

IOWA FINANCE  
AUTHORITY

# PERFORMANCE REPORT

Performance Results for  
Fiscal Year 2021

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## INTRODUCTION

The Iowa Finance Authority (IFA) is proud to create opportunities for Iowans, communities and businesses to thrive by making affordable financing possible for home and community.

The Iowa Finance Authority helps thousands of Iowa families each year by helping them become homeowners, get back on their feet during times of need or move into a rental home that they can call their own.

We also help new farmers begin their farming operations, communities affordably upgrade their water infrastructure and homeowners have title protection while reinvesting the profits back into the state. All of these milestones in turn mean more economic development, more community stability and more jobs for Iowa.

The following report illustrates the performance of the Iowa Finance Authority programs during FY20. This report does not include information about programs that were inactive during the fiscal year.

### FY21 Highlights - By the Numbers

- ✦ **2,411** Iowans realized their dream of homeownership through the Iowa Finance Authority's homeownership programs.
- ✦ **2,187** or nearly **91%** of these homebuyers also used an IFA down payment assistance program to help make their dream of homeownership a reality.
- ✦ **142,499** residential title certificates were issued, incurring more than **\$28.5 billion** of Iowa real estate, the **most in any single-year in the program's 35-year history**.
- ✦ **\$2 million** in Iowa Title Guaranty revenues were kept in Iowa to support homebuyers with down payment assistance.
- ✦ **381** military service members and veterans received up to \$5,000 in down payment and closing cost assistance to purchase a home.
- ✦ **669** Iowa families will have access to affordable housing through more than \$13.2 million in federal housing tax credits that were awarded to 18 projects.
- ✦ More than **2,100** families were assisted with housing through the State Housing Trust Fund.
- ✦ **77** communities received low-cost State Revolving Fund loans for water quality projects totaling more than **\$308 million**.
- ✦ **43** beginning farmers received assistance beginning their livestock and crop farming operations, including the purchase **3,123** acres of farmland.

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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.

### Location:

Iowa Finance Authority  
1963 Bell Ave., Suite 200  
Des Moines, IA 50315

### Employees:

90 full-time employees

### Purpose:

Create opportunities for Iowans, communities and businesses to thrive.

### Core Focus:

Making affordable financing possible for home and community.

### Core Values:

**INNOVATIVE** - We inspire people with our ideas, turn those ideas into reality and know how to replicate success

**MISSION ORIENTED** - We keep a constant focus on the Iowans our programs benefit

**PURPOSEFUL** - We nurture a culture of outstanding work, collaboration and diligence

**ACCOUNTABLE** - We accept responsibility, are trustworthy in our commitments, respectful to one another, and transparent in our actions.

**CUSTOMER SERVICE FOCUS** - We are courteous, responsive and respectful and serve as a reliable resource for our clients and constituents.

**THOUGHT LEADERS** - We are imaginative visionaries who find creative ways to reveal opportunities and leverage data to help drive decisions.

### 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 guaranty 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 FY21:

### **Mortgage Programs**

The Iowa Finance Authority's mortgage programs assisted a total of 2,411 Iowans purchase homes in FY21 and nearly 91% of IFA homebuyers were also assisted by a down payment assistance program.

#### **FirstHome**

The 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 FY21, the Iowa Finance Authority purchased 1,919 FirstHome loans totaling nearly \$232 million. Nearly 80% of all IFA homebuyers used the FirstHome program in FY21.

#### **FirstHome Down Payment Assistance**

The FirstHome program provides two down payment assistance options: A cash grant of up to \$2,500 or a 2nd Loan of up to 5% of the sale price or \$5,000, whichever is less and is repayable upon refinance or sale or when the first mortgage is paid in full. In FY21, 939 homebuyers used the grant and 837 homebuyers used the 2nd loan for down payment assistance in conjunction with a FirstHome mortgage. More than 92% of all buyers who used the FirstHome mortgage program were also provided down payment or closing cost assistance.

