development:** Provides low-cost financing for community and economic development projects.
- **Iowa Agricultural Development:** Provides affordable financing for Iowa beginning farmers in establishing a crop or livestock operation.

Programs: The Iowa Finance Authority executed its core functions through the following programs and services in FY16:

FirstHome

The Iowa Finance Authority's FirstHome program provides affordable mortgage financing to qualified home buyers. Mortgage loans are provided to borrowers through more than 400 participating lender locations across the state. In FY16, the Iowa Finance Authority purchased 762 *FirstHome* loans totaling more than \$70 million.

FirstHome Plus

The FirstHome Plus program provides a cash grant of up to \$2,500 for down payment assistance to home buyers who use a FirstHome mortgage loan. In FY15, 620 home buyers were provided down payment or closing cost assistance through a FirstHome Plus grant.

Homes for lowans

The Homes for lowans program was created in FY10 to assist eligible repeat and first-time home buyers. Mortgage loans are provided to borrowers through an extensive network of Participating Lenders across the state. The program made 1,197 loans totaling more than \$140 million in FY16.

Homes for lowans Plus

The Home for lowans Plus program was established in FY12 and provides a cash grant of up to \$2,500 for down payment assistance to home buyers who use a Homes for lowans mortgage loan. In FY16, 650 home buyers received down payment assistance through the program.

Military Homeownership Assistance program

In partnership with the Iowa Department of Veterans Affairs, the Iowa Finance Authority administers the Military Homeownership Assistance Program. The program was created by the Iowa Legislature in 2005 with a \$1.05 million state allocation. In 2006 and each successive year, the Legislature has allocated additional funds for this program, which provides grants of \$5,000 toward the purchase of a home to eligible military service members and veterans. In FY16, the program helped 492 service members purchase homes in Iowa.

Take Credit! Mortgage Credit Certificates

The Take Credit! Program provided eligible first-time home buyers a federal income tax credit of up to \$2,000 per year for up to 30 years (or the life of the mortgage whichever is less). Funding for the program was made available by converting expiring tax-exempt bond volume cap which allowed IFA to issue mortgage credit certificates benefitting 456 home buyers in FY16.

Housing Tax Credits

The Iowa Finance Authority has served as the tax credit allocating agency for the state of Iowa since 1986, through the Housing Tax Credit Program. The tax credit provides an incentive to developers to construct affordable housing units. These credits provide a dollar-for-dollar reduction to an investor's federal tax liability on ordinary income. The Internal Revenue Service annually allocates tax credits to states based on their populations.

The Iowa Finance Authority awarded a total of more than \$7.6 million in 9% housing tax credits for the construction or preservation of 590 affordable rental units in 2016. The actual awards exceed more than \$76 million because the credit is committed annually for a ten-year period.

HOME

The HOME program was created by the National Affordable Housing Act of 1990, and its primary objectives are to provide decent affordable housing to lower-income households, and to leverage private sector participation in affordable housing. The U.S. Housing and Urban Development annually allocates HOME funds to states based on their populations. In CY16, IFA awarded nearly \$14 million in HOME funds which will serve more than 700 households.

Workforce Housing Loan Program

The Iowa Finance Authority created the Workforce Housing Loan Program in FY16 to assist communities in meeting workforce rental housing demands. The program offers low-cost repayable loans to cities and counties and awarded a total of \$1.3 million to the cities of Chariton and Forest City for the development of new workforce rental housing in FY16.

Multifamily Loan Program

The Multifamily Loan Program seeks to preserve the existing supply of affordable rental units at risk of being lost and to foster the production of new affordable rental units in Iowa. During FY16, the Multifamily Loan Program provided \$7,020,000 in financing to support one affordable rental project with 56 units.

Project-Based Section 8

The Iowa Finance Authority holds a Performance-Based Annual Contribution Contract (ACC) with the U.S. Department of Housing and Urban Development to provide oversight of select project-based Section 8 properties in Iowa. The Section 8 Contract currently covers 213 properties providing affordable housing to approximately 12,000 low-income Iowa households in 71 counties throughout the state.

State Housing Trust Fund

The State Housing Trust Fund reached a milestone in FY16, by assisting more than 20,000 affordable housing units for low-income Iowans since the program's creation by the Iowa Legislature in 2003.

