

IOWA FINANCE AUTHORITY

# PERFORMANCE REPORT

Performance Results for  
Fiscal Year 2006

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## INTRODUCTION

The Iowa Finance Authority (IFA) is dedicated to financing, administering, advancing and preserving affordable housing and promoting community and economic development for Iowans. Through a variety of programs, IFA improves the quality of life for Iowa's citizens and enhances the economic health of our state and its communities.

The following report illustrates the performance of many of IFA's programs during fiscal year 2006. It does not include information about programs that were inactive during the fiscal year. IFA's Board and staff are pleased to share this information as part of our commitment to creating and administering diverse initiatives with a results-driven approach. We hope that after reading the report, citizens and stakeholders will be more aware of the integral role IFA plays in the viability and vibrancy of our state.

Highlights of the report include the following:

- IFA successfully met or exceeded 21 of 29 performance targets.
- IFA met or exceeded each of its performance targets in these areas: Single-family loan portfolio, Economic Development loans, State Revolving Fund loan portfolio, Affordable Rental Compliance, Affordable Rental Service-Enriched Housing, Emergency Homeless Shelters funding, Title Guaranty Division, State Revolving Fund Non-point Source loans and Resource Management.
- The Single-family loan portfolio exceeded its targeted increase by 14 percent.
- IFA originated more than \$578 million in Economic Development Loans, more than \$400 million than was targeted.
- The State Revolving Fund loan portfolio increased by 16 percent, a 9 percent increase from the target.
- IFA implemented Planning & Design loans with terms of 0% for three years to help communities pay for engineering services related to new or updated water infrastructure facilities.
- IFA staff successfully completed 100 percent of scheduled Low Income Housing Tax Credit compliance visits.
- Section 8 Contract Administration performed well under its Performance-Based Contract with the U.S. Department of Housing & Urban Development, earning more than \$2.5 million in administrative and incentive fees.
- Along with several other agencies and organizations, IFA helped create 1,243 units of housing for persons with disabilities, 243 more units than targeted.
- The state's rental assistance programs aided 394 renters, 44 more people than the target required.
- IFA awarded more than \$2.4 million in state and federal funds for emergency homeless shelters, \$1.1 million more than the performance target.
- IFA's Title Guaranty Division successfully released 100 percent of mortgages within 45 days.
- IFA maintained its AA- rating from Standard & Poor's Rating Agency.

## AGENCY OVERVIEW

The Iowa Finance Authority was established in 1975 with the purpose of advancing affordable housing in the state. Since then, IFA's role has expanded considerably. In addition to funding and administering housing programs that address a range of housing needs, IFA also issues tax-exempt bonds to finance a variety of economic development activities and infrastructure projects. In 1985, IFA's Title Guaranty Division was established.

**Vision:** IFA will improve the quality of life for Iowans by providing affordable housing opportunities and financing community and economic development.

**Mission:** To finance, administer, advance and preserve affordable housing and to promote community and economic development for Iowans.

**Guiding Principles:** These core values describe how IFA conducts itself in carrying out its mission:

- Customer Focus
- Results Orientation
- Long-range Thinking
- Data-based Decisions
- Continuous Improvement
- Collaborative Leadership
- Employee Participation
- Financial Responsibility and Integrity

**Core Functions:** IFA performs its mission through the following activities:

*Housing (Home Ownership and Affordable Rental)* – Provide opportunities for Iowans to obtain and maintain safe, affordable and accessible housing.

*Community and Economic Development* – Provide low-cost financing for community and economic development projects.

*Title Guaranty* – Offer 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.

*Resource Management* – Provide timely and accurate services and infrastructural needs to agency staff, housing partners, and other state agencies economically.

*State Revolving Fund* – Provide financing for loans to Iowa communities for clean water and drinking water projects.

**Programs:** IFA executed its core functions through the following programs and services in FY06:

IFA's *FirstHome* program provides affordable mortgage financing to qualified homebuyers. IFA issues tax-exempt mortgage revenue bonds to fund the program, and mortgage loans are provided to borrowers through more than 400 participating lenders across the state. In FY06, IFA purchased 2,807 *FirstHome* loans totaling \$235 million, including \$98 million in *FirstHome Plus* loans. *FirstHome Plus* provides cash assistance of up to 3 percent of the mortgage amount for down payment and closing costs. In FY06, 1,340 homebuyers took advantage of the *FirstHome Plus* program.

Through the *Low Income Housing Tax Credit Program*, IFA allocates federal tax credits to developers. These credits provide a dollar-for-dollar reduction to an investor's federal tax liability on ordinary income. The credits are awarded annually on a competitive basis. Tax credit interest is sold to investors to generate equity for the housing developments. The Internal Revenue Service annually allocates tax credits to states based on their populations. In FY06, more than \$6 million in Low-Income Housing Tax Credits will result in the production of 727 units, including 10 projects for older persons and 13 projects for families.