#### **Homes for Iowans**

The Homes for Iowans 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. In FY21 the program assisted 492 homebuyers, totaling more than \$76 million in loans.

#### **Homes for Iowans Down Payment Assistance**

The Homes for Iowans program provides two down payment assistance options: A cash grant of up to \$2,500 and a 2nd Loan of up to 5% of the sale price or \$5,000, whichever is less and is repayable upon refinance or sale or when the first mortgage is paid in full. In FY21, 161 homebuyers used the grant and 250 homebuyers used the 2nd loan for down payment assistance in conjunction with a Homes for Iowans mortgage. Nearly 84% of all buyers who used the Homes for Iowans mortgage program were also provided down payment or closing cost assistance.

#### **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. The program provides grants of \$5,000 to assist eligible service members and veterans purchase a home. In FY21, the program assisted 381 service members and veterans purchase homes in Iowa.

#### **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 \$13.2 million in 9% housing tax credits for the construction or preservation of 669 affordable rental units throughout 18 projects in 2021. The actual awards exceed \$132 million because the credits are 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 CY21, IFA awarded more than \$11.1 million in HOME funds to support affordable homes for 272 Iowans.

### **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 FY21 the Multifamily Loan Program provided nearly \$4.1 million in financing to support the construction of a total of 103 rental homes in Grimes, Fairfield and Newton.

### **National Housing Trust Fund**

The National Housing Trust Fund is an affordable housing production program aimed at increasing and preserving the supply of affordable housing for extremely low-income households. The Iowa Finance Authority awarded \$2.7 million through the program in FY21 to support the development of a housing first project in Muscatine. The 15-unit supportive rental complex, staffed by trained professionals will serve the chronically homeless.

### **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 204 properties providing affordable housing to approximately 11,713 low-income Iowa households in 68 counties throughout the state.

### **State Housing Trust Fund**

The State Housing Trust Fund was created by the Iowa Legislature in 2003 to help ensure decent, safe and affordable housing for Iowans. The fund is administered through two programs, the Local Housing Trust Fund Program and the Project-Based Housing Program. The Local Housing Trust Fund Program receives at least 60% of the SHTF allocation to provide grants for organizations certified by the Iowa Finance Authority as a Local Housing Trust Fund.

In FY21, the State Housing Trust Fund received a standing appropriation of \$3 million from the Rebuild Iowa Infrastructure Fund and 30% of the Real Estate Transfer Tax, up to a maximum of \$3 million annually.

Through grant awards approved in FY21, more than 2,100 families will be assisted through more than \$7.21 million in funding to help finance affordable housing activities. More than \$7 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 \$197,000 in FY21. The SHTF leveraged an additional \$.45 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 FY 21, more than \$618,000 in subsidies were provided to an average of 244 eligible individuals per month. A total of 315 unique individuals were assisted through this program.

### **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 administers the program in partnership with the Iowa Department of Human Services. In FY21 the Iowa Finance Authority issued \$248,460 in subsidies to assist 560 individuals.

### **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 CY21 the Iowa Finance Authority awarded more than \$2.6 million in Emergency Solutions Grants to assist more than 12,500 Iowans in need.

### **Emergency Solutions Grant Program CARES Act Program**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 included approximately \$21 million in additional funding for the State of Iowa's Emergency Solutions Grant CARES Act Program (ESG-CV). Funding is intended to prevent, prepare for, and respond to coronavirus among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts created by coronavirus. The Iowa Finance Authority allocated this funding to subrecipients beginning in mid-2020 and the funding must be utilized by the federal deadline of September 2022. As of July 2021, the program had served more than 12,000 Iowans.

### **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 \$1.3 million was awarded through the program in CY21.

### **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. Nearly 300 Iowans were assisted through the program in CY21 through more than \$700,000 in funding, with approximately \$100,000 of this funding coming through an additional allocation from the CARES Act.