The State Housing Trust Fund receives a standing appropriation of \$3 million from the Rebuild Iowa Infrastructure Fund and 30 percent of the Real Estate Transfer Tax, up to a maximum of \$3 million annually. The State Housing Trust Fund helps ensure decent, safe and affordable housing for Iowans through two programs. The Local Housing Trust Fund Program receives at least 60 percent of the SHTF allocation to provide grants for organizations certified by the Iowa Finance Authority as a Local Housing Trust Fund.

In FY16, nearly 2,477 families will be assisted through over \$6.5 million in funding to help finance affordable housing activities. More than \$6.3 million in grants were awarded to Local Housing Trust Funds. The remaining funding goes to the Project-Based Housing Program, which aids in the development of affordable single-family and multifamily housing. The Project-Based program awarded \$240,000 in FY16. The SHTF leveraged an additional \$.94 in other financing for every \$1 of SHTF investment.

Home and Community-Based Rent Subsidy Program

Since 1996, the Home and Community-Based Rent Subsidy Program has assisted recipients to live successfully in their own home and can be used until the person becomes eligible for a Housing Choice voucher from the U.S. Department of Housing and Urban Development or any other kind of private or public rent subsidy. The Iowa Finance Authority has been administering this program since 2005 in partnership with the Iowa Department of Human Services. In FY16, more than \$713,000 in subsidies was provided to assist an average of 410 individuals each month. A total of 499 unique individuals were assisted in FY16.

Aftercare Rent Subsidy Program

This program provides financial assistance for youth who are aging out of foster care and are participants in the Aftercare Services Program. The program's goal is to teach Iowa youth independence, life skills and responsibilities. The Iowa Finance Authority began administering this program in 2004 in partnership with the Iowa Department of Human Services. In FY16 the Iowa Finance Authority issued \$107,000 in subsidies.

Iowa Council on Homelessness

The Iowa Finance Authority is the administering agency for the Iowa Council on Homelessness. The Council is governed by Iowa Code Chapter 16.2D and is made up of 38 voting members from across the state. The Iowa Finance Authority provides staff support to the Council to submit an annual Balance of State coordinated application for federal funds through the U.S. Department of Housing and Urban Development's Continuum of Care (CoC) Homeless Assistance Program. Approximately \$4.6 million was awarded through the program in FY16.

Emergency Solutions Grant Program

The Emergency Solutions Grant program (ESG) is a federal program of the U.S. Department of Housing and Urban Development designed to assist people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. The Iowa Finance Authority manages the Iowa statewide allocation of ESG funds, with some cities in Iowa also managing additional independent federal allocations. Eligible applicants for annual funding include units of general purpose local governments (not to include local public housing authorities) and nonprofit service agencies across Iowa. In FY16 the Iowa Finance Authority awarded nearly \$2.5 million in Emergency Solutions Grants to assist Iowans in need.

Shelter Assistance Fund

The Shelter Assistance Fund is a state-funded program that supports the operations of homeless and domestic violence shelters. Eligible applicants for annual funding include city governments, county governments and nonprofit service agencies across Iowa. More than \$900,000 was awarded through the program in FY16.

Housing Opportunities for Persons with AIDS

The Housing Opportunities for Persons with AIDS program distributes funds to address the housing needs of persons living with HIV/AIDS and their families. In FY16, approximately \$400,000 was awarded through the program.

Iowa Title Guaranty

Iowa Title Guaranty offers low-cost title protection for real estate located in Iowa. In FY16, Iowa Title Guaranty issued 77,363 title certificates, covering more than \$12.5 billion worth of Iowa real estate. Iowa Title Guaranty successfully partners with more than 2,100 participating attorneys, abstractors and independent closers to help assure the integrity of Iowa's land-title transfer system.

Iowa Title Guaranty Commercial

Iowa Title Guaranty Commercial offers customer-focused title services for commercial projects of all sizes in Iowa. Iowa Title Guaranty Commercial services can be used as a one-stop shop to obtain title coverage, hold earnest money in escrow, close a transaction, and provide disbursements during the construction process. Each Iowa Title Guaranty Commercial service can also be offered a la carte to fit the needs of the customer. In FY16 Iowa Title Guaranty Commercial issued title certificates to 314 commercial transactions providing coverage for real estate valued at more than \$853 million.

Mortgage Release

The mortgage release certificate program provides a simple and inexpensive way to obtain a release of a mortgage that has been paid in full, but not properly released of record. In FY16, Iowa Title Guaranty released 431 mortgages.