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. In FY06, IFA closed one loan for a 30 unit project with a first mortgage loan of \$416,000 and a second mortgage for \$93,000 from the Multifamily Endowment Fund. Also, the IFA Board approved five Multifamily Loan resolutions totaling more than \$2 million.

IFA's *OurHome Rehabilitation Program* provides low-interest loan funds for qualified entities to rehabilitate single-family homes in Iowa. Launched in 2006, the program provided loans to four organizations in FY06, including the Southeastern Iowa Regional Planning Commission, the Southern Iowa Council of Governments, the City of Ames, and the Oskaloosa Housing Trust Fund.

The *State Housing Trust Fund* is held at IFA, with 60 percent of available funds allocated to local housing trust funds and 40 percent of funds allocated to project-based housing programs. The program did not have a funding source in FY06 and no awards were made.

Governor Vilsack created the *Iowa Council on Homelessness* in 2003, naming IFA the lead agency for coordinating the Council's activities. In FY06, IFA and the Council secured over \$1 million from the federal Emergency Shelter Grant (ESG) Program and \$1 million from the state's Homeless Shelter Operations Grant (HSOG) program. IFA received 130 applications for the ESG and HSOG funds and awarded grants to 118 organizations across the state.

The *Main Street Mortgage Loan Program* provides low-interest loans to borrowers in Iowa Main Street Communities for downtown infill and upper-story rehabilitation, in cooperation with the Iowa Department of Economic Development. No loans were made through the program in FY06.

IFA holds a performance-based *Section 8 Program* contract with the U.S. Department of Housing and Urban Development to provide oversight of select project-based Section 8 properties in Iowa. The contract covers 241 properties providing affordable housing to 12,105 low-income Iowans in 75 counties. In FY06, IFA earned \$2.45 million in administrative fees and \$817,574 in incentive fees from HUD.

In partnership with the Iowa National Guard, IFA launched the *Military Service Member Homeownership Assistance Program* in March 2005 with a \$1.05 million state allocation. In 2006, the Legislature allocated an additional \$2 million for this program, which provides dollar-for-dollar matching grants up to \$5,000 toward the purchase of a home to military personnel who served or serve on active duty since September 11, 2001. In FY06, the program helped 157 service members buy homes in 22 Iowa communities. Iowa is the only state that offers this type of program to its military personnel.

The *Senior Living Revolving Loan Fund* provides first mortgage financing to recipients of Low-Income Housing Tax Credits for the construction of affordable assisted living facilities and service-enriched housing for low-income people with disabilities.

Since 1996, the *Home and Community Based Rent Subsidy Program* has provided temporary rental assistance to people who receive medically necessary services through Medicaid waivers 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. In 2005, IFA took over the administration of the program through a 28E agreement with the Iowa Department of Human Services. This program provided \$647,269 in rent subsidy to 394 people during FY06.

The *Aftercare Rent Subsidy 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 renter rights and responsibilities. In 2004, IFA began administering this program through a 28E agreement with the Iowa Department of Human Services.

The *Economic Development Loan Program* furthers the development and expansion of business, nonprofit organizations, and housing within Iowa. Since 1982, IFA has issued more than \$2 billion in tax-exempt bonds, the proceeds of which are loaned to borrowers to finance qualified projects. In FY06, IFA provided over \$578 million to 23 projects in various locations around the state.

IFA's *Title Guaranty Division (TGD)* is the state's low-cost mechanism for guaranteeing title to real property. In FY06, *Title Guaranty* issued 32,143 certificates, covering nearly \$4 billion worth of Iowa real estate. Since its inception, TGD has transferred more than \$32 million to IFA to supplement affordable housing programs.

IFA and the Iowa Department of Natural Resources jointly administer the *State Revolving Fund*. The fund, capitalized by the U.S. Environmental Protection Agency grants, provides low-cost financing for community drinking water and wastewater improvement projects. More than 150,000 Iowans will benefit from the 25 new Clean Water loans and 20 new Drinking Water loans that closed in FY06. Clean Water loans totaled more than \$56 million and Drinking Water loans totaled more than \$18 million. Additionally, 11 Clean Water Planning and Design loans were made totaling \$1.4 million and 8 Drinking Water Planning and Design loans were made totaling \$1.1 million.