### **Iowa Title Guaranty**

Iowa Title Guaranty offers low-cost title protection for real estate located in Iowa. In FY21, Iowa Title Guaranty issued 142,499 residential title certificates, a 47% increase over the previous fiscal year and the most in any single-year in the program's 35-year history. These residential certificates insured more than \$28.5 billion of Iowa real estate, a 54% increase over the previous fiscal year and again the most in any single year in program history.

Iowa Title Guaranty, in conjunction with 1,261 participating attorneys, abstractors and independent closers protect the integrity of Iowa's land-title transfer system. More than 95% of all residential certificates are field issued by Iowa Title Guaranty's participants, injecting another \$6.6 million into local Iowa communities through its incentive program., a 68% increase over the previous fiscal year. All revenues in excess of operating expenses are reinvested into Iowa affordable housing programs. Since inception of the program, Iowa Title Guaranty has transferred more than \$62.85 million, including \$2 million in FY21 alone.

### **Iowa Title Guaranty Commercial**

Iowa Title Guaranty Commercial provides prompt and cost-effective title coverage and professional services to commercial lenders, owners and investors for commercial projects of all sizes in Iowa. In addition to title coverage, Iowa Title Guaranty Commercial offers closing and settlement services, as well as construction draws and disbursements. In FY21 Iowa Title Guaranty Commercial issued 329 commercial title certificates, insuring more than \$652.2 million of commercial real estate.



### **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 FY21, Iowa Title Guaranty released 478 mortgages.

### **Private Activity Bond Program**

The Private Activity 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 \$13 billion in tax-exempt bonds, the proceeds of which are used to finance qualified projects. In FY21, the Iowa Finance Authority issued \$232.8 million in tax-exempt bonds on behalf of seven projects through the Private Activity Bond program.

### **State Revolving Fund Construction Loans**

The State Revolving Fund 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. Seventy-seven communities received low-cost loans for clean water and drinking water projects in FY21 totaling more than \$308 million.

### **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 FY21, 63 communities received a Planning & Design Loan for a total of more than \$36 million.

### **Water Resource Restoration Sponsored Projects Program (Sponsored Projects Program)**

The Sponsored Projects Program allows wastewater utilities to complete both a water quality infrastructure project and a nonpoint source watershed project for the price of one. The program has an application and award process. When using a Clean Water SRF loan with a sponsored project, an eligible utility may borrow for both a wastewater improvement project and a sponsored project. Through an overall reduced interest rate, the utility is able to complete two water quality projects for the cost of one project. Examples of sponsored projects include bioswales and biocells, permeable paving, rain gardens, wetland restoration and other retention and infiltration practices for nonpoint source pollution management. Fourteen sponsored projects received a total of more than \$9.3 million in financing in FY21.

### **General Non-Point Source Program**

The General Non-Point Source 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 and watershed protection. Low-interest loans can also be used for the water quality components of other projects, such as municipal landfill closure and brownfield remediation. In FY21, two projects were funded through loans totaling nearly \$1.2 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 FY21, 72 homeowners were assisted through this program through more than \$900,000 in loans.

### **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 FY21 the program deposited more than \$600,000 in Iowa banks to subsidize 6 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 FY21 the LWPP program deposited more than \$1.2 million in Iowa banks to subsidize 56 projects.

### **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 256 beginning farmers with a total of \$4.9 million in tax credits granted to landowners in CY21.

### **Beginning Farmer Loan Program**

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 20-25% rate reduction. Thirty-eight beginning farmers were assisted in acquiring a total of nearly 3,100 acres of farmland as well as machinery, equipment, buildings and breeding livestock through the program in FY21 through a total of nearly \$10.7 million in loans.

### **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 FY21, seven farmers were assisted through the program with a total of more than \$1 million in loans.

# 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:

- Working to maintain the Authority’s issuer credit ratings of AA+ by Standard and Poor’s (S&P) and Aa2 by Moody’s.
- Looking for opportunities to generate income while managing risk.