Economic Development Bond Program

The Economic Development Bond Program advances the development and expansion of business, nonprofit organizations and housing within Iowa. Since 1982, the Iowa Finance Authority has issued more than \$9 billion in tax-exempt bonds, the proceeds of which are loaned to borrowers to finance qualified projects. In FY16, the Iowa Finance Authority issued more than \$563 million of tax-exempt bonds on behalf of 14 projects through the Economic Development Bond program.

State Revolving Fund Construction Loans

The Water Quality Division is a core function of the Iowa Finance Authority and is one of Iowa's primary sources for financing projects designed to improve the state's water quality. The Iowa Finance Authority and the Iowa Department of Natural Resources jointly administer the State Revolving Fund (SRF). The fund, capitalized by the U.S. Environmental Protection Agency grants, assists Iowa communities with the costs of upgrading or constructing local wastewater and drinking water infrastructure projects as well as a variety of projects designed to improve water quality. The SRF provided 76 low-cost loans for clean water and drinking water projects in FY16 totaling more than \$160 million. This financing provided affordable infrastructure improvements for 570,000 Iowans.

Planning & Design Loans

The State Revolving Fund's Planning & Design Loan program is the first choice for many Iowa communities in the early stages of building or repairing water infrastructure facilities. One of the program's advantages is the special terms of 0% interest for up to three years. In FY16, 49 Planning & Design Loans were closed totaling more than \$10 million, providing assistance that will benefit approximately 600,000 Iowans.

General Non-Point Source Program

This program was established to provide low-cost funds for a wide range of water quality-related projects. Qualified projects include: restoration of wildlife habitat, stream bank stabilization, lake restoration, watershed protection and wetland flood prevention areas. Low-interest loans can also be used for the water quality components of other projects, such as municipal landfill closure and brownfield remediation. In FY16, 10 projects were funded through loans totaling nearly \$9 million.

On-Site Wastewater Assistance Program (OSWAP)

The OSWAP provides assistance to homeowners not served by a public sewer. Homeowners may obtain a low-interest loan through a participating lender for the replacement of inadequate or failing septic systems. According to Iowa law, all septic systems, regardless of when they were installed, must have a secondary wastewater treatment system following the septic tank. The Iowa Department of Natural Resources administers the program in cooperation with County Sanitarians with the Iowa Finance Authority acting as the financial agent. In FY16, 100 homeowners were assisted through this program through more than \$937,000 in loans throughout the state.

Livestock Water Quality Program

This program offers low-interest loans through participating lenders to Iowa livestock producers for projects to prevent, minimize or eliminate non-point source pollution of Iowa's rivers and streams from animal feeding operations. The types of eligible projects include lagoons, manure management structures, vegetative filters and the development of manure management plans. Assistance is limited to existing facilities for animal feeding operations with less than 1,000 total animal units. The Division of Soil Conservation of the Iowa Department of Agriculture and Land Stewardship administers the program and the Iowa Finance Authority is the financial agent. In FY16 the program deposited more than \$3.3 million in banks to subsidize 17 projects.

Local Water Protection Program

The Local Water Protection Program offers low-interest loans through participating lenders to Iowa landowners for projects to control the runoff of sediment, nutrients, pesticides or other non-point source pollutants from entering Iowa waters. The types of eligible projects include composting facilities, contour buffer strips, field borders or windbreaks, filter strips, riparian forest buffers, terraces, grade stabilization structures, grassed waterways or other practices that are shown to improve or protect water quality. The Division of Soil Conservation of the Iowa Department of Agriculture and Land Stewardship administers the program through its local Soil and Water Conservation Districts. The Iowa Finance Authority acts as the financial agent. In FY16 the LWPP program deposited more than \$1.8 million in banks to subsidize 86 projects.

Iowa Agricultural Development Division

The Iowa Agricultural Development Authority (IADA) was established by the Iowa General Assembly in 1980 to provide financial assistance to Iowa's grain and livestock producers. In 2013, the IADA became the Iowa Agricultural Development Division (IADD) within the Iowa Finance Authority.

Beginning Farmer Loan Program

The Iowa Beginning Farmer Loan Program (BFLP) was established in 1981 to assist new farmers in acquiring agricultural property. Beginning Farmer Loans are financed by participating lenders or contract sellers with the issuance of federal tax-exempt bonds offered by the IADD. Interest received on contract sales or direct loans by individuals is also exempt from state income taxes. The tax-exempt interest income earned by lenders and contract sellers enables them to charge borrowers a lower interest rate, which will typically result in an approximate 25 percent rate reduction. Eighty-nine beginning farmers were assisted through the program in FY16 with a total of more than \$22.6 million in loans.

