

**IOWA FINANCE AUTHORITY  
BOARD MEETING AGENDA**

**1963 Bell Ave. Des Moines, IA 50315  
Helmick Conference Room**

**Wednesday, August 2, 2023  
11:00 a.m.**

**\*Public Attendee Web Conference Registration: <https://akaiowa.us/ifaboard>**

- I. Board Chair** *Michel Nelson*
- A. Roll Call and Introductions
  - B. Approval of July 5, 2023, Meeting Minutes Action
- II. Public Comment Period**
- A public comment period for the full meeting will be held at this time to accommodate visitors. This period is limited to 5 minutes per person.
- III. Consent Agenda** *Michel Nelson – Action All*
- IADD - Authorizing Resolutions
    - A. AG 23-028B, Joshua D. Homann
    - B. AG 23-034B, Kael William Richmond
    - C. AG 23-035B, Jenny and Shane Schultz
    - D. AG 23-036B, Jill and Ryan Collins
    - E. AG 23-037B, John C. and Kamryn M. Armstrong
    - F. AG 23-038B, Michael and Megan Naber
  - IADD - Amending Resolutions
    - G. 04772M, Benjamin T. Dittmer, Eldridge
  - IADD – Loan Participation Program
    - H. AG-LP 23-04, Loan Participation Program
  - IADD - Beginning Farmer Tax Credit Program
    - I. AG-TC 23-06, Beginning Farmer Tax Credit Program
  - Private Activity Bond
    - J. PAB 23-13A, Western Home Project
  - Water Quality
    - K. WQ 23-13, State Revolving Fund Planning & Design Loans
    - L. WQ 23-14, State Revolving Fund Construction Loans
- IV. Finance**
- A. June 2023 Financials *Jennifer Pulford – Action*
  - B. FIN 23-17, HOME Loan Forgiveness – Sugar Creek/Waukee L.P. *Samantha Askland – Action*
  - C. FIN 23-18, Loan Approval – Hope Haven *Tim Morlan – Action*



- V. Iowa Title Guaranty** *Dillon Malone – Action*  
ITG 23-01, Petition for Waiver from Iowa Administrative Code rule  
265--9.1
- VI. Legal** *Lisa Connell – Action*  
Adopt Amendments to 265 IAC 12, for 2024 QAPs
- VII. Housing Programs**
- A. HI 23-11, 2023 9% LIHTC Waiting List Award *Stacy Cunningham – Action*
  - B. HI 23-12, 2024 4% QAP *Stacy Cunningham – Action*
  - C. HI 23-13, 2024 9% QAP *Stacy Cunningham – Action*
- VIII. Iowa Creating a Real Equity (ICARE) Reentry Opportunity Pilot Program**
- A. Community Solutions of Eastern Iowa (ECIA) *Terri Rosonke*
  - B. Fountain of Youth Program *Kelley Deutmeyer*
  - C. Partner Perspective *Caprice Jones*
  - D. HI 23-14, ICARE Reentry Opportunity Pilot Program Grant Award *Alejandro Fernandez*  
*Terri Rosonke – Action*
- IX. Director’s Office** *Debi Durham*  
Director’s Report
- X. Other Business**  
Next IFA Board Meeting – Wednesday, September 6, 2023, at 5:00 pm  
HousingIowa Conference 2023, Cedar Rapids
- XI. Adjournment** *Michel Nelson – Action*



## BOARD MEETING MINUTES

Helmick Conference Room  
1963 Bell Ave. Des Moines, IA  
July 5, 2023

### **Board Members Present**

Ashley Aust, *Member*  
Jennifer Cooper, *Vice Chair*  
John Eisenman, *Member*  
Rep. Daniel Gehlbach, *Ex-Officio*  
Gretchen McLain, *Member*  
Michel Nelson, *Chair*  
Amy Reasner, *Member*  
Gilbert Thomas, *Treasurer*  
Michael Van Milligen, *Member*  
Senator Scott Webster, *Ex-Officio*

### **Board Members Absent**

Tracey Ball, *Member*  
Jina Bresson, *Ex-Officio*  
Rep. Lindsay James, *Ex-Officio*  
Senator Zach Wahls, *Ex-Officio*  
Nathan Weaton, *Member*

### **Staff Members Present**

Samantha Askland, *Underwriter*  
Catalina Bos, *Legal Office Administrator*  
Lucy Cade, *Social Media Manager*  
Rob Christensen, *Chief Information Officer*  
Vicky Clinkscales, *Customer Service & Project Specialist*  
Debi Durham, *IEDA | IFA Director*  
Mark Fairley, *Finance & Investment Manager*  
Alyson Fleming, *Section 8 Director*  
Derek Folden, *LIHTC Program Director*  
Jamie Giusti, *Housing Programs Specialist*  
Rita Grimm, *Chief Legal Counsel*  
Kristin Hanks-Bents, *Legal Counsel*  
Nichole Hansen, *Policy & Partnership Manager*  
Cindy Harris, *Chief Financial Officer*  
Rachael Hoffman, *Compliance Officer*  
Nicki Howell, *Agricultural Development Program Specialist*  
Staci Hupp Ballard, *Chief Strategic Communications Officer*

Ashley Jared, *Communications Director*  
Michael Johnson, *Software Development Specialist*  
Deena Klesel, *SRF Accounting Manager*  
Justin Knudson, *Federal Team Lead*  
Alex Lemke, *Marketing Specialist*  
Dillon Malone, *ITG Director*  
Tim Morlan, *Asset Management Director*  
David Morrison, *Single Family Accounting Manager*  
Brooke Parziale, *Human Resources Director*  
Rick Peterson, *Chief Operations & Culture Officer*  
Dave Powell, *Underwriter*  
Jennifer Pulford, *Accounting Director*  
Terri Rosonke, *Housing Programs Manager*  
Aaron Smith, *Chief Bond Programs Officer*  
Michael Thibodeau, *Legal Counsel*  
Matthew Veldey, *Senior Commercial Attorney*  
Stephanie Volk, *Accounting Manager*  
Carrie Woerdeman, *State Programs Director*

### **Others Present**

Megan Carr, *Sand Companies, Inc.*  
Jim Danaher  
Adit Doshi, *Pivotal Housing Partners*  
Holly Engelhart, *Eide Bailly LLP*  
Sam Erickson, *Community Housing Initiatives (CHI)*  
Scott Fitzpatrick, *Midwest Housing Equity Group (MHEG)*  
Jerry Floyd, *Front Porch Development, Inc.*  
Frank

David Grossklaus, *Dorsey & Whitney LLP*  
Heather Hackbarth, *Iowa Dept of Management (IDOM)*  
Austin Kack, *Overland Property Group (OPG)*  
Bill Manner, *Iowa Housing Partnership (IHP)*  
Sarah Reilly, *Community Housing Initiatives (CHI)*  
Tyler Sheeran, *The Commonwealth Companies*  
Darin Smith, *Arch Icon Development*

**Board Chair**  
**Welcome and Roll Call**

Michel Nelson called to order the July 5, 2023, meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:01 a.m. Roll call was taken, and a quorum was established. The following Board members were present: Aust, Cooper, Eisenman, McLain, Nelson, Reasner, Thomas, and Van Milligen. The following Board members were absent: Ball and Weaton.

**Approval of June 7, 2023, Meeting Minutes**

**MOTION:** On a motion by Ms. Cooper, and a second by Ms. Aust, the Board unanimously approved the June 7, 2023, IFA Board Meeting minutes.

**Election of Officers**

**MOTION:** Ms. Aust made a motion to reelect Mr. Nelson as Chair, Ms. Cooper as Vice Chair, and Mr. Thomas as Treasurer. On a second by Mr. Van Milligen, the Board unanimously approved reelecting Mr. Nelson as Chair, Ms. Cooper as Vice Chair, and Mr. Thomas as Treasurer.

**IFA Staff Years of Service**

Chair Nelson presented and thanked nine IFA staff members for their years of service. Heidi Koll has been with IFA for 5 years. Jennifer Pulford, Cindy Harris, and Samantha Askland have been with IFA for 10 years. Becky Wu has been with IFA for 15 years. Matthew Veldey and Michael Johnson have been with IFA for 20 years. Mark Fairley and Rita Ebel have been with IFA for 25 years.

**Public Comment Period - Receive Comments from General Public**

Chair Nelson opened the public comment period and asked if anyone in the audience would like to address the Board. Bill Menner addressed the Board to introduce himself and his role as executive director of the Iowa Housing Partnership. Mr. Menner discussed the importance of the relationship/partnership between the Iowa Housing Partnership and IFA, especially regarding its focus on affordable housing and how to advocate for it in small towns. No other comments were received. Chair Nelson closed the public comment period.

**Consent Agenda**

Chair Nelson asked if any items needed to be removed from the consent agenda. No items were removed from the consent agenda.

**MOTION:** Ms. Aust made a motion to approve the following items on the consent agenda:

IADD - Authorizing Resolutions

- A. AG 23-032B Brady A. and Stacy R. Reinke
- B. AG 23-033B Nathan G. and Jacklyn Nieuwendorp

IADD – Amending Resolutions

- C. 04621M Christopher Richard and Pamela Ann Deutmeyer, Ryan

IADD – Loan Participation Program

- D. AG-LP 23-03, Loan Participation Program

IADD – Beginning Farmer Tax Credit Program

- E. AG-TC 23-05, Beginning Farmer Tax Credit

Private Activity Bonds

- F. PAB 23-12A, Chevron Corporation Project

Water Quality

- G. WQ 23-11, State Revolving Fund Planning & Design Loans
- H. WQ 23-12, State Revolving Fund Construction Loans



On a second by Ms. Cooper, the Board unanimously approved the items on the consent agenda.

**Finance**  
**May 2023 Financials**

Ms. Pulford presented the highlights of the May 2023 financial statement that was included in the board packet. She explained that the Housing Authority side operated favorably to budget through May. Ms. Cooper asked when the money from the Housing Authority Emergency Rental Assistance fund would be pulled back and Ms. Pulford confirmed that the request has just been received and that IFA is beginning the process of returning the roughly \$56 million to the federal government. Ms. Pulford continued to explain that the State Revolving Fund side is also operating favorably to budget.

**MOTION:** On a motion by Ms. Aust, and a second by Ms. Cooper, the Board unanimously approved the May 2023 financials.

**Loan Servicing – Reserve for Impaired Loans**

Ms. Pulford discussed the changes made to the Loan Loss Reserve policy as of June 2023. A copy of the updated policy was included in the board packet with the changes highlighted. Ms. Pulford explained that all of the changes made were related to the Single Family Second Mortgage Loan program, which has grown to over \$20 million in outstanding loans.

**MOTION:** On a motion by Ms. Cooper, and a second by Ms. Aust, the Board unanimously approved the changes made to the Loan Loss Reserve policy.

**FIN 23-13, Single Family Authorizing Resolution 2023 EF Bonds**

Ms. Harris requested board authorization for the issuance of bonds in an amount not to exceed \$175 million to get back into the market to fund the Single Family program. Ms. Harris explained that the program has been doing well, despite the higher interest rates. She discussed that these bonds will fund the FirstHome and Homes for Iowans loan programs and are expecting to have an all fixed rate transaction.

**MOTION:** On a motion by Mr. Thomas, and a second by Ms. Reasner, the Board unanimously approved FIN 23-13.

**FIN 23-14, Loan Approval – Hiawatha Arro, LLC**

Mr. Powell requested approval for two loans on one project. This proposed new construction in Hiawatha, Iowa, targets Older Persons 55 and above and was approved for 9% LIHTC during the 2022 round. Staff recommends providing the project with a 1<sup>st</sup> mortgage in the amount of \$1,685,000, a 15-year term, 35-year amortization, and a fixed interest rate. Additionally, staff seeks approval of a 2<sup>nd</sup> mortgage collateralized by tax abatement in the amount of \$310,000, on a 10-year term, 10-year amortization, and a fixed rate. Ms. Cooper asked how IFA would be forward locking the rate and Mr. Powell confirmed it would be done internally.

**MOTION:** On a motion by Mr. Eisenman, and a second by Ms. Cooper, the Board unanimously approved FIN 23-14.

**FIN 23-15, Loan Approval – The Crossing Apartments**

Mr. Powell shared that this single, multifamily loan was also collateralized by the 2022 9% LIHTC submittal. This proposed new construction family project will be located in Bondurant, Iowa. Staff recommends providing the project with a 1<sup>st</sup> mortgage in the amount of \$2,300,000, with a 15-year term, 35-year amortization, and a fixed interest rate. Ms. Cooper asked what the penalty would be if the project

breaks the rate lock to get a lower rate, and Mr. Morlan advised that IFA has not charged a penalty for that but they have come back to the Board if they increase the loan amount; the project is given a cap.

**MOTION:** On a motion by Ms. Cooper, and a second by Ms. Aust, the Board unanimously approved FIN 23-15.

**FIN 23-16, Loan Approval – NEX Senior**

Ms. Askland requested approval for NEX Senior, a project that was awarded 9% LIHTC during the 2022 rounds. She shared it is the same design and concept as the Hiawatha Arro project which had been approved by the Board just moments before. The project will be located in Iowa City, and is for seniors, 55 years and up. The proposed loan amount is \$1,850,000, with a 15-year term, 35-year amortization, and fixed interest rate. Chair Nelson asked if there will be a balloon at the end of the 15-year term and Mr. Morlan confirmed there would be a substantial one.

**MOTION:** On a motion by Ms. Cooper, and a second by Ms. Aust, the Board unanimously approved FIN 23-16.

**Private Activity Bonds**

**PAB 22-21B, AHEPA 192-IV Apartments LP Project**

Mr. Smith shared that this is an authorizing resolution for, and not to exceed, \$13 million in Multifamily Housing Revenue Bonds for AHEPA 192-IV Apartments LP. Mr. Smith shared that the proceeds from the Bonds will finance the construction of a new 90-unit multistory senior living facility (62+) in Des Moines. A public hearing had been held and no public comments had been received. Ms. Cooper noted that the body of the resolution stated \$12 million and not \$13 million, but Mr. Smith confirmed it is not to exceed \$13 million. Mr. Smith requested board action. Ms. Cooper moved for approval as long as the typo was corrected in the resolution. In response to Ms. Cooper’s question, Mr. Grossklaus, bond counsel for IFA, reviewed the resolution and supporting documents. Mr. Grossklaus determined it was not necessary to revise the resolution for PAB 22-21B because the resolution accurately reflected both the initial request of \$12 million and that it was determined the amount needed for the project was \$13 million. Mr. Grossklaus informed the Board of this determination via an email sent July 11, 2023.

**MOTION:** On a motion by Ms. Cooper, and a second by Ms. Aust, the Board unanimously voted to approve PAB 22-21B.

**Legal**

**GEN 23-03, Signature Authority – Acknowledging Statutory Change to Executive Director’s Title**

Ms. Hanks-Bents discussed the resolution to recognize the statutory change of the executive director’s title to ‘director’ of IFA. Senate File 514, the governor’s realignment bill, has changed the director’s title and so this resolution would continue to authorize the director to execute and deliver any agreements, documents, or any other instruments on behalf of the authority.

**MOTION:** On a motion by Mr. Eisenman, and a second by Ms. Aust, the Board unanimously approved GEN 23-03.

**Housing Programs**

**HI 23-09, 2023 9% LIHTC Awards**

Mr. Folden reviewed the 2023 9% Housing Tax Credit awards. He stated that 24 applications were received from 13 different cities and 19 different developers. The 24 applications received requested a total of

\$22,432,985. Mr. Folden recommended 11 awards in nine different cities, to 10 different developers, for a total of \$10,056,924 awarded. These 11 projects account for a total of 410 LIHTC units, where eight of the projects are family projects, and three are for older persons 55+. He continued to explain that eight awards are for new construction, one is for acquisition rehab, and two are for adaptive reuse buildings. Additionally, there are three awards that are permanent supportive housing projects, which is a substantial amount to have in just one year. Ms. Cooper asked how many of the developers IFA had worked with before and Mr. Folden stated that they had worked with all of them before; there are technically no new developers this year.

**MOTION:** Ms. Cooper made a motion to approve HI 23-09. On a second by Ms. Aust, a roll call vote was taken with the following results: **Yes:** Aust, Cooper, Eisenman, McLain, Nelson, Thomas; **No:** None; **Abstain:** Reasner and Van Milligan. The motion passed.

Mr. Folden reminded the Board that next week is the public hearing for the 2024 QAP and public comments are available until July 18, 2023. Additionally, the Innovation Set Aside pre applications and the Thriving Community applications are both due on July 17, 2023.

Chair Nelson inquired about how last year's projects are doing. Mr. Folden stated that they are doing well, and most have reached out about pre-closing and/or 10% test (which is coming within the next two months). Mr. Folden added that financing is a bit of a challenge for some but there are three that IFA has assisted with financing. Overall, he is hearing and seeing progress.

#### **HI 23-10, Waiver of Nonrefundable Fee – Villas at Fox Pointe Audubon**

Mr. Folden shared that Villas at Fox Pointe Audubon was awarded a reservation of housing tax credits in 2022 and paid the \$101,200 reservation fee. The developer is unable to proceed with the project due to challenges with zoning in the community and has returned the 9% credits. IFA staff recommended waiving the nonrefundable fee requirement and refunding the \$101,200 reservation fee to the developer on this project.

Ms. Reasner asked Mr. Folden how often IFA is asked to refund a fee. Mr. Folden explained that last year was an anomaly as there were two returned due to COVID issues; prior to that it had not normally occurred. Mr. Folden continued to explain that at times credit will be offered toward the next project, but in this case IFA staff felt an exception should be made since the developer tried everything possible to progress forward.

**MOTION:** On a motion by Ms. Cooper, and a second by Ms. Aust, the Board unanimously approved HI 23-10.

#### **Director's Office** **IT Update**

Mr. Christensen provided an update on the IT systems of record that manage programs for IFA and IEDA. He shared that there are currently over 150 active programs and 30 systems that run them, plus tens of thousands of documents. He discussed the challenges of accessing data, security risks, compliance requirements, training issues, and resource challenges associated with having multiple systems. Mr. Christensen explained the need to build a reliable and fast internet connection, as well as a high-density wireless connection. He continued to discuss the need to analyze the programs between the two agencies and compartmentalize them into segments.

Mr. Christensen recommended the implementation of an Enterprise Management System (EMS) and talked about the process of finding a partner for the RFP issued last fall. The unanimous first choice was EY, and a master services agreement was signed with no financial commitment. The next step is to finalize and execute a statement of work for discovery and architectural design.

Questions were answered from the Board regarding the timeline for a financial commitment for EY, the role of DAS in the process, and the need for architectural design before any conversion of systems can take place.

### **Director's Report**

Director Durham shared that it was her first day back from a trip with the governor to Italy, Kosovo, and Israel, and encouraged everyone to make reservations for the Housing Conference on September 5-8, 2023.

### **Other Business**

The next meeting of the IFA Board of Directors will be held on Wednesday, August 2, 2023.

### **Adjournment**

On a motion by Ms. Aust and a second by Ms. Cooper, the July 5, 2023, meeting of the Iowa Finance Authority Board of Directors adjourned at 12:11 p.m.

Dated this 2<sup>nd</sup> day of August, 2023.

Respectfully submitted:

Approved as to form:

Deborah Durham,  
Director

Michel Nelson, Chair  
Iowa Finance Authority

To: Iowa Finance Authority Board of Directors

From: Tammy Nebola, Iowa Ag Program Specialist  
Aaron Smith, Chief Bond Programs Director

Date: July 26, 2023

Re Iowa Agricultural Division Beginning Farmer Loan and Tax Credit Programs

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## **Consent Agenda**

### **Iowa Agricultural Development Division**

#### **Authorizing Resolutions**

##### **AG 23-028 Joshua D. Homann**

This is a resolution authorizing the issuance of \$420,000 for Joshua D. Homann. The bond will be used: To purchase approximately 53 acres of agricultural land in Hancock County. The lender is Availa Bank in Holstein.

- **Need Board action on Resolution AG 23-028B**

##### **AG 23-034 Kael William Richmond**

This is a resolution authorizing the issuance of \$600,600 for Kael William Richmond. The bond will be used: To purchase approximately 79.27 acres of agricultural land in Butler County. The lender is First Bank in Waverly.

- **Need Board action on Resolution AG 23-034B**

##### **AG 23-035 Jenny and Shane Schultz**

This is a resolution authorizing the issuance of \$521,150 for Jenny and Shane Schultz. The bond will be used: To purchase approximately 78 acres of agricultural land in Grundy County. The lender is Lincoln Savings Bank in Reinbeck.

- **Need Board action on Resolution AG 23-035B**

##### **AG 23-036 Jill and Ryan Collins**

This is a resolution authorizing the issuance of \$521,150 for Jill and Ryan Collins. The bond will be used: To purchase approximately 78 acres of agricultural land in Grundy County. The lender is Lincoln Savings Bank in Reinbeck.

- **Need Board action on Resolution AG 23-036B**

##### **AG 23-037 John C. and Kamryn M. Armstrong**

This is a resolution authorizing the issuance of \$442,000 for John C. and Kamryn M. Armstrong. The bond will be used: To purchase approximately 110 acres of agricultural land in County. The lender is Libertyville Savings Bank in Fairfield.

- **Need Board action on Resolution AG 23-037B**

### **AG 23-038 Michael and Megan Naber**

This is a resolution authorizing the issuance of \$310,569 for Michael and Megan Naber. The bond will be used: To purchase approximately 25.44 acres of agricultural land in Buchanan County. The lender is Citizens State Bank in Winthrop.

- **Need Board action on Resolution AG 23-038B**

## **Amending Resolutions**

### **04772 Benjamin T. Dittmer, Eldridge**

This is a resolution amending a \$368,750 Beginning Farmer Loan to Benjamin T. Dittmer issued 5/30/2013 to lower the interest rate from 7.00% (which reset on June 1, 2023 from 3.25%) to 5.25% until June 1, 2033, at which time the rate will adjust to the original index of 0.50% below the announced prime rate of National Prime Rate as published in the Wall Street Journal and be adjustable daily thereafter. Due to the rate increase on June 1, 2023 the annual payment was set to increase from \$19,435.00 to \$27,035.92 beginning on June 1, 2024. Due to the rate decrease the annual payment amount will decrease from the projected \$27,035.92 to \$23,846.86 beginning on June 1, 2024. All other loan terms will remain the same. The lender is DeWitt Bank & Trust Company in DeWitt.

- **Need Board action on Resolution 04772M**

## **Loan Participation Program**

### **AG-LP 23-04, Loan Participation Program**

The Loan Participation Program (LPP) was established in 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. Effective annually on February 1 the rate will adjust to be equal to Wall Street Journal Prime as of January 1. The rate will lock at the time of IADD approval and be fixed for the full 10-year term. The participation loan is a 10-year balloon with a 20-year amortization on land or a 12-year amortization on facilities. Attached are the LPP applications reviewed last month. The IADD Board has recommended approval.

## **Beginning Farmer Tax Credit Program**

### **AG-TC 23-06, Beginning Farmer Tax Credit Program**

The Beginning Farmer Tax Credit (BFTC) program allows agricultural asset owners to earn Iowa income tax credits for leasing their land, equipment and/or buildings to beginning farmers. Leases must be for terms of 2-5 years. The tax credit for cash rent leases is 5% of the amount of the rent. The tax credit for crop share leases and the flex bonus portion is 15%. The maximum amount of tax credits allocated cannot be more than \$12 million in any one year. Attached are the BFTC applications reviewed last month. The IADD Board has recommended approval.



**RESOLUTION  
AG 23-028B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

**WHEREAS**, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

**WHEREAS**, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

**WHEREAS**, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

**WHEREAS**, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

**WHEREAS**, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

**NOW, THEREFORE, BE IT RESOLVED** by the Iowa Finance Authority as follows:

**Section 1. The Project Consistent with the Act.** It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

**Section 2. Authorization of the Bond.** In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning

Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

**Section 3. Agreement; Sale of the Bond.** In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

**Section 4. Repayment of Loan.** The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

**Section 5. Filing of Agreement.** The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

**Section 6. Miscellaneous.** The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

**Section 7. Severability.** The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

**Section 8. Repealer.** All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

**Section 9. Effective Date.** This resolution shall become effective immediately upon adoption.

Passed and approved this 2<sup>nd</sup> day of August 2023.

\_\_\_\_\_  
Michel Nelson, Board Chairman

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

(Seal)

**EXHIBIT A**

- 1. Project Number:** AG 23-028
- 2. Beginning Farmer:** Joshua D. Homann  
2360 225th St  
Garner, IA 50438-8743
- 3. Bond Purchaser:** Availa Bank  
511 N Main St, PO Box 110  
Holstein, IA 51025
- 4. Principal Amount:** \$420,000
- 5. Initial Approval Date:** 4/26/2023
- 6. Public Hearing Date:** 7/26/2023
- 7. Bond Resolution Date:** 8/2/2023
- 8. Project:** To purchase approximately 53 acres of agricultural land

**RESOLUTION**  
**AG 23-034B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

**WHEREAS**, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

**WHEREAS**, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

**WHEREAS**, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

**WHEREAS**, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

**WHEREAS**, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

**NOW, THEREFORE, BE IT RESOLVED** by the Iowa Finance Authority as follows:

**Section 1. The Project Consistent with the Act.** It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

**Section 2. Authorization of the Bond.** In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and

conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

**Section 3. Agreement; Sale of the Bond.** In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

**Section 4. Repayment of Loan.** The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

**Section 5. Filing of Agreement.** The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

**Section 6. Miscellaneous.** The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.



**Section 7. Severability.** The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

**Section 8. Repealer.** All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

**Section 9. Effective Date.** This resolution shall become effective immediately upon adoption.

Passed and approved this 2<sup>nd</sup> day of August 2023.

\_\_\_\_\_  
Michel Nelson, Board Chairman

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

(Seal)

**EXHIBIT A**

- 1. Project Number:** AG 23-034
- 2. Beginning Farmer:** Kael William Richmond  
29627 Ridge Ave  
Parkersburg, IA 50665-7605
- 3. Bond Purchaser:** First Bank  
316 E Bremer Ave, PO Box 837  
Waverly, IA 50677-0837
- 4. Principal Amount:** \$600,600
- 5. Initial Approval Date:** 7/26/2023
- 6. Public Hearing Date:** 7/26/2023
- 7. Bond Resolution Date:** 8/2/2023
- 8. Project:** To purchase approximately 79.27 acres of agricultural land

**RESOLUTION**  
**AG 23-035B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

**WHEREAS**, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

**WHEREAS**, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

**WHEREAS**, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

**WHEREAS**, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

**WHEREAS**, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

**NOW, THEREFORE, BE IT RESOLVED** by the Iowa Finance Authority as follows:

**Section 1. The Project Consistent with the Act.** It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

**Section 2. Authorization of the Bond.** In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and

conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

**Section 3. Agreement; Sale of the Bond.** In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

**Section 4. Repayment of Loan.** The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

**Section 5. Filing of Agreement.** The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

**Section 6. Miscellaneous.** The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

**Section 7. Severability.** The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

**Section 8. Repealer.** All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

**Section 9. Effective Date.** This resolution shall become effective immediately upon adoption.

Passed and approved this 2<sup>nd</sup> day of August 2023.

\_\_\_\_\_  
Michel Nelson, Board Chairman

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

(Seal)

**EXHIBIT A**

- 1. Project Number:** AG 23-035
- 2. Beginning Farmer:** Jenny and Shane Schultz  
123 Hillcrest Dr  
Reinbeck, IA 50669-1333
- 3. Bond Purchaser:** Lincoln Savings Bank  
508 Main St, PO Box E  
Reinbeck, IA 50669-1052
- 4. Principal Amount:** \$521,150
- 5. Initial Approval Date:** 7/26/2023
- 6. Public Hearing Date:** 7/26/2023
- 7. Bond Resolution Date:** 8/2/2023
- 8. Project:** To purchase approximately 78 acres of agricultural land



**RESOLUTION**  
**AG 23-036B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

**WHEREAS**, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

**WHEREAS**, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

**WHEREAS**, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

**WHEREAS**, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

**WHEREAS**, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

**NOW, THEREFORE, BE IT RESOLVED** by the Iowa Finance Authority as follows:

**Section 1. The Project Consistent with the Act.** It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

**Section 2. Authorization of the Bond.** In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and

conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

**Section 3. Agreement; Sale of the Bond.** In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

**Section 4. Repayment of Loan.** The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

**Section 5. Filing of Agreement.** The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

**Section 6. Miscellaneous.** The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

**Section 7. Severability.** The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

**Section 8. Repealer.** All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

**Section 9. Effective Date.** This resolution shall become effective immediately upon adoption.

Passed and approved this 2<sup>nd</sup> day of August 2023.

\_\_\_\_\_  
Michel Nelson, Board Chairman

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

(Seal)

**EXHIBIT A**

- 1. Project Number:** AG 23-036
- 2. Beginning Farmer:** Jill and Ryan Collins  
809 Pioneer Rd  
Reinbeck, IA 50669-1403
- 3. Bond Purchaser:** Lincoln Savings Bank  
508 Main St, PO Box E  
Reinbeck, IA 50669-1052
- 4. Principal Amount:** \$521,150
- 5. Initial Approval Date:** 7/26/2023
- 6. Public Hearing Date:** 7/26/2023
- 7. Bond Resolution Date:** 8/2/2023
- 8. Project:** To purchase approximately 78 acres of agricultural land

**RESOLUTION**  
**AG 23-037B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

**WHEREAS**, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

**WHEREAS**, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

**WHEREAS**, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

**WHEREAS**, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

**WHEREAS**, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

**NOW, THEREFORE, BE IT RESOLVED** by the Iowa Finance Authority as follows:

**Section 1. The Project Consistent with the Act.** It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

**Section 2. Authorization of the Bond.** In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and

conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

**Section 3. Agreement; Sale of the Bond.** In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

**Section 4. Repayment of Loan.** The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

**Section 5. Filing of Agreement.** The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

**Section 6. Miscellaneous.** The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.



**Section 7. Severability.** The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

**Section 8. Repealer.** All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

**Section 9. Effective Date.** This resolution shall become effective immediately upon adoption.

Passed and approved this 2<sup>nd</sup> day of August 2023.

\_\_\_\_\_  
Michel Nelson, Board Chairman

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

(Seal)

**EXHIBIT A**

- 1. Project Number:** AG 23-037
- 2. Beginning Farmer:** John C. and Kamryn M. Armstrong  
402 E Grinnell St  
Gibson, IA 50104-1002
- 3. Bond Purchaser:** Libertyville Savings Bank  
2000 W Jefferson Ave, PO Box 744  
Fairfield, IA 52556-4227
- 4. Principal Amount:** \$442,000
- 5. Initial Approval Date:** 7/26/2023
- 6. Public Hearing Date:** 7/26/2023
- 7. Bond Resolution Date:** 8/2/2023
- 8. Project:** To purchase approximately 110 acres of agricultural land

**RESOLUTION**  
**AG 23-038B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

**WHEREAS**, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

**WHEREAS**, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

**WHEREAS**, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

**WHEREAS**, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

**WHEREAS**, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

**NOW, THEREFORE, BE IT RESOLVED** by the Iowa Finance Authority as follows:

**Section 1. The Project Consistent with the Act.** It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

**Section 2. Authorization of the Bond.** In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and

conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

**Section 3. Agreement; Sale of the Bond.** In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

**Section 4. Repayment of Loan.** The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

**Section 5. Filing of Agreement.** The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

**Section 6. Miscellaneous.** The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

**Section 7. Severability.** The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

**Section 8. Repealer.** All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

**Section 9. Effective Date.** This resolution shall become effective immediately upon adoption.

Passed and approved this 2<sup>nd</sup> day of August 2023.