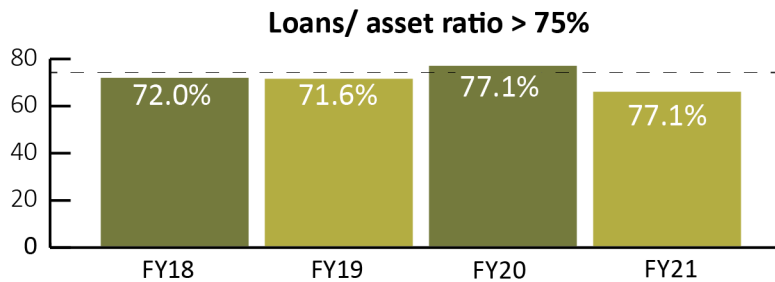
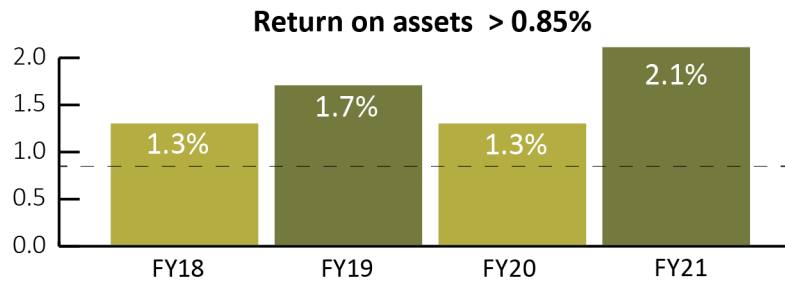
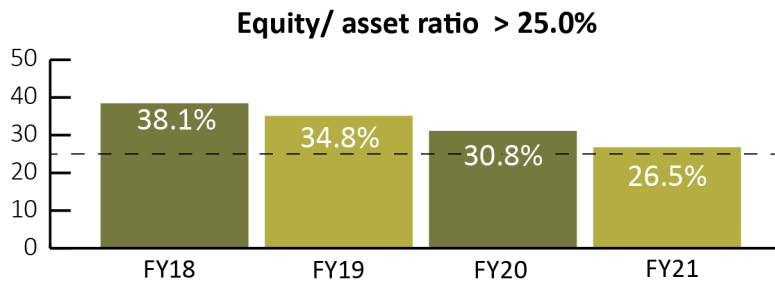
## RESULTS

### Performance Measure:

S&P and Moody’s Issuer Credit Ratings

### Performance Goal/Target:

Profitably grow IFA’s financial assets, diversify funding sources, and maintain an AA+ rating and Aa2 issuer credit ratings from S&P and Moody’s respectively.



**What was achieved:** The Authority maintained its general obligation rating of AA+ by Standard and Poor’s and Aa2 by Moody’s in FY21.

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

**Resources:** IFA is a self-funded public agency and is well-positioned to strengthen its efforts on behalf of Iowa’s communities and citizens under the purview of its Board of Directors and staff.

## KEY RESULTS

### CORE FUNCTION

**Name:** *Single-Family Loan Production*

**Description:** Single-Family Loan Production consists of mortgage loans and down payment assistance grants or 2<sup>nd</sup> loans funded through the FirstHome, FirstHome Plus, FirstHome w/2<sup>nd</sup>, Homes for lowans, Homes for lowans Plus, Homes for lowans w/2<sup>nd</sup> and the Military Homeownership Assistance Program programs.