Beginning Farmer Tax Credit Program

The Beginning Farmer Tax Credit Program was enacted by the Iowa legislature during the 2006 legislative session as an incentive to keep land in production agriculture, by allowing agricultural asset owners to earn tax credit for leasing their land to beginning farmers. The program includes tax credits for the leasing of agricultural land, depreciable machinery or equipment, breeding livestock and buildings. The program assisted 393 beginning farmers with a total of \$2.4 million in tax credits in FY16.

Custom Hire Tax Credit Program

The Iowa Legislature created the Custom Hire Tax Credit Program in 2013 as an incentive for hiring beginning farmers. The program offers a tax credit to anyone hiring a beginning farmer to do agricultural contract work for the production of crops or livestock in Iowa. The program provided a total of nearly \$90,000 in tax credits in FY16.

Loan Participation Program

The Loan Participation Program (LPP) was established in 1996 to assist low income farmers secure loans and make down payments. IADD's participation can be used to supplement the borrower's down payment, thereby helping a farmer secure a loan more readily. The lender's risk is also reduced since the IADD provides a "last-in/last-out" loan participation for the financial institution. In FY16, 14 farmers were assisted through the program with a total of more than \$1.7 million.

KEY RESULTS

Name: *Issuer Credit Rating*

Description: An issuer credit rating reflects the Authority’s creditworthiness through an analysis of the agency’s management, asset quality, financial performance and capital adequacy.

Why we are doing this: Securing a strong issuer credit rating lowers the cost of funding and provides the financial strength to enable the Authority to keep program interest rates relatively low and provides more financial flexibility to support expanded programming.

What we are doing to achieve results:

- Managing the Iowa Finance Authority to the “AA” rating category level of Standard and Poor’s (S&P) and the Aa3 category of Moody’s Investors.
- Looking for opportunities to generate income while managing risk.

Results

Performance Measure:

S&P Issuer Credit Rating

Performance Goal/Target:

Profitably grow IFA’s financial assets, diversify funding sources, and maintain an AA rating.

Ratio	FY13	FY14	FY15	FY16
Equity/ asset ratio > 25.0%	28.9%	33.5%	42.5%	42.4%
Return on assets ≥ 0.85%	1.66%	1.30%	2.11%	-0.3%
Loans/ asset ratio > 75%	77.8%	75.2%	74.5%	74.5%

What was achieved: The Iowa Finance Authority’s AA S&P credit rating outlook was revised from stable to positive during FY 2016. IFA’s general obligation rating of Aa3 with Moody’s remained stable.

Data Sources: Iowa Finance Authority, Standard and Poor’s and Moody’s.

Resources: IFA is a self-funded public agency. With its nine-member Board of Directors and its employees, IFA is well-positioned to strengthen its efforts on behalf of Iowa’s communities and citizens.

KEY RESULTS

CORE FUNCTION

Name: *Single-Family Loan Production*

Description: Single-Family Loan Production consists of mortgage loans and down payment assistance grants funded through the FirstHome, FirstHome Plus, Homes for Iowans, Homes for Iowans Plus and the Military Homeownership Assistance Program programs.

Why we are doing this: To provide opportunities for Iowans to purchase safe, affordable, and accessible housing; increase homeownership opportunities to underserved populations; and to provide sustainable homeownership opportunities.

What we're doing to achieve results:

- Administer the Military Homeownership Assistance Program grant funds for the State
- Provide down payment assistance to help eligible home buyers overcome cost barriers to homeownership.
- Provide affordable mortgage financing to borrowers

Results

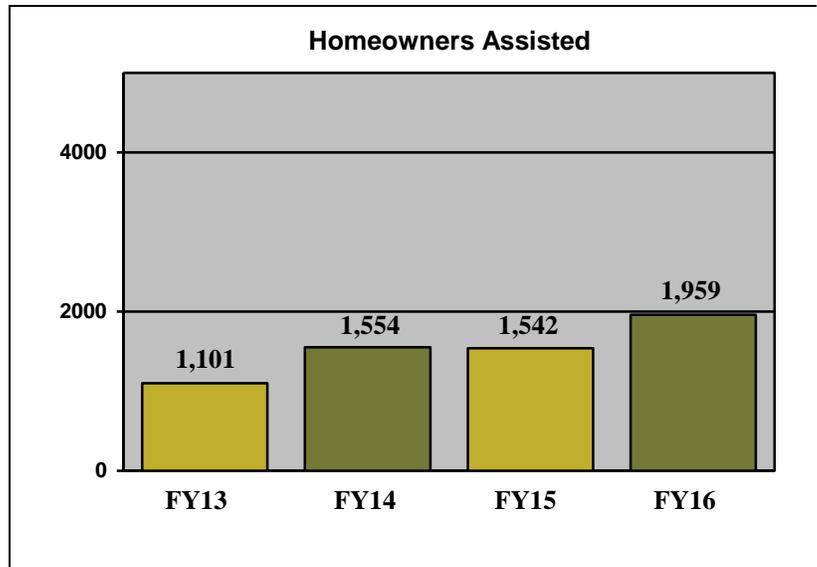
Performance Measure:

Single-Family Loan Volume
Number of homeowners served

Performance Goal/Target:

Increase number of homeowners served by 10 percent.

Increase single-family loan volume by 10 percent.



What was achieved: 1,959 new borrowers benefited from the single-family homeownership mortgage programs in FY16, the most in any single year since 2008.

Data Sources: Iowa Finance Authority*

Resources: The Iowa Finance Authority self-funds its single family mortgage programs in the municipal bond market and supplements its down payment assistance programs.

KEY RESULTS



IOWA TITLE GUARANTY

CORE FUNCTION

Name: Iowa Title Guaranty

Description: Iowa Title Guaranty provides a low-cost mechanism to guarantee title to real property, ensure the integrity of the land title transfer system and facilitate transactions in the secondary mortgage market.

Why we are doing this: Iowa Title Guaranty ensures the integrity of the Iowa land title transfer system and facilitates lenders participation in the secondary mortgage market.

What we are doing to achieve results:

- Provide free owner’s coverage
- Continue to move commitment and certificate production to Iowa Title Guaranty participating attorneys, abstractors and independent closers in the local market.

Results

Performance Measure:

Iowa Title Guaranty Revenues

Performance Goal/Target:

\$6 million

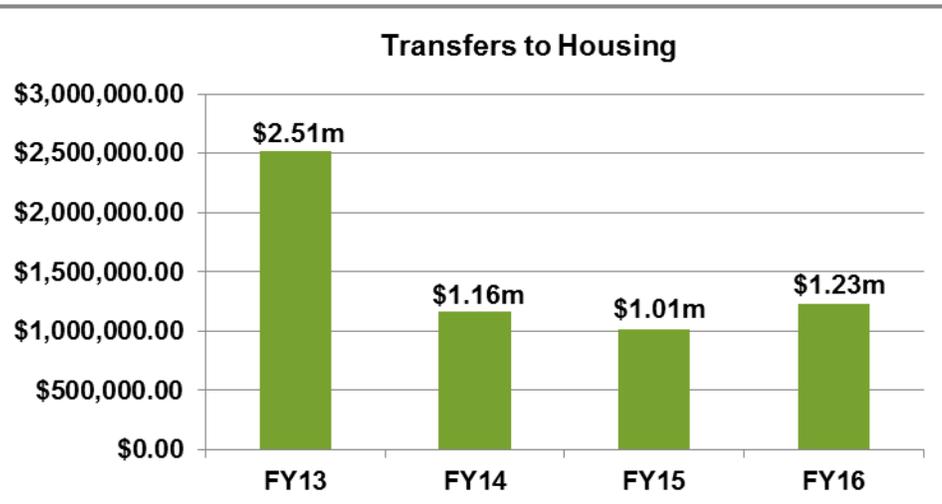
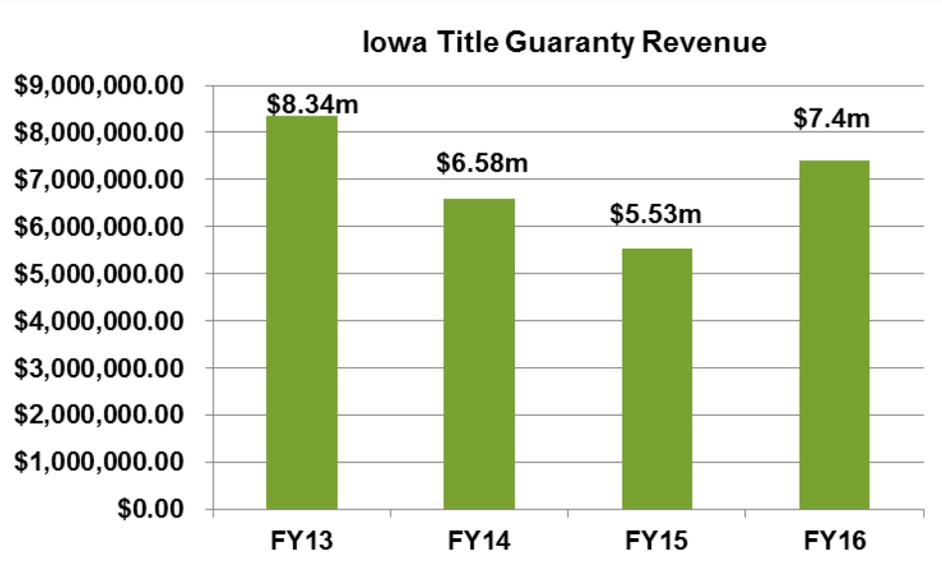
Performance Measure:

Transfer to Housing

Performance

Goal/Target:

\$1 million



What was achieved: In FY16, Iowa Title Guaranty (ITG) generated \$7.4 million in revenue, an increase from \$5.53 million in revenue in FY15. ITG transferred \$1.23 million in revenues in excess of operating expenses to affordable housing programs in FY16, an increase from \$1.01 million in FY15.

Data Sources: Iowa Finance Authority*

Resources: ITG is supported by revenues earned by issuing ITG Certificates. ITG works with lenders, abstractors and attorneys to ensure the integrity of the land title system and to facilitate lender sales to the secondary mortgage market.

KEY RESULTS

CORE FUNCTION

Name: Water Quality Programs - State Revolving Fund

Description: The State Revolving Fund provides low-cost loans to assist with the costs of infrastructure projects for Clean Water and Drinking Water. The Iowa Finance Authority operates the program in cooperation with the Department of Natural Resources. The program is funded through capitalization grants from the U.S. Environmental Protection Agency, proceeds of bonds issued by Iowa Finance Authority and loan repayments.

Why we are doing this: There is a critical need for low-cost funds to assist communities with financing improvements to their drinking water and wastewater infrastructure.

What we are doing to achieve results:

- Assisted projects in more than 63 communities through Clean Water and Drinking Water Loans totaling more than \$203 million.
- Provided 0% financing for the Planning & Design phase of water quality projects in 47 communities, for a total of more than \$10 million in loans.
- The SRF program helped to subsidize more than \$15 million in loans in FY16 for nonpoint source projects designed to improve water quality through a wide-range of eligible projects. The projects range from repairing failing septic systems to building buffer strips on farmland to helping manage urban storm water. Since FY03, the SRF has loaned \$235 million for nonpoint source projects that help to improve the quality of Iowa's water.

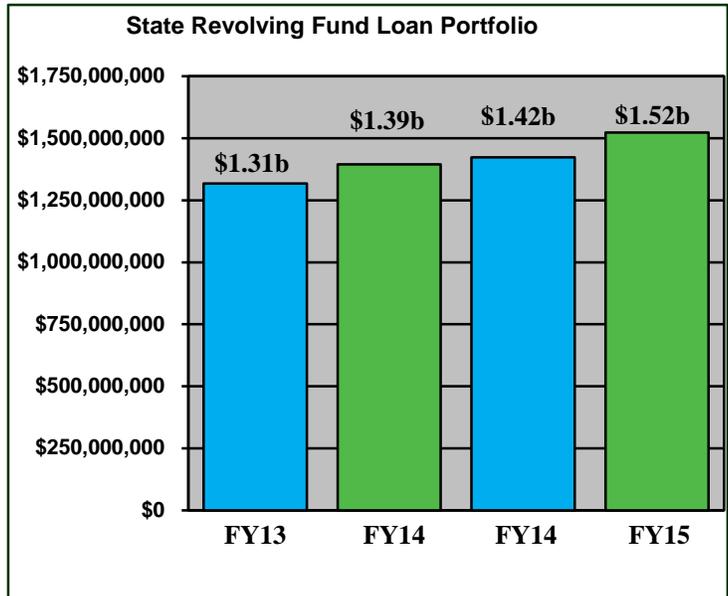
Results

Performance Measure:

State Revolving Fund

Performance Goal/Target:

Increase SRF Portfolio by 5 percent



What was achieved: The portfolio increased to \$1,523,233,766 in FY16 compared to the FY15 portfolio value of \$1,422,769,516.