\_\_\_\_\_  
Michel Nelson, Board Chairman

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

(Seal)

**EXHIBIT A**

- 1. Project Number:** AG 23-038
- 2. Beginning Farmer:** Michael and Megan Naber  
2298 310th St  
Rowley, IA 52329-9796
- 3. Bond Purchaser:** Citizens State Bank  
101 Madison St, PO Box 10  
Winthrop, IA 50682-0010
- 4. Principal Amount:** \$310,569
- 5. Initial Approval Date:** 7/26/2023
- 6. Public Hearing Date:** 7/26/2023
- 7. Bond Resolution Date:** 8/2/2023
- 8. Project:** To purchase approximately 25.44 acres of agricultural land

**RESOLUTION  
04772M**

A Resolution amending an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Agricultural Development Authority, or its successor, the Iowa Finance Authority (the “Authority”), heretofore took action to authorize the issuance of an Agricultural Development Revenue Bond, Project No. 04772 (the “Bond”) pursuant to Resolution B relating thereto (the “Bond Resolution”) for the purpose of financing the acquisition of the Project (as defined in the Bond Resolution) by the Beginning Farmer (as defined in the Bond Resolution); and

WHEREAS, the Beginning Farmer has requested to change the current interest rate and annual payments on the Bond.

NOW, THEREFORE, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Authority hereby approves lowering the current interest rate on the Bond from 7.00% (which reset on June 1, 2023 from 3.25%) to 5.25% until June 1, 2033, at which time the rate will adjust to the original index of 0.50% below the announced prime rate of National Prime Rate as published in the Wall Street Journal and be adjustable daily thereafter. Due to the rate increase on June 1, 2023 the annual payment was set to increase from \$19,435.00 to \$27,035.92 beginning on June 1, 2024. Due to the rate decrease the annual payment amount will decrease from the projected \$27,035.92 to \$23,846.86 beginning on June 1, 2024. All other loan terms will remain the same. Eff. 06.01.2023.

Section 2. That the Staff and Officers of the Authority are hereby authorized to amend any and all loan documents as necessary to reflect the aforementioned amendments.

Section 3. That except as amended herein, the Bond and other loan documents are hereby confirmed in all other respects.

Section 4. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall become effective immediately upon adoption.

Passed and approved on this 2<sup>nd</sup> day of August 2023.

\_\_\_\_\_  
Michel Nelson, Board Chairman

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

(Seal)

**RESOLUTION  
AG-LP 23-04**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, has established the Iowa Agricultural Development Division (“IADD”) to administer the Loan Participation Program pursuant to Chapter 16

WHEREAS, the Authority administers programs to assist beginning farmers with the purchase of agricultural land, equipment and breeding livestock; and

WHEREAS, the Authority understands that the lack of capital is a major impediment for beginning farmers and desires to assist those farmers with down payment assistance; and

WHEREAS, the IADD has received an application from a lending institution to participate in a loan for the down payment for the purchase of agricultural land by an eligible beginning farmer; and

WHEREAS, the IADD Board has recommended approval of the funding of the Loan Participation set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes the Authority to finalize this transaction with the Borrower, to negotiate and complete the necessary loan documents, and to fund the participation in the Loan as described herein. The Executive Director is authorized to prepare and execute any necessary documents in connection with the participation in the Loan, consistent with the terms of this Resolution.

SECTION 3. The Board authorizes the Executive Director to fund said participation from available funds held under the IADD, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 2<sup>nd</sup> day of August 2023.

\_\_\_\_\_  
Michel Nelson, Board Chairman

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

(Seal)



# Exhibit A

## Loan Participation Program

Project No.	Beginning Farmer	Bank	Purpose	Loan Amt
P0320	Anthony Eddy	Premier Bank, Rock Rapids	Purchase 13 acre farmstead with house, cattle building/yards and out-buildings	\$123,000
				<hr/> \$123,000

**RESOLUTION  
AG-TC 23-06**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, has established the Iowa Agricultural Development Division (“IADD”) to administer the Beginning Farmer Tax Credit Program; and

WHEREAS, the Authority offers tax credits under the Beginning Farmer Tax Credit Program as a means of encouraging the execution of assets transfer agreements with beginning farmers; and

WHEREAS, the Authority has received applications seeking tax credit allocations from the Beginning Farmer Tax Credit Program; and

WHEREAS, the IADD has determined the applications meet the eligibility requirements of Chapter 16; and

WHEREAS, the IADD Board has recommended approval of the tax credit applications set forth on Exhibit A; and

WHEREAS, the Authority desires to authorize the allocation of tax credits set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes allocating tax credits to the asset owners set forth on Exhibit A, attached hereto, against taxes imposed in chapter 422, division II, as provided in section 422.11M, and in chapter 422, division III, as provided in section 422.33, and such other restrictions as may be deemed necessary and appropriate by the Executive Director.

SECTION 3. The Board authorizes the Executive Director to certify said tax credits in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 2<sup>nd</sup> day of August 2023.

\_\_\_\_\_  
Michel Nelson, Board Chairman

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

(Seal)

**Exhibit A**  
**Beginning Farmer Tax Credit (BFTC)**  
**Approval Date: 8/2/2023**

<b>Account Number</b>	<b>Owner Name</b>	<b>County</b>	<b>Beginning Farmer</b>	<b>Rental Type</b>	<b>Cash Rent / Acre</b>	<b>Crop Share Percentage</b>	<b>Number Of Lease Years</b>	<b>Total Award</b>
4909	K & B Family Farms LLC	Calhoun	Keyton Lee Strutzenberg, Brandon Strutzenberg	Share Crop	\$0.00	50.00	5	\$121,950.00
4933	Tom Lehnhoff	Cherokee	Jacob Lehnhoff	Share Crop	\$0.00	50.00	5	\$22,570.00
4942	Lyle and Mary Schock Revocable Trust	Emmet	Rosburg Ag LLC	Cash Rent	\$210.00	0.00	2	\$7,874.00
4949	Dean Evans	Franklin	Michael Evans	Cash Rent	\$180.00	0.00	2	\$7,146.00
4950	Marlys R Bjustrom Family Trust, Harold Bjustrom Irrevocable Trust	Kossuth	Bradley Thomas Bjustrom	Cash Rent	\$300.83	0.00	5	\$8,690.00
4951	Thomas Harold Bjustrom	Kossuth	Bradley Thomas Bjustrom	Share Crop	\$0.00	50.00	5	\$55,950.00
4953	Carol T Kyle Real Estate Partnership LTD	Wright	Kyle J Watne	Cash Rent	\$260.00	0.00	2	\$3,120.00
4954	Kent Strutzenberg	Calhoun	Keyton Strutzenberg, Brandon Strutzenberg	Share Crop	\$0.00	50.00	5	\$143,965.00
4955	Patrick Donovan	Winnesheik	Devin A Brincks	Cash Rent	\$285.00	0.00	3	\$16,674.00
4956	Jeff Clement	Winnesheik	Devin A Brincks	Cash Rent	\$275.00	0.00	3	\$5,589.00
4957	Jeffrey L Troendle	Black Hawk	William B Isley	Share Crop	\$0.00	75.00	2	\$12,470.00
4958	Hanson Acres LLC	Shelby	Nathan Botine	Cash Rent	\$315.00	0.00	2	\$9,010.00
4959	John and Gwen Hanson Family Trust	Shelby	Nathan Botine	Cash Rent	\$315.00	0.00	2	\$3,244.00
4960	Roger Robinson	Delaware	Nathan Zumbach	Cash Rent	\$415.00	0.00	2	\$9,304.00
4961	Melvin Heit	Chickasaw	Landon Wurzer	Cash Rent	\$350.00	0.00	2	\$5,600.00
4967	Daryl H Long	Pocahontas	Joshua F Bringleston	Share Crop	\$0.00	50.00	3	\$19,683.00
<b>Total</b>								<b>\$452,839.00</b>

## MEMORANDUM

Subject: Consent Agenda for August 2023 IFA Board Meeting  
From: Aaron Smith, Chief Bond Programs Director  
To: Iowa Finance Authority Board of Directors  
Date: July 25, 2023

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### PRIVATE ACTIVITY BONDS

#### PAB 23-13A – Western Home Project

This is an application for \$19,500,000 Iowa Finance Authority Senior Living Facilities Revenue Bonds for Western Home Independent Living Services, Inc. (the “Borrower”). The project will finance the construction, equipping, and purchase of approximately 19 acres of land necessary for the construction of 38 villa units in 19 (duplex style) buildings. Villas will range in size from 1,900 sf to 2,300 sf with 2- or 3-car garages. Villas will either be 2-bedroom plus den units or 3-bedroom units. The 10th Addition to the Western Home South Main campus is located immediately north of the existing 150-acre campus on Wild Rye Way between Bluebell Lane and Prairie Parkway in Cedar Falls, Iowa.

This project will not require an allocation of Private Activity Bond Cap.

### WATER QUALITY

#### WQ 23-13 – State Revolving Fund Planning & Design Loans

This is a resolution to approve SRF Planning & Design (P&D) Loans for \$31,994,600 for the following entities:

- City of Bode
- City of Bonaparte
- City of Boone (2)
- City of Casey
- Cherokee Rural Water
- City of Grand Junction
- City of Le Grand
- City of Lime Springs (2)
- City of Luana
- City of Prairie City
- City of Sioux City
- City of Van Meter
- City of West Branch
- Des Moines Wastewater Reclamation Authority (WRA)

P&D Loans have 0% interest for up to 3 years to help communities with the costs during the planning and design phase of their wastewater or drinking water project.

*Continued on the following page.*

**WQ 23-14 – State Revolving Fund Construction Loans**

This is a resolution to approve SRF Construction Loans totaling \$14,380,000 for the following entities:

- City of Allison
- City of Ames
- City of Lanesboro
- City of Muscatine
- Savage Sanitary District

SRF Construction Loans currently have an interest rate of 1.75% for 20 years, or 2.75% for up to 30 years.  
Taxable SRF Construction Loans currently have an interest rate of 3.53% for 20 years.

RESOLUTION PAB 23-13A

Approving an Application for \$19,500,000  
Iowa Finance Authority Senior Living Facilities Revenue Bonds  
(Western Home Project), in one or more series  
For Western Home Independent Living Services, Inc. (the “Borrower”)

And Evidencing the Intent to Proceed with the Issuance of  
\$19,500,000 Revenue Bonds

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa (the “State”) duly organized and existing under and by virtue of the Constitution and laws of the State (the “Authority”) is authorized and empowered by Chapter 16 of the Code of Iowa (the “Act”) to issue bonds and notes for the purpose of financing or refunding the cost of certain projects defined in the Act that further the development and expansion of family farming, soil conservation, qualified residential rental housing, and business in the State; and

WHEREAS, the Authority has received the Private Activity Bond Program Application set forth in Exhibit A attached hereto (the “Application”) which Application is incorporated herein as though set out here in full; and

WHEREAS, the Application is a request that the Authority issue its revenue bonds in an amount not to exceed \$19,500,000 (the “Bonds”) and loan the proceeds from the sale of the Bonds to the Borrower listed in the Application for the purposes stated therein (the “Project”); and

WHEREAS, the Authority and the Borrower desire to comply with the requirements of Treasury Regulation 1.150-2 (the “Regulations”) with respect to the Project;

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Approval of Application. The Application is hereby approved, and the Director, the Chief Financial Officer, the Chief Operating Officer or the Chief Bond Programs Director of the Authority (each an “Authorized Officer”) are authorized to notify the Borrower of such approval.

Section 2. Reimbursement from Bond Proceeds. Based upon representations of the Borrower, the Authority declares (a) that the Borrower proposes to undertake the Project, (b) that except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5% of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20% of the issue price of the Bonds, and (iii) other expenditures made not earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Borrower and no expenditures will be made by the Borrower until after the date hereof, and (c) the Borrower reasonably intends to reimburse the expenditures made for costs of the Project with the proceeds of the Bonds. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. Intent to Issue Bonds. It is hereby determined necessary and advisable that the Authority proceed with the issuance and sale of the Bonds as permitted by the Act and that the Authority hereby declares its intent to issue the Bonds to finance the Project, and that such actions will be taken by the Authority as may be required by the Act to authorize, issue and sell the Bonds.

Section 4. Execution and Approval of Agreements. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bonds. The Authority's counsel shall approve all agreements to be entered into in connection with the issuance of the Bonds, and such agreements shall be authorized and approved after due consideration by the Authority prior to their execution by the Authority.

Section 5. Notice and Governor Approval. Any Authorized Officer and the staff of the Authority are directed, on behalf of the Authority, to publish notice of the proposal to issue the Bonds, to conduct a public hearing on such proposal and, following such hearing, obtain the approval of the Governor as the chief elected executive officer of the State, all as required by Section 147(f) of the Internal Revenue Code of 1986, as amended.

Section 6. Preliminary Official Statement. Any Authorized Officer and the staff of the Authority are authorized to cooperate in the preparation of a preliminary official statement with respect to the Bonds, and that any Authorized Officer is authorized to execute and deliver such certificates to comply with SEC Rule 15c2-12 in connection with the offer, sale and issuance of the Bonds.

Section 7. Further Actions. Any Authorized Officer and counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and purpose of this Resolution, the accomplishment of the Project and the sale and issuance of the Bonds.

Section 8. Not Obligations of the Authority. The Bonds, when issued, shall be limited obligations payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Borrower. The Bonds, the interest thereon and any other payments or costs incident thereto do not constitute an indebtedness or a loan of the credit of the Authority, the State or any political subdivision of the State within the meaning of any constitutional or statutory provisions. The Authority does not pledge its faith or credit nor the faith or credit of the State nor any political subdivision of the State to the payment of the principal of, the interest on or any other payments or costs incident to the Bonds. The issuance of the Bonds and the execution of any documents in relation thereto do not directly, indirectly or contingently obligate the State or any political subdivision of the State to apply money from or levy or pledge any form of taxation whatever to the payment of the principal of or interest on the Bonds or any other payments or costs incident thereto. The Authority has no taxing power.

Section 9. Costs. It is to be understood that the Borrower shall pay all costs, including costs of counsel, and expenses of the Authority related to the Bonds and the Project.

Section 10. Repealer. All resolutions, parts of resolutions, and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2<sup>nd</sup> day of August, 2023.

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Michel Nelson, Chairperson

ATTEST:

(SEAL)

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Deborah Durham, Secretary



**EXHIBIT A**  
**ATTACH APPLICATION**



Deborah Durham, Executive Director  
1963 Bell Avenue, Suite 200  
Des Moines, Iowa 50315  
(515) 452-0400 – (800) 432-7230

FOR IFA USE ONLY  
Project No. PAB 23-13  
Application Received 7/22/2023  
Application Fee Received?   
Amount of Request \$ 19,500,000

## PRIVATE ACTIVITY BOND APPLICATION

### Part A - Borrower Information

1. Project Name: Western Home - 10th Addition
2. Contact Person/Title: Patrick O'Leary - Chief Strategy Officer  
Company: Western Home Independent Living Services, Inc.

Address: 5301 South Main

City, State, Zip: Cedar Falls, IA 50613

Telephone: 319-277-2141

E-mail: pat.oleary@westernhome.org

3. Principals: (If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff.) Attach separate list if necessary.  
Kris Hansen - CEO; Patrick O'Leary - Chief Strategy Officer and CFO; Darrell McCormack - COO and Chief Digital Officer; Wendy Ager - Chief Clinical Officer; and, Jerry Harris, President of Cedar Falls Operations

4. If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose: Attached

5. Is the Borrower currently qualified to transact business within the State of Iowa? Yes  No

6. If project is a Nursing Facility, is state certificate of need required: Yes  No

If yes, attach copy.

7. Total current FTE's of Borrower: 650

Number of permanent FTE's created by the project: 5



## Part B - Project Information

1. This Project qualifies for financing pursuant to the Private Activity Bond Program as land, buildings or improvements suitable for use as one of the following facilities (Check one):

501 c (3) entity:

Private college or university

Housing facility for elderly or disabled persons

Museum or library facility

Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135c.1 (6) of the Iowa Code. Specify: \_\_\_\_\_

Other 501c (3) entity (please specify)

Manufacturing facility

Agricultural processing facility

Multi-family housing

Solid Waste facility

3. Amount of Loan Request: \$19,500,000

Amount to be used for refunding: \$0

4. Address/Location of Project

Street/City/State Wild Rye Way, Cedar Falls, IA

County Black Hawk

5. General Project Description:

Construction, equipping and purchase of approximately 19 acres of land necessary for the construction of 38 villa units in 19 (duplex style) buildings. Villas will range in size from 1,900 sf to 2,300 sf with 2 or 3 car garages. Villas will either be 2 bedroom plus den units or 3 bedroom units. The 10th Addition to the Western Home South Main campus is located immediately north of the existing 150 acre campus on Wild Rye Way between Bluebell Lane and Prairie Parkway.



Part B - Project Information continued

6. Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?

No

Yes, in the amount of \$4,000,000 from line of credit\_ (There are IRS limitations on eligible reimbursable costs.)

7. Parties related to the Project:

a. Principal User will be:62+ year old residents

b. Seller (if any) of the Project:N/A

c. Purchaser (if any) or Owner or Lessee of the Project:N/A

d. Relationship of Project Seller and Purchaser, if any:N/A

8. Sources and Uses of Project Funds (Sum of Sources and Uses must match):

Sources:		Amount	Uses:		Amount
Bond Proceeds		\$ 19,500,000	Construction		\$17,150,000
Borrower Equity		1,000,000	Land		2,300,000
			Funded Interest		200,000
			Legal & Transaction Costs		380,000
			Contingency (construction)		470,000
		\$ 20,500,000			\$20,500,000
	<b>Total</b>			<b>Total</b>	

9. Type of Bond Sale  Public Sale  Private Placement



## Part C - Professionals Participating in the Financing

### Applications must have either Bond Counsel or Underwriter/Financial Institution identified

1. **Bond Counsel:** (an attorney hired by the borrower to ensure the bonds can be issued on a tax-exempt basis)

Name: Cris Kuhn  
Firm Name: Dorsey & Whitney  
Address: 801 Grand Ave, St 4100  
City/State/Zip Code: Des Moines, Iowa 50309  
Telephone: 515-699-3273 E-mail: kuhn.cristina@dorsey.com

2. **Counsel to the Borrower:**

Name: Mark Conway, General Counsel  
Firm Name: Western Home Services  
Address: 5301 South Main  
City/State/Zip Code: Cedar Falls, IA 50613  
Telephone: 319-277-2141 E-mail: mark.conway@westernhome.org

3. **Underwriter or Financial Institution purchasing the bonds:**

Name: TBDBTD  
Firm Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip Code: \_\_\_\_\_  
Telephone: \_\_\_\_\_ E-mail: \_\_\_\_\_

4. **Counsel to the Underwriter:**

Name: \_\_\_\_\_  
Firm Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip Code: \_\_\_\_\_  
Telephone: \_\_\_\_\_ E-mail: \_\_\_\_\_

5. **Trustee: (if needed)**

Name: N/A  
Firm Name: \_\_\_\_\_  
Address: \_\_\_\_\_



City/State/Zip Code: \_\_\_\_\_

Telephone: \_\_\_\_\_

E-mail: \_\_\_\_\_

**PART D - Fees and Charges**

1. **A non-refundable application fee must accompany this form at the time of submission to the Authority. For applications up to \$10 million, the application fee is \$1,000. For applications over \$10 million, the application fee is \$2,500. The application fee is subtracted from the Issuer's fee at closing.**

Submit application to the Authority at the following address:

Aaron Smith  
Chief Bond Programs Director  
Iowa Finance Authority  
1963 Bell Avenue, Suite 200  
Des Moines, IA 50315

2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million and declines after that. Please contact Aaron Smith at (515) 452-0461 or [Aaron.Smith@IowaFinance.com](mailto:Aaron.Smith@IowaFinance.com) for more information.
3. Borrower is required to pay the fees and expenses of Dorsey & Whitney, who serve as Issuer's Counsel. Bond documents should be sent to David Grossklaus ([Grossklaus.David@Dorsey.com](mailto:Grossklaus.David@Dorsey.com)) at Dorsey & Whitney and the Authority's Chief Bond Programs Director ([Aaron.Smith@IowaFinance.com](mailto:Aaron.Smith@IowaFinance.com)).

Dated this 19 day of July, 2023

Borrower: Western Home Independent Living Services, Inc. \_\_\_\_\_

By: Patrick J. O'Leary

**Internal Revenue Service**

Director, Exempt Organizations Rulings & Agreements

P.O. Box 2508

Cincinnati OH 45202

**OCT 19 2011**

Date:

Western Home Services Inc.

c/o Kris Hansen

420 E 11<sup>th</sup> St.

Cedar Falls, IA 50613-3378

**Department of the Treasury**

Employer Identification Number:

27-2825987

Person to Contact and ID Number:

Karen Batey – 0202939

Toll Free Contact Number:

(877) 829-5500

Addendum Applies

Yes

Dear Sir or Madam:

We have considered your application for a group exemption letter recognizing your subordinates as exempt from federal income tax under section 501(a) of the Internal Revenue Code as organizations of the type described in section 501(c)(3).

Our records show that you were recognized as exempt from federal income tax under section 501(c)(3) of the Code. Your exemption letter remains in effect.

Based on information you supplied, we recognize your subordinates whose names appear on the list you submitted as exempt from federal income tax under section 501(c)(3) of the Code.

Additionally, we have classified the organizations that you operate, supervise, or control, and that are covered by your notification to us, as organizations that are not private foundations because they are organizations of the type described in section 509(a)(2) of the Code.

Donors may deduct contributions to your subordinates as provided in section 170 of the Code. Requests, legacies, devises, transfers, or gifts to your subordinates or for their use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of section 2055, 2106, and 2522 of the Code.

Your subordinates whose gross receipts each year are normally more than \$50,000 are each required to file Form 990, Return of Organization Exempt From Income Tax, by the 15th day of the fifth month after the end of their annual accounting period. If you prefer, you may file a group return for those subordinates that authorize you in writing to include them in that return. If you are required to file Form 990 for your own activities, you must file a separate return and may not be included on any group return that you file for your subordinates. The law imposes a penalty of \$20 a day when a return is filed late, unless there is reasonable cause for the delay. However, the

maximum penalty imposed cannot exceed \$10,000 or 5 percent of gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so your subordinates should make sure their returns are complete before filing them.

For tax periods beginning after December 31, 2006, and before December 31, 2010, organizations with gross receipts of \$25,000 or less must file an annual electronic notice, Form 990-N. For tax periods after December 31, 2010, the gross receipts limit changed from \$25,000 to \$50,000. Organizations included in a group return are excepted from this requirement. Alternatively, organizations with gross receipts of \$50,000 or less may file a complete Form 990 Package.

Your subordinates are required to make their annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You and your subordinates are also required to make available for public inspection your group exemption application, any supporting documents and this exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

As of January 1, 1984, each of your subordinates is liable for social security taxes under the Federal Insurance Contributions Act on remuneration of \$100 or more they pay to each of their employees during a calendar year. Your subordinates are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Each year, at least 90 days before the end of your annual accounting period, please send the items listed below to the Internal Revenue Service Center at the address shown below.

1. A statement describing any changes during the year in the purposes, character, or method of operation of your subordinates;
2. A list showing the names, mailing addresses (including Postal ZIP codes), actual addresses if different, and employer identification numbers of subordinates that, since your previous report:
  - a. Changed names or address;
  - b. Were deleted from your roster; or
  - c. Were added to your roster.
3. For subordinates to be added, attach:
  - a. A statement that the information on which your present group exemption letter is based applies to the new subordinates;
  - b. A statement that each has given you written authorization to add its name to the roster;
  - c. A list of those to which the Service previously issued exemption rulings or determination letters;



d. A statement that none of the subordinates is a private foundation as defined in section 509(a) of the Code if the group exemption letter covers organizations described in section 501(c)(3);

e. The street address of each subordinate whose mailing address is a P.O. Box; and

f. The information required by Revenue Procedure 75-50, 1975-2 C.B. 587, for each subordinate that is a school claiming exemption under section 501(c)(3). Also include any other information necessary to establish that the school is complying with the requirements of Revenue Ruling 71-447, 1971-2 C.B. 230. This is the same information required by Schedule B, Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code.

4. If applicable, a statement that your group exemption roster did not change since your previous report.

Please mail the information requested in this letter to the following address:

Internal Revenue Service  
Ogden UT 84201

Your Group Exemption Number is 5863. Your subordinates are required to include this number on each Form 990, Return of Organization Exempt From Income Tax, and Form 990-T, Exempt Organization Business Income Tax Return, that they file. Please advise your subordinates of this requirement and provide them with the Group Exemption Number.

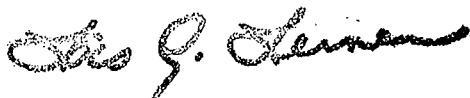
Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about the responsibilities of you and your subordinates as exempt organizations. This publication and other useful information is available on the IRS Charities and Non-Profits website at [www.irs.gov/eo](http://www.irs.gov/eo).

If the heading of this letter indicates that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about the exempt status and foundation status of your subordinates, you should keep it for your records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Lois G. Lerner  
Director, Exempt Organizations

## ADDENDUM

### EFFECTIVE DATE

One or more of your subordinates agreed to give up their individual ruling(s) in order to be a part of this group ruling. Their exemption under the group ruling will be from January 1, 2011.

If they later decide to leave the group ruling or it ceases to exist, and should they want individual exemption, they will have to reapply for exemption at that time. This letter supersedes their previously issued exemption letter.



# Western Home COMMUNITIES

Stanard Family Assisted  
Living Center

Elizabeth E. Martin  
Health Center

SureCare Services

Walnut Court Apartments

Windhaven Assisted  
Living Center & Thalman  
Square

Windcove

Windermere

Windgrace

Willowwood

Windcrest Villas

Windridge

Date September 2, 2010

Internal Revenue Service  
P.O. Box 192  
Covington, KY 41012-0192

RE: Western Home Services, Inc.  
EIN: 27-2825987  
Request for Group Exemption Ruling under IRC § 501(c)(3)

To Whom it May Concern:

Western Home Services, Inc. (WHS), as the central organization, hereby requests a group exemption letter for the subordinate organizations (the "Subordinate Organizations"), identified on the schedule attached as Exhibit A. The person signing this letter is a principal officer of WHS.

This information is being supplied pursuant to the requirements of Section 5 of Revenue Procedure 80-27, 1980-1 C.B. 677. By this letter, WHS acknowledges that to the best of the signing officer's knowledge and belief, all subordinates are:

- (1) Currently affiliated with WHS;
- (2) Subject to WHS's general supervision or control;
- (3) Exempt under the same paragraph of IRC § 501(c);
- (4) Not a private foundation as defined in IRC § 509(a);
- (5) On the same accounting period as WHS (January 1-December 31);
- (6) Not organized or operated in a foreign country; and
- (7) Formed within the 15-month period prior to the date of submission of the group exemption application in compliance with the requirements of IRC § 508(a), except SureCare Services, Inc. (See explanation below.)

WHS's EIN is 27-2825987. WHS's application for exemption (Form 1023) is being submitted concurrently with this group exemption request for consideration, and it is understood that the granting of this request is conditional upon the granting of WHS's exemption application. WHS's principal office is located at Cedar Falls, Iowa.

*"Fulfilling Lifestyles for Seniors."*

Western Home Services, Inc.  
EIN: 27-2825987

WHS and the Subordinate Organizations to be covered by WHS's group exemption letter have the relationship described in Section 4.02 of Revenue Procedure 80-27 for the following reasons:

- (1) The Subordinate Organizations are subsidiaries of WHS and WHS is the sole member of each subsidiary.
- (2) Upon dissolution, the assets of the Subordinate Organizations will be distributed to WHS.
- (3) The board members of each subsidiary shall be the same persons as the board members of WHS.
- (4) WHS will provide management, administrative, and other supportive services to the Subordinate Organizations. The Articles of Incorporation of WHS identify the Subordinate Organizations as supported organizations.
- (5) All of the subsidiaries will be exempt under IRC § 501(c)(3).

The Subordinate Organizations have adopted uniform governing instruments. A sample copy of the Articles of Incorporation is attached as Exhibit B. A sample copy of the bylaws is attached as Exhibit C.

The mission of WHS is to provide housing and healthcare services for the elderly. The purposes and activities of the Subordinate Organizations are to further the mission of WHS. The Subordinate Organizations will operate nursing, assisted living, and independent living facilities as part of the continuum of care. The facilities are specially designed for elderly residents and will operate at the lowest feasible cost. Emergency 24-hour care will be available. Residents must pay the required deposits for entry, but will be maintained if they later become financially unable to pay the monthly fees. The Subordinate Organizations will also provide home care and companion services, well-being programs, and other educational services for the aged. The Subordinate Organizations will be supported by fees for program services and donations. Expenses will consist of operational and administrative costs, including maintenance of facilities, repayment of debt, labor, supplies, professional fees, and contract services. To the best of my knowledge and belief, the purposes and activities the Subordinate Organizations are identified in this paragraph and in the representative governing instruments.

A projection of the revenues and expenses for each subordinate for year 2010 is attached as Exhibit D. Copies of Resident/Occupancy Agreements are attached as Exhibit E.

Each Subordinate Organization has given written authorization to WHS to be included in the group exemption letter. Such authorization was signed by an authorized officer of the particular Subordinate Organization and will be retained by WHS while the group exemption is in effect.

Western Home Services, Inc.  
EIN: 27-2825987

The Internal Revenue Service has not issued a ruling or determination letter relating to the exemption of any of the Subordinate Organizations, except SureCare Services, Inc. SureCare Services, Inc. (f/k/a Western HomeCare, Inc.) was incorporated October 17, 1985, and received an IRS determination letter dated December 4, 1991, stating that it was exempt from federal tax under IRC Section 501(c)(3) and not a private foundation because it was an organization of the type described in IRC Section 509(a)(2). SureCare Services, Inc. will forego its individual exempt status to become a member of the group.

I affirm that, to the best of my knowledge and belief, no Subordinate Organization to be included in the group exemption letter is a private foundation as defined in IRC § 509(a).

No Subordinate Organization to be included in the group exemption letter is a school.