**Why we are doing this:** To provide opportunities for lowans 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

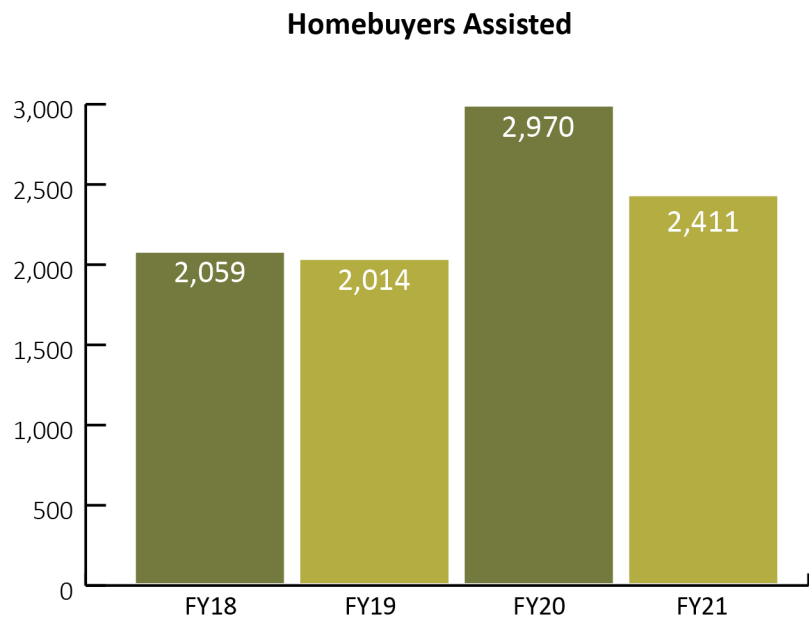
## RESULTS

**Performance Measure:**

Number of homeowners served

**Performance Goal/Target:**

Increase number of homeowners served by 10%.



**What was achieved:** 2,411 new home buyers benefited from the single-family homeownership mortgage programs in FY21.

**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

## CORE FUNCTION

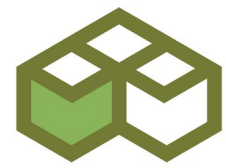
Name: Iowa Title Guaranty

Description: Iowa Title Guaranty provides a low-cost mechanism to guaranty 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 preserves and protects integrity of the Iowa land title transfer system and facilitates lenders participation in the secondary mortgage market.

### What we are doing to achieve results:

- Exclusive use of the attorney-abstract system resulting in clear title.
- Providing low-cost, effective title coverage.
- Provide free owner’s coverage up to \$500,000 when issued in conjunction with lender’s coverage.
- Educate lenders and consumers on the value of Iowa’s attorney-abstract system.



IOWA TITLE GUARANTY

A DIVISION OF IOWA FINANCE AUTHORITY

## RESULTS

### Performance Measure:

Iowa Title Guaranty Revenues

### Performance Goal/Target:

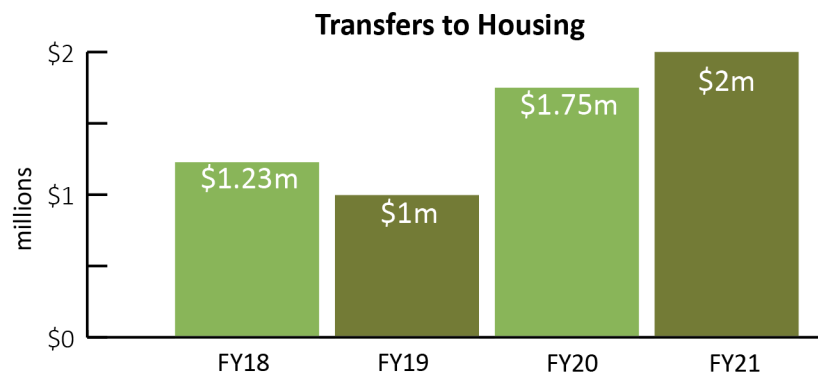
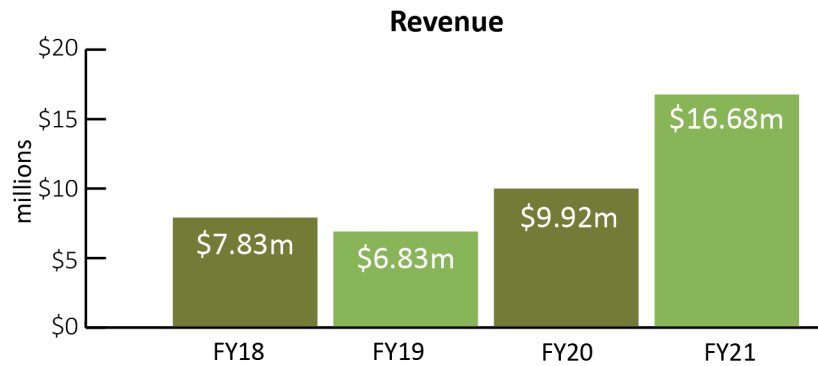
\$6.45 million