Data Sources: Iowa Finance Authority*

Resources: The U.S. Environmental Protection Agency (EPA) annually administers capitalization grants to states for state revolving funds for clean water and drinking water. IFA and the Iowa Department of Natural Resources jointly administer the State Revolving Fund. The program is funded year to year by the EPA capitalization grants, proceeds of bonds issued by IFA, and repayments under the loan agreements to participating public and private water systems. The Iowa Finance Authority has six FTEs working in SRF.

AGENCY PERFORMANCE PLAN RESULTS

Name of Agency: Iowa Finance Authority			
Core Purpose: Enhance the quality of life for Iowans.			
Core Focus: Making affordable financing possible for home and community.			
Services, Products, Activities: Assist home buyers in obtaining a sustainable homeownership loan and/or up to \$2,500 for down payment assistance.			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Desired Outcome: Provide opportunities for Iowans to purchase safe, affordable and accessible housing.			
Single-Family Loan Portfolio	\$135 million in loan purchases	\$210.8 million	What Occurred: More than \$210.8 million in FirstHome and Homes for Iowans loan purchases. Data Source: Iowa Finance Authority*
	Serve 1,385 home buyers	1,959	What Occurred: A combined total of 1,959 home buyers were served through the FirstHome and Homes for Iowans programs. Data Source: Iowa Finance Authority*
	Assist 700 home buyers with down payment assistance	1,270	What Occurred: A combined total of 1,270 home buyers received down payment assistance through the FirstHome Plus and Homes for Iowans Plus programs. Data Source: Iowa Finance Authority
	3% of IFA mortgages serving minority families	8.1%	What Occurred: 8.1% of IFA mortgages served minority families in FY16. Data Source: Iowa Finance Authority
Desired Outcome: Provide financial assistance up to \$5,000 for home purchases in Iowa communities for qualified military service members and veterans			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Military Homeownership Assistance Program	Allocate 100% of \$2.5 million appropriated funds	100%	What Occurred: The program allocated 100% of appropriated funds in FY16. Data Source: Iowa Finance Authority*
Desired Outcome: Provide and maintain housing that is affordable and accessible to low and moderate income Iowans			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Multifamily Loans Closed	\$5 million in loans closed	\$7 million	What Occurred: \$7.02 million in multifamily loan funds were awarded to assist one project with a total of 56 affordable units in FY16. Data Source: Iowa Finance Authority*

Desired Outcome: Provide a source of funds to developers and property owners for the construction and/or rehabilitation of restricted affordable units

Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Housing Tax Credits	Develop or preserve 620 multifamily units	523	What Occurred: The competitive Housing Tax Credit Program assisted in the development and preservation of a total of 523 affordable multifamily units in FY16. Data Source: Iowa Finance Authority*
	Award 100% of tax credits	100%	What Occurred: The IFA Board approved 100% of total tax credits available in FY16. Data Source: Iowa Finance Authority*

Desired Outcome: Monitor compliance with tax credit regulations by performing compliance reviews and providing tax credit compliance manual.

Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Housing Tax Credit Compliance	Complete 100% of scheduled compliance visits	100%	What Occurred: 100% of scheduled compliance visits were completed in FY16. Data Source: Iowa Finance Authority*

Desired Outcome: Provide HOME funds for affordable rental units for qualified renter households.

Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Percent of HOME units occupied	99% of HOME rental units completed are initially occupied	100%	What Occurred: 100% of HOME rental units were initially occupied in FY16. Data Source: Iowa Finance Authority

Desired Outcome: Perform as Performance-Based Contract Administrator (PBCA) for the U.S. Department of Housing and Urban Development (HUD) in accordance with the Annual Contribution Contract.

Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Section 8 Contract Administration	Have 90% of customers served be satisfied with service	96%	What Occurred: IFA earned 99% overall satisfaction from its Section 8 Customers in FY16. Data Source: Iowa Finance Authority*
	Earn 100% of Section 8 payments	100%	What Occurred: All FY16 Section 8 payments were earned, with no disincentive fee assessed.