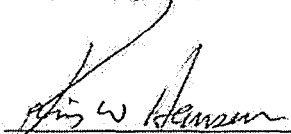
The names, mailing addresses, and employer identification numbers of the Subordinate Organizations initially to be included in WHS's group exemption letter are listed in Exhibit A.

Each of the Subordinate Organizations has its own employer identification number.

Enclosed is Form 8718, User Fee for Exempt Organization Determination Letter Request, and our organization's check number 051711 in the amount of \$3,000.

I believe this letter and the enclosures provide all of the information required by Publication 557, Central Organization Application Procedure. Please contact the undersigned at the address and/or telephone number listed below if you have any questions or need further information. Thank you for your consideration.

Very truly yours,



Kris W. Hansen

Title: Chief Executive Officer

Address:  
420 E. 11<sup>th</sup> Street  
Cedar Falls, IA 50613

Phone:  
319-277-2141

Western Home Services, Inc.  
Group Exemption Application  
EIN: 27-2825987

## INDEX OF ATTACHMENTS

- Exhibit A – List of Subordinate Organizations under Western Home Services, Inc.'s Group Exemption Request.
- Exhibit B – Sample copy of Articles of Incorporation
- Exhibit C -- Sample copy of By-laws
- Exhibit D – Projection of revenues and expenses for each Subordinate for the year 2010
- Exhibit E – Copies of Occupancy Agreements
  - #1 – Stanard Family Assisted Living Center, Windhaven Assisted Living Center and Thalman Square.
  - #2 – Erving Place
  - #3 – Windcrest Villas and Townhomes
  - #4 – Willowwood, Windgrace, Windermere, Windcove, and Windridge

**EXHIBIT A**

List of Subordinate Organizations under WHS's Group Exemption Request:

Stanard Family Assisted Living Center, Inc.  
420 E. 11<sup>th</sup> Street  
Cedar Falls, IA 50613  
EIN: 27-2944275

Windhaven Assisted Living Center, Inc.  
420 E. 11<sup>th</sup> Street  
Cedar Falls, IA 50613  
EIN: 27-3330069

Western Home Independent Living Services, Inc.  
420 E. 11<sup>th</sup> Street  
Cedar Falls, IA 50613  
EIN: 27-3329886

SureCare Services, Inc.  
420 E. 11<sup>th</sup> Street  
Cedar Falls, IA 50613  
EIN: 42-1301972

**RESOLUTION  
WQ 23-13**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the “SRF Program”); and

WHEREAS, the Authority offers loans under the SRF Program for planning and design expenses associated with clean water and drinking water projects (the “Planning and Design Loans”); and

WHEREAS, the Authority offers the Planning and Design Loans as zero interest loans maturing no later than three years from execution; and

WHEREAS, the communities listed on Exhibit A have applied to the Authority for financial assistance through Planning and Design Loans; and

WHEREAS, the Authority desires to approve Planning and Design Loans to the communities and in the amounts set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director, the Chief Financial Officer, the Chief Operating Officer or the Chief Bond Programs Director of the Authority (each an “Authorized Officer”) to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes funding Planning and Design Loans to the communities and in the amounts set forth on Exhibit A attached hereto, each with an interest rate of 0%, with a maturity of not to exceed three years, and such other restrictions as may be deemed necessary and appropriate by the Authorized Officer.

SECTION 3. The Board authorizes the Authorized Officer to fund said loan from funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Authorized Officer, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 2<sup>nd</sup> day of August, 2023.

\_\_\_\_\_  
Michel Nelson, Chairperson

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

(SEAL)



**EXHIBIT A**  
**SRF Planning & Design Loans**

<b>Borrower</b>	<b>County</b>	<b>Pop.</b>	<b>Amount</b>	<b>CW/DW</b>	<b>Description</b>
Bode	Humboldt	302	\$79,000	CW	Transmission Improvements
Bonaparte	Van Buren	362	\$130,000	CW	Transmission Improvements
Boone	Boone	12,460	\$350,000	CW	Treatment Improvements
Boone	Boone	12,460	\$140,000	DW	Treatment Improvements
Casey	Guthrie/Adair	390	\$81,900	DW	Transmission Improvements
Cherokee Rural Water	Cherokee	4,800	\$960,000	DW	Transmission Improvements
Grand Junction	Greene	700	\$320,000	CW	Treatment Improvements
Le Grand	Marshall	905	\$121,000	DW	Transmission Improvements
Lime Springs	Howard	473	\$1,220,000	CW	Treatment Improvements
Lime Springs	Howard	473	\$510,000	DW	Storage improvements
Luana	Clayton	301	\$514,000	CW	Treatment Improvements
Prairie City	Jasper	1,700	\$374,000	DW	Transmission Improvements
Sioux City	Woodbury	111,153	\$24,090,000	CW	Treatment Improvements
Van Meter	Dallas	1,500	\$600,000	DW	Treatment Improvements
West Branch	Cedar	2,509	\$54,700	DW	Transmission Improvements
WRA	Multiple	n/a	\$2,450,000	CW	Transmission Improvements

\$31,994,600

**RESOLUTION**  
**WQ 23-14**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources (the “Department”), to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the “SRF Program”); and

WHEREAS, the Authority offers loans under the SRF Program as a means of financing all or part of the construction of certain drinking water or wastewater treatment facilities; and

WHEREAS, the construction activities being undertaken meet the requirements of the SRF Program and have been approved by the Department; and

WHEREAS, the Authority offers the SRF loans at below market interest maturing no later than thirty years from execution; and

WHEREAS, the Authority desires to approve SRF Loans to the communities and in the amounts set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director, the Chief Financial Officer, the Chief Operating Officer or the Chief Bond Programs Director of the Authority (each an “Authorized Officer”) to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes funding SRF Loans to the communities and in the approximate amounts set forth on Exhibit A attached hereto, each with an interest rate of 1.75% for a maturity of twenty years or an interest rate of 2.75% with a maturity of not to exceed thirty years, and such other restrictions as may be deemed necessary and appropriate by the Authorized Officer.

SECTION 3. The Board authorizes the Authorized Officer to fund said loan from funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Authorized Officer, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 2<sup>nd</sup> day of August, 2023.

\_\_\_\_\_  
Michel Nelson, Chairperson

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

(SEAL)

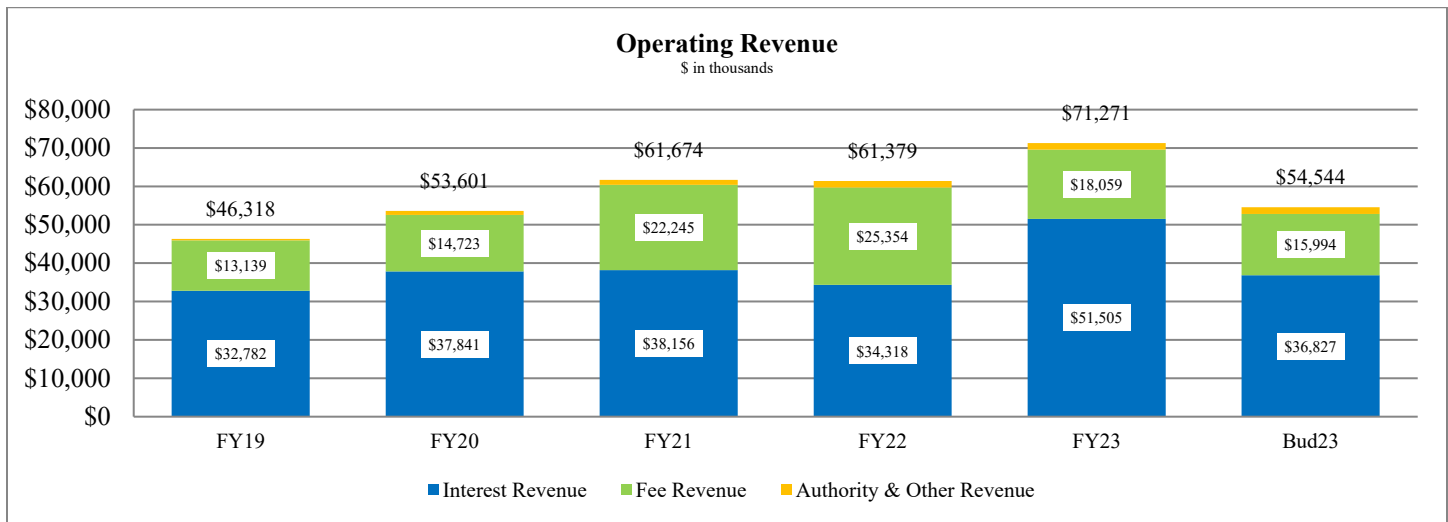
**EXHIBIT A**  
**SRF Construction Loans**

<b>Borrower</b>	<b>County</b>	<b>Population</b>	<b>Amount</b>	<b>CW/ DW</b>	<b>Description</b>
Allison	Butler	966	\$2,144,000	CW	Treatment Improvements
Ames	Story	66,427	\$2,150,000	CW	Transmission Improvements
Lanesboro	Carroll	119	\$621,000	DW	Source Improvements
Muscatine	Muscatine	23,797	\$8,000,000	CW	Transmission Improvements
Savage SD	Webster	375	\$1,465,000	CW	Transmission Improvements

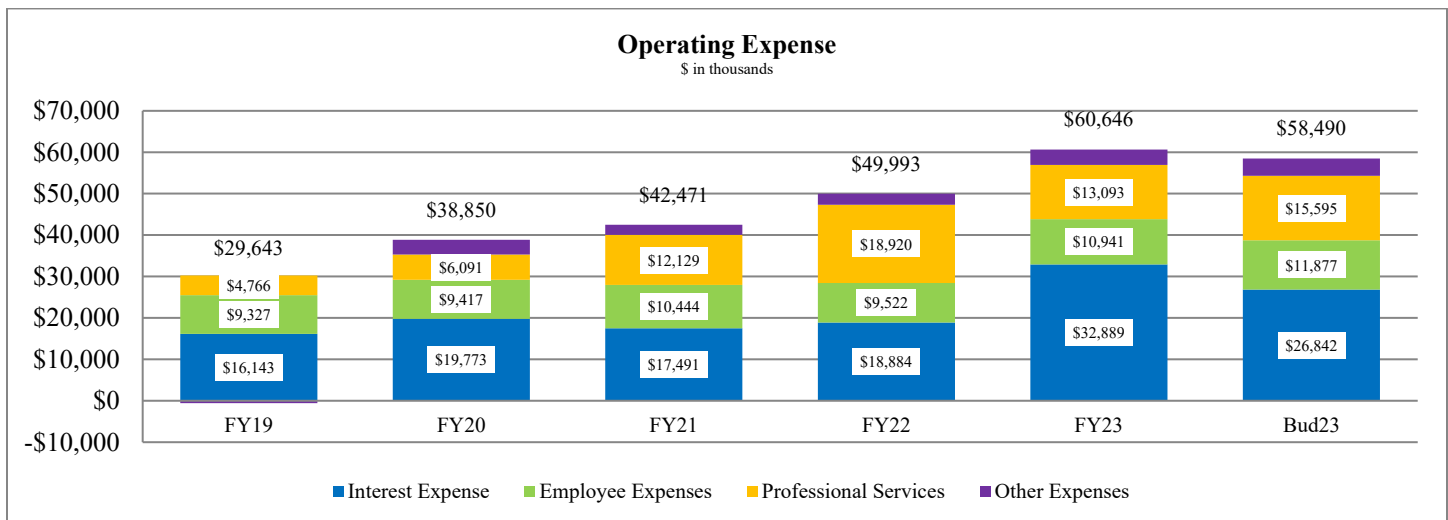
\$14,380,000

To: IFA Board of Directors  
 From: Jen Pulford  
 Date: July 20, 2023  
 Re: June 2023 Financial Results

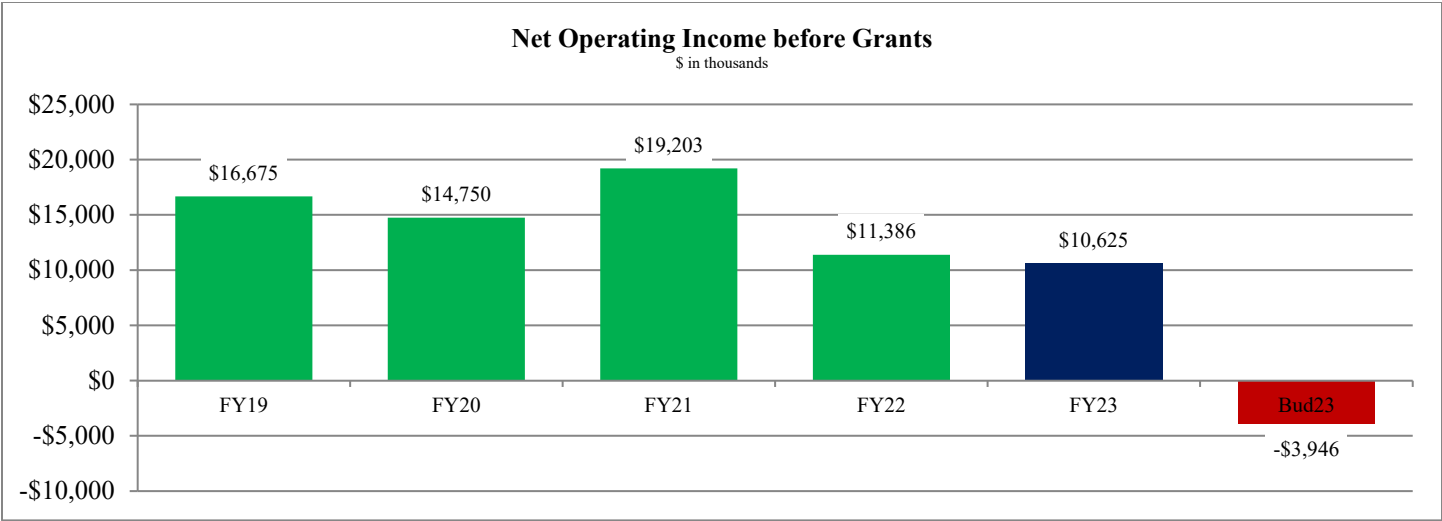
The Housing Authority operated favorably to budget at the close of fiscal year 2023; total year-end operating revenues are favorable to budget while year-end operating expenses ended the year slightly unfavorable to plan.



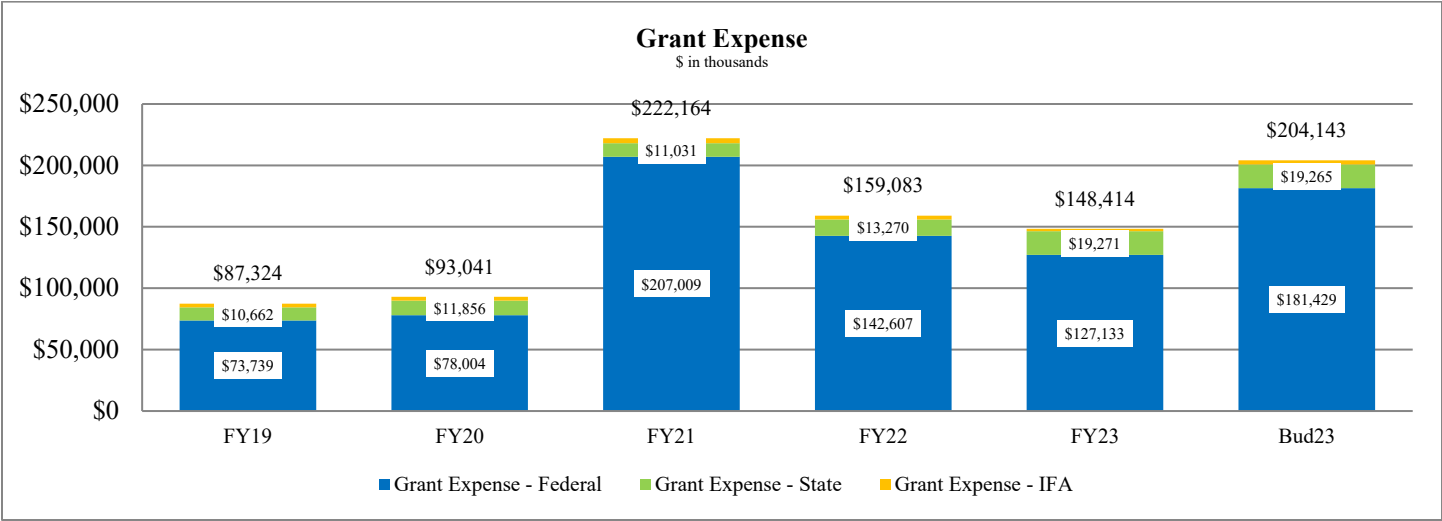
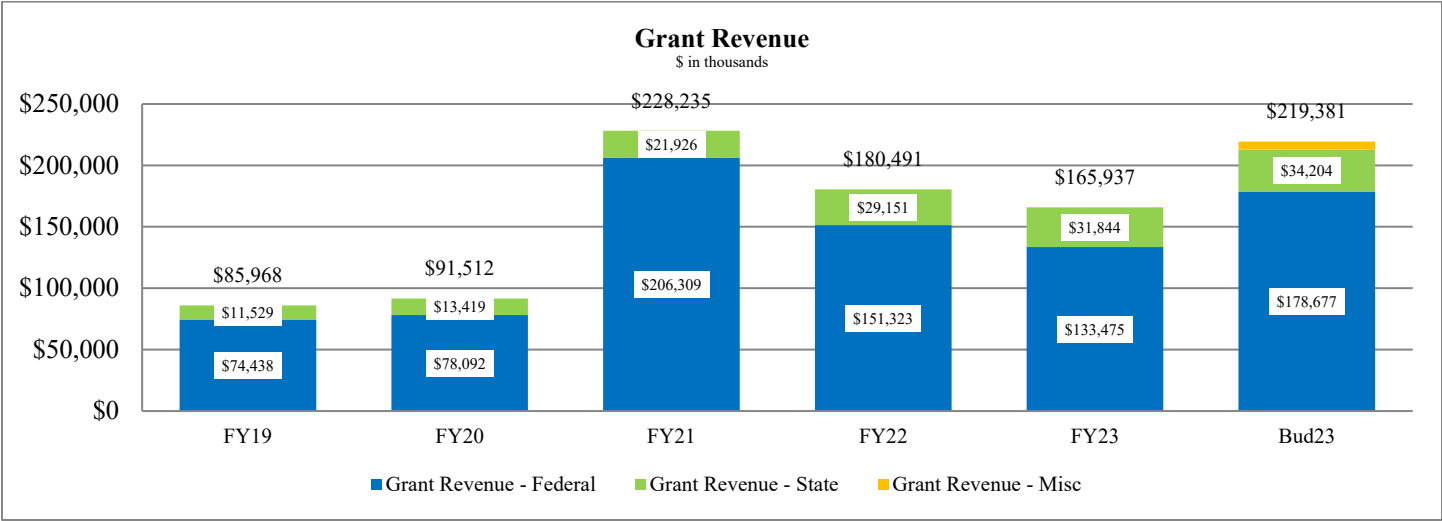
Operating revenue exceeded budget by \$16,727 or 30% and exceeded last year. Interest revenue earned from higher than anticipated interest earnings rates and additional cash on hand related to the Emergency Rental Assistance federal programs accounts for the majority of this favorable variance.



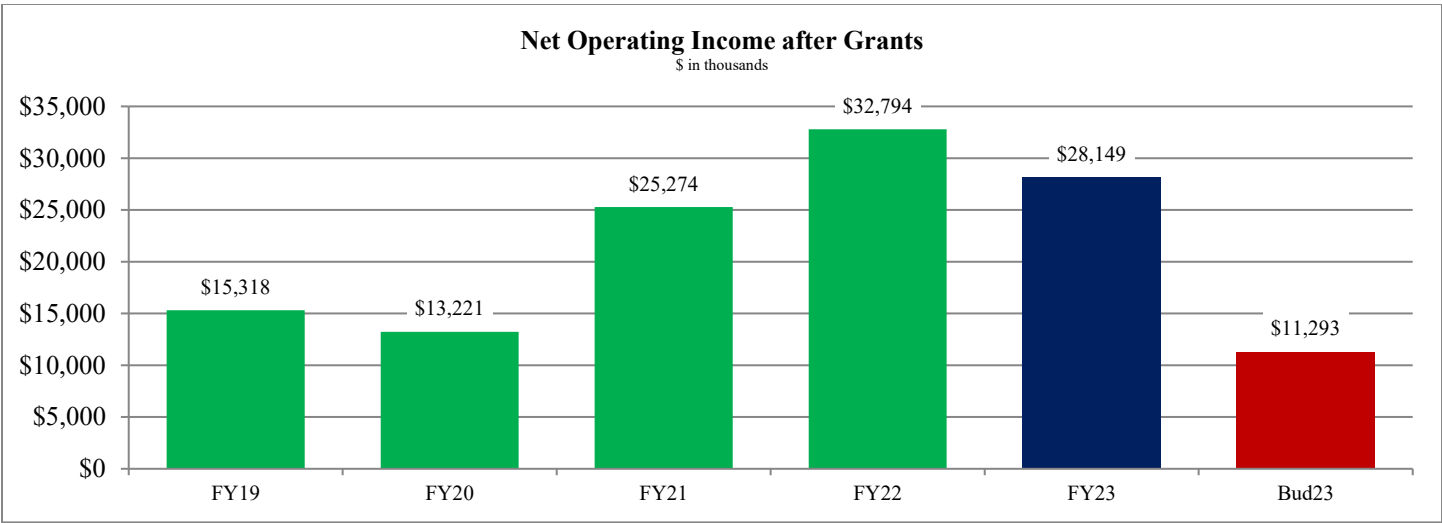
Operating expenses exceeded budget by \$2,156 or 4% and exceeded last year. Due to changes in the market and higher interest rates than anticipated in budget, interest expense is unfavorable to budget. Most other expense categories are favorable.



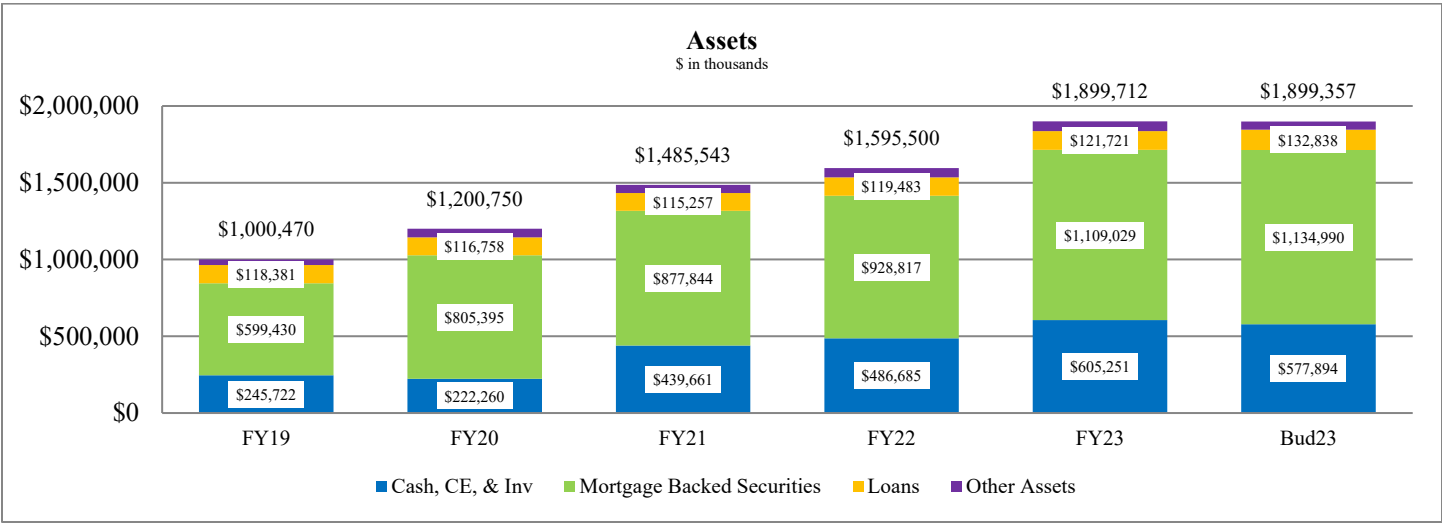
As a result, NOIBG was \$14,571 or 370% favorable to budget.



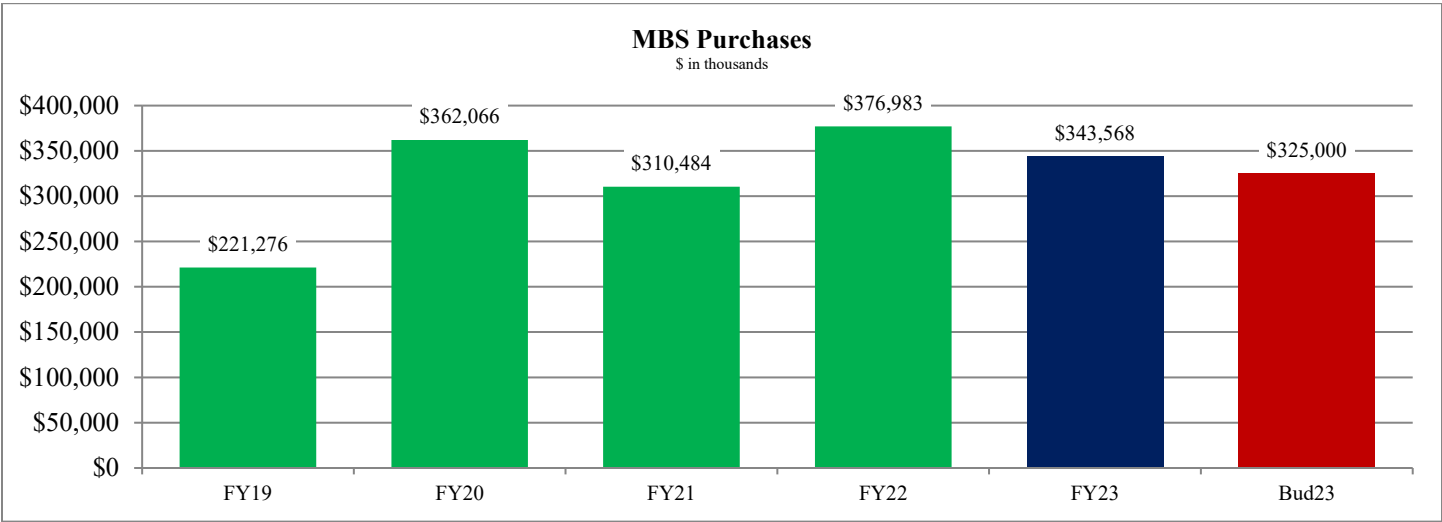
Net grant income was \$2,285 favorable to budget.



As a result, NOIAG was \$16,856 or 150% favorable to budget.

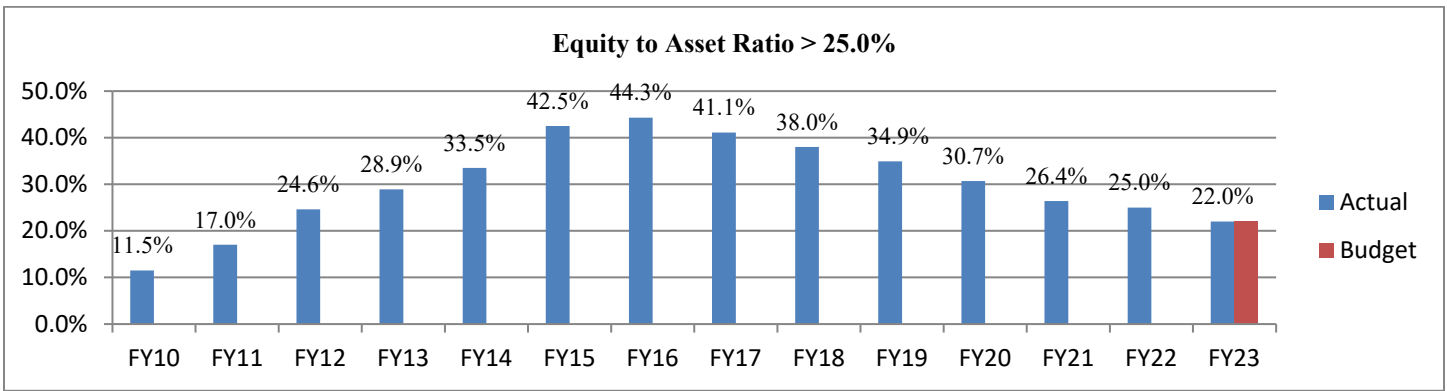


Total Assets have increased \$304,212 since last year.

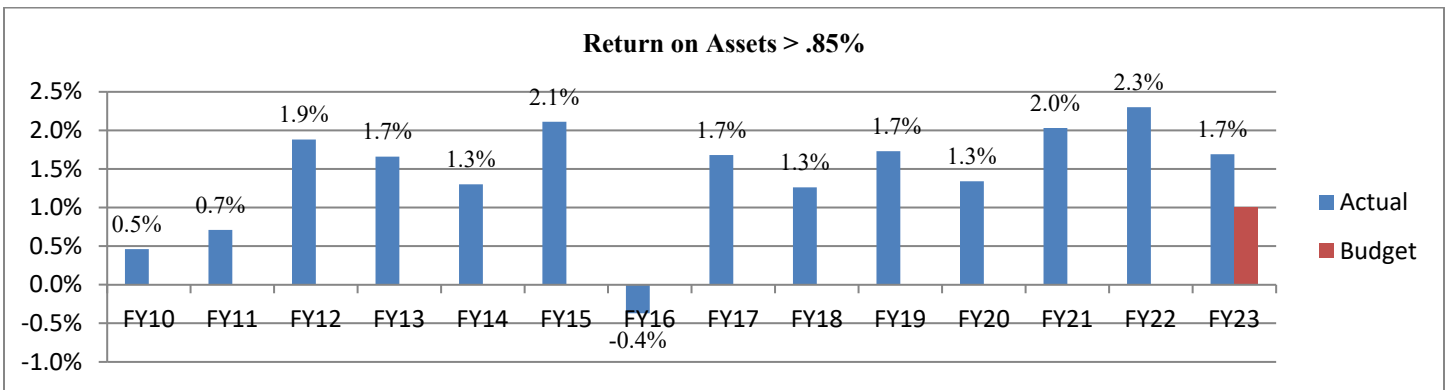


MBS purchases exceed budget by \$18,568.