**Organizational Structure:** IFA is governed by a nine-member board. The Title Guaranty Division has a separate five-member board. Members of both boards serve staggered six-year terms. Board members and IFA's executive director are appointed by the Governor and confirmed by the Iowa Senate:

***IFA Board***

Vincent Lintz (Chair), Windsor Heights  
Steve Adams, Red Oak  
Kay Anderson, LeMars  
Virginia Bordwell, Washington  
Carmela Brown, Urbandale  
Roger Caudron, Sioux City  
Heather Kramer, Marion  
Douglas Walter, Bettendorf  
Richard Wright, Des Moines

***TGD Board***

Mitchell Taylor (Chair), Burlington  
Catherine Hult, Bettendorf  
Walter Murphy, New Hampton  
Berneil Preul, Denison  
Surasee Rodari, Des Moines

The agency had 86 employees organized in three divisions in FY06: IFA general (programs and administration) Section 8 and TGD. On behalf of the board and staff of the Iowa Finance Authority, it my pleasure to present the performance results for fiscal year 2006.

Sincerely,

Bret L. Mills, Executive Director  
Iowa Finance Authority

# KEY RESULTS

## STRATEGIC GOAL

**Name:** *Issuer Credit Rating*

**Description:** An issuer credit rating analyzes and reflects the agency’s asset base, financial performance, capital adequacy, and management.

**Why we are doing this:** Securing a strong rating opens new doors with securities, lenders, and investors, which will help the agency expand programming.

**What we are doing to achieve results:**

- Managing IFA to the “AA” rating category levels of Standard and Poor’s (S&P).
- Monthly tracking of S&P financial ratios.

### Results

**Performance Measure:**

S&P Issuer Credit Rating

**Performance Goal/Target:**

Profitably grow IFA’s financial assets (net of fair market value) to 140 percent of FY03 level and achieve and maintain an AA rating.

Ratio	FY03	FY04	FY05	FY06
Equity/asset ratio > 15%	19.8%	20%	19.4%	16.4%
Return on assets ≥ 1%	.97%	.68%	1.35%	1.01%
Loans/asset ratio > 70%	58.2%	62.7%	70.5%	73.3%

**What was achieved:** Assets have increased 142 percent from FY03, two years ahead of schedule. IFA maintained its AA- rating from Standard and Poor’s (S&P). The AA- rating is in the AA category, one notch below the goal.

**Data Sources:** Iowa Finance Authority and Standard and Poor’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

## STRATEGIC GOAL

**Name:** *Units for Persons with Disabilities*

**Description:** Provide technical assistance and/or financing to develop or preserve affordable apartments for persons with disabilities or elderly in need of assisted living and to provide referrals to tenants who need such units

**Why we are doing this:** In response to the U.S. Supreme Court ruling on the Olmstead case, Governor Vilsack issued Executive Order 27, directing state agencies to identify barriers to community living for people with disabilities and to create a plan to address those barriers. IFA is the lead agency for this effort. The Vilsack-Pederson administration set a goal of 1,000 new or preserved units of housing for people with disabilities by the end of their second term.

### What we're doing to achieve results:

- Implemented State Housing Trust Fund.
- Provided funding for Iowa Able Foundation Home Modification Loan Program.
- Established Affordable Assisted Living and Service-Enriched Housing Set-asides in the Low-Income Housing Tax Credit Program and allocated credits for development of 295 units.
- Administered the Home and Community Based Rent Subsidy Program under a 28E agreement with DHS.
- Administered the federally funded Housing Opportunities for Persons with AIDS/HIC (HOPWA) Program.

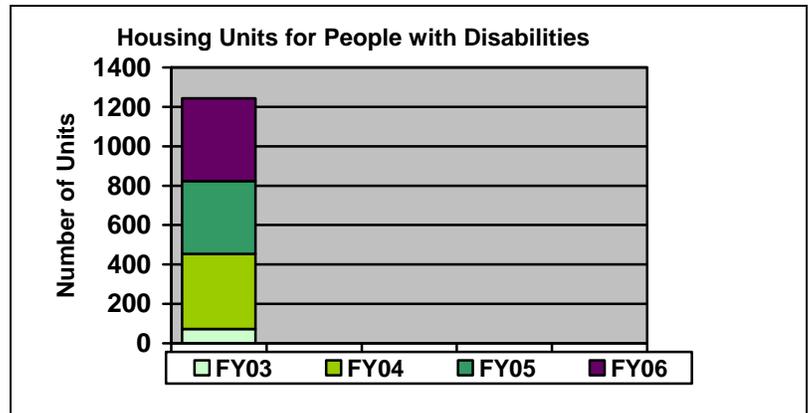
### Results

#### Performance Measure:

Number of units created or preserved for persons with disabilities

#### Performance Goal/Target:

Increase the supply of service-enriched units by 1,000 over a four-year period



**What was achieved:** Since 2003, 1,243 units were created or preserved for persons with disabilities through the Multifamily Preservation Loan program, Low-Income Housing Tax Credits program, HUD ShelterPlus Care, IDED Housing Fund, Iowa Able Foundation, HUD Home Ownership Voucher program and the Housing Opportunities for Persons with AIDS program.