### Performance Measure:

Transfer to Housing

### Performance Goal/Target:

\$1 million



What was achieved: In FY21, Iowa Title Guaranty (ITG) generated \$16.68 million in revenue. ITG transferred \$2 million in revenues in excess of operating expenses to affordable housing programs in FY21.

Data Sources: Iowa Finance Authority\*

Resources: ITG operates on a self-sustaining basis through certificate premiums and escrow services.

## 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 77 communities through Clean Water and Drinking Water Loans totaling more than \$308 million.
- Provided 0% financing for the Planning & Design phase of water quality projects in 63 communities, for a total of more than \$36 million in loans.
- The SRF program helped to subsidize more than \$13 million in loans in FY21 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 made loans to 5,714 Iowa homeowners, landowners, farmers and nonprofits to assist with nonpoint source projects to help to improve the quality of Iowa's water.
- The SRF portfolio increased to \$2.2 billion in FY21.

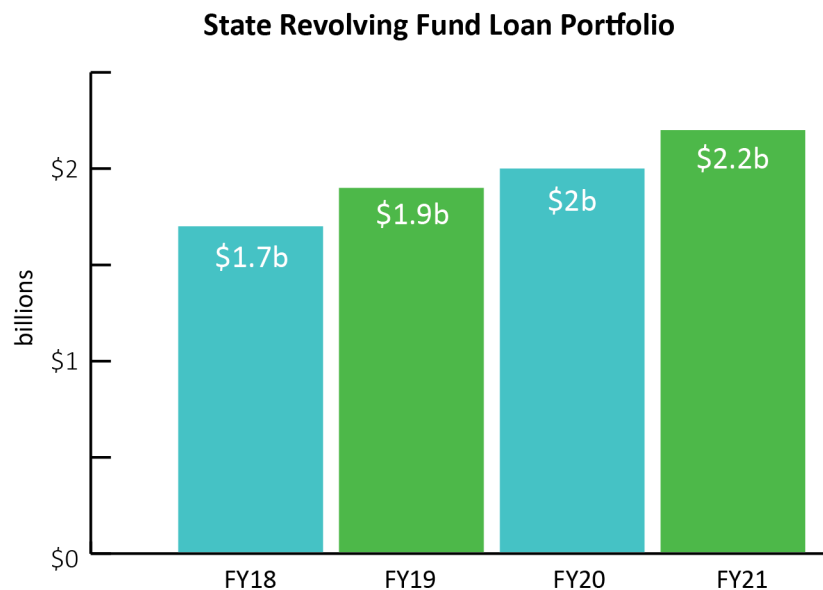
## RESULTS

#### Performance Measure:

State Revolving Fund

#### Performance Goal/Target:

Increase SRF Portfolio by 5%



**What was achieved:** The portfolio increased to \$2.2 billion in FY21.

**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.

## AGENCY PERFORMANCE PLAN RESULTS

<b>Name of Agency: Iowa Finance Authority</b>			
<b>Core Purpose: Enhance the quality of life for Iowans.</b>			
<b>Core Focus: Making affordable financing possible for home and community.</b>			
<b>Services, Products, Activities:</b> Assist home buyers in obtaining a sustainable homeownership loan and down payment assistance.			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Desired Outcome: Provide opportunities for Iowans to purchase safe, affordable and accessible housing.</b>			
Single-Family Loan Portfolio	\$250 million in loan purchases	\$308.2 million	<b>What Occurred:</b> More than \$308 million in FirstHome and Homes for Iowans loan purchases were made in FY21.  <b>Data Source:</b> Iowa Finance Authority*
	Serve 1,385 home buyers	2,411	<b>What Occurred:</b> A total of 2,411 homebuyers received a mortgage through the FirstHome and Homes for Iowans programs in FY21.  <b>Data Source:</b> Iowa Finance Authority*
	Assist 700 home buyers with down payment assistance	2,187	<b>What Occurred:</b> A total of 2,187 homebuyers received down payment assistance in FY21, nearly 91% of all homebuyers who received an IFA mortgage program.  <b>Data Source:</b> Iowa Finance Authority
	10% of IFA mortgages serving minority families	12.19%	<b>What Occurred:</b> 12.19% of IFA mortgages served minority families in FY21.  <b>Data Source:</b> Iowa Finance Authority
<b>Desired Outcome: Provide financial assistance up to \$5,000 for home purchases in Iowa communities for qualified military service members and veterans</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Military Homeownership Assistance Program	Allocate 100% of \$2 million appropriated funds	95%	<b>What Occurred:</b> The program allocated 95% of FY21 appropriated funds.  <b>Data Source:</b> Iowa Finance Authority*