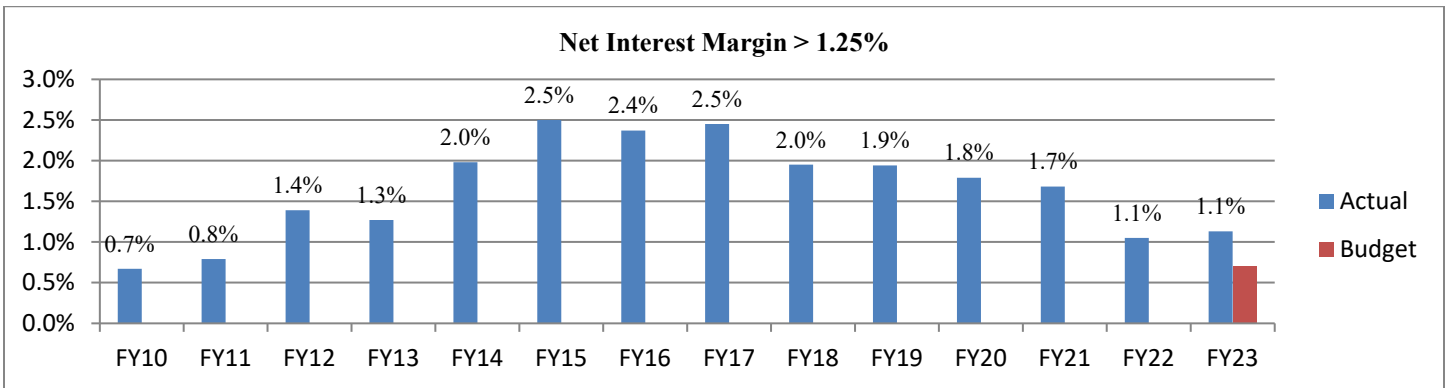
## Housing Authority Long-Term Measures



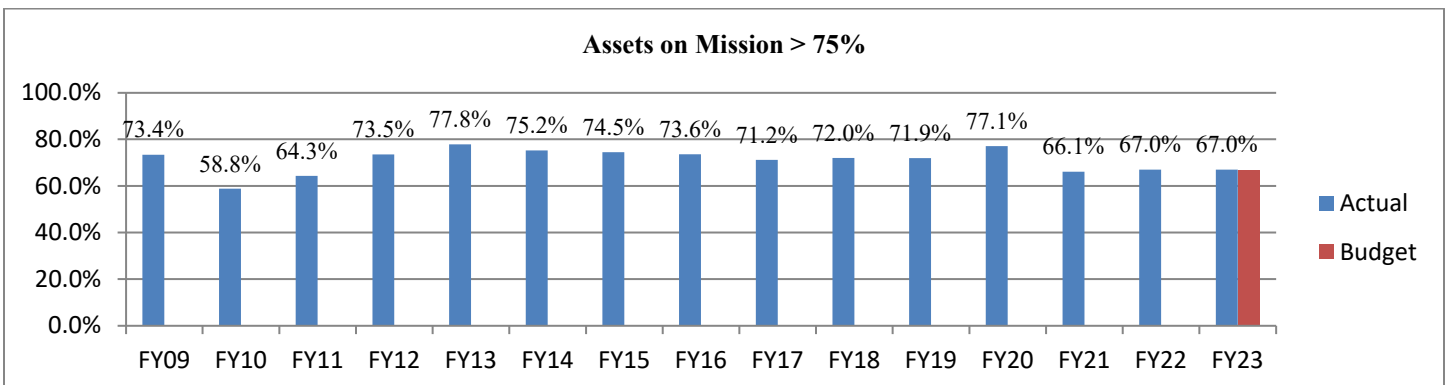
This ratio is an indicator of the Housing Authority's financial strength and ability to increase debt to acquire assets.



This ratio represents the rate of return on the Housing Authority's assets.



This is the rate of interest earned, after interest expense is deducted, on the Housing Authority's cash, cash equivalents, investments, MBS, and loans.



This ratio is the percentage of MBS and Loans (Mission Assets) to the Housing Authority's total assets.

Balance Sheet	Housing Authority (Rollup)						
	Jun-2023						
	Actuals	Bud23	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	605,250,824	575,223,346	30,027,479	5.2	474,022,984	131,227,841	27.7
Investments	-	2,670,904	(2,670,904)	-100.0	12,661,575	(12,661,575)	-100.0
Mortgage Backed Securities	1,089,411,809	1,118,362,613	(28,950,803)	-2.6	904,934,918	184,476,892	20.4
Line of Credit	19,617,226	16,626,959	2,990,268	18.0	23,881,627	(4,264,401)	-17.9
Loans - net of reserve for losses	121,721,404	132,837,543	(11,116,139)	-8.4	119,483,494	2,237,910	1.9
Capital Assets (net of accumulated depreciation)	13,125,547	13,273,722	(148,176)	-1.1	14,012,386	(886,839)	-6.3
Other Assets	47,115,798	31,430,413	15,685,385	49.9	41,482,238	5,633,560	13.6
Deferred Outflows	3,469,744	8,931,830	(5,462,086)	-61.2	5,020,814	(1,551,070)	-30.9
<b>Total Assets and Deferred Outflows</b>	<b>1,899,712,353</b>	<b>1,899,357,330</b>	<b>355,023</b>	<b>0.0</b>	<b>1,595,500,036</b>	<b>304,212,317</b>	<b>19.1</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	1,348,836,008	1,297,590,167	51,245,841	3.9	1,006,465,004	342,371,004	34.0
Interest Payable	14,064,895	33,827,396	(19,762,501)	-58.4	8,674,460	5,390,435	62.1
Unearned Revenue	165,090,481	111,173,909	53,916,572	48.5	193,419,473	(28,328,992)	-14.6
Escrow Deposits	11,310,899	11,250,896	60,003	0.5	12,104,941	(794,042)	-6.6
Reserves for Claims	1,778,141	2,423,267	(645,126)	-26.6	1,768,482	9,659	0.5
Accounts Payable & Accrued Liabilities	5,078,882	5,262,412	(183,530)	-3.5	7,079,301	(2,000,419)	-28.3
Other liabilities	1,483,046	12,496,044	(11,012,998)	-88.1	1,483,046	-	0.0
Deferred Inflows	17,452,026	1,524,551	15,927,475	1044.7	18,838,472	(1,386,446)	-7.4
<b>Total Liabilities and Deferred Inflows</b>	<b>1,565,094,378</b>	<b>1,475,548,643</b>	<b>89,545,736</b>	<b>6.1</b>	<b>1,249,833,179</b>	<b>315,261,199</b>	<b>25.2</b>
<b>Equity</b>							
YTD Earnings(Loss)	(11,047,915)	11,292,630	(22,340,545)	-197.8	(68,244,752)	57,196,837	-83.8
Prior Years Earnings	345,663,223	412,516,058	(66,852,835)	-16.2	413,911,609	(68,248,387)	-16.5
Transfers	2,667	-	2,667	0.0	(0)	2,667	100.0
<b>Total Equity</b>	<b>334,617,975</b>	<b>423,808,688</b>	<b>(89,190,713)</b>	<b>-21.0</b>	<b>345,666,857</b>	<b>(11,048,882)</b>	<b>0.0</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>1,899,712,353</b>	<b>1,899,357,330</b>	<b>355,023</b>	<b>0.0</b>	<b>1,595,500,036</b>	<b>304,212,317</b>	<b>19.1</b>



Income Statement	Housing Authority (Rollup)													
	Jun-2023							YTD as of Jun-2023						
	Actuals	Bud23	Difference	%	Last Year	Difference	%	Actuals	Bud23	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	6,819,568	3,279,023	3,540,546	108.0	2,935,912	3,883,656	132.3	51,504,940	36,827,206	14,677,734	39.9	34,318,290	17,186,649	50.1
Authority Revenue	-	-	-	0.0	(63,722)	63,722	-100.0	-	-	-	0.0	-	-	0.0
Fee Revenue	1,131,898	1,140,617	(8,720)	-0.8	1,616,075	(484,177)	-30.0	18,058,617	15,993,545	2,065,072	12.9	25,354,485	(7,295,868)	-28.8
Other Revenue	(717,133)	125,943	(843,076)	-669.4	150,850	(867,983)	-575.4	1,707,312	1,723,083	(15,771)	-0.9	1,706,386	926	0.1
<b>Total Operating Revenue</b>	<b>7,234,333</b>	<b>4,545,583</b>	<b>2,688,750</b>	<b>59.2</b>	<b>4,639,115</b>	<b>2,595,218</b>	<b>55.9</b>	<b>71,270,869</b>	<b>54,543,834</b>	<b>16,727,035</b>	<b>30.7</b>	<b>61,379,162</b>	<b>9,891,707</b>	<b>16.1</b>
Operating Expense														
Interest Expense	4,148,132	3,123,846	1,024,286	32.8	1,898,882	2,249,250	118.5	32,888,515	26,842,166	6,046,350	22.5	18,883,517	14,004,998	74.2
Authority Expense	-	-	-	0.0	(63,722)	63,722	-100.0	(0)	-	(0)	0.0	(0)	(0)	400.0
Employee Expenses	963,049	1,007,717	(44,669)	-4.4	(133,773)	1,096,821	-819.9	10,940,725	11,877,334	(936,609)	-7.9	9,522,496	1,418,229	14.9
Shared Expenses	182,340	218,314	(35,973)	-16.5	240,057	(57,716)	-24.0	2,957,203	3,318,967	(361,764)	-10.9	3,001,449	(44,246)	-1.5
Marketing Expense	40,256	90,243	(49,987)	-55.4	13,081	27,175	207.7	515,846	1,379,100	(863,254)	-62.6	441,349	74,498	16.9
Professional Services	730,207	467,201	263,006	56.3	2,835,654	(2,105,447)	-74.2	13,093,169	15,594,961	(2,501,793)	-16.0	18,920,107	(5,826,939)	-30.8
Claim and Loss Expenses	314,465	97,442	217,022	222.7	(277,788)	592,252	-213.2	738,121	79,501	658,620	828.4	(499,504)	1,237,625	-247.8
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	(46,149)	(37,720)	(8,429)	22.3	24,384	(70,533)	-289.3	(334,282)	(436,575)	102,292	-23.4	(138,229)	(196,053)	141.8
Overhead Allocation	47,700	(12,962)	60,662	-468.0	(12,043)	59,743	-496.1	(153,191)	(165,732)	12,541	-7.6	(138,221)	(14,970)	10.8
<b>Total Operating Expense</b>	<b>6,380,000</b>	<b>4,954,080</b>	<b>1,425,919</b>	<b>28.8</b>	<b>4,524,732</b>	<b>1,855,267</b>	<b>41.0</b>	<b>60,646,105</b>	<b>58,489,722</b>	<b>2,156,384</b>	<b>3.7</b>	<b>49,992,964</b>	<b>10,653,141</b>	<b>21.3</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>854,334</b>	<b>(408,497)</b>	<b>1,262,831</b>	<b>-309.1</b>	<b>114,383</b>	<b>739,951</b>	<b>646.9</b>	<b>10,624,763</b>	<b>(3,945,888)</b>	<b>14,570,651</b>	<b>-369.3</b>	<b>11,386,197</b>	<b>(761,434)</b>	<b>-6.7</b>
Net Grant (Income) Expense														
Grant Revenue	(12,076,253)	(14,864,416)	2,788,163	-18.8	(17,856,919)	5,780,666	-32.4	(165,937,379)	(219,381,303)	53,443,924	-24.4	(180,490,830)	14,553,451	-8.1
Grant Expense	12,377,489	18,455,652	(6,078,163)	-32.9	18,893,465	(6,515,976)	-34.5	148,413,506	204,142,785	(55,729,280)	-27.3	159,082,857	(10,669,351)	-6.7
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Net Grant (Income) Expense</b>	<b>301,236</b>	<b>3,591,236</b>	<b>(3,290,000)</b>	<b>-91.6</b>	<b>1,036,546</b>	<b>(735,311)</b>	<b>-70.9</b>	<b>(17,523,874)</b>	<b>(15,238,517)</b>	<b>(2,285,356)</b>	<b>15.0</b>	<b>(21,407,973)</b>	<b>3,884,099</b>	<b>-18.1</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>553,098</b>	<b>(3,999,733)</b>	<b>4,552,831</b>	<b>-113.8</b>	<b>(922,164)</b>	<b>1,475,261</b>	<b>-160.0</b>	<b>28,148,637</b>	<b>11,292,630</b>	<b>16,856,007</b>	<b>149.3</b>	<b>32,794,171</b>	<b>(4,645,534)</b>	<b>-14.2</b>
Other Non-Operating (Income) Expense	9,154,159	-	9,154,159	0.0	14,970,997	(5,816,838)	-38.9	39,196,552	-	39,196,552	0.0	101,038,923	(61,842,371)	-61.2
<b>Net Income (Loss)</b>	<b>(8,601,061)</b>	<b>(3,999,733)</b>	<b>(4,601,328)</b>	<b>115.0</b>	<b>(15,893,161)</b>	<b>7,292,099</b>	<b>-45.9</b>	<b>(11,047,915)</b>	<b>11,292,630</b>	<b>(22,340,545)</b>	<b>-197.8</b>	<b>(68,244,752)</b>	<b>57,196,837</b>	<b>-83.8</b>
IFA Home Dept Staff Count	89	105	(16)	-15.4	81	8	9.9	85	105	(20)	-19.4	83	2	1.8
FTE Staff Count	100	97	3	3.5	81	19	23.8	85	97	(12)	-12.0	83	2	2.6

IOWA FINANCE AUTHORITY  
RESERVE FOR LOAN LOSS ANALYSIS

June 30, 2023					
Series	Description	Principal	Reserve %	Reserve \$	Loans, Net of Reserve
001-010	General Fund	341,908	0%	-	341,908
	Performing first mortgage loans	766,011	0%	-	
	Performing less than first mortgage loans	38,159	5%	1,908	
100-053	Single Family	804,171	0%	2,000	802,171
	Single Family Second Mortgage Loans	21,474,464	1%	214,745	21,259,719
	Performing first mortgage loans	22,102,728	0%	-	
	Impaired first mortgage loans:				
	MF-21-001 - Hotel Maytag	2,160,744	25%	540,186	
	MF-09-004P - SA Roosevelt LP	1,465,712	25%	366,428	
	MF-08-003 - Welch Hotel	396,401	25%	99,100	
	MF-08-005 - Maquoketa Housing	203,474	25%	50,869	
	MF-07-001 - Humility of Mary Shelter	770,100	100%	770,100	
	Performing less than first mortgage loans	207,607	5%	10,380	
	Cash Flow Loans:				
	MF-02-003B -West Cap Santa Clara, LLC	859	25%	215	
200-005	MF Program	27,307,626	7%	1,837,000	25,470,626
200-007	MF 2007 AB	18,410,548	0%	-	18,410,548
200-009	MF 2008 A	3,135,880	0%	-	3,135,880
200-011	MF FHLB I	9,340,386	0%	-	9,340,386
	Performing first mortgage loans	251,048	0%	-	
	Impaired first mortgage loans:				
	MF-03-002 - Marsh Place, L.P.	245,974	25%	61,494	
	Performing less than first mortgage loans	919,431	5%	45,972	
	Impaired Loans:				
	MF-08-004 - Welch Hotel	175,531	25%	43,883	
	MF-08-006 - Maquoketa Housing	90,435	25%	22,609	
	IHC-95-034 - Countryside Assoc of Manchester	45,000	100%	45,000	
	Cash Flow Loans:				
	MF-15-004 - Twin Oaks Manor	217,909	100%	217,909	
500-047	State Housing Trust Fund	1,945,268	22%	437,000	1,508,268
500-049	Senior Living Trust Fund	6,804,799	0%	-	6,804,799
	Performing first mortgage loans	1,198,706	0%	-	
	Performing less than first mortgage loans	97,821	5%	4,891	
500-050	Home and Community Based Trust	1,296,527	0%	5,000	1,291,527
	Performing first mortgage loans	362,791	0%	-	
	Impaired loans:				
	TH-06-001 - The Way Home I, LLP	352,827	25%	88,207	
500-051	Transitional Housing Trust	715,617	12%	88,000	627,617
500-057	Tax Credit Assistance Proram (TCAP)	17,752,255	100%	17,752,000	255
	Risk Category 1 - fully amortizing	2,321,628	5%	116,081	
	Risk Category 2 - partially amortizing with balloon	32,929,062	50%	16,464,531	
	Risk Category 3 - interest only with balloon	3,566,564	55%	1,961,610	
	Risk Category 4 - less than interest only with balloon	4,117,679	60%	2,470,607	
	Risk Category 5 - cash flow loans	3,390,010	70%	2,373,007	
	Risk Category 6 - no payment loans with balloon	13,919,652	75%	10,439,739	
	Risk Category 7 & 8 CHDO & Forgivable	44,632,424	100%	44,632,424	
500-058	HOME	104,876,383	75%	78,458,000	26,418,383
	Performing first mortgage loans	186,495	0%	-	
	Forgivable Loans				
	CH-19-001B Hope Haven Development Ctr.	297,500	100%	297,500	
	CH-19-002B Hope Haven Development Ctr.	174,700	100%	174,700	
500-062	Community Housing and Services	658,695	72%	472,000	186,695
600-174	Ag Loan Participating Program IFA Loans	125,066	1%	1,000	124,066
600-635	Ag Development	6,059,809	1%	61,000	5,998,809
Total Housing Authority Loans		221,049,404		99,327,745	121,721,659

**Iowa Finance Authority  
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2022	Additional Funding	FY23 Payments	Deallocated Funds	Commitment Balance
					Total Dist		
<b>Local Housing Trust Fund Grant (FY20)</b>							
Northwest Iowa Regional Housing Trust Fund, Inc.	20-LHTF-02	-	180,470.00		(180,470.00)		-
City of Dubuque Housing Trust Fund	20-LHTF-10	-	64,986.94		(64,986.94)		-
Great River Housing, Inc.	20-LHTF-12	-	125,603.00		(125,603.00)		(0.00)
Western Iowa Community Improvement Regional Housing	20-LHTF-13	-	53,618.00		(53,618.00)		-
East Central Iowa Housing Trust Fund	20-LHTF-16	-	45,933.00		(45,933.00)		-
Heart of Iowa Regional Housing Trust Fund	20-LHTF-17	-	36,516.50		(36,516.50)		0.00
Housing Fund for Linn County	20-LHTF-24	-	51,951.00		(51,951.00)		-
Dallas County Local Housing Trust Fund, Inc.	20-LHTF-26	-	1,288.57		(1,288.57)		(0.00)
Story County Housing Trust	20-LHTF-27	-	89,808.71		(89,808.71)		(0.00)
	<b>Subtotal</b>	-	650,175.72		(650,175.72)	-	(0.00)
<b>Local Housing Trust Fund Grant (FY21)</b>							
Homeward HTF	21-LHTF-01	283,686.00	13,342.33		(13,342.33)		0.00
Northeast Iowa Regional HTF	21-LHTF-02	246,555.00	1,545.98		(1,545.98)		0.00
NIACOG HTF	21-LHTF-03	219,522.00	107,967.77		(107,967.77)		(0.00)
Northwest Iowa Regional HTF, Inc	21-LHTF-04	299,547.00	299,547.00		(119,645.00)		179,902.00
Waterloo HTF	21-LHTF-05	153,667.00	70,213.63		(70,213.63)		0.00
Southwest Iowa HTF, Inc	21-LHTF-06	253,756.00	63,824.00		(63,824.00)		-
Sioux City HTF, Inc	21-LHTF-07	170,087.00	71,417.99		(71,417.99)		(0.00)
Region 6 HTF	21-LHTF-08	259,092.00	88,369.00		(88,369.00)		-
Pottawattamie County HTF, Inc.	21-LHTF-09	212,132.00	52,190.65		(52,190.65)		(0.00)
Iowa Northland Regional Housing Council LHTF	21-LHTF-10	274,680.00	103,248.83		(103,248.83)		0.00
AHEAD Regional HTF	21-LHTF-11	266,935.00	-		-		-
Eastern Iowa Regional Housing Corporation HTF	21-LHTF-12	312,429.00	102,870.64		(102,870.64)		0.00
HTF of Johnson County	21-LHTF-13	255,514.00	128,295.00		(128,295.00)		-
Chariton Valley Regional HTF, Inc.	21-LHTF-14	193,046.00	96,435.00		(96,435.00)		-
Heart of Iowa Regional HTF	21-LHTF-15	211,739.00	211,739.00		(211,739.00)		0.00
Dallas County LHTF, Inc.	21-LHTF-16	181,055.00	106,633.15		(106,633.15)		-
Housing Fund for Linn County	21-LHTF-17	347,910.00	256,270.00		(230,413.00)		25,857.00
City of Dubuque HTF	21-LHTF-18	141,283.00	121,283.00		(121,283.00)		-
Story County Housing Trust	21-LHTF-19	207,973.00	207,973.00		(70,405.67)		137,567.33
Central Iowa HTF	21-LHTF-20	314,084.00	162,285.85		(162,285.85)		-
East Central Iowa HTF	21-LHTF-21	247,489.00	205,319.00		(205,319.00)		-
Western Iowa Community Improvement Regional HTF	21-LHTF-22	233,810.00	178,488.20		(178,488.20)		-
Scott County Housing Council	21-LHTF-23	389,164.00	16,878.28		(16,878.28)		0.00
Council of Governments Housing, Inc.	21-LHTF-24	235,872.00	235,872.00		(235,872.00)		-
Great River Housing, Inc.	21-LHTF-25	273,877.00	273,877.00		(133,166.00)		140,711.00
Southern Iowa COG HFT	21-LHTF-26	229,482.00	-		-		-
Polk County HTF	21-LHTF-27	600,236.00	51,712.00		(51,712.00)		-
	<b>Subtotal</b>	7,014,622.00	3,227,598.30		(2,743,560.97)	-	484,037.33
<b>Local Housing Trust Fund Grant (FY22)</b>							
NIACOG HTF	22-LHTF-01	285,681.00	285,681.00		(160,711.17)		124,969.83
Northeast Iowa Regional HTF	22-LHTF-02	320,942.00	286,840.26		(286,840.26)		-
Homeward HTF	22-LHTF-03	369,374.00	285,267.04		(285,267.04)		-
Sioux City HTF	22-LHTF-04	221,526.00	221,526.00		(209,731.25)		11,794.75
Southern Iowa COG Housing Trust Fund	22-LHTF-05	298,673.00	298,673.00		(120,429.36)		178,243.64
AHEAD Regional HTF	22-LHTF-06	347,525.00	218,895.87		(218,895.87)		-
Northwest Iowa Regional HTF, Inc	22-LHTF-07	390,062.00	390,062.00		-		390,062.00
HTF of Johnson County	22-LHTF-08	332,823.00	332,823.00		(332,823.00)		-
Eastern Iowa Regional Housing Corporation HTF	22-LHTF-09	406,865.00	329,090.00		(190,037.25)		139,052.75
Region 6 HTF	22-LHTF-10	337,295.00	337,295.00		(196,478.00)		140,817.00
Housing Fund for Linn County	22-LHTF-11	453,339.00	453,339.00		(235,333.00)		218,006.00
City of Dubuque HTF	22-LHTF-12	183,956.00	183,956.00		(14,970.06)		168,985.94
Pottawattamie County HTF, Inc.	22-LHTF-13	276,237.00	276,237.00		(172,236.52)		104,000.48
Council of Governments Housing, Inc.	22-LHTF-14	307,007.00	307,007.00		(37,035.26)		269,971.74
Waterloo HTF	22-LHTF-15	200,109.00	180,099.00		(103,167.00)		76,932.00
Dallas County LHTF, Inc.	22-LHTF-16	235,703.00	235,703.00		(80,156.06)		155,546.94
Southwest Iowa HTF, Inc	22-LHTF-17	330,335.00	226,302.00		(77,492.50)		148,809.50
Story County HT	22-LHTF-18	270,813.00	270,813.00		-		270,813.00
Chariton Valley Regional HTF, Inc.	22-LHTF-19	251,147.00	251,147.00		(70,247.40)		180,899.60
Heart of Iowa Regional HTF	22-LHTF-20	275,529.00	275,529.00		(33,673.20)		241,855.80
Central Iowa HTF	22-LHTF-21	409,023.00	409,023.00		(268,677.64)		140,345.36
Western Iowa Community Improvement Regional HTF	22-LHTF-22	304,317.00	304,317.00		(196,223.00)		108,094.00
East Central Iowa HTF	22-LHTF-23	322,160.00	322,160.00		(244,546.00)		77,614.00
Polk County HTF	22-LHTF-24	782,460.00	782,460.00		-		-
Scott County Housing Council	22-LHTF-25	506,954.00	425,900.75		(270,027.09)		155,873.66
Iowa Northland Regional Housing Council LHTF	22-LHTF-26	357,626.00	321,864.00		(170,515.32)		170,515.32
Great River Housing, Inc.	22-LHTF-27	356,579.00	356,579.00		-		356,579.00
	<b>Subtotal</b>	9,134,060.00	8,568,588.92		(4,738,806.61)	-	3,829,782.31
<b>Local Housing Trust Fund Grant (FY23)</b>							
NIACOG Housing Trust Fund	23-LHTF-01	466,434.00			(87,152.00)		379,282.00
Region 6 Housing Trust Fund, Inc.	23-LHTF-02	414,009.00			-		414,009.00
Waterloo Housing Trust Fund	23-LHTF-03	243,203.00			(24,320.00)		218,883.00
Northwest Iowa Regional Housing Trust Fund, Inc.	23-LHTF-04	498,250.00			-		498,250.00
Sioux City Housing Trust Fund, Inc.	23-LHTF-05	275,179.00			-		275,179.00
AHEAD Regional Housing Trust Fund	23-LHTF-06	425,870.00			(225,258.96)		200,611.04
Housing Trust Fund of Johnson County	23-LHTF-07	441,887.00			-		441,887.00
Southwest Iowa Housing Trust Fund	23-LHTF-08	402,427.00			(31,143.00)		371,284.00
Council of Governments Housing, Inc.	23-LHTF-09	378,349.00			-		378,349.00
Eastern Iowa Regional Housing Corporation Housing Trust	23-LHTF-10	498,359.00			(129,852.55)		368,506.45
Western Iowa Community Improvement Regional Housing	23-LHTF-11	380,233.00			-		380,233.00
Chariton Valley Regional Housing Trust Fund	23-LHTF-12	316,124.00			-		316,124.00
Housing Fund for Linn County	23-LHTF-13	575,867.00			-		575,867.00
Heart of Iowa Regional Housing Trust Fund	23-LHTF-14	411,939.00			-		411,939.00
Iowa Northland Regional Housing Council LHTF	23-LHTF-15	439,207.00			(44,802.00)		394,405.00
East Central Iowa Housing Trust Fund	23-LHTF-16	401,325.00			-		401,325.00
Northeast Iowa Regional Housing Trust Fund	23-LHTF-17	392,163.00			(126,340.45)		265,822.55
Pottawattamie County Housing Trust Fund	23-LHTF-18	339,494.00			-		339,494.00
Southern Iowa COG Housing Trust Fund	23-LHTF-19	370,860.00			-		370,860.00
Scott County Housing Council	23-LHTF-20	630,474.00			(74,332.77)		556,141.23
City of Dubuque Housing Trust Fund	23-LHTF-21	229,974.00			-		229,974.00
Dallas County Local Housing Trust Fund, Inc.	23-LHTF-22	349,893.00			(8,313.00)		341,580.00
Central Iowa Housing Trust Fund	23-LHTF-23	513,597.00			(18,732.00)		494,865.00
Story County Housing Trust	23-LHTF-24	347,919.00			-		347,919.00
Polk County Housing Trust Fund	23-LHTF-25	1,029,304.00			(371,574.00)		657,730.00