**Data Sources:** Iowa Finance Authority and Iowa Department of Economic Development

**Resources:** Multiple funding sources and agencies are involved in increasing the number of units for persons with disabilities. IFA has 12 FTEs working in affordable multifamily housing.

# KEY RESULTS

## CORE FUNCTION

**Name:** *Single-Family Loan Portfolio*

**Description:** The Single-Family Loan Portfolio consists of assets purchased under the *FirstHome* and *FirstHome Plus* Programs and other single-family programs. The *FirstHome* program helps qualified first-time homebuyers obtain a below-market interest rate on mortgage loans. The *FirstHome Plus* program provides cash assistance to qualified borrowers to assist with down payment and closing costs.

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

### What we're doing to achieve results:

- Increased *FirstHome* advertising and increased marketing efforts to minorities by participating in community events.
- Partnered with the Iowa Home Ownership Education Project and HUD to provide home buyer education.
- Expanded uses of Single-Family Endowment Fund for new construction and home rehabilitation.
- Managed the Military Service Member Homeownership Assistance Program grant funds for the state.
- Continue to provide *FirstHome Plus* up to 3 percent of the loan amount as cash assistance to first time home buyers.
- Maintain below-market interest rate and low costs to borrowers.

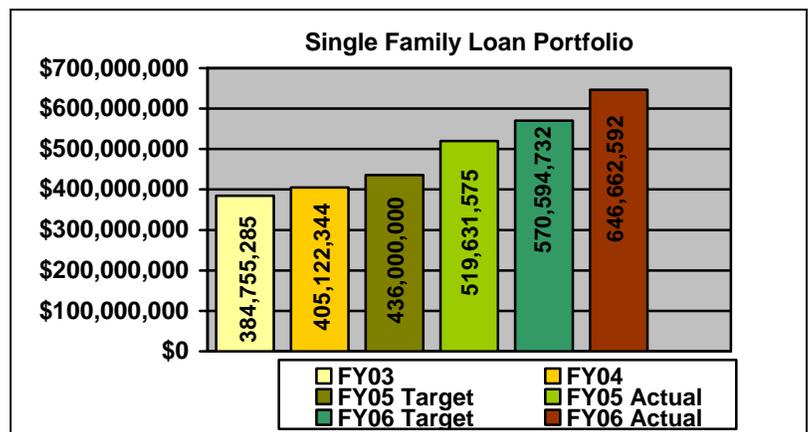
### Results

#### Performance Measure:

Single-Family Loan Portfolio

#### Performance Goal/Target:

Increase portfolio by 10 percent.



**What was achieved:** In FY06 the single-family portfolio increased 24 percent, exceeding the performance target by 14 percent. More than 2,800 borrowers benefited from the *FirstHome Program*, 10.8 percent of whom were minorities. More than 1,200 borrowers took advantage of *FirstHome Plus* during the fiscal year.

**Data Sources:** Iowa Finance Authority\*

**Resources:** Revenues from the Title Guaranty Division supplement housing programs for first-time homebuyers. IFA has four FTEs working in Single-Family Programs.

# KEY RESULTS

## CORE FUNCTION

**Name:** *Economic Development Loans*

**Description:** IFA issues bonds for multifamily housing developers, small businesses, and non-profit entities for eligible purposes.

**Why we are doing this:** Tax-exempt bonds help lower the cost of construction and rehabilitation projects for economic development. Fees generated by issuing bonds and making loans provide additional revenue for IFA.

**What we are doing to achieve results:**

- IFA strives to keep the process easy to use.
- IFA strives to keep fees competitive.

### Results

**Performance**

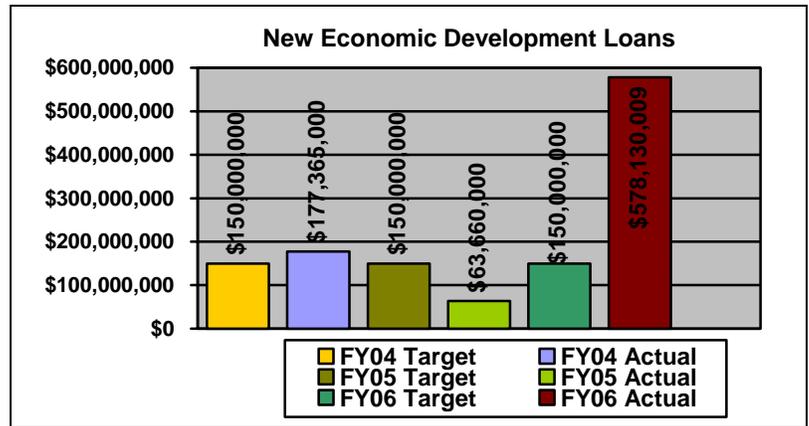
Economic Development Loans Originated

**Measure:**

Economic Loans

**Performance Goal/Target:**

\$150 million in new Economic Development



**What was achieved:** Twenty-three loans closed in FY06 with one large loan totaling 73 percent of the total loans. Iowans across the state will benefit from the remodeled and expanded hospital facilities, hospital equipment purchases, renovation of a historic hotel, and affordable housing projects.