<b>Desired Outcome: Provide and maintain housing that is affordable and accessible to low-and-moderate income Iowans.</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Multifamily Loans Closed	\$2 million in loans closed	\$4.039 million in loans closed	<b>What Occurred:</b> Three multifamily loans closed in FY21 totaling more than \$4 million.  <b>Data Source:</b> Iowa Finance Authority*

<b>Desired Outcome: Provide a source of funds to developers and property owners for the construction and/or rehabilitation of restricted affordable units</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Housing Tax Credits	Develop or preserve 620 multifamily units	699 units developed or preserved	<b>What Occurred:</b> The 9% Housing Tax Credit Program assisted in the development and preservation of a total of 699 affordable multifamily units in CY21.  <b>Data Source:</b> Iowa Finance Authority*
	Award 100% of tax credits	100%	<b>What Occurred:</b> The IFA Board approved 100% of total tax credits available in CY21.  <b>Data Source:</b> Iowa Finance Authority*
<b>Desired Outcome: Monitor compliance with tax credit regulations by performing compliance reviews and providing tax credit compliance manual.</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Housing Tax Credit Compliance	Complete 100% of scheduled compliance visits	100%	<b>What Occurred:</b> 100% of scheduled compliance visits were completed in FY21.  <b>Data Source:</b> Iowa Finance Authority*
<b>Desired Outcome: Provide HOME funds for affordable rental units for qualified renter households.</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Percent of HOME units occupied	100% of HOME rental units completed are initially occupied	100%	<b>What Occurred:</b> 100% of HOME rental units were initially occupied in FY21.  <b>Data Source:</b> Iowa Finance Authority
<b>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.</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Section 8 Contract Administration	Have 90% of customers served be satisfied with service	96%	<b>What Occurred:</b> IFA earned 96% overall satisfaction from its Section 8 partners in FY21.  <b>Data Source:</b> Iowa Finance Authority*
	Earn 100% of Section 8 payments	100%	<b>What Occurred:</b> All FY21 Section 8 payments were earned, with no disincentive fee assessed.
<b>Desired Outcome: Provide a temporary rent subsidy for community living opportunities for Medicaid-eligible consumers that would otherwise be living in a medical institution.</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Home & Community Based Services Rent Subsidy	Provide rental assistance to an average of 350 persons each month, appropriated funds of \$658,000	An average of 244 individuals received rental assistance each month	<b>What Occurred:</b> In FY21 an average of 244 individuals received rental assistance each month.  <b>Data Source:</b> Iowa Finance Authority*