**Iowa Finance Authority  
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2022	Additional Funding	FY23 Payments	Deallocated Funds	Commitment Balance
					Total Dist		
Great River Housing, Inc.	23-LHTF-26	433,046.00	-	-	-	-	433,046.00
<b>Subtotal</b>		11,205,386.00	-	-	(1,141,820.73)	-	10,063,565.27
<b>Project Based Grant (FY23)</b>							
Siouxland Habitat for Humanity	23-PBHP-01	50,000.00	-	-	-	-	50,000.00
Iowa Heartland Habitat for Humanity	23-PBHP-02	50,000.00	-	-	(50,000.00)	-	-
Warren County Habitat for Humanity	23-PBHP-03	50,000.00	-	-	-	-	50,000.00
<b>Subtotal</b>		150,000.00	-	-	(50,000.00)	-	100,000.00
<b>Project Based Grant (FY22)</b>							
Siouxland Habitat for Humanity	22-PBHP-01	50,000	50,000	-	(50,000.00)	-	-
Iowa Heartland Habitat for Humanity	22-PBHP-02	25,000	25,000	-	(25,000.00)	-	-
Heart of Iowa Habitat for Humanity	22-PBHP-04	50,000	50,000	-	(50,000.00)	-	-
Warren County Habitat for Humanity	22-PBHP-05	50,000	50,000	-	-	-	50,000.00
HFH of Marion County - Knoxville	22-PBHP-06	50,000	50,000	-	-	-	50,000.00
HFH of North Central Iowa Mason City	22-PBHP-07	25,000	25,000	-	-	-	25,000.00
HFH of North Central Iowa Clear Lake	22-PBHP-08	25,000	25,000	-	-	-	25,000.00
<b>Subtotal</b>		275,000.00	275,000.00	-	(125,000.00)	-	150,000.00
<b>Project Based Grant (FY21)</b>							
Habitat for Humanity of North Central Iowa	21-PBHP-02	-	50,000	-	(50,000.00)	-	-
<b>Subtotal</b>		-	50,000	-	(50,000.00)	-	-
<b>General Fund Homes for Iowa</b>							
Homes for Iowa RUN Thru MF CKG	Place Holder	-	-	-	-	-	-
<b>Subtotal</b>		-	-	-	-	-	-
<b>Disaster Recovery Assistance (FY 2022)</b>							
Habitat for Humanity of IA - Disaster Recovery Assistanc	HI 19-26	100,000.00	75,842.29	-	(9,396.70)	(66,445.59)	-
<b>Subtotal</b>		100,000.00	75,842.29	-	(9,396.70)	(66,445.59)	-
<b>Shelter Assistance Fund (2021)</b>							
Crisis Intervention Services	SAF-62003-21	33,049.00	1,153.00	-	-	(1,153.00)	-
Family Resources, Inc	SAF-82030-21	53,841.00	18,755.00	-	-	(18,755.00)	-
<b>Subtotal</b>		86,890.00	19,908.00	-	-	(19,908.00)	-
<b>Shelter Assistance Fund (2022)</b>							
Area Substance Abuse Council	SAF-57001-22	29,403.00	749	-	(749.00)	-	-
Assault Care Center Extending Shelter & Support (ACC)	SAF-85001-22	21,939.00	19,469	-	(19,469.00)	-	-
Beacon of Life	SAF-77111-22	19,134.00	8,990	-	(8,990.00)	-	-
Catherine McAuley Center	SAF-57002-22	15,026.00	-	-	-	-	-
Catholic Council for Social Concern, dba Catholic Charit	SAF-78020-22	47,248.00	15,768	-	(15,768.00)	-	-
Center for Siouxland	SAF-97001-22	53,091.00	38,627	-	(38,627.00)	-	-
Central Iowa Shelter & Services	SAF-77129-22	132,435.00	114,420	-	(113,698.00)	(722.00)	-
Children and Families of Iowa	SAF-77193-22	42,496.00	25,757	-	(25,757.00)	-	-
Community Action Agency of Siouxland	SAF-97005-22	29,207.00	15,508	-	(15,508.00)	-	-
Community Kitchen of North Iowa, Inc	SAF-17003-22	20,340.00	1,282	-	(1,282.00)	-	-
Crisis Intervention Services	SAF-62003-22	24,803.00	16,337	-	(16,337.00)	-	-
Domestic/Sexual Assault Outreach Ctr	SAF-94001-22	36,155.00	17,340	-	(17,340.00)	-	-
Domestic Violence Intervention Program	SAF-52001-22	99,278.00	80,335	-	(80,335.00)	-	-
Family Promise of Greater DSM	SAF-77194-22	27,587.00	10,010	-	(10,004.00)	(6.00)	-
Family Resources	SAF-82030-22	121,509.00	104,862	-	(84,305.00)	(20,557.00)	-
Friends of the Family (CEDAR VALLEY)	SAF-09001-22	27,201.00	15,237	-	(15,237.00)	-	-
Fort Dodge Housing Agency	SAF-94013-22	10,496.00	5,562	-	(5,562.00)	-	-
Hawthorn Hill	SAF-77013-22	55,041.00	26,449	-	(26,449.00)	-	-
Helping Hand of Warren County	SAF-91001-22	8,167.00	492	-	-	(492.00)	-
Lotus Community Project	SAF-94014-22	29,921.00	-	-	(29,921.00)	-	-
Institute for Community Alliance-HMIS	SAF-HMIS-2022	63,800.00	35,780	-	(35,780.00)	-	-
Humility Homes and Services, Inc	SAF-82003-22	165,124.00	128,379	-	(128,379.00)	-	-
MICAH House	SAF-78002-22	152,627.00	89,037	-	(89,037.00)	-	-
Muscatine Center for Social Action	SAF-70001-22	62,363.00	29,473	-	(29,473.00)	-	-
New Visions Homeless Services	SAF-78017-22	166,298.00	70,335	-	(70,335.00)	-	-
Pathway Living Center, Inc	SAF-23020-22	8,871.00	-	-	-	-	-
SafePlace	SAF-97002-22	48,434.00	28,744	-	(28,744.00)	-	-
Salvation Army of Waterloo/Cedar Falls	SAF-07005-22	64,694.00	-	-	-	-	-
Shelter House	SAF-52003-22	162,609.00	90,961	-	(90,961.00)	-	-
Shelter Housing Corporation dba Emergency Residence P	SAF-85002-22	74,152.00	40,855	-	(40,855.00)	-	-
Transitions	SAF-29003-22	26,541.00	7,859	-	(7,859.00)	-	-
Warming Shelter	SAF-97006-22	108,165.00	81,165	-	(81,165.00)	-	-
Waypoint	SAF-57007-22	53,852.00	39,752	-	(39,752.00)	-	-
Willis Dady Emergency Shelter	SAF-57010-22	104,650.00	-	-	-	-	-
YMCA Clinton Empowerment Center	SAF-23009-22	24,985.00	13,627	-	(13,627.00)	-	-
Youth and Shelter Services	SAF-85003-22	31,259.00	23,663	-	(21,667.00)	(1,996.00)	-
<b>Subtotal</b>		2,168,901.00	1,196,824.00	-	(1,202,972.00)	(23,773.00)	-
<b>Shelter Assistance Fund (2023)</b>							
Area Substance Abuse Council	SAF-57001-23	25,474.00	-	-	(25,300.00)	-	174.00
Assault Care Center Extending Shelter and Support	SAF-85001-23	19,007.00	-	-	-	-	19,007.00
Catherine McAuley Center	SAF-57002-23	13,018.00	-	-	(11,840.00)	-	1,178.00
Catholic Council for Social Concern, Inc. DBA Catholic C	SAF-78020-23	40,934.00	-	-	(27,893.00)	-	13,041.00
Center For Siouxland	SAF-97001-23	45,996.00	-	-	(2,326.00)	-	43,670.00
Central Iowa Shelter & Services	SAF-77129-23	114,738.00	-	-	(78,683.00)	-	36,055.00
Children and Families of Iowa	SAF-77193-23	36,818.00	-	-	(19,179.00)	-	17,639.00
Community Action Agency of Siouxland	SAF-97005-23	25,304.00	-	-	-	-	25,304.00
Community Kitchen of North Iowa, Inc.	SAF-17003-23	17,622.00	-	-	(17,622.00)	-	-
Crisis Intervention Services	SAF-62003-23	21,489.00	-	-	(8,732.00)	-	12,757.00
Domestic Violence Intervention Program	SAF-52001-23	86,012.00	-	-	(37,536.00)	-	48,476.00
Domestic/Sexual Assault Outreach Center	SAF-94001-23	31,324.00	-	-	(13,263.00)	-	18,061.00
Family Promise of Greater Des Moines	SAF-77194-23	23,901.00	-	-	(1,671.00)	-	22,230.00
Family Resources	SAF-82030-23	105,272.00	-	-	(2,516.00)	-	102,756.00
Fort Dodge Housing Agency	SAF-94013-23	9,094.00	-	-	(4,665.00)	-	4,429.00
Friends of the Family	SAF-09001-23	23,566.00	-	-	(6,862.00)	-	16,704.00
Hawthorn Hill	SAF-77013-23	47,686.00	-	-	(24,577.00)	-	23,109.00

**Iowa Finance Authority  
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2022	Additional Funding	FY23 Payments	Deallocated Funds	Commitment Balance
					Total Dist		
Humility Homes and Services, Inc.	SAF-82003-23	143,059.00	-	-	(28,886.00)	-	114,173.00
Institute for Community Alliances	ESG-SAF-HMIS-2023	63,800.00	-	-	(12,167.00)	-	51,633.00
Lotus Community Project	SAF-94014-23	25,924.00	-	-	-	-	25,924.00
MICAH House	SAF-78002-23	132,232.00	-	-	(44,072.00)	-	88,160.00
Muscatine Center for Social Action	SAF-70001-23	54,029.00	-	-	(36,588.00)	-	17,441.00
New Visions Homeless Services	SAF-78017-23	144,076.00	-	-	(129,415.00)	-	14,661.00
Pathway Living Center, Inc.	SAF-23020-23	7,685.00	-	-	(7,685.00)	-	-
SafePlace (Ika Council on Sexual Assault and Domestic V	SAF-97002-23	41,962.00	-	-	(11,034.00)	-	30,928.00
Shelter House	SAF-52003-23	140,881.00	-	-	(75,489.00)	-	65,392.00
Shelter Housing Corporation DBA Emergency Residence	SAF-85002-23	64,244.00	-	-	(39,834.00)	-	24,410.00
The Beacon of Life	SAF-77111-23	16,578.00	-	-	(10,927.00)	-	5,651.00
The Salvation Army of Waterloo/Cedar Falls	SAF-07005-23	56,049.00	-	-	(56,049.00)	-	-
The Warming Shelter	SAF-97006-23	93,711.00	-	-	(31,237.00)	-	62,474.00
Waypoint	SAF-57007-23	46,656.00	-	-	(22,529.00)	-	24,127.00
Willis Dady Emergency Shelter Inc.	SAF-57010-23	90,666.00	-	-	(90,666.00)	-	-
Youth and Shelter Services	SAF-85003-23	27,082.00	-	-	(13,168.00)	-	13,914.00
YWCA Clinton Empowerment Center	SAF-23009-23	21,647.00	-	-	(910.00)	-	20,737.00
		1,857,536.00	-	-	(893,321.00)	-	964,215.00

**Emergency Solutions Grant Program (FY 2023 in CY 2023)**

Assault Care Center Extending Shelter and Support	ESG-85001-23	25,698.00	-	-	(6,748.00)	-	18,950.00
Catherine McAuley Center	ESG-57002-23	25,562.00	-	-	(4,057.00)	-	21,505.00
Central Iowa Shelter & Services	ESG-77129-23	214,990.00	-	-	-	-	214,990.00
Community Action Agency of Siouland	ESG-97005-23	22,069.00	-	-	(3,905.00)	-	18,164.00
Community Action of Southeast Iowa, Inc.	ESG-29001-23	46,866.00	-	-	(15,942.00)	-	30,924.00
Community Solutions of Eastern Iowa	ESG-31024-23	112,286.00	-	-	(54,114.00)	-	58,172.00
Crisis Intervention & Advocacy Center	ESG-25001-23	130,114.00	-	-	(33,514.00)	-	96,600.00
Domestic Violence Intervention Program	ESG-52001-23	98,214.00	-	-	(26,961.00)	-	71,253.00
Family Crisis Centers	ESG-84003-23	72,078.00	-	-	(19,930.00)	-	52,148.00
Family Resources, Inc.	ESG-82030-23	47,633.00	-	-	(3,321.00)	-	44,312.00
Friends of the Family	ESG-09001-23	320,274.00	-	-	(130,409.00)	-	189,865.00
Hawkeye Area Community Action Program, Inc.	ESG-00005-23	158,302.00	-	-	(43,557.00)	-	114,745.00
Heartland Family Service	ESG-78018-23	61,790.00	-	-	(30,302.00)	-	31,488.00
Home Opportunities Made Easy, INC	ESG-77014-23	93,326.00	-	-	(22,123.00)	-	71,203.00
Humility Homes and Services, Inc.	ESG-82003-23	52,455.00	-	-	(28,303.00)	-	24,152.00
Institute for Community Alliances	ESG-SAF-HMIS-2023	55,000.00	-	-	(13,649.00)	-	41,351.00
Iowa Legal Aid	ESG-77054-23	79,880.00	-	-	(16,363.00)	-	63,517.00
Muscatine Center for Social Action	ESG-70001-23	76,697.00	-	-	(70,308.00)	-	6,389.00
New Visions Homeless Services	ESG-78017-23	77,793.00	-	-	(60,979.00)	-	16,814.00
Shelter House Community Shelter and Transition Services	ESG-52003-23	201,429.00	-	-	(41,078.00)	-	160,351.00
Shelter Housing Corporation DBA Emergency Residence	ESG-85002-23	99,857.00	-	-	(62,952.00)	-	36,905.00
The Salvation Army of the Quad Cities	ESG-82005-23	169,632.00	-	-	(80,326.00)	-	89,306.00
Upper Des Moines Opportunity, Inc.	ESG-74003-23	106,194.00	-	-	(103,893.00)	-	2,301.00
Waypoint Services	ESG-57007-23	236,588.00	-	-	(145,995.00)	-	90,593.00
Willis Dady Emergency Shelter	ESG-57010-23	196,633.00	-	-	(24,013.00)	-	172,620.00
Youth and Shelter Services, Inc.	ESG-85003-23	51,526.00	-	-	(7,807.00)	-	43,719.00
YWCA Clinton	ESG-23009-23	109,890.00	-	-	(39,686.00)	-	70,204.00
<b>Subtotal</b>		2,942,776.00	-	-	(1,090,235.00)	-	1,852,541.00

**Emergency Solutions Grant Program (FY 2022 in CY 2022)**

Assault Care Center Extending Shelter and Support (ACCE)	ESG 85001-22	24,128.00	20,570.00	-	(20,570.00)	-	-
Catherine McAuley Center	ESG 57002-22	24,000.00	22,494.00	-	(19,296.00)	(3,198.00)	-
Central Iowa Shelter & Services	ESG 77129-22	201,856.00	199,876.00	-	(158,220.00)	(41,656.00)	-
Children & Families of Iowa (CFI)		-	-	-	-	-	-
Community Action Agency of Siouland	ESG 97005-22	20,721.00	15,929.00	-	(15,929.00)	-	-
Community Action of Southeast Iowa	ESG 29001-22	44,003.00	9,512.00	-	(9,512.00)	-	-
Community Solutions of Eastern Iowa (East Central Devel)	ESG 31024-22	105,426.00	61,821.00	-	(61,821.00)	-	-
Crisis Intervention & Advocacy Center	ESG 25001-22	122,165.00	119,257.00	-	(119,257.00)	-	-
Domestic Violence Intervention Program	ESG 52001-22	92,214.00	46,984.00	-	(45,717.00)	(1,267.00)	-
Family Crisis Centers	ESG 84003-22	67,674.00	45,358.00	-	(45,358.00)	-	-
Family Resources, Inc.	ESG 82030-22	44,723.00	44,314.00	-	-	(44,314.00)	-
Friends of the Family (Cedar Valley)	ESG 09001-22	321,546.00	232,250.00	-	(230,478.00)	(1,772.00)	-
Hawkeye Area Community Action Prog.	ESG 00005-22	148,630.00	89,748.00	-	(67,535.00)	(22,213.00)	-
Heartland Family Service (HFS)	ESG 78018-22	58,015.00	21,162.00	-	(21,162.00)	-	-
HOME	ESG-77014-22	87,625.00	39,080.00	-	(39,076.00)	(4.00)	-
Humility Homes and Services, Inc	ESG 82003-22	49,250.00	33,623.00	-	(33,623.00)	-	-
Institute for Community Alliances-HMIS	ESG-HMIS-2022	55,000.00	26,852.00	-	(26,852.00)	-	-
Iowa Legal Aid	ESG 77054-22	75,000.00	9,778.00	-	(6,719.00)	(3,059.00)	-
Muscatine Center for Social Action	ESG 70001-22	72,012.00	58,361.00	-	(45,032.00)	(13,329.00)	-
New Visions Homeless Services	ESG 78017-22	73,041.00	47,112.00	-	(47,112.00)	-	-
NIAD Center for Human Development		-	-	-	-	-	-
Shelter House Community Shelter and Transition Services	ESG 52003-22	189,123.00	179,676.00	-	(179,676.00)	-	-
Shelter Housing Corporation-dba Emergency Residence Pro	ESG 85002-22	93,757.00	79,806.00	-	(79,806.00)	-	-
The Salvation Army of the Quad Cities	ESG 82005-22	159,268.00	117,791.00	-	(68,784.00)	(49,007.00)	-
Upper Des Moines Opportunity, Inc	ESG 74003-22	78,867.00	74,737.00	-	(74,449.00)	(288.00)	-
Waypoint Services	ESG 57007-22	222,133.00	168,787.00	-	(168,787.00)	-	-
West Des Moines Human Services	ESG 77029-22	67,247.00	12,679.00	-	(12,679.00)	-	-
Willis Dady Emergency Shelter	ESG 57010-22	184,620.00	168,646.00	-	(168,646.00)	-	-
YWCA Clinton	ESG 23009-22	103,176.00	76,911.00	-	(76,911.00)	-	-
Youth and Shelter Services, Inc.	ESG 85003-22	48,378.00	36,358.00	-	(22,810.00)	(13,548.00)	-
<b>Subtotal</b>		2,833,598.00	2,059,472.00	-	(1,865,817.00)	(193,655.00)	-

**Emergency Solutions Grant Program (FFY 2020 in CY 2021)**

Central Iowa Shelter & Services	ESG 77129-21	75,462.00	14,833.00	-	-	(14,833.00)	-
Children & Families of Iowa (CFI)	ESG-77193-21	69,426.00	1,062.00	-	-	(1,062.00)	-
Community Action Agency of Siouland	ESG-97005-21	63,584.00	1,694.00	-	-	(1,694.00)	-
Community Action of Southeast Iowa	ESG 29001-21	50,800.00	547.00	-	-	(547.00)	-
Family Resources, Inc.	ESG 82030-21	78,164.00	7,690.00	-	-	(7,690.00)	-
Friends of the Family (Cedar Valley)	ESG-09001-21	115,015.00	9,003.00	-	-	(9,003.00)	-
Hawkeye Area Community Action Prog.	ESG-00005-21	135,219.00	77,621.00	-	-	(77,621.00)	-
Heartland Family Service (HFS)	ESG 78018-21	169,330.00	19,848.00	-	-	(19,848.00)	-
HOME	ESG-77014-21	40,179.00	21,054.00	-	-	(21,054.00)	-
Humility Homes and Services, Inc	ESG-82003-21	44,090.00	4,382.00	-	-	(4,382.00)	-
Muscatine Center for Social Action	ESG-70001-21	39,445.00	7.00	-	-	(7.00)	-

**Iowa Finance Authority  
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2022	Additional Funding	FY23 Payments	Deallocated Funds	Commitment Balance
					Total Dist		
Upper Des Moines Opportunity, Inc	ESG-74003-21	154,200.00	732.00		-	(732.00)	-
Youth and Shelter Services, Inc.	ESG 85003-21	111,728.00	20,577.00		-	(20,577.00)	-
<b>Subtotal</b>		<b>1,146,642.00</b>	<b>179,050.00</b>	<b>-</b>	<b>-</b>	<b>(179,050.00)</b>	<b>-</b>

**Emergency Solutions Grant Program (Cares Funding)**

Area Substance Abuse Council	ESG-CV2-57001-20	44,629.00	14,294.00		(14,294.00)	-	-
Assault Care Center Extending Shelter & Support (ACCES)	ESG-CV-85001-20	44,923.00	-		-	-	-
Assault Care Center Extending Shelter & Support (ACCES)	ESG-CV2-85001-20	77,000.00	24,159.00		(1,526.00)	22,633.00	-
Catherine McAuley Center	ESG-CV2-57002-20	35,500.00	3,905.00		(3,695.00)	210.00	-
Catholic Council for Social Concern	ESG-CV2-78020-20	54,000.00	-		-	-	-
Children & Families of Iowa	ESG-CV2-77193-20	40,000.00	382.00	18,100.00	(13,058.00)	5,424.00	-
Central Iowa Shelter & Services	ESG-CV-77129-20	417,931.00	-		-	-	-
Central Iowa Shelter & Services	ESG-CV2-77129-20	723,996.00	154,782.00		(154,782.00)	-	-
Central Iowa Shelter & Services	REHAB ESG-CV2-77129-20-2	200,000.00	131,802.00		(131,802.00)	-	-
City of Sioux City	ESG-CV-97077-20	63,531.00	-		-	-	-
City of Sioux City	ESG-CV2-97077-20	148,648.00	38,705.00		(38,705.00)	-	-
Community Action Agency of Siouxland	ESG-CV-97005-20	29,566.00	-		-	-	-
Community Action Agency of Siouxland	ESG-CV2-97005-20	18,915.00	-		-	-	-
Community Action of Southeast Iowa	ESG-CV-29001-20	23,621.00	158.00		-	(158.00)	-
Council on Sexual Assault and Domestic Violence	ESG-CV-97002-20	16,371.00	-		-	-	-
Council on Sexual Assault and Domestic Violence	ESG-CV2-97002-20	20,000.00	6,301.00		(6,301.00)	-	-
Crisis Intervention & Advocacy Center	ESG-CV-25001-20	426,959.00	47,663.00		-	(47,663.00)	-
Crisis Intervention & Advocacy Center	ESG-CV2-25001-20	333,318.00	99,769.00		(98,119.00)	1,650.00	-
Community Solutions of Eastern Iowa	ESG-CV-31024-20	427,776.00	-		-	-	-
Community Solutions of Eastern Iowa	ESG-CV2-31024-20	225,000.00	109,727.00		(109,727.00)	-	-
Cedar Valley Friends of the Family	ESG-CV-09001-20	876,142.00	46,835.00		-	(46,835.00)	-
Cedar Valley Friends of the Family	ESG-CV2-09001-20	685,685.00	414,657.00		(98,017.00)	316,640.00	-
Domestic/Sexual Assault Outreach Center	ESG-CV2-94001-20	22,000.00	-	9,773.00	(8,982.00)	791.00	-
Domestic Violence Intervention Program	ESG-CV-52001-20	323,059.00	967.00		-	(967.00)	-
Domestic Violence Intervention Program	ESG-CV2-52001-20	419,864.00	188,812.00		(184,694.00)	4,118.00	-
Family Crisis Centers, Inc	ESG-CV-84003-20	248,284.00	-		-	-	-
Family Crisis Centers, Inc	ESG-CV2-84003-20	204,756.00	28,252.00		(28,252.00)	-	-
Family Promise of Greater Des Moines	ESG-CV2-77194-20	18,575.00	-		-	-	-
Family Resources, Inc.	ESG-CV-82030-20	157,745.00	10,857.00		-	10,857.00	-
Family Resources, Inc.	ESG-CV2-82030-20	217,692.00	89,523.00		(89,523.00)	-	-
Hawkeye Area Community Action Program	ESG-CV-00005-20	301,168.00	-		-	-	-
Hawkeye Area Community Action Program	ESG-CV2-00005-20	210,885.00	60,189.00		(44,697.00)	15,492.00	-
Heartland Family Service	ESG-CV-78018-20	307,186.00	48,720.00		(36,683.00)	12,037.00	-
Heartland Family Service	ESG-CV2-78018-20	171,093.00	99,889.00		(99,889.00)	-	-
Home Opportunities Made Easy (HOME)	ESG-CV-77014-20	643,478.00	30,778.00		(1,355.00)	29,423.00	-
Home Opportunities Made Easy (HOME)	ESG-CV2-77014-20	556,329.00	290,441.00		(92,458.00)	197,983.00	-
Humility Homes and Services, Inc	ESG-CV-82003-20	377,476.00	-		-	-	-
Humility Homes and Services, Inc	ESG-CV2-82003-20	473,335.00	70,463.00	120,132.00	(188,923.00)	1,672.00	-
Institute for Community Alliances	ESG-CV-20	287,248.00	81,444.00		(64,818.00)	16,626.00	-
Iowa Legal Aid	ESG-CV-77054-20	200,000.00	46,292.00	100,000.00	(146,292.00)	-	-
Lotus Community Project, Inc	ESG-CV2-94014-20	166,778.00	864.00	65,738.00	(66,602.00)	-	-
MICHA House Corp	ESG-CV-78002-20	35,955.00	-		-	-	-
MICAH House	ESG-CV2-78002-20	50,000.00	23,773.00		(22,015.00)	1,758.00	-
Muscatine Center for Social Action	ESG-CV-70001-20	203,113.00	36,814.00		(36,814.00)	-	-
Muscatine Center for Social Action	ESG-CV2-70001-20	340,568.00	132,712.00		(119,222.00)	13,490.00	-
Muscatine Center for Social Action	Rehab ESG-CV2-70001-20	193,470.00	193,470.00		(193,470.00)	-	-
New Visions Homeless Services	ESG-CV-78017-20	185,367.00	1,552.00		(1,255.00)	297.00	-
New Visions Homeless Services	ESG-CV2-78017-20	277,288.00	13,584.00	78,000.00	(91,584.00)	-	-
NAID Center for Human Development dba Crisis Interventi	ESG-CV-17001-20	35,374.00	-		-	-	-
Northern Lights Alliance for the Homeless	ESG-CV-17014-20	15,000.00	1,324.00		-	(1,324.00)	-
Northern Lights Alliance for the Homeless	ESG-CV2-17014-20	45,000.00	2,359.00		-	2,359.00	-
The Salvation Army Quad Cities Family Services	ESG-CV-82005-20	302,920.00	-		-	-	-
The Salvation Army Quad Cities Family Services	ESG-CV2-82005-20	304,119.00	33,254.00		(33,254.00)	-	-
Transitions DMC, Inc	ESG-CV-29003-20	125,000.00	(2,600.00)		-	(2,600.00)	-
Transitions DMC, Inc	ESG-CV2-29003-20	40,000.00	2,600.00		-	2,600.00	-
Shelter House Community Shelter and Transition Services	ESG-CV-52003-20	760,589.00	119,228.00	200,000.00	(319,228.00)	-	-
Shelter House Community Shelter and Transition Services	ESG-CV2-52003-20	802,880.00	361,656.00		(361,656.00)	-	-
Waypoint Services	ESG-CV-57007-20	1,415,056.00	-		-	-	-
Waypoint Services	ESG-CV2-57007-20	1,248,785.00	810,795.00		(810,794.00)	1.00	-
West Des Moines Human Services	ESG-CV-77029-20	52,703.00	-		-	-	-
Willis Dady Emergency Shelter	ESG-CV-57010-20	78,965.00	-		-	-	-
Willis Dady Emergency Shelter	ESG-CV2-57010-20	132,214.00	76,953.00	52,540.00	(125,838.00)	3,655.00	-
Youth and Shelter Services, Inc.	ESG-CV-85003-20	51,953.00	3,420.00		-	(3,420.00)	-
Shelter Housing Corporation dba Emergency Residence Pro	ESG-CV-85002-20	353,317.00	-		-	-	-
Shelter Housing Corporation dba Emergency Residence Pro	ESG-CV2-85002-20	200,000.00	-	117,582.00	(117,582.00)	-	-
Upper Des Moines Opportunity, Inc	ESG-CV-74003-20	313,514.00	22.00		-	(22.00)	-
Upper Des Moines Opportunity, Inc	ESG-CV2-74003-20	215,314.00	108,727.00		(108,721.00)	6.00	-
City of Cedar Rapids	ESG-CV2-57011-22	200,000.00	123,742.00		(123,742.00)	-	-
<b>Subtotal</b>		<b>18,169,126.00</b>	<b>4,184,015.00</b>	<b>761,865.00</b>	<b>(4,188,369.00)</b>	<b>(100,389.00)</b>	<b>657,122.00</b>

**HOPWA (FY 2021 IN CY 2021)**

Cedar Valley Hospice	HOPWA-007-2021	41,403.00	9,449.00		-	(9,449.00)	-
Primary Health Care Inc	HOPWA-077-2021	280,110.00	3,304.00		-	(3,304.00)	-
Siouxland Community Health Center	HOPWA -097-2021	97,236.00	9,459.00		-	(9,459.00)	-
University of Iowa	HOPWA-052-2021	162,509.00	6,666.00		-	(6,666.00)	-
The Project of the Quad Cities (AIDS Project Quad Cities)	HOPWA-082-2021	93,055.00	1,914.00		-	(1,914.00)	-
<b>Subtotal</b>		<b>674,313.00</b>	<b>30,792.00</b>	<b>-</b>	<b>-</b>	<b>(30,792.00)</b>	<b>-</b>

**HOPWA (Cares Funding)**

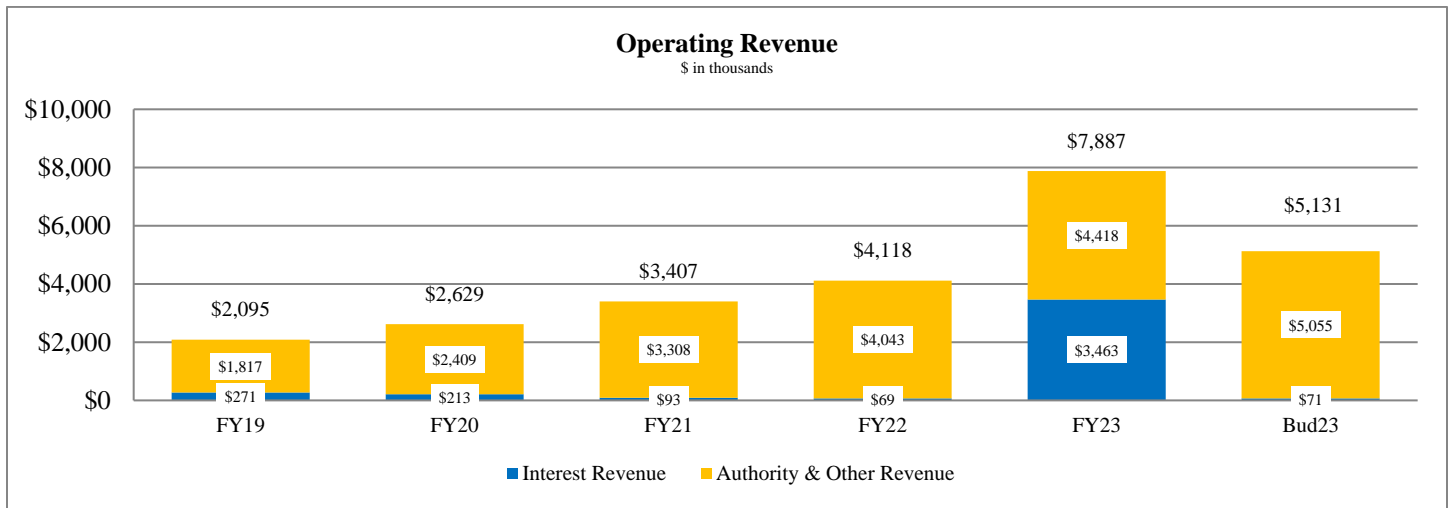
Cedar Valley Hospice	HOPWA-CV-007-2020	6,275.00	1,604.00		-	(1,604.00)	-
Primary Health Care	HOPWA-CV-077-2020	40,930.00	3.00		-	(3.00)	-
University of Iowa	HOPWA-CV-052-2020	24,585.00	509.00		(509.00)	-	-
Siouxland Community Health Center	HOPWA-CV-097-2020	13,344.00	101.00		-	(101.00)	-
<b>Subtotal</b>		<b>85,134.00</b>	<b>2,217.00</b>	<b>-</b>	<b>(509.00)</b>	<b>(1,708.00)</b>	<b>-</b>



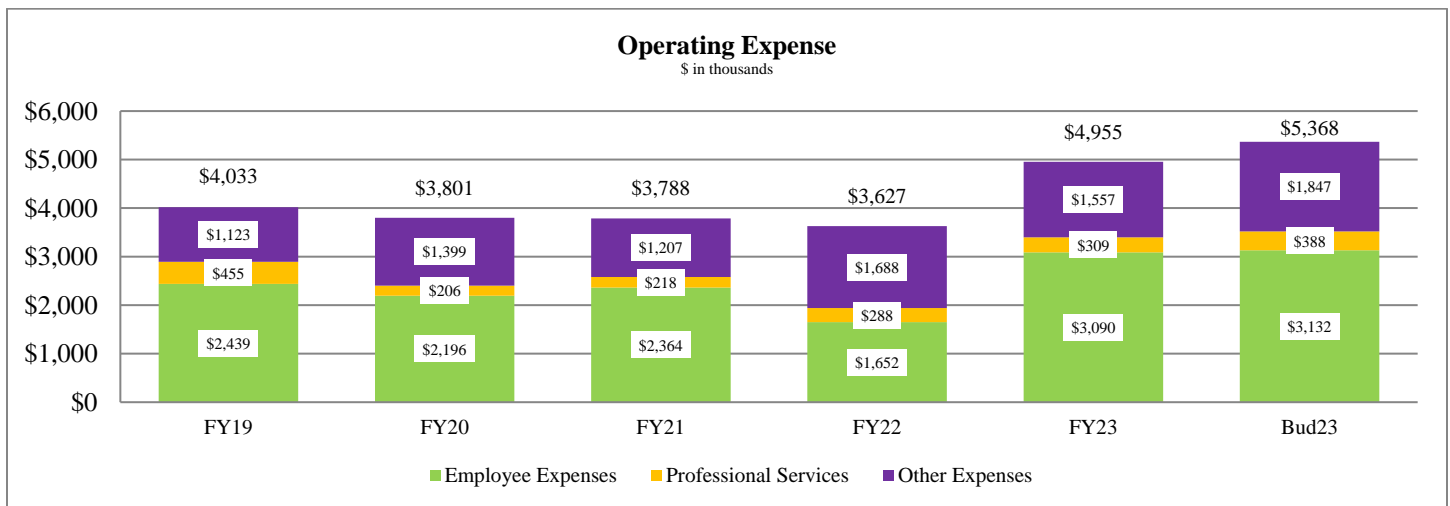
To: IFA Board of Directors  
 From: Dan Stout  
 Date: July 20, 2023  
 Re: YTD June 2023 Financial Results

**Overhead Departments** (\$ in thousands)

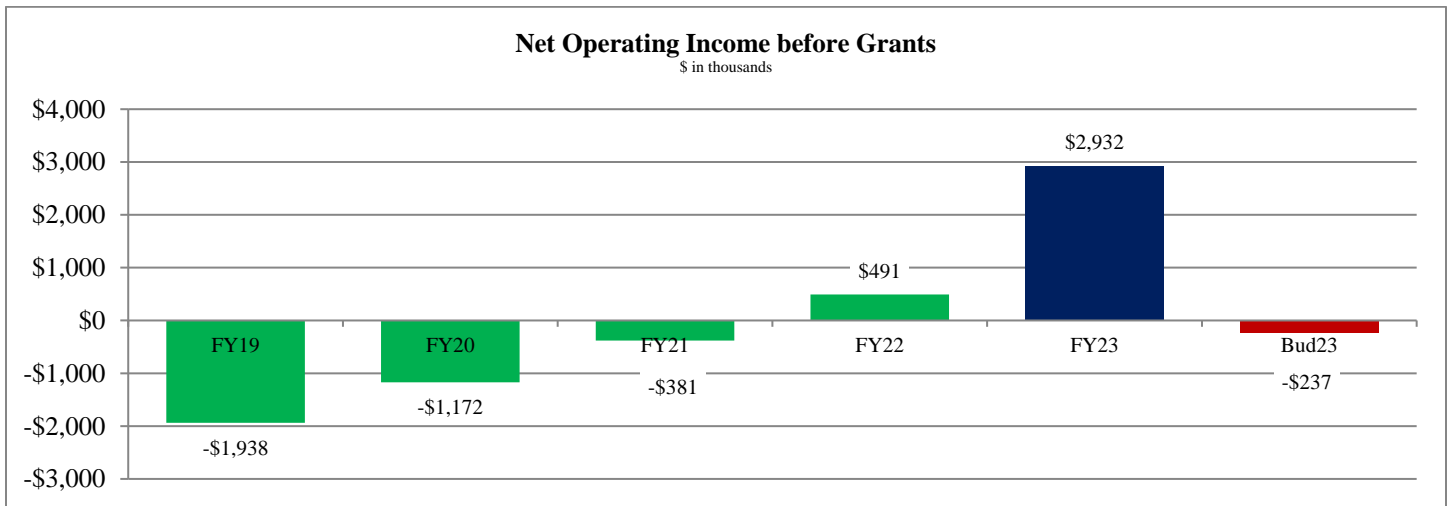
With the end of FY23, the Overhead departments are operating favorable to budget.