**Data Sources:** Iowa Finance Authority\*

**Resources:** These loans are funded through origination fees from the borrower. IFA has six FTEs working in SRF/Community Development.

# KEY RESULTS

## CORE FUNCTION

**Name:** *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. IFA 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 IFA, 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:

- Rules have been rewritten, application materials have been improved and the loan process has been restructured .
- An on-line application process.
- Developed Planning and Design loans for communities to help with the expense of hiring an engineer and other costs associated with the planning and design states of wastewater and drinking water infrastructure projects.
- Seeking approval for 30-year loans for Clean Water.

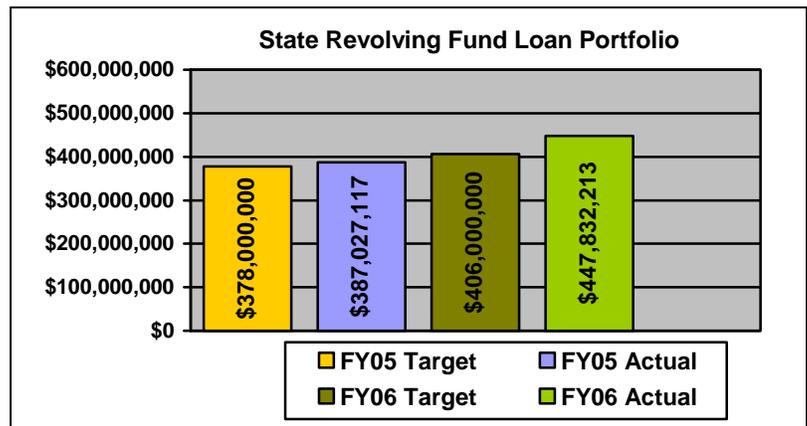
## Results

### Performance Measure:

State Revolving Fund

### Performance Goal/Target:

Increase SRF Portfolio by 5 percent



**What was achieved:** The portfolio increased 16 percent to \$447,832,213 in FY06 compared to the FY05 portfolio value of \$387,027,117. During FY06, 25 Clean Water Loans totaling more than \$56 million closed and 20 Drinking Water Loans closed totaling more than \$18 million. As a result, more than 150,000 Iowans will benefit from improvements to their drinking water and wastewater infrastructure.

**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. IFA has six FTEs working in SRF/Community Development.

# KEY RESULTS

## CORE FUNCTION

**Name:** *Title Guaranty Division*

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

**Why we are doing this:** Title guaranty ensures the integrity of the Iowa land title transfer system and facilitates transactions in the secondary mortgage market.

**What we are doing to achieve results:**

- Revised underwriting requirements.
- Implemented Multi-media marketing campaign.
- Revision in the pricing structure and the elimination of fees for most endorsements and commitments.
- Changes made include a new product for non-purchase (refinance), transactions designed to save time and money for the consumer, and the elimination of the requirement for an appraisal.

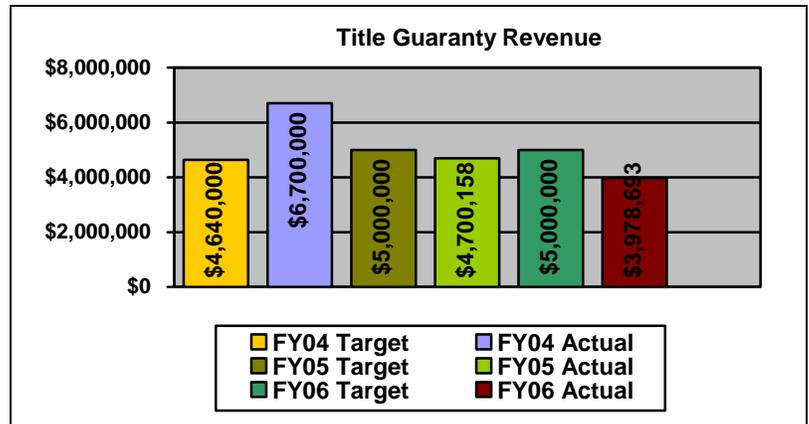
### Results

**Performance Measure:**

Title Guaranty Revenues

**Performance Goal/Target:**

Title Guaranty Revenue



**What was achieved:** In FY06 Title Guaranty worked aggressively to become the title product that lenders would choose to use for their Iowa properties and revenue of \$3.98 million was earned. FY06 saw a slight revenue decrease from FY05. However, work continues on streamlining processes and procedures and promoting the enhancements to participating lenders.