Desired Outcome: Provide a temporary rent subsidy for community living opportunities for Medicaid-eligible consumers that would otherwise be living in a medical institution

Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Home & Community Based Services Rent Subsidy	Provide rental assistance to an average of 350 persons each month, appropriated funds of \$658,000	410	What Occurred: In FY16 an average of 410 individuals received rental assistance each month. Data Source: Iowa Finance Authority*

Desired Outcome: Provide grants from the State Housing Trust Fund to certified Local Housing Trust Funds (LHTF) and individual projects in areas of the state not affiliated with a local housing trust fund			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
State Housing Trust Fund Local Housing Trust Fund Program	Award 100% of appropriated or otherwise requested State Housing Trust Fund monies	100%	What Occurred: More than \$6.3 million, or 100% of requested funds were awarded to Local Housing Trust Funds. Data Source: Iowa Finance Authority*
Desired Outcome: Provide grants from the State Housing Trust Fund to Project-Based projects.			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
State Housing Trust Fund Project-Based Program	Award 100% appropriated or otherwise requested State Housing Trust Fund monies	100%	What Occurred: \$240,000 or 100% of requested funds were awarded through the Project-Based program. Data Source: Iowa Finance Authority*
Desired Outcome: Provide support of affordable housing programs through transfer of revenue in excess of operating expenses.			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Revenue transferred	\$1 million	\$1.2 million	What Occurred: The Iowa Title Guaranty Division transferred \$1.2 million in revenue to affordable housing programs in FY16. Data Source: Iowa Finance Authority*
Desired Outcome: Provide a low-cost mechanism to guarantee title to real property in Iowa.			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Revenue generated	\$6 million	\$7.4 million	What Occurred: The Iowa Title Guaranty Division generated \$7.4 million in revenue in FY16. Data Source: Iowa Finance Authority*
Desired Outcome: Increase percentage of Title Guaranty Certificates issued on file			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Certificate Field Issuance	Obtain 90% of certificates issued by abstractors and attorneys	95%	What Occurred: In FY16 95% of all Iowa Title Guaranty commitments and certificates were issued by participating attorneys, abstractors and real estate closers, helping to keep the transaction local. Data Source: Iowa Finance Authority*
Desired Outcome: Assist communities with the costs of upgrading or constructing local waste water projects			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
State Revolving Fund (SRF) Clean Water	Close \$60 million in clean water-eligible loans	\$131.7 million	What Occurred: The SRF closed \$131.7 million in SRF eligible clean water loans in FY16. Data Source: Iowa Finance Authority*

Desired Outcome: Assist communities with the costs of upgrading or constructing local drinking water projects			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
State Revolving Fund (SRF) Drinking Water	Close \$40 million in drinking water eligible loans	\$30.1 million	What Occurred: The SRF closed \$30.1 million in SRF eligible drinking water loans in FY16. Data Source: Iowa Finance Authority*
Desired Outcome: Provide loans to cover costs incurred in the planning and design phase of a proposed water infrastructure project. These loans will have 0% interest for up to three years with no initiation or servicing fees			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Planning & Design Loans	Approve \$15 million in Planning & Design Loans	\$10 million	What Occurred: 49 Planning & Design Loans were awarded in FY16 for a total of more than \$10 million. Data Source: Iowa Finance Authority*
Non-Point Source Loans	\$6 million in Local Water Protection Program (LWPP)	\$1.8 million	What Occurred: In FY16 the LWPP Program loaned a total of \$1.8 million to 86 projects. Data Source: Iowa Finance Authority*
	\$8 million in Livestock Water Quality (LWQ)	\$3.3 million	What Occurred: The LWQ Program awarded \$3.3 million to assist Iowa farmers with 17 water quality projects. Data Source: Iowa Finance Authority*
	\$5 million in General Non-Point (GNP)	\$9 million	What Occurred: In FY16 the GNP program awarded ten loans for a total of more than \$9 million. Data Source: Iowa Finance Authority*
Desired Outcome: Efficient management of Iowa Finance Authority's assets; financial, physical and human to maximize financial leverage, and minimize costs for maximum impact on mission.			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
S&P Issuer Credit Rating (ICR)	AA Rating	AA/Positive	What Occurred: S&P Global Ratings improved the Authority's outlook from AA to AA/Positive Data Source: Standard and Poor's
Timeliness of financial reporting	Board and financial reports completed by due dates	100%	What Occurred: All financial reports were prepared timely. Data Source: Iowa Finance Authority Accounting Department

***Iowa Finance Authority's financial statements have been audited by Eide Bailly LLP, an independent auditor**

RESOURCE REALLOCATIONS

There are no material reallocations of personnel or resources to report in FY16.

AGENCY CONTACTS

Copies of the Iowa Finance Authority's Annual Performance Report may be requested by contacting Wes Peterson at 515-725-4896 or wes.peterson@iowa.gov.

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