Operating Revenue was \$2,756 or 53.7% favorable to budget and \$3,769 or 91.5% favorable to last year. Interest Revenue was \$1,511 favorable to budget and \$1,513 favorable to last year. Interest revenue earned from cash on hand related to the Emergency Rental Assistance federal programs accounts was \$3,084 for the year.



Operating Expense was \$413 or 7.7% favorable to budget but \$1,328 or 36.6% unfavorable to last year. The majority of the increase over the prior year was Employee Expenses but it was favorable to FY23 budget along with Shared Expenses, Marketing Expense, and Professional Services.



As a result, NOIBG was \$3,169 favorable to budget and \$2,441 favorable to last year.

General Fund Liquidity

The GF will maintain a minimum of 3 months of budgeted expenses in the form of cash and cash equivalents. For FY23 the short-term liquidity goal is \$3.0MM. The current short-term liquidity for June 2023 was \$4.1MM.

The GF will maintain a minimum of 12 months of budgeted expenses in the form of cash and cash equivalents, investments, and mortgage-backed securities. For FY23 the long-term liquidity goal is \$12.3MM. The current long-term liquidity for June 2023 was \$16.4MM.



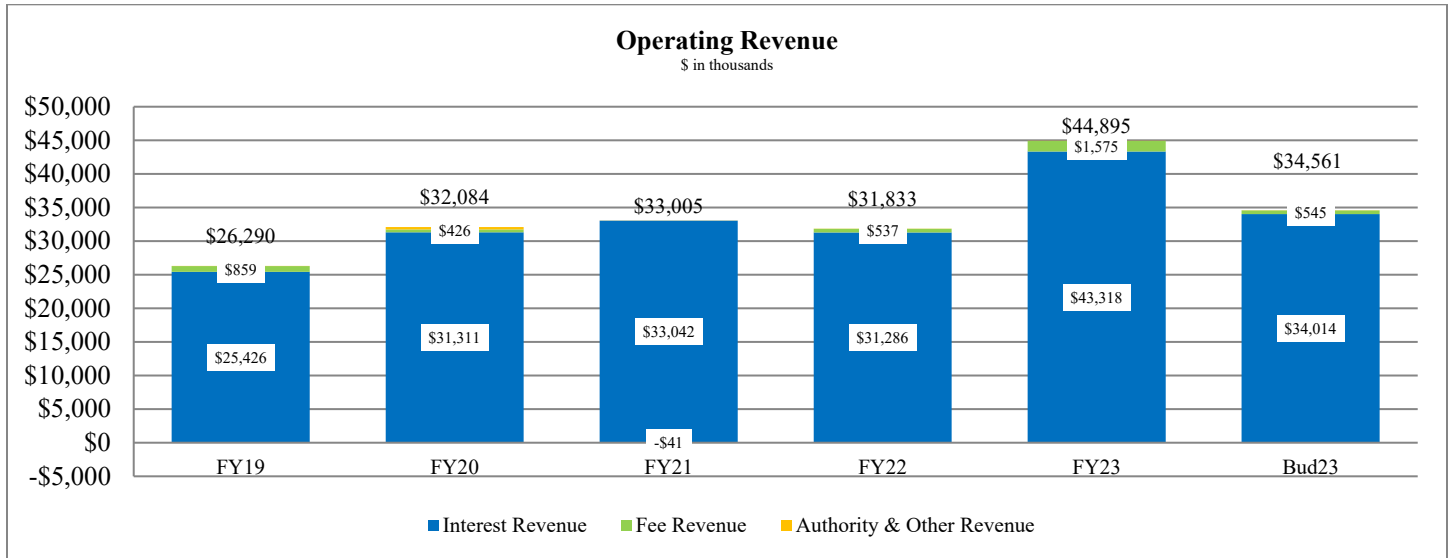
Balance Sheet	Overhead (Rollup)						
	Jun-2023						
	Actuals	Bud23	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	15,709,804	11,795,672	3,914,132	33.2	11,608,123	4,101,681	35.3
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	809,012	844,801	(35,789)	-4.2	987,143	(178,131)	-18.0
Line of Credit	-	50,000	(50,000)	-100.0	-	-	0.0
Loans - net of reserve for losses	341,908	359,095	(17,187)	-4.8	367,419	(25,510)	-6.9
Capital Assets (net of accumulated depreciation)	13,125,547	13,273,722	(148,176)	-1.1	14,012,386	(886,839)	-6.3
Other Assets	2,071,228	911,071	1,160,157	127.3	873,625	1,197,603	137.1
Deferred Outflows	976,523	1,144,197	(167,674)	-14.7	1,942,580	(966,057)	-49.7
<b>Total Assets and Deferred Outflows</b>	<b>33,034,022</b>	<b>28,378,558</b>	<b>4,655,464</b>	<b>16.4</b>	<b>29,791,275</b>	<b>3,242,747</b>	<b>10.9</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	315,941	23,856	292,085	1224.4	490,384	(174,443)	-35.6
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	2,401,652	483,176	1,918,476	397.1	2,265,440	136,213	6.0
Other liabilities	843,135	5,880,856	(5,037,721)	-85.7	843,135	-	0.0
Deferred Inflows	3,886,180	298,578	3,587,602	1201.6	4,852,237	(966,057)	-19.9
<b>Total Liabilities and Deferred Inflows</b>	<b>7,446,908</b>	<b>6,686,466</b>	<b>760,442</b>	<b>11.4</b>	<b>8,451,195</b>	<b>(1,004,287)</b>	<b>-11.9</b>
<b>Equity</b>							
YTD Earnings(Loss)	3,895,611	2,763,175	1,132,436	41.0	374,361	3,521,250	940.6
Prior Years Earnings	21,340,080	21,413,183	(73,104)	-0.3	20,675,691	664,389	3.2
Transfers	351,423	(2,484,267)	2,835,690	-114.1	290,028	61,395	21.2
<b>Total Equity</b>	<b>25,587,114</b>	<b>21,692,092</b>	<b>3,895,022</b>	<b>18.0</b>	<b>21,340,080</b>	<b>4,247,034</b>	<b>19.9</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>33,034,022</b>	<b>28,378,558</b>	<b>4,655,464</b>	<b>16.4</b>	<b>29,791,275</b>	<b>3,242,747</b>	<b>10.9</b>

Income Statement	Overhead (Rollup)													
	Jun-2023							YTD as of Jun-2023						
	Actuals	Bud23	Difference	%	Last Year	Difference	%	Actuals	Bud23	Difference	%	Last Year	Difference	%
<b>Operating Revenue</b>														
Interest Revenue	1,933,125	5,500	1,927,625	35045.7	10,217	1,922,908	18820.1	3,463,412	71,393	3,392,019	4751.2	69,457	3,393,955	4886.4
Authority Revenue	-	-	-	0.0	-	-	0.0	2,788,907	3,429,706	(640,798)	-18.7	2,487,267	301,640	12.1
Fee Revenue	(150)	400	(550)	-137.6	160	(310)	-193.9	6,048	4,800	1,248	26.0	6,292	(244)	-3.9
Other Revenue	(718,553)	117,943	(836,496)	-709.2	115,877	(834,429)	-720.1	1,629,065	1,625,083	3,982	0.2	1,555,433	73,632	4.7
<b>Total Operating Revenue</b>	<b>1,214,422</b>	<b>123,843</b>	<b>1,090,579</b>	<b>880.6</b>	<b>126,254</b>	<b>1,088,168</b>	<b>861.9</b>	<b>7,887,432</b>	<b>5,130,982</b>	<b>2,756,450</b>	<b>53.7</b>	<b>4,118,450</b>	<b>3,768,982</b>	<b>91.5</b>
<b>Operating Expense</b>														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	(940)	940	-100.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	313,862	264,532	49,330	18.6	(601,745)	915,607	-152.2	3,089,647	3,132,004	(42,357)	-1.4	1,651,769	1,437,878	87.1
Shared Expenses	156,027	192,992	(36,966)	-19.2	213,377	(57,350)	-26.9	2,410,330	2,770,905	(360,575)	-13.0	2,493,953	(83,623)	-3.4
Marketing Expense	11,543	21,000	(9,457)	-45.0	8,213	3,330	40.5	425,268	552,000	(126,732)	-23.0	326,876	98,392	30.1
Professional Services	41,587	27,858	13,729	49.3	73,352	(31,765)	-43.3	308,784	388,466	(79,682)	-20.5	288,113	20,671	7.2
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	(80,634)	(45,355)	(35,278)	77.8	(26,292)	(54,342)	206.7	(440,276)	(528,375)	88,099	-16.7	(287,969)	(152,306)	52.9
Overhead Allocation	157,322	(67,070)	224,392	-334.6	(75,152)	232,474	-309.3	(838,462)	(947,194)	108,732	-11.5	(844,398)	5,935	-0.7
<b>Total Operating Expense</b>	<b>599,706</b>	<b>393,957</b>	<b>205,750</b>	<b>52.2</b>	<b>(408,247)</b>	<b>1,007,954</b>	<b>-246.9</b>	<b>4,955,291</b>	<b>5,367,806</b>	<b>(412,515)</b>	<b>-7.7</b>	<b>3,627,404</b>	<b>1,327,887</b>	<b>36.6</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>614,716</b>	<b>(270,113)</b>	<b>884,829</b>	<b>-327.6</b>	<b>534,501</b>	<b>80,214</b>	<b>15.0</b>	<b>2,932,141</b>	<b>(236,825)</b>	<b>3,168,966</b>	<b>-1338.1</b>	<b>491,046</b>	<b>2,441,095</b>	<b>497.1</b>
<b>Net Grant (Income) Expense</b>														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	(1,000,000)	(3,000,000)	2,000,000	-66.7	-	(1,000,000)	0.0
<b>Total Net Grant (Income) Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>(1,000,000)</b>	<b>(3,000,000)</b>	<b>2,000,000</b>	<b>-66.7</b>	<b>-</b>	<b>(1,000,000)</b>	<b>0.0</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>614,716</b>	<b>(270,113)</b>	<b>884,829</b>	<b>-327.6</b>	<b>534,501</b>	<b>80,214</b>	<b>15.0</b>	<b>3,932,141</b>	<b>2,763,175</b>	<b>1,168,966</b>	<b>42.3</b>	<b>491,046</b>	<b>3,441,095</b>	<b>700.8</b>
Other Non-Operating (Income) Expense	4,338	-	4,338	0.0	13,593	(9,255)	-68.1	36,530	-	36,530	0.0	116,685	(80,155)	-68.7
<b>Net Income (Loss)</b>	<b>610,378</b>	<b>(270,113)</b>	<b>880,491</b>	<b>-326.0</b>	<b>520,909</b>	<b>89,469</b>	<b>17.2</b>	<b>3,895,611</b>	<b>2,763,175</b>	<b>1,132,436</b>	<b>41.0</b>	<b>374,361</b>	<b>3,521,250</b>	<b>940.6</b>
IFA Home Dept Staff Count	26	33	(7)	-20.5	22	4	18.2	24	33	(9)	-27.4	23	1	2.9
FTE Staff Count	26	26	0	1.4	17	9	50.6	20	26	(6)	-23.7	18	2	9.5

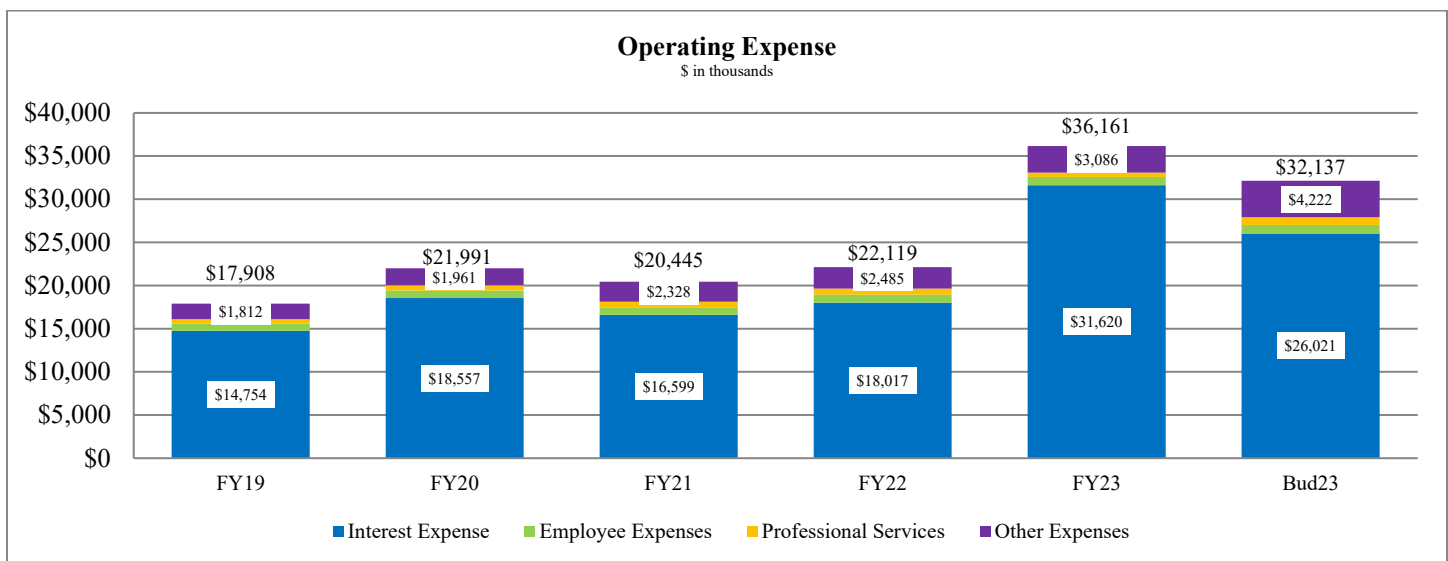
To: IFA Board of Directors  
 From: David Morrison  
 Date: July 17, 2023  
 Re: June 2023 YTD Single Family Financial Results

### Single Family Results (\$ in thousands)

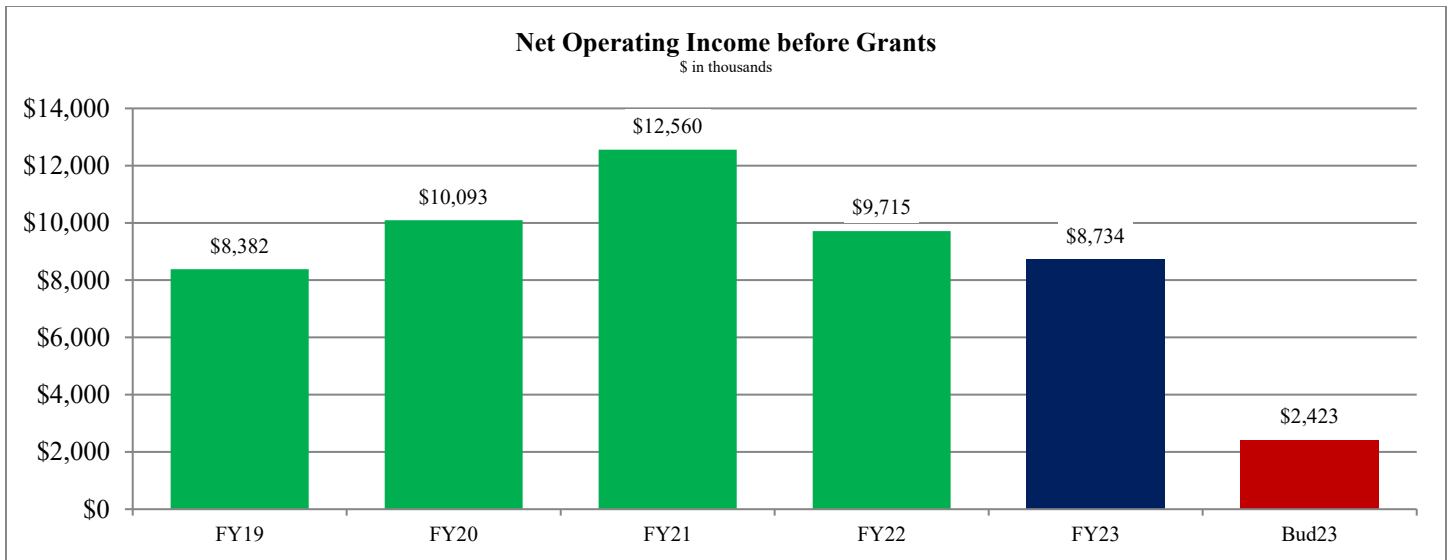
Single-Family program operated favorably to budget through the 4<sup>th</sup> quarter of FY2023. Note: Single Family issued a bond in June for \$131.295M.



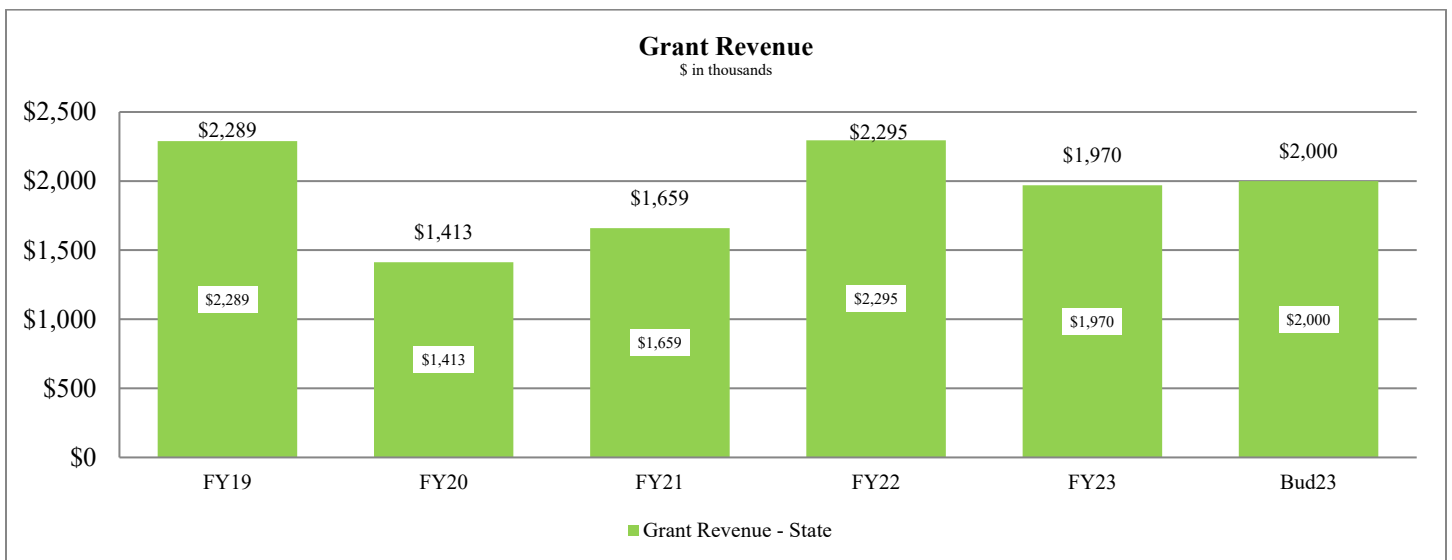
Operating Revenue was \$10,334 or 29.9% favorable to budget and \$13,062 or 41.0% favorable to last year. Interest Revenue was \$9,304 or 27.4% favorable to budget primarily due to higher earnings on Investments. Fee Revenue was \$1,031 favorable to budget which is related to higher Service Acquisition revenues.



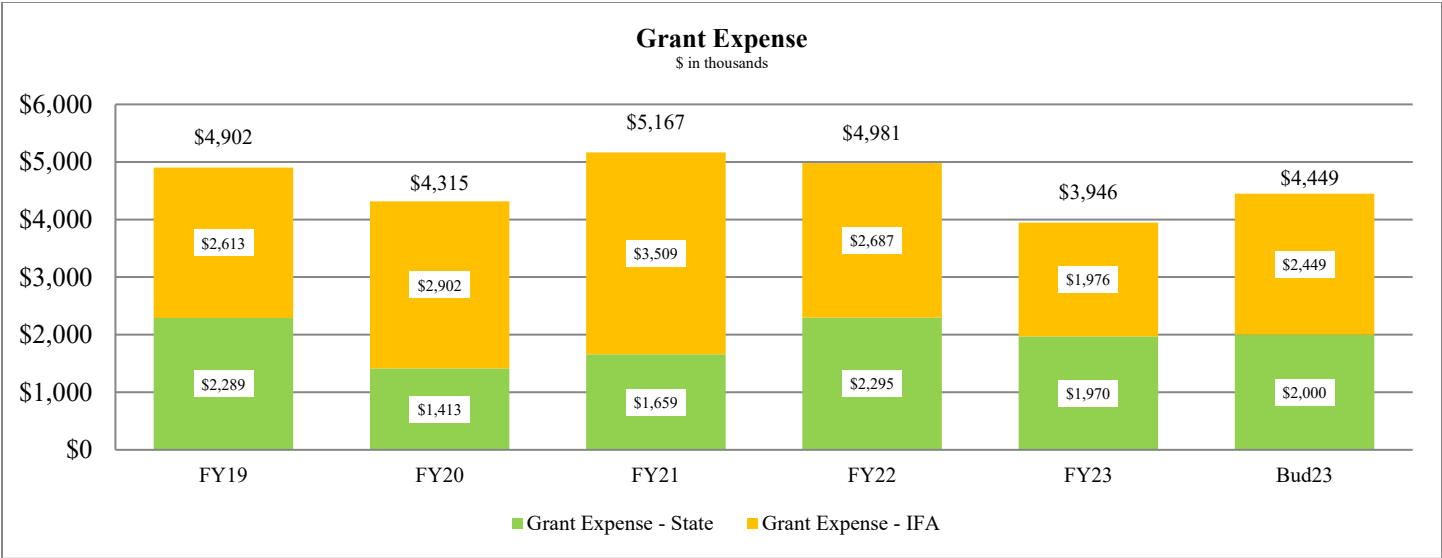
Operating Expense was unfavorable to budget by \$4,024 or 12.5% and last year by \$14,042 or 63.5%. Interest Expense was unfavorable (\$5,599) due to higher rates, a provision for loan losses was set up for 2<sup>nd</sup> Mortgages of (\$215), partially offset by favorable Marketing Expense accounts of \$715. Market conditions have delayed budgeted homebuyer ads reducing marketing expense. Most other expense categories were favorable to budget.



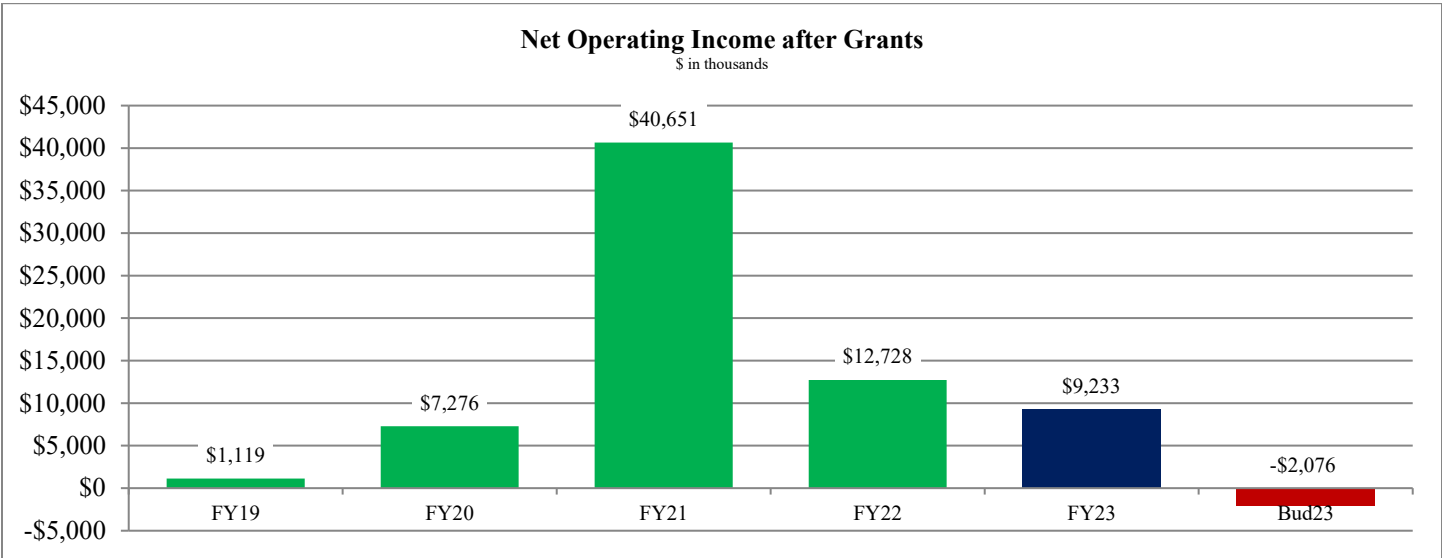
NOIBG was favorable to budget by \$6,311 but unfavorable to last year \$981.



Grant Revenue was \$30 or 1.5% unfavorable to budget and \$325 unfavorable to last year. Grant Revenue is solely made up of military DPA.



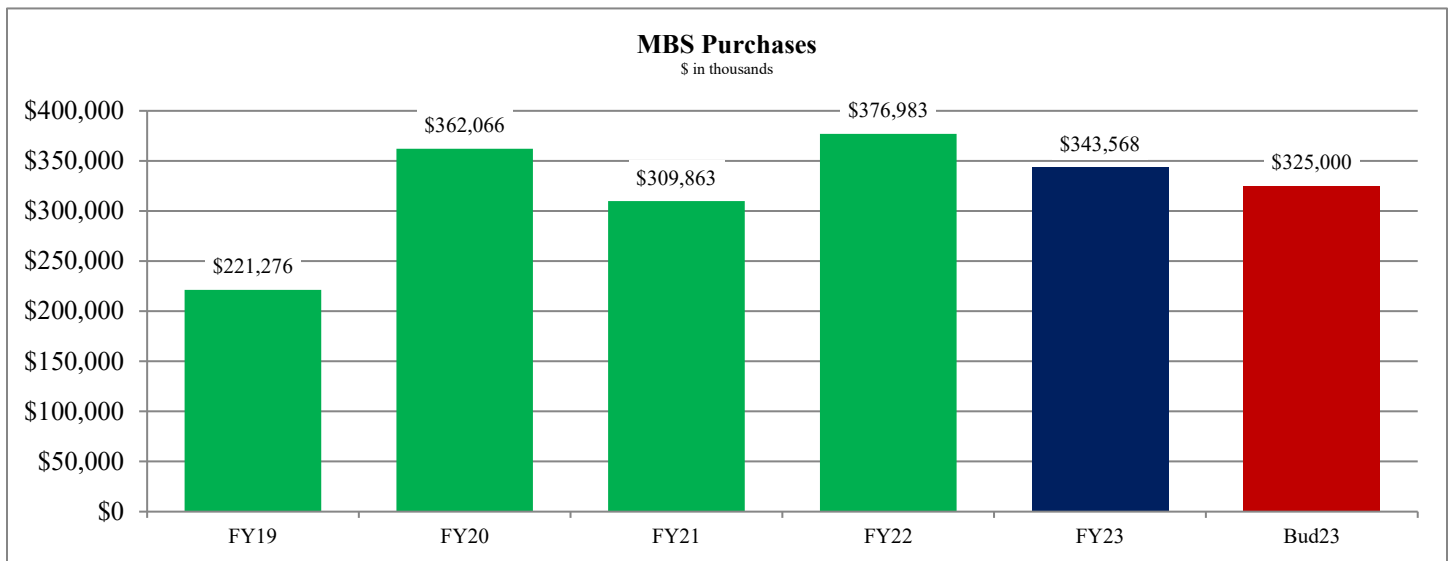
Grant Expense was favorable to budget by \$503 or 11.3% and favorable to last year by \$1,035 or 20.8%. Grant Expense IFA is favorable to budget due to fewer MBS sales in this current market environment. DPA grants are fully expensed when the MBS is sold.