**Data Sources:** Iowa Finance Authority\*

**Resources:** The Title Guaranty Division is supported by revenues earned by issuing Title Guaranty Certificates. Eighteen FTEs work with lenders, abstractors, and attorneys throughout the state to ensure the integrity of the land title transfer system and to facilitate lender sales to the secondary mortgage market.

# AGENCY PERFORMANCE PLAN RESULTS

**FY 2006**

<b>Name of Agency: Iowa Finance Authority</b>			
<b>Agency Mission: To finance, administer, advance and preserve affordable housing and to promote community and economic development for Iowans.</b>			
<b>Core Function: Community Coordination and Development</b>			
Performance Measure (Outcome)	Performance Target	Performance Actual	Performance Comments & Analysis
<b>Single-Family Loan Portfolio</b>	<b>Increase portfolio by 10 percent</b>	<b>24 percent portfolio increase</b>	<p><b>What Occurred:</b> The Single-Family Loan Portfolio exceeded the performance target by 14 percent, growing to \$646,662,592. This represents a total portfolio increase of 24 percent.</p> <p><b>Data Source:</b> Iowa Finance Authority*</p>
	<b>Maintain 72.7 percent home ownership percentage statewide</b>	<b>73.9 percent statewide home ownership percentage</b>	<p><b>What Occurred:</b> A 73.9 percent home ownership percentage places Iowa in the top one-third for home ownership with a ranking of 17<sup>th</sup>. The national average is 68.9 percent.</p> <p><b>Data Source:</b> U.S. Census Bureau, Housing and Household Economic Statistics Division, Revised March 1, 2006.</p>
<b>Multifamily Loan Portfolio</b>	<b>Increase portfolio by 100 percent</b>	<b>17 percent portfolio increase</b>	<p><b>What Occurred:</b> The IFA Board approved five Multifamily Loan resolutions in FY06, totaling more than \$2 million. During the fiscal year, one Multifamily Loan closed.</p> <p><b>Data Source:</b> Iowa Finance Authority*</p>
	<b>Maintain housing wage at \$10.01 per hour.</b>	<b>\$11.07 housing wage</b>	<p><b>What Occurred:</b> The housing wage in Iowa has increased from \$10.74/hour in FY05 to \$11.07/hour in FY06. The housing wage is affected by many factors outside of IFA's control such as the State's wages and the Fair Market Rents (FMR) determined annually by HUD.</p> <p>Iowa is ranked 12<sup>th</sup> in the nation for the most affordable housing wage. The housing wage represents the hourly wage that a household must earn in order to afford the Fair Market Rent for a two-bedroom unit at 30 percent of income.</p> <p><b>Data Source:</b> National Low Income Housing Coalition, <i>Out of Reach 2005</i></p>

## AGENCY PERFORMANCE PLAN RESULTS

### FY 2006

<b>Core Function: Community Coordination and Development</b>			
<b>Performance Measure (Outcome)</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Main Street Loan Portfolio</b>	<b>Increase portfolio by 100 percent</b>	<b>25 percent portfolio decrease</b>	<p><b>What Occurred:</b> The portfolio decreased from \$1,488,767 to \$1,184,697 due to a loss on a loan. No loans closed in FY06; however, two loans have closed in FY07.</p> <p><b>Data Source:</b> Iowa Finance Authority*</p>
<b>Economic Development Loans originated</b>	<b>\$150 million in new Economic Development Loans</b>	<b>\$578,130,009 in Economic Development Loans</b>	<p><b>What Occurred:</b> In FY06, IFA provided over \$578 million to 23 projects in various locations around the state. Last year, \$63.66 million in economic development loans were made. The large increase in FY06 is mostly attributable to one loan.</p> <p><b>Data Source:</b> Iowa Finance Authority*</p>
<b>Title Guaranty Revenues</b>	<b>\$5 million</b>	<b>\$3.98 million</b>	<p><b>What Occurred:</b> FY06 resulted in a \$721,465 revenue decrease from FY05. Revenues in FY06 were \$3.98 million compared to \$4.7 million in FY05. However, work continues on streamlining processes and procedures and promoting the enhancements to participating lenders.</p> <p><b>Data Source:</b> Iowa Finance Authority*</p>
<b>State Revolving Fund Loan Portfolio</b>	<b>Increase SRF portfolio by 5 percent</b>	<b>16 percent portfolio increase</b>	<p><b>What Occurred:</b> The portfolio increased 16 percent to \$447,832,213 compared to \$387,027,117 in FY05. During FY06, 25 Clean Water Loans totaling more than \$56 million closed and 20 Drinking Water Loans closed totaling more than \$18 million. As a result, more than 150,000 Iowans will benefit from improvements to their drinking water and wastewater infrastructure. In addition, Planning and Design Loans were developed to help with the start up costs.</p> <p><b>Data Source:</b> Iowa Finance Authority*</p>