<b>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</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
State Housing Trust Fund Local Housing Trust Fund Program	Award 100% of appropriated or otherwise requested State Housing Trust Fund monies	100%	<b>What Occurred:</b> More than \$7 million, or 100% of requested funds were awarded to Local Housing Trust Funds in FY21.  <b>Data Source:</b> Iowa Finance Authority*
<b>Desired Outcome: Provide grants from the State Housing Trust Fund to Project-Based projects.</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
State Housing Trust Fund Project-Based Program	Award 100% appropriated or otherwise requested State Housing Trust Fund monies	100%	<b>What Occurred:</b> \$197,000 or 100% of requested funds were awarded through the Project-Based program in FY21.  <b>Data Source:</b> Iowa Finance Authority*
<b>Desired Outcome: Provide support of affordable housing programs through transfer of revenue in excess of operating expenses.</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Revenue transferred	\$1 million	\$2 million	<b>What Occurred:</b> Iowa Title Guaranty transferred \$2 million in revenue to affordable housing programs in FY21.  <b>Data Source:</b> Iowa Finance Authority*
<b>Desired Outcome: Provide a low-cost mechanism to guaranty title to real property in Iowa.</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Revenue generated	\$6 million	\$16.68 million	<b>What Occurred:</b> Iowa Title Guaranty generated \$16.68 million in residential and commercial revenue in FY21.  <b>Data Source:</b> Iowa Finance Authority*
<b>Desired Outcome: Increase percentage of Title Guaranty Certificates issued on file</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Certificate Field Issuance	Obtain 90% of certificates issued by abstractors and attorneys	95%	<b>What Occurred:</b> In FY21 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.  <b>Data Source:</b> Iowa Finance Authority*
<b>Desired Outcome: Assist communities with the costs of upgrading or constructing local waste water projects</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
State Revolving Fund (SRF)	Close \$250 million in clean water-loans	\$271.2 million	<b>What Occurred:</b> The SRF closed 68 clean water loans totaling more than \$271.2 million in FY21.  <b>Data Source:</b> Iowa Finance Authority*

<b>Desired Outcome: Assist communities with the costs of upgrading or constructions drinking water projects.</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
State Revolving Fund (SRF) Drinking Water	Close \$40 million in drinking water loans	\$38.1 million	<b>What Occurred:</b> The SRF closed 27 drinking water loans totaling more than \$38.1 million in FY21.  <b>Data Source:</b> Iowa Finance Authority*
<b>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.</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Planning & Design Loans	Approve \$15 million in Planning & Design Loans	\$36 million	<b>What Occurred:</b> 63 communities benefited from Planning & Design Loans in FY21, totaling more than \$36 million.  <b>Data Source:</b> Iowa Finance Authority*
<b>Desired Outcome: Provide loans to assist in the advancement on non-source point water quality initiatives.</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Non-Point Source Loans	\$2 million in Local Water Protection Program (LWPP)	\$1.2 million	<b>What Occurred:</b> In FY21 the LWPP Program loaned a total of \$1.2 million to 56 projects.  <b>Data Source:</b> Iowa Finance Authority*
	\$3 million in Livestock Water Quality (LWQ)	\$600,000	<b>What Occurred:</b> The LWQ Program awarded more than \$600,000 to assist Iowa farmers with 6 water quality projects.  <b>Data Source:</b> Iowa Finance Authority*
	\$1 million in Onsite Wastewater Assistance Program (OSWAP)	\$900,000	<b>What Occurred:</b> In FY21, 72 homeowners were assisted through a total of more than \$900,000 in loans.  <b>Data Source:</b> Iowa Finance Authority*
<b>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.</b>			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Maintain Issuer Credit Ratings	AA+: S&P  Aa2: Moody's	AA+  Aa2	<b>What Occurred:</b> IFA maintained issuer credit ratings by S&P and Moody's in FY21.  <b>Data Source:</b> Standard and Poor's and Moody's

\*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 FY21.

## AGENCY CONTACTS

Copies of the Iowa Finance Authority's Annual Performance Report may be requested by contacting Ashley Jared at [Ashley.jared@iowafinance.com](mailto:Ashley.jared@iowafinance.com) or 515-452-0474.

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