Net Operating Income After Grants was favorable to budget by \$11,309 but unfavorable to last year by \$3,495.

**MBS Activity (\$ in thousands)**

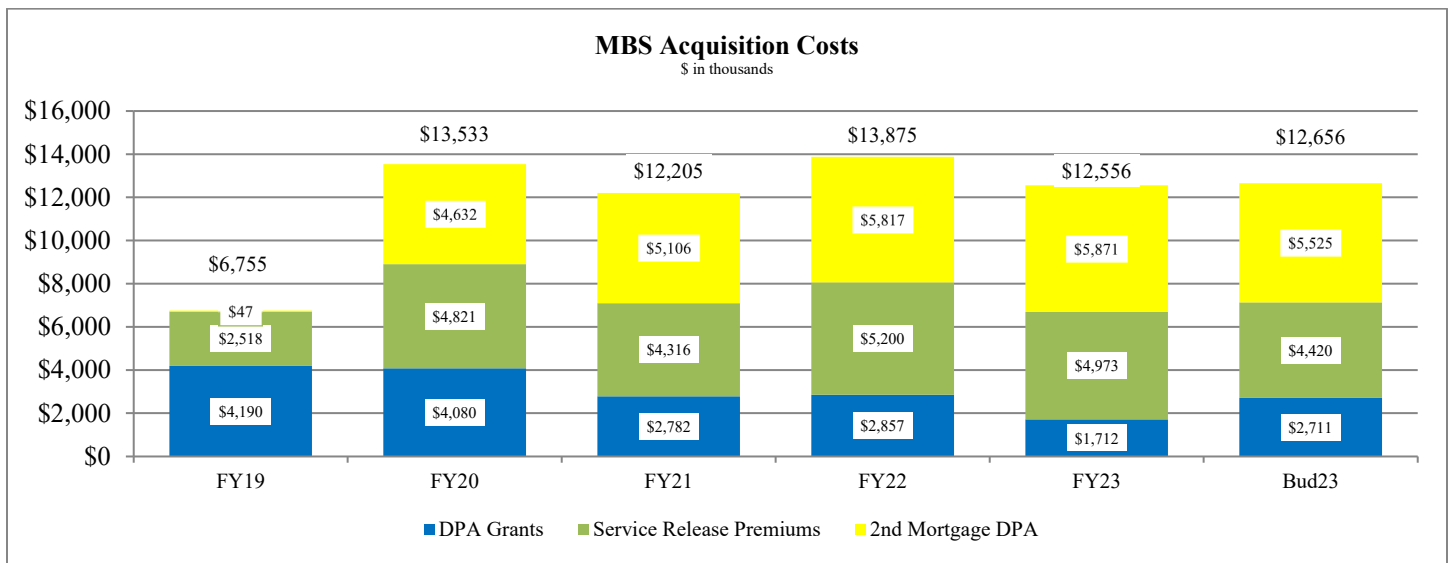
Series	Purchased	Sold	Net	DPA Grant	Funds Available
RHF Security (034)	-	-	-	-	10,360
RHF Program (053)	-	-	-	145	3,942
Retired MBS (058)	-	-	-	-	12,172
2015 ABC - 2021 DEF (059 thru 072)	12,778		12,778	10	70,925
2022 AB (073)	189		189	-	2,630
2022 C (074)	-		-	-	94
2022 DEF (075)	62,663		62,663	365	2,964
2022 GHI (076)	76,857		76,857	458	2,686
2022 JK (077)	43,994		43,994	393	2,160
2023 AB (078)	54,433		54,433	343	16,784
2023 CD (079)	-		-	-	133,622
SF Warehouse Acct (054)	92,654	(26,818)	65,836	-	44,024
<b>Total Single Family</b>	<b>343,568</b>	<b>(26,818)</b>	<b>316,750</b>	<b>1,712</b>	<b>302,363</b>



MBS Purchases were \$18,568 or 1.05% favorable to budget.

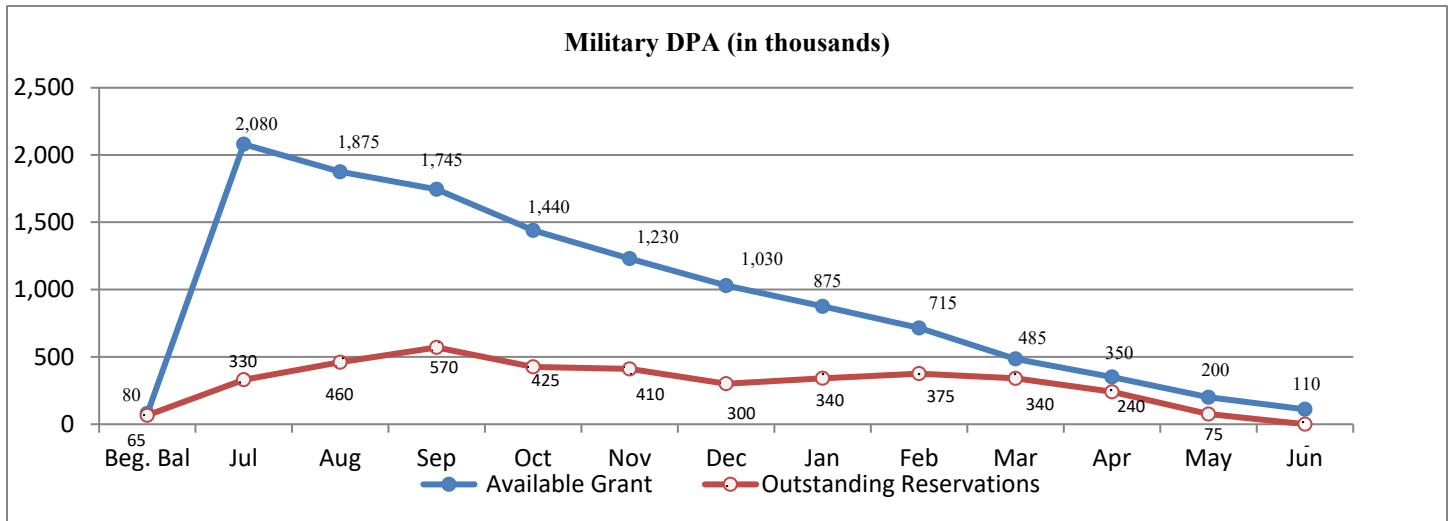
**SF Portfolio Analysis (\$ in thousands)**

Description	6/30/22 Balance	Additions	Reduction	YTD FY23	
				Balance	Chg
Mortgage Backed Sec - Cost	947,250	316,750	(82,735)	1,181,265	25%
Other SF Loans (net of reserve)	1,248		(661)	587	-53%
SF Second Mortgage DPA (net of reserve)	15,603	6,808	(937)	21,474	38%
Warehouse Loans - LOC	23,882		(4,264)	19,617	-18%
Subtotal	987,983	323,558	(88,597)	1,222,944	24%
MBS - FMVA	(53,302)	-	(39,360)	(92,662)	-74%
Total Portfolio	934,681	323,558	(127,958)	1,130,282	21%

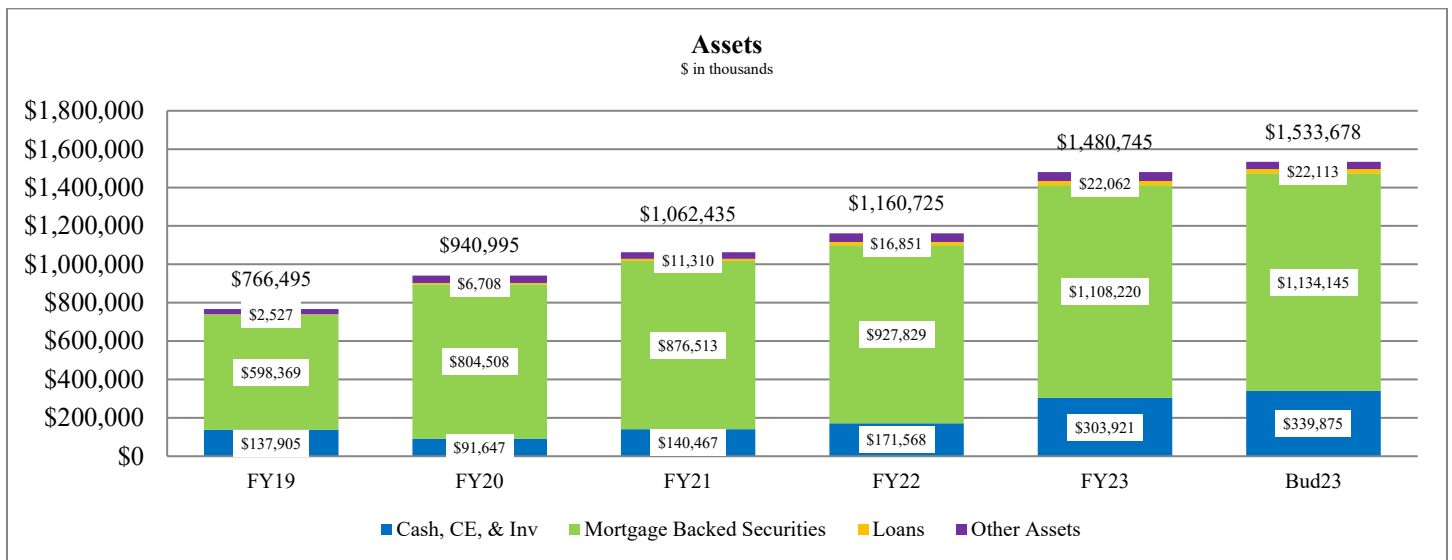


MBS Acquisition Costs are on par with budget related to DPA grant and second mortgage DPA favorability.

## Other Activity



Total disbursements to date \$1,970 which includes prior year carry-over reservations, available grants of \$110 and outstanding reservations of \$0.



Total assets and deferred outflows were 3.5% unfavorable to budget.



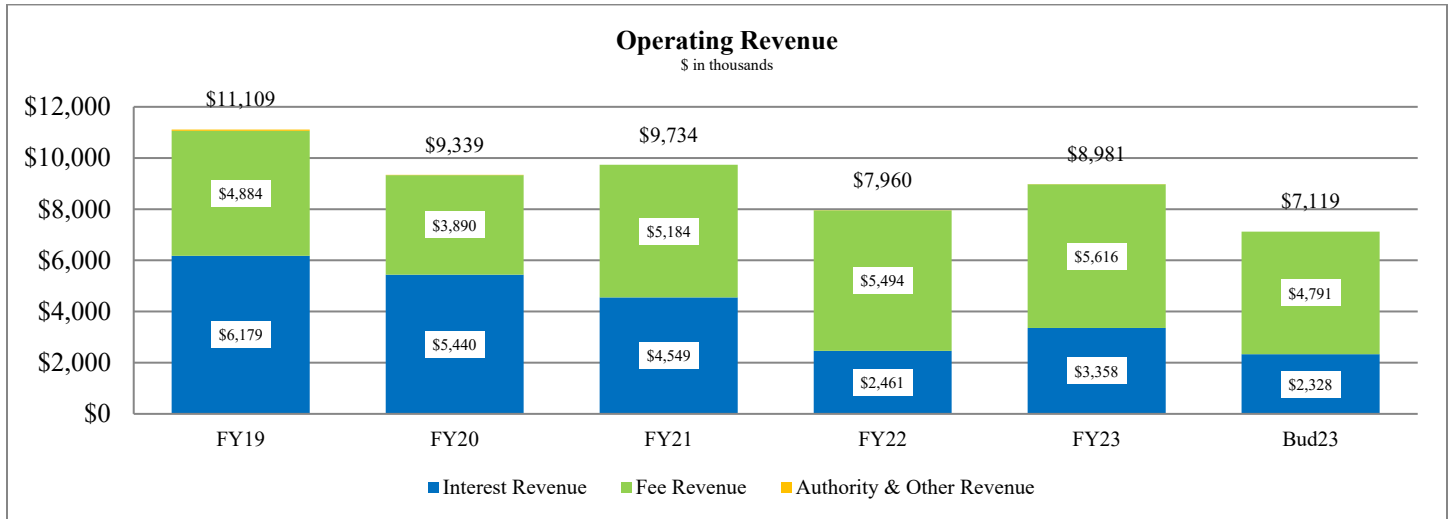
Balance Sheet	Single Family (Rollup)						
	Jun-2023						
	Actuals	Bud23	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	303,921,175	339,874,709	(35,953,534)	-10.6	161,601,056	142,320,119	88.1
Investments	-	-	-	0.0	9,967,050	(9,967,050)	-100.0
Mortgage Backed Securities	1,088,602,797	1,117,517,812	(28,915,015)	-2.6	903,947,775	184,655,022	20.4
Line of Credit	19,617,226	16,626,959	2,990,268	18.0	23,881,627	(4,264,401)	-17.9
Loans - net of reserve for losses	22,061,635	22,113,458	(51,824)	-0.2	16,851,455	5,210,179	30.9
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	44,406,207	30,408,015	13,998,193	46.0	42,019,783	2,386,424	5.7
Deferred Outflows	2,135,716	7,137,458	(5,001,742)	-70.1	2,456,656	(320,940)	-13.1
<b>Total Assets and Deferred Outflows</b>	<b>1,480,744,757</b>	<b>1,533,678,411</b>	<b>(52,933,654)</b>	<b>-3.5</b>	<b>1,160,725,403</b>	<b>320,019,354</b>	<b>27.6</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	1,317,240,618	1,265,101,524	52,139,094	4.1	973,696,779	343,543,839	35.3
Interest Payable	13,945,587	33,116,240	(19,170,653)	-57.9	8,504,429	5,441,157	64.0
Unearned Revenue	109,714	(1,822,120)	1,931,835	-106.0	79,546	30,168	37.9
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	754,505	997,287	(242,782)	-24.3	822,721	(68,216)	-8.3
Other liabilities	299,975	5,003,190	(4,703,215)	-94.0	299,975	-	0.0
Deferred Inflows	12,454,182	1,137,094	11,317,088	995.3	12,610,498	(156,316)	-1.2
<b>Total Liabilities and Deferred Inflows</b>	<b>1,344,804,581</b>	<b>1,303,533,215</b>	<b>41,271,366</b>	<b>3.2</b>	<b>996,013,948</b>	<b>348,790,633</b>	<b>35.0</b>
<b>Equity</b>							
YTD Earnings(Loss)	(29,929,523)	(2,075,752)	(27,853,770)	1341.9	(88,191,293)	58,261,770	-66.1
Prior Years Earnings	164,707,820	230,092,273	(65,384,453)	-28.4	251,778,209	(87,070,388)	-34.6
Transfers	1,161,878	2,128,676	(966,798)	-45.4	1,124,539	37,339	3.3
<b>Total Equity</b>	<b>135,940,175</b>	<b>230,145,196</b>	<b>(94,205,021)</b>	<b>-40.9</b>	<b>164,711,454</b>	<b>(28,771,279)</b>	<b>-17.5</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>1,480,744,757</b>	<b>1,533,678,411</b>	<b>(52,933,654)</b>	<b>-3.5</b>	<b>1,160,725,403</b>	<b>320,019,354</b>	<b>27.6</b>

Income Statement	Single Family (Rollup)													
	Jun-2023							YTD as of Jun-2023						
	Actuals	Bud23	Difference	%	Last Year	Difference	%	Actuals	Bud23	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	4,389,720	3,046,390	1,343,331	44.1	2,684,463	1,705,257	63.5	43,317,775	34,013,904	9,303,870	27.4	31,286,436	12,031,339	38.5
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	121,588	82,957	38,631	46.6	50,667	70,921	140.0	1,575,455	544,717	1,030,738	189.2	537,203	1,038,253	193.3
Other Revenue	-	-	-	0.0	-	-	0.0	2,000	2,000	-	0.0	9,761	(7,761)	-79.5
<b>Total Operating Revenue</b>	<b>4,511,308</b>	<b>3,129,347</b>	<b>1,381,961</b>	<b>44.2</b>	<b>2,735,130</b>	<b>1,776,179</b>	<b>64.9</b>	<b>44,895,230</b>	<b>34,560,622</b>	<b>10,334,608</b>	<b>29.9</b>	<b>31,833,400</b>	<b>13,061,830</b>	<b>41.0</b>
Operating Expense														
Interest Expense	4,031,811	3,055,975	975,836	31.9	1,818,590	2,213,221	121.7	31,620,053	26,020,661	5,599,392	21.5	18,017,091	13,602,962	75.5
Authority Expense	-	-	-	0.0	-	-	0.0	2,663,372	3,304,342	(640,970)	-19.4	2,359,210	304,162	12.9
Employee Expenses	81,306	83,739	(2,434)	-2.9	81,019	287	0.4	959,645	990,328	(30,683)	-3.1	912,874	46,771	5.1
Shared Expenses	3,100	3,105	(5)	-0.2	3,100	-	0.0	96,693	99,710	(3,017)	-3.0	93,265	3,428	3.7
Marketing Expense	27,356	62,500	(35,144)	-56.2	-	27,356	0.0	38,431	753,050	(714,619)	-94.9	78,897	(40,466)	-51.3
Professional Services	24,707	48,638	(23,931)	-49.2	50,521	(25,815)	-51.1	495,588	904,311	(408,723)	-45.2	703,479	(207,891)	-29.6
Claim and Loss Expenses	215,000	-	215,000	0.0	(1,000)	216,000	-21600.0	229,600	-	229,600	0.0	(100,000)	329,600	-329.6
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	10	(10)	-100.0	10	(10)	-100.0	-	120	(120)	-100.0	127	(127)	-100.0
Overhead Allocation	(4,331)	4,144	(8,474)	-204.5	4,608	(8,938)	-194.0	57,637	64,868	(7,230)	-11.1	53,805	3,833	7.1
<b>Total Operating Expense</b>	<b>4,378,948</b>	<b>3,258,110</b>	<b>1,120,838</b>	<b>34.4</b>	<b>1,956,847</b>	<b>2,422,101</b>	<b>123.8</b>	<b>36,161,020</b>	<b>32,137,390</b>	<b>4,023,631</b>	<b>12.5</b>	<b>22,118,749</b>	<b>14,042,271</b>	<b>63.5</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>132,360</b>	<b>(128,764)</b>	<b>261,124</b>	<b>-202.8</b>	<b>778,282</b>	<b>(645,922)</b>	<b>-83.0</b>	<b>8,734,210</b>	<b>2,423,232</b>	<b>6,310,978</b>	<b>260.4</b>	<b>9,714,651</b>	<b>(980,441)</b>	<b>-10.1</b>
Net Grant (Income) Expense														
Grant Revenue	(90,000)	(166,667)	76,667	-46.0	(80,000)	(10,000)	12.5	(1,969,832)	(2,000,000)	30,168	-1.5	(2,294,668)	324,836	-14.2
Grant Expense	246,351	370,749	(124,398)	-33.6	231,356	14,995	6.5	3,945,650	4,448,985	(503,335)	-11.3	4,981,266	(1,035,616)	-20.8
Intra-Agency Transfers	(75,000)	(250,000)	175,000	-70.0	(2,200,000)	2,125,000	-96.6	(2,475,000)	2,050,000	(4,525,000)	-220.7	(5,700,000)	3,225,000	-56.6
<b>Total Net Grant (Income) Expense</b>	<b>81,351</b>	<b>(45,918)</b>	<b>127,269</b>	<b>-277.2</b>	<b>(2,048,644)</b>	<b>2,129,995</b>	<b>-104.0</b>	<b>(499,182)</b>	<b>4,498,985</b>	<b>(4,998,167)</b>	<b>-111.1</b>	<b>(3,013,402)</b>	<b>2,514,220</b>	<b>-83.4</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>51,009</b>	<b>(82,846)</b>	<b>133,855</b>	<b>-161.6</b>	<b>2,826,926</b>	<b>(2,775,917)</b>	<b>-98.2</b>	<b>9,233,392</b>	<b>(2,075,752)</b>	<b>11,309,145</b>	<b>-544.8</b>	<b>12,728,053</b>	<b>(3,494,661)</b>	<b>-27.5</b>
Other Non-Operating (Income) Expense	9,149,821	-	9,149,821	0.0	14,956,670	(5,806,849)	-38.8	39,162,915	-	39,162,915	0.0	100,919,346	(61,756,431)	-61.2
<b>Net Income (Loss)</b>	<b>(9,098,812)</b>	<b>(82,846)</b>	<b>(9,015,966)</b>	<b>10882.8</b>	<b>(12,129,744)</b>	<b>3,030,932</b>	<b>-25.0</b>	<b>(29,929,523)</b>	<b>(2,075,752)</b>	<b>(27,853,770)</b>	<b>1341.9</b>	<b>(88,191,293)</b>	<b>58,261,770</b>	<b>-66.1</b>
IFA Home Dept Staff Count	6	6	-	0.0	6	-	0.0	6	6	-	0.0	6	0	7.5
FTE Staff Count	9	8	1	12.5	8	1	18.4	8	8	(0)	-0.8	7	1	8.4

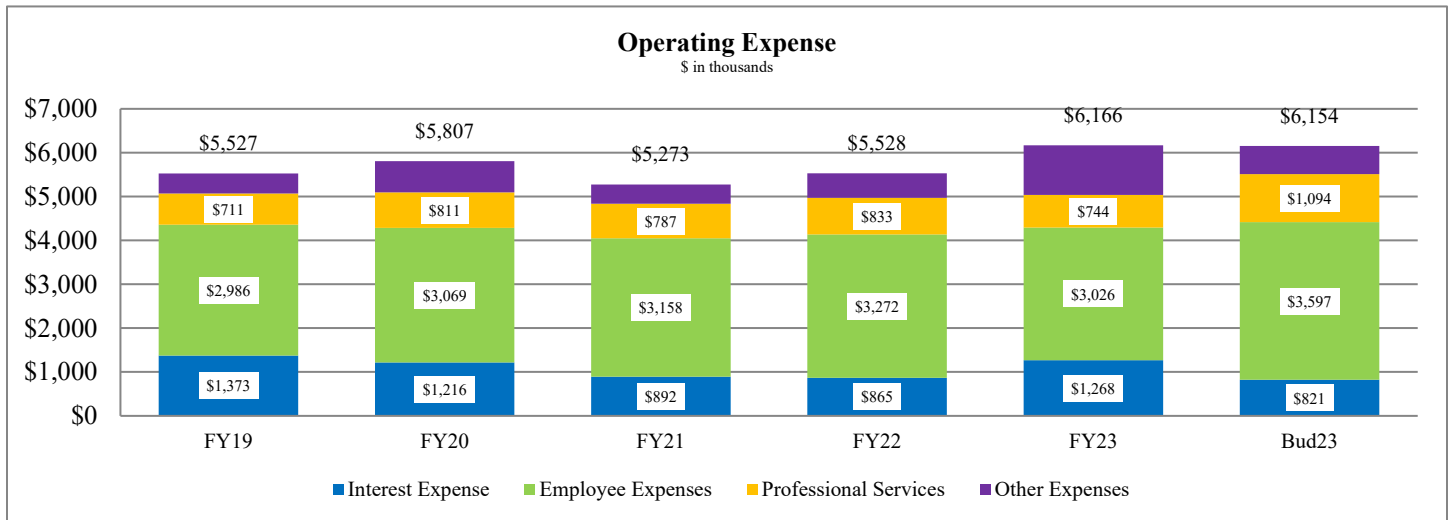
To: IFA Board Members  
 From: Jennifer Pulford  
 Date: July 17, 2023  
 Re: June 2023 YTD Multi-Family Financial Results

## Multi-Family Results (\$ in thousands)

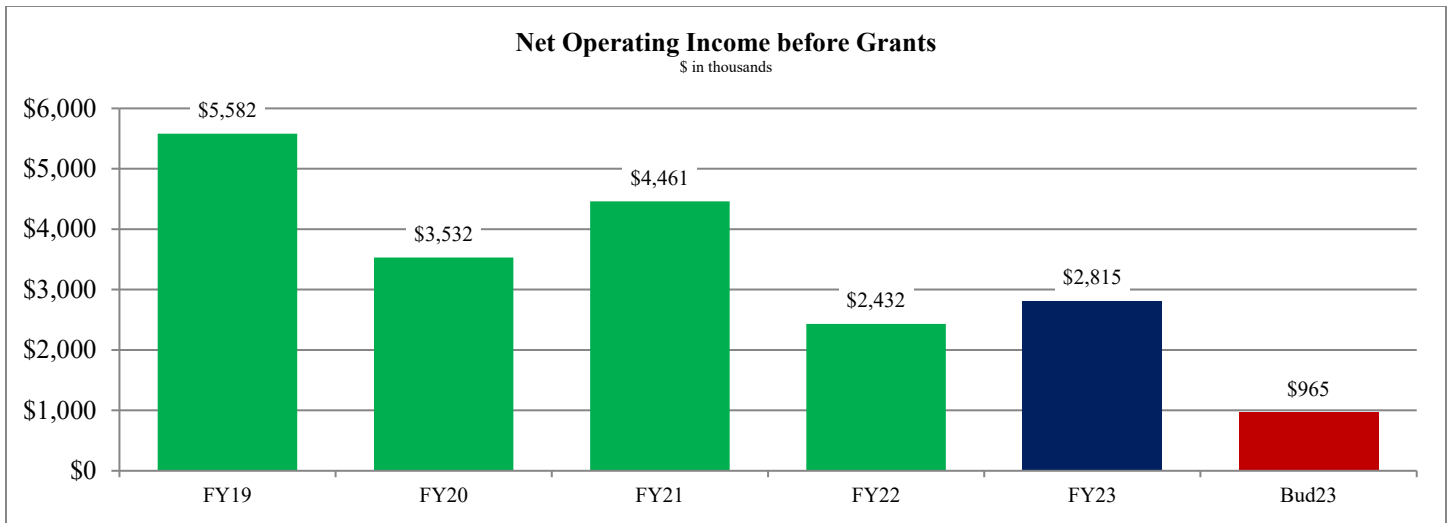
Multi-Family programs are operating favorable to budget through the end of FY2023.



Operating Revenue was \$1,862 or 26.1% above budget and \$1,021 or 12.8% above last year. Fee revenue was \$825 above budget due mainly to LIHTC reservation fees. Interest Revenue was \$1,030 above budget due to the rise in interest rates.



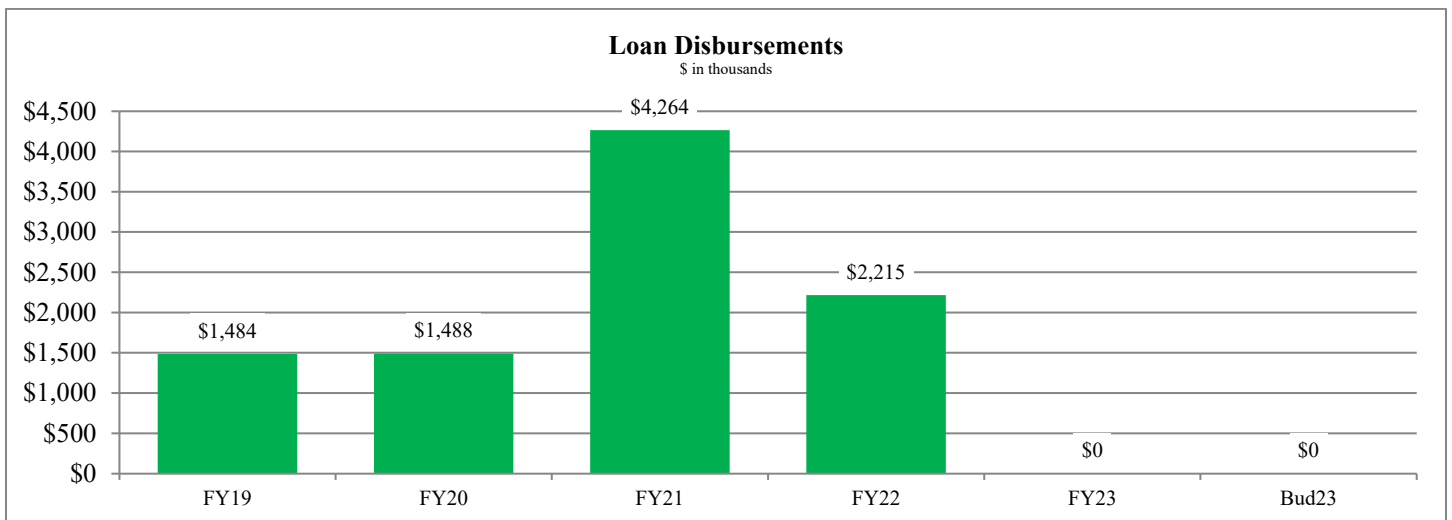
Operating Expense was \$12 or 0.2% above budget and \$638 or 11.6% above last year. The increase in interest expense is due to the rise in interest rates. The variance in Other Expenses is due to an increase in loan reserves.



NOIBG was \$1,850 above budget and \$383 above last year.