## AGENCY PERFORMANCE PLAN RESULTS

**FY 2006**

<b>Service, Product or Activity: Housing – Affordable Rental</b>			
<b>Sub-Service, Product or Activity: Housing – Affordable Rental Low Income Housing Tax Credits</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Multifamily Loan Portfolio</b>	<b>Add 900 units to the supply of restricted affordable units statewide</b>	<b>727 units added</b>	<p><b>What Occurred:</b> IFA awarded over \$6 million in tax credits in FY06 for 727 affordable rental units statewide.</p> <p><b>Data Source:</b> Iowa Finance Authority Tax Credit Department</p>
<b>Service, Product or Activity: Housing – Affordable Rental</b>			
<b>Sub-Service, Product or Activity: Housing – Affordable Rental Compliance</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Percentage of Low Income Housing Tax Credit (LIHTC) Compliance Reviews Completed</b>	<b>100 percent of scheduled LIHTC Compliance visits conducted</b>	<b>100 percent of scheduled visits conducted</b>	<p><b>What Occurred:</b> IFA’s LIHTC compliance staff completed 100 percent of the 97 scheduled visits in FY06 to monitor compliance of 3,397 low-income units.</p> <p><b>Data Source:</b> Iowa Finance Authority Tax Credit Department</p>
<b>Percentage of HUD Section 8 Contract Administration Incentive Payments Earned</b>	<b>Fulfill contract with HUD and receive 100 percent of all incentive payments</b>	<b>100 percent of all incentive payments earned</b>	<p><b>What Occurred:</b> IFA earned \$2.45 million in administrative fees and \$817,574 in incentive fees with no disincentive fees applied in its performance based Section 8 Contract with HUD. The performance based contract with the U.S. Department of Housing &amp; Urban Development currently covers 12,105 units in 75 counties.</p> <p><b>Data Source:</b> Iowa Finance Authority Section 8 Contract Administration Department</p>
<b>Service, Product or Activity: Housing – Affordable Rental</b>			
<b>Sub-Service, Product or Activity: Housing – Affordable Rental Service Enriched Housing</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Number of apartments created or preserved for persons with disabilities or very low income elderly</b>	<b>Increase supply of service-enriched units by 1,000 over three-year period</b>	<b>A 1,243 increase in the number of units for persons with disabilities</b>	<p><b>What Occurred:</b> Housing for persons with disabilities increased by 1,243 units. The total number of units was created from several housing programs.</p> <p><b>Data Source:</b> Iowa Finance Authority and Iowa Department of Economic Development</p>

## AGENCY PERFORMANCE PLAN RESULTS

**FY 2006**

<b>Service, Product or Activity: Housing – Affordable Rental</b>			
<b>Sub-Service, Product or Activity: Housing – Affordable Rental Compliance</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Average number of tenants served by the State Rental Assistance Program</b>	<b>Provide rental assistance to 350 persons</b>	<b>394 persons</b>	<b>What Occurred:</b> In FY06, an average of 394 people received rental assistance.  <b>Data Source:</b> Iowa Finance Authority
<b>Service, Product or Activity: Housing – Affordable Rental</b>			
<b>Sub-Service, Product or Activity: Housing - Affordable Rental Housing State Housing Trust Fund</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Habitat for Humanity Loan Portfolio</b>	<b>Increase Habitat for Humanity Portfolio by 100 percent</b>	<b>Portfolio increase of 274 percent</b>	<b>What Occurred:</b> The portfolio increased from \$547,833 to \$1,501,067, or 274 percent, in the past fiscal year largely due to a \$2 million loan. 54 houses were built with an additional 20 planned for FY07.  <b>Data Source:</b> Iowa Finance Authority*
<b>State Housing Trust Fund</b>	<b>Collect 100 percent of State Housing Trust Fund Loan Payments</b>	<b>97 percent collected</b>	<b>What Occurred:</b> One loan was delinquent in FY06 which caused IFA to miss its 100 percent target by 3 percent.  <b>Data Source:</b> Iowa Finance Authority*
	<b>\$860,000 SHTF awards</b>	<b>None</b>	<b>What Occurred:</b> There was no funding source in FY06; therefore no State Housing Trust Fund awards were made. Awards have been made in FY07.  <b>Data Source:</b> Iowa Finance Authority
<b>Service, Product or Activity: Housing – Affordable Rental</b>			
<b>Sub-Service, Product or Activity: Housing – Affordable Rental Homeless Shelters</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Funding received for Emergency Homeless Shelters</b>	<b>Increase grant income to \$1.3 million</b>	<b>\$2.4 million</b>	<b>What Occurred:</b> IFA received \$2.4 million. \$1.4 from the Federal Emergency Shelter Grant Program (ESGP) program and \$1 million in the State Homeless Shelter Operations Grant (HSOG) program. As a result, 118 projects were funded across the state.  <b>Data Source:</b> Iowa Finance Authority*

## AGENCY PERFORMANCE PLAN RESULTS

**FY 2006**

<b>Service, Product or Activity: Title Guaranty Division</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Timeliness of Mortgage Release</b>	<b>Process mortgage releases within 45 days</b>	<b>100 percent of mortgage release were processed within 45 days</b>	<b>What Occurred:</b> 100 percent of the 197 mortgage releases processed in FY06 were completed within 45 days.  <b>Data Source:</b> Title Guaranty Division
<b>Service, Product or Activity: State Revolving Fund</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Non-point Source loans</b>	<b>Increase non-point source loans</b>	<b>\$8.7 million</b>	<b>What Occurred:</b> In FY06 a total of \$8.7 million in loans were made. Eight Livestock Water Quality loans totaling \$804,238; 226 borrowers in the Local Water Protection Program for \$3.4 million; and two General Non-Point Source loans totaling \$4.5 million.  <b>Data Source:</b> Iowa Finance Authority*
<b>Service, Product or Activity: Resource Management</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>S &amp; P Issuer Credit Rating (ICR)</b>	<b>AA- rating</b>	<b>AA-</b>	<b>What Occurred:</b> Standard and Poor's confirmed IFA's AA- rating and stated it's too soon to revisit.  <b>Data Source:</b> Standard and Poor's
<b>Timeliness and completeness of financial reporting</b>	<b>Board and Management Financial Reports completed by due dates</b>	<b>100 percent</b>	<b>What Occurred:</b> All financial reports were prepared timely.  <b>Data Source:</b> Iowa Finance Authority Accounting Department
<b>Percentage of time technology resources available</b>	<b>99 percent availability of network devices</b>	<b>99 percent availability</b>	<b>What Occurred:</b> 99 percent of the time the network, devices, PCs, printers and servers were available to IFA staff.  <b>Data Source:</b> Iowa Finance Authority Information Technology Department
	<b>99 percent availability of email and internet</b>	<b>99 percent availability</b>	<b>What Occurred:</b> Email and internet access was available to IFA staff 99 percent of the time in FY06.  <b>Data Source:</b> Iowa Finance Authority Information Technology Department

## AGENCY PERFORMANCE PLAN RESULTS

**FY 2006**

<b>Service, Product or Activity: Resource Management</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Timeliness of performance evaluations</b>	<b>100 percent of performance evaluations given within prescribed time frames</b>	<b>60 percent timely</b>	<p><b>What Occurred:</b> IFA fell short of the 100 percent target with only 60 percent of performance evaluations completed timely.</p> <p><b>Data Source:</b> Iowa Finance Authority Human Resource Department</p>
<b>Timeliness of processing purchase requests</b>	<b>100 percent of purchase orders processed within four business days of receipt of purchase request form</b>	<b>100 percent</b>	<p><b>What Occurred:</b> All purchase orders were processed within four business days of receipt.</p> <p><b>Data Source:</b> Iowa Finance Authority Purchasing Department</p>
<b>Timeliness of providing database and automation tools to agency staff</b>	<b>Place four new or supplemental systems into production</b>	<b>Six new or supplemental systems</b>	<p><b>What Occurred:</b> Six new supplemental systems were placed into production.</p> <p><b>Data Source:</b> Iowa Finance Authority Information Technology Department</p>
<b>Amount of management data available on IFA Intranet</b>	<b>Increase the amount of hard data available from various housing programs on IFANet by 100%</b>	<b>100 percent increase in hard data</b>	<p><b>What Occurred:</b> A 100 percent increase in hard data. Each department continues to expand the information on the IFANet.</p> <p><b>Data Source:</b> Iowa Finance Authority Information Technology Department</p>

\*IFA's financial statements have been audited by KPMG LLP, an independent auditor.

## **RESOURCE REALLOCATIONS**

There are no material reallocations of personnel or resources to report in FY06.

## **AGENCY CONTACTS**

Copies of the Iowa Finance Authority's Annual Performance Report are available on the ResultsIowa.org website at [www.resultsiowa.org/iafinance.html](http://www.resultsiowa.org/iafinance.html) or [www.dom.state.ia.us/planning\\_performance/reports.html](http://www.dom.state.ia.us/planning_performance/reports.html). Copies of the report can also be requested through Shawna Lode at 515/725-4897 or [Shawna.Lode@iowa.gov](mailto:Shawna.Lode@iowa.gov) or Stacy Cunningham at 515-725-4883 or [Stacy.Cunningham@iowa.gov](mailto:Stacy.Cunningham@iowa.gov).

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