### MF Portfolio Analysis (\$ in whole dollars)

	#	6/30/2022	Additions	Transfers	Reductions	End Bal	CHG	#
Multifamily Program Loans	38	26,924,631	0	1,463,195	(1,080,199)	27,307,627	1%	36
Multifamily Loans	6	33,022,659	0	(1,463,195)	(672,650)	30,886,814	-6%	5
	44	59,947,290	0	0	(1,752,849)	58,194,441		41
Loan Reserves		(1,312,000)	(537,000)	0	12,000	(1,837,000)	40%	
Capitalized Interest Reserves		0	0	0	0	0	0%	
<b>Total Portfolio</b>		<b>58,635,290</b>	<b>(537,000)</b>	<b>0</b>	<b>(1,740,849)</b>	<b>56,357,441</b>	<b>-4%</b>	



**MF Commitments (\$ in whole dollars)**

	Commitment Date	Original Commitment	05/31/2023 Balance	Monthly Activity	06/30/2023 Balance	Remaining Commitment
Grants						
Mobile Response Team - FY23 Extension	5/4/2022	100,000	0	0	0	100,000
<b>Total Grants</b>		<b>100,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100,000</b>
Construction Loans						
					0	0
<b>Total Construction</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Permanent Loans						
MF-XX-XXX - Grace Creek Snr Apts	6/1/2022	500,000	0	0	0	500,000
MF-XX-XXX - Westown Crossing Snr Apts	6/1/2022	1,400,000	0	0	0	1,400,000
<b>Total Permanent</b>		<b>1,900,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,900,000</b>
<b>Totals</b>		<b>2,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,000,000</b>
xxx = no loan agreement signed						

Balance Sheet	Multi Family (Rollup)						
	Jun-2023						
	Actuals	Bud23	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	30,150,033	27,889,440	2,260,593	8.1	24,827,640	5,322,393	21.4
Investments	-	2,670,904	(2,670,904)	-100.0	2,694,525	(2,694,525)	-100.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	56,357,441	57,074,343	(716,902)	-1.3	58,635,290	(2,277,849)	-3.9
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	411,125	91,865	319,260	347.5	298,639	112,486	37.7
Deferred Outflows	89,379	332,311	(242,933)	-73.1	89,379	-	0.0
<b>Total Assets and Deferred Outflows</b>	<b>87,007,977</b>	<b>88,058,863</b>	<b>(1,050,886)</b>	<b>-1.2</b>	<b>86,545,472</b>	<b>462,505</b>	<b>0.5</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	31,595,390	32,488,643	(893,253)	-2.7	32,768,226	(1,172,836)	-3.6
Interest Payable	119,308	710,656	(591,348)	-83.2	170,031	(50,722)	-29.8
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	9,833,165	10,224,055	(390,890)	-3.8	9,489,880	343,285	3.6
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	5,878	36,415	(30,538)	-83.9	33,087	(27,209)	-82.2
Other liabilities	89,379	332,311	(242,933)	-73.1	89,379	-	0.0
Deferred Inflows	51,258	7,094	44,165	622.6	51,258	-	0.0
<b>Total Liabilities and Deferred Inflows</b>	<b>41,694,378</b>	<b>43,799,175</b>	<b>(2,104,797)</b>	<b>-4.8</b>	<b>42,601,860</b>	<b>(907,482)</b>	<b>-2.1</b>
<b>Equity</b>							
YTD Earnings(Loss)	2,817,268	(35,064)	2,852,332	-8134.6	1,909,488	907,780	47.5
Prior Years Earnings	43,943,612	43,909,164	34,448	0.1	43,014,735	928,877	2.2
Transfers	(1,447,280)	385,589	(1,832,870)	-475.3	(980,611)	(466,669)	47.6
<b>Total Equity</b>	<b>45,313,599</b>	<b>44,259,689</b>	<b>1,053,911</b>	<b>2.4</b>	<b>43,943,612</b>	<b>1,369,987</b>	<b>3.1</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>87,007,977</b>	<b>88,058,863</b>	<b>(1,050,886)</b>	<b>-1.2</b>	<b>86,545,472</b>	<b>462,505</b>	<b>0.5</b>

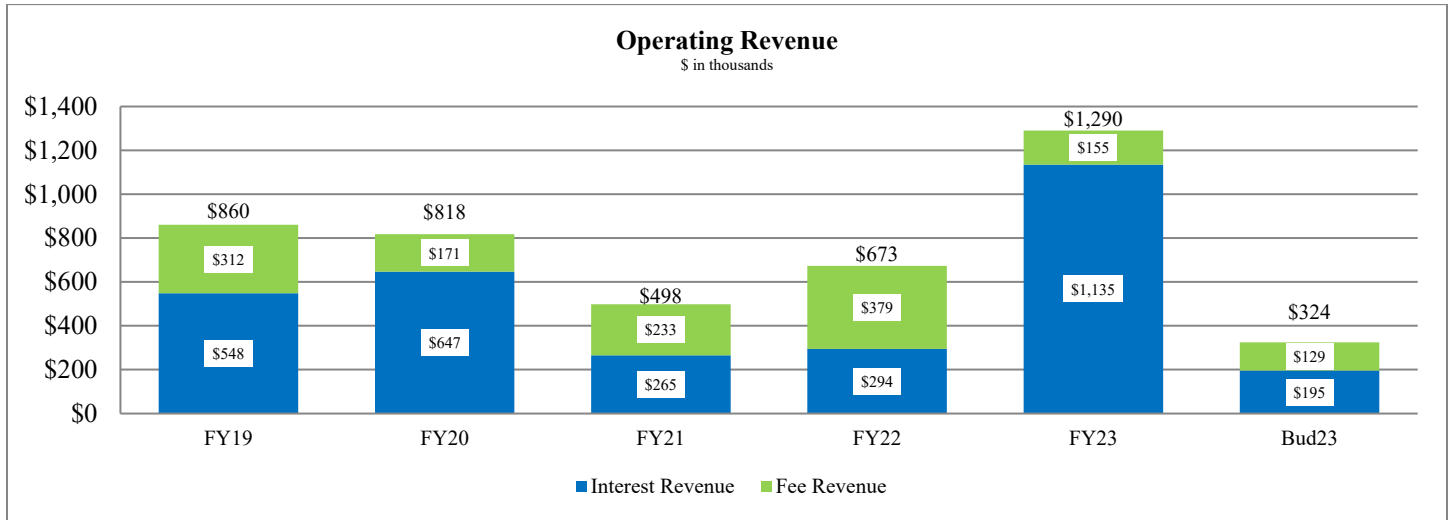
Income Statement	Multi Family (Rollup)													
	Jun-2023							YTD as of Jun-2023						
	Actuals	Bud23	Difference	%	Last Year	Difference	%	Actuals	Bud23	Difference	%	Last Year	Difference	%
<b>Operating Revenue</b>														
Interest Revenue	327,475	191,624	135,852	70.9	219,415	108,060	49.2	3,357,657	2,328,241	1,029,416	44.2	2,460,882	896,775	36.4
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	329,537	299,221	30,316	10.1	273,470	56,068	20.5	5,616,166	4,791,084	825,082	17.2	5,493,623	122,543	2.2
Other Revenue	1,000	-	1,000	0.0	-	1,000	0.0	7,050	-	7,050	0.0	5,500	1,550	28.2
<b>Total Operating Revenue</b>	<b>658,013</b>	<b>490,845</b>	<b>167,168</b>	<b>34.1</b>	<b>492,885</b>	<b>165,128</b>	<b>33.5</b>	<b>8,980,873</b>	<b>7,119,325</b>	<b>1,861,548</b>	<b>26.1</b>	<b>7,960,005</b>	<b>1,020,868</b>	<b>12.8</b>
<b>Operating Expense</b>														
Interest Expense	116,321	67,829	48,492	71.5	80,293	36,029	44.9	1,268,462	821,005	447,457	54.5	865,366	403,096	46.6
Authority Expense	-	-	-	0.0	-	-	0.0	125,535	125,363	172	0.1	128,057	(2,522)	-2.0
Employee Expenses	270,065	304,843	(34,778)	-11.4	305,193	(35,128)	-11.5	3,025,564	3,597,064	(571,501)	-15.9	3,271,694	(246,130)	-7.5
Shared Expenses	619	1,110	(491)	-44.2	608	11	1.8	154,013	150,840	3,173	2.1	124,345	29,668	23.9
Marketing Expense	395	10	385	3850.0	-	395	0.0	4,206	170	4,036	2374.0	549	3,657	666.1
Professional Services	64,148	76,846	(12,698)	-16.5	80,976	(16,828)	-20.8	743,838	1,093,588	(349,750)	-32.0	832,606	(88,768)	-10.7
Claim and Loss Expenses	(2,000)	-	(2,000)	0.0	(1,000)	(1,000)	100.0	525,000	-	525,000	0.0	(13,000)	538,000	-4138.5
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	(255)	-	(255)	0.0	-	(255)	0.0	(2,465)	180	(2,645)	-1469.4	172	(2,637)	-1533.1
Overhead Allocation	(62,253)	26,235	(88,488)	-337.3	30,423	(92,676)	-304.6	322,109	366,179	(44,070)	-12.0	317,836	4,273	1.3
<b>Total Operating Expense</b>	<b>387,041</b>	<b>476,874</b>	<b>(89,833)</b>	<b>-18.8</b>	<b>496,494</b>	<b>(109,453)</b>	<b>-22.0</b>	<b>6,166,261</b>	<b>6,154,389</b>	<b>11,872</b>	<b>0.2</b>	<b>5,527,624</b>	<b>638,637</b>	<b>11.6</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>270,972</b>	<b>13,971</b>	<b>257,001</b>	<b>1839.6</b>	<b>(3,609)</b>	<b>274,581</b>	<b>-7609.3</b>	<b>2,814,612</b>	<b>964,936</b>	<b>1,849,676</b>	<b>191.7</b>	<b>2,432,380</b>	<b>382,232</b>	<b>15.7</b>
<b>Net Grant (Income) Expense</b>														
Grant Revenue	(5,984,932)	(7,325,000)	1,340,068	-18.3	(6,047,746)	62,814	-1.0	(71,534,618)	(74,900,000)	3,365,382	-4.5	(69,098,612)	(2,436,006)	3.5
Grant Expense	6,016,362	7,575,000	(1,558,638)	-20.6	6,047,746	(31,384)	-0.5	71,534,855	75,900,000	(4,365,145)	-5.8	69,618,612	1,916,243	2.8
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Net Grant (Income) Expense</b>	<b>31,430</b>	<b>250,000</b>	<b>(218,570)</b>	<b>-87.4</b>	<b>-</b>	<b>31,430</b>	<b>0.0</b>	<b>237</b>	<b>1,000,000</b>	<b>(999,763)</b>	<b>-100.0</b>	<b>520,000</b>	<b>(519,763)</b>	<b>-100.0</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>239,542</b>	<b>(236,029)</b>	<b>475,571</b>	<b>-201.5</b>	<b>(3,609)</b>	<b>243,151</b>	<b>-6738.3</b>	<b>2,814,375</b>	<b>(35,064)</b>	<b>2,849,439</b>	<b>-8126.3</b>	<b>1,912,380</b>	<b>901,995</b>	<b>47.2</b>
<b>Other Non-Operating (Income) Expense</b>														
Other Non-Operating (Income) Expense	-	-	-	0.0	735	(735)	-100.0	(2,893)	-	(2,893)	0.0	2,893	(5,785)	-200.0
<b>Net Income (Loss)</b>	<b>239,542</b>	<b>(236,029)</b>	<b>475,571</b>	<b>-201.5</b>	<b>(4,343)</b>	<b>243,885</b>	<b>-5615.4</b>	<b>2,817,268</b>	<b>(35,064)</b>	<b>2,852,332</b>	<b>-8134.6</b>	<b>1,909,488</b>	<b>907,780</b>	<b>47.5</b>
IFA Home Dept Staff Count	25	30	(5)	-15.3	26	(1)	-3.8	26	30	(4)	-13.3	26	0	0.3
FTE Staff Count	29	28	0	1.2	23	6	24.3	23	28	(5)	-18.9	24	(1)	-3.5

To: IFA Board Members  
 From: Stephanie Volk  
 Date: July 18, 2023  
 Re: June 2023 YTD Financial Results

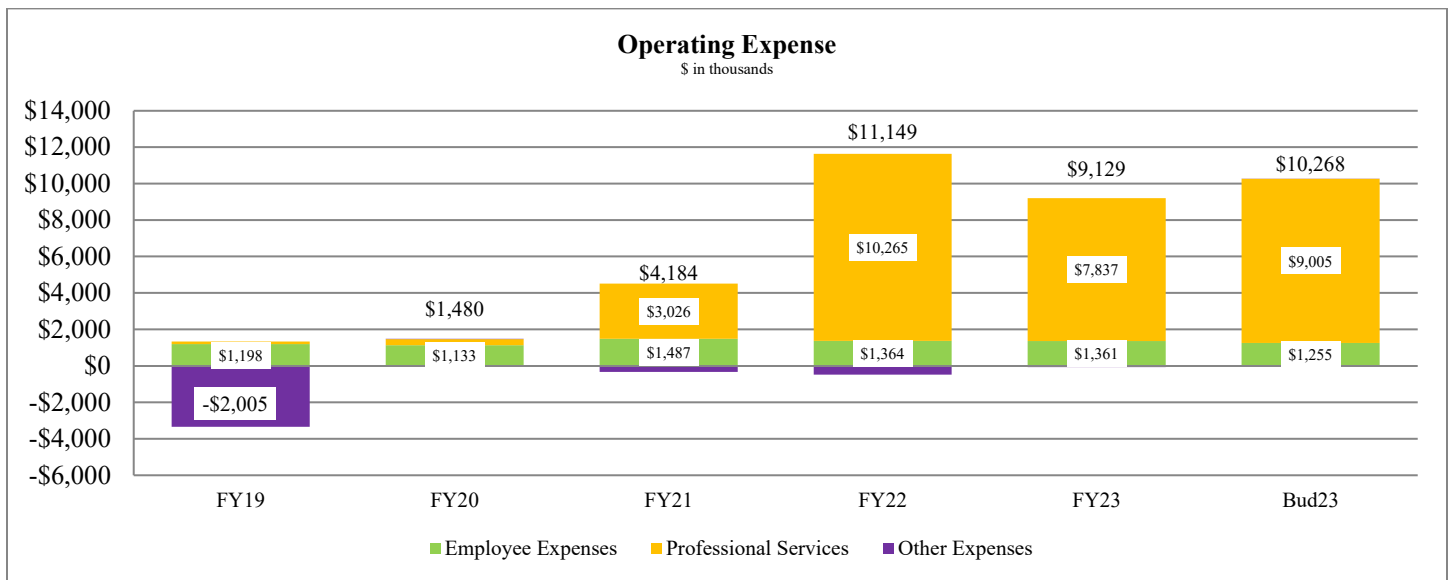


**Federal and State Programs (\$ in thousands)**

Federal and State programs are operating comparable to budget for FY23.

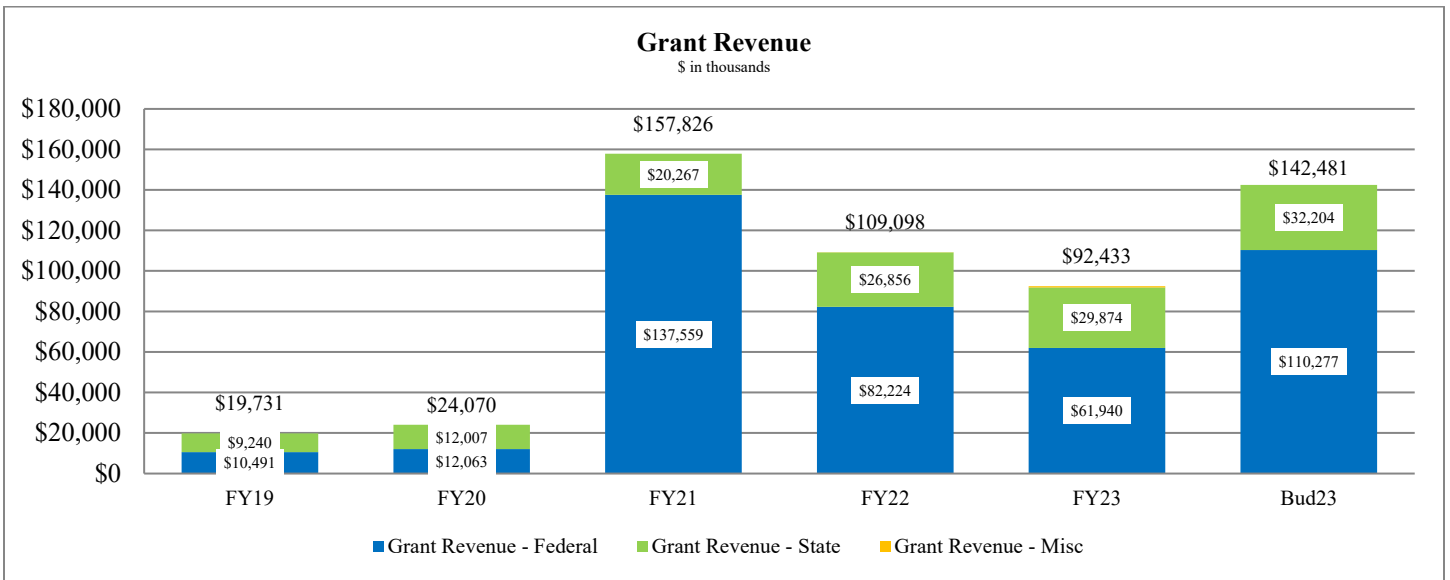


Operating Revenue was favorable to budget and prior year by \$966 and \$617, respectively. Interest revenue was \$810 above budget, of which \$841 was derived from the State Housing Trust Fund.

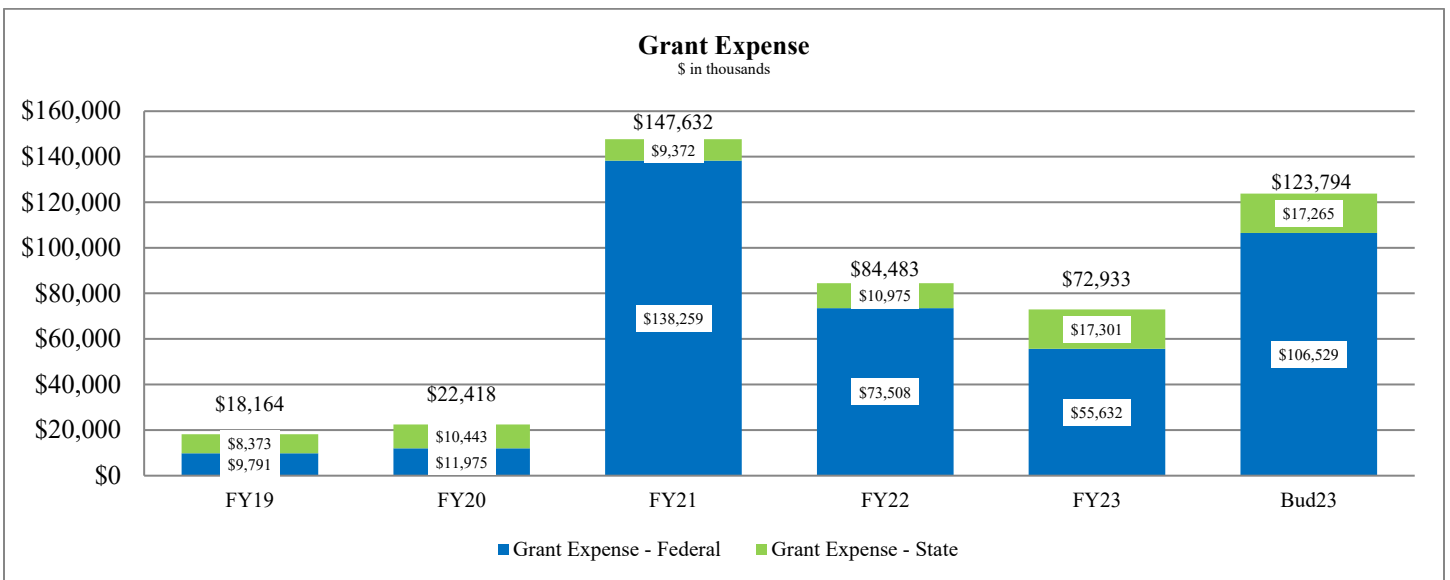


Operating Expense was \$1,139 or 11.1% favorable to budget and \$2,020 favorable to prior year. Professional Services expenses were below budget by \$1,168, resulting from reduced activity in Homeowners Assistance Fund Program by \$3,664 and increased activity from the now closed Iowa Rent and Utility Assistance Program by \$2,102.

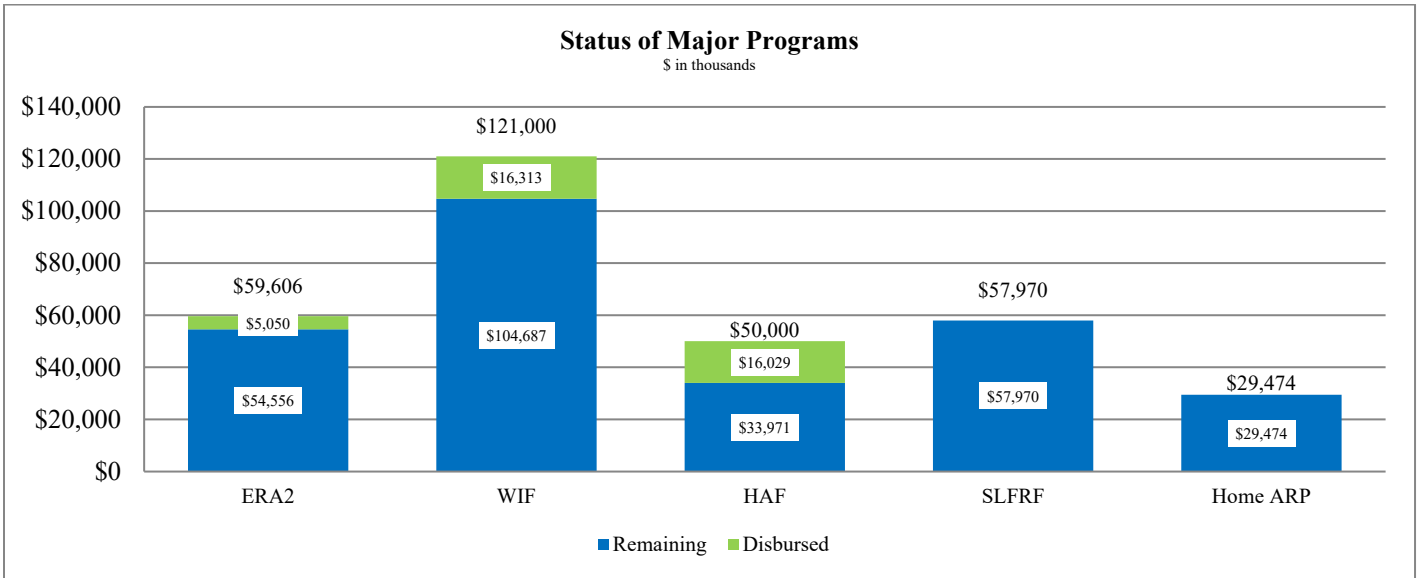




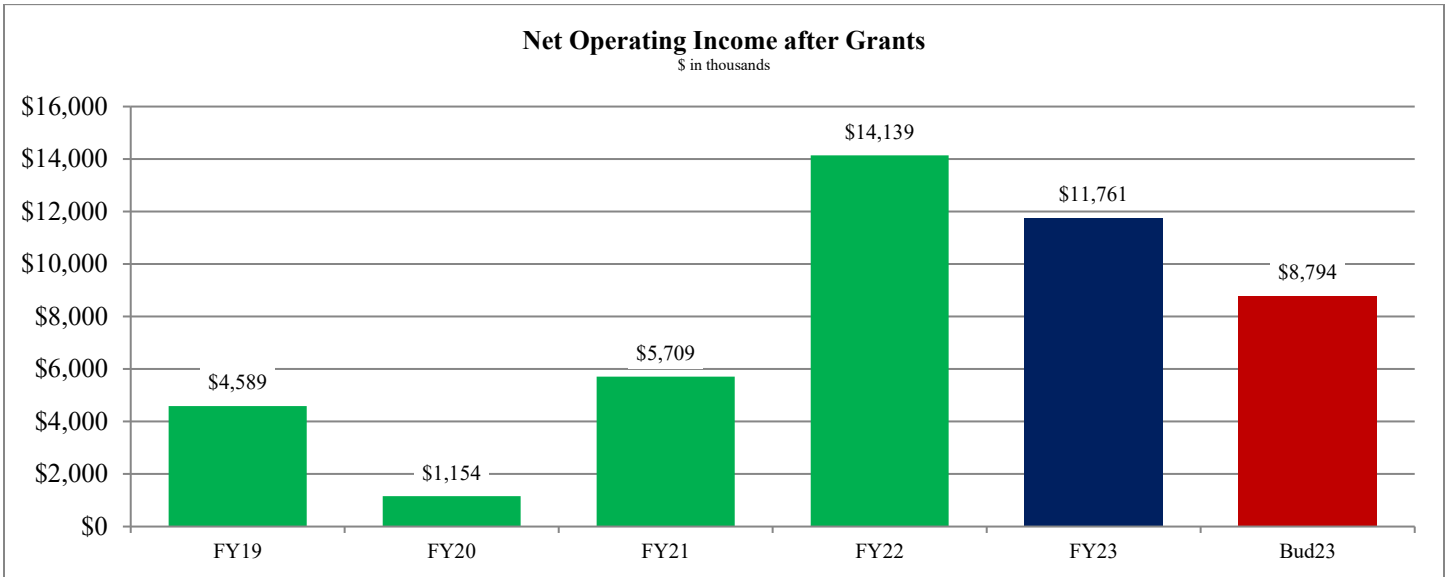
Grant Revenue was less than budgeted by \$50,048 or 35.1%, which is largely due to the below-mentioned programs disbursing less than expected. Grant Revenue was less than prior year by \$16,665 or 15.3%.



Grant expense is \$50,861 or 41.1% less than budgeted and 13.7% lower than prior year. The federal difference of \$50,897 from current year to budget is largely due to the below programs disbursing less than expected. The following are the significant variances between budgeted and fiscal year 2023 actuals: Water Infrastructure Funds (WIF) \$41,506 Refugee Resettlement Assistance (RRA) \$12,301, and Rapid Rehousing (RRH) \$2,761.

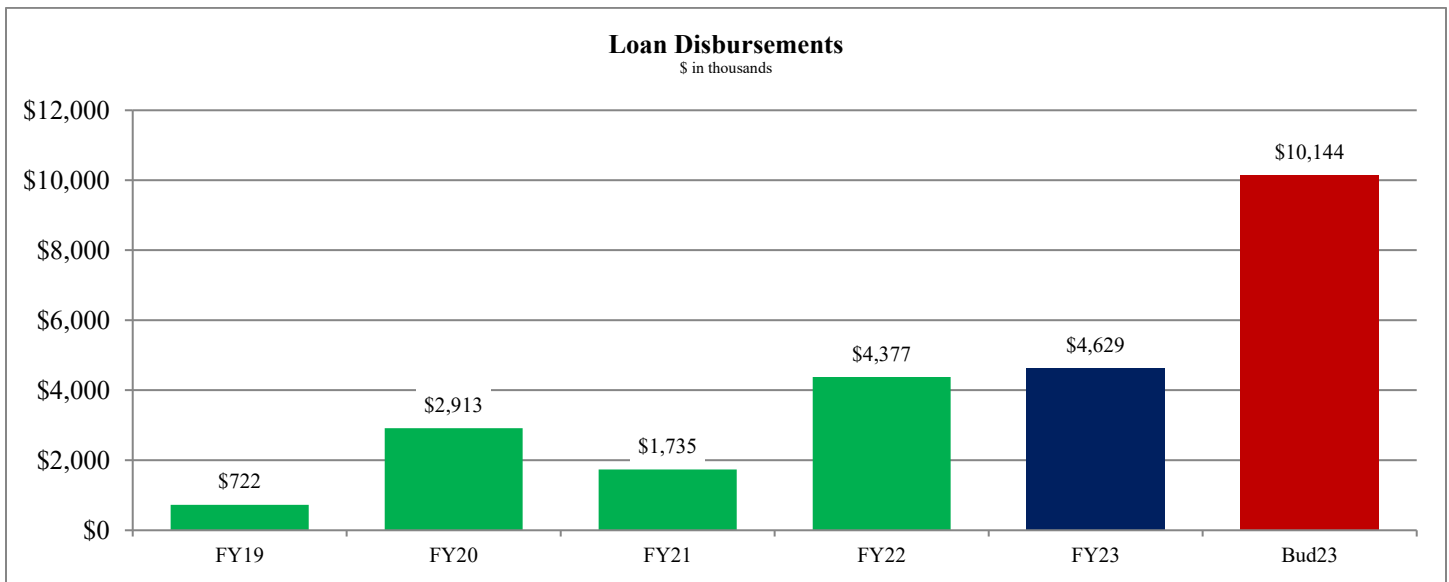


ERA2 consists of Rapid Rehousing Project (RRH), Refugee Resettlement Assistance (RRA), and Coordinated Entry (CE). WIF received an additional \$45MM. All of the below-mentioned programs are still in the planning phase. SLFRF, which consists of the Home Rehab Block Grant, ARPA LIHTC, and Iowa Home Grant. Home ARP is for the Home American Rescue Plan.



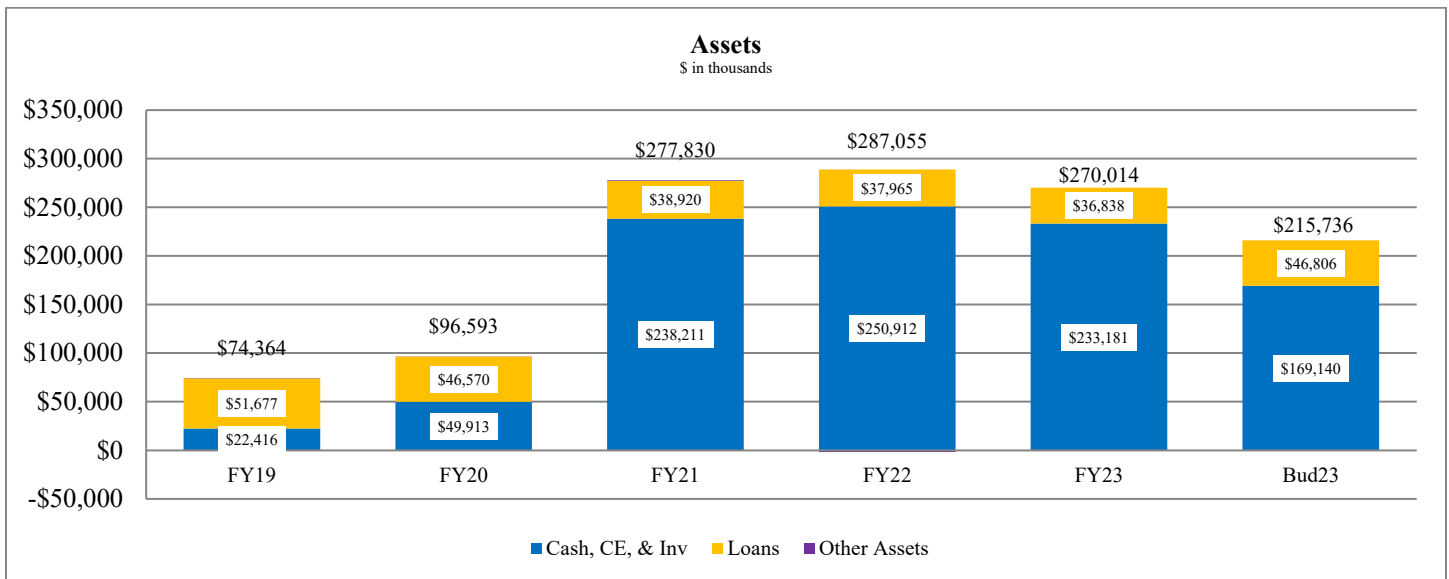
NOIAG was unfavorable to prior year by 16.8% and favorable to budget by \$2,967, largely due to over \$3,314 in water grants not disbursing in FY23.

FSP Loan Portfolio by Series	June 30, 2022		Additions	Payments	Ending Balance		
	#	Balance			Balance	Chg	#
500-047 SHTF - Loans	10	1,858,869	-	(118,210)	1,740,659	-6.4%	10
500-047 SHTF - Cash Flow Loans	2	276,663	-	(58,754)	217,909	-21.2%	1
500-049 Senior Living Trust Lns	13	6,038,247	1,000,000	(233,450)	6,804,799	12.7%	14
500-050 Home & Comm Tr Lns	7	1,437,662	-	(141,135)	1,296,527	-9.8%	7
500-051 Transitional Housing Lns	2	762,259	-	(46,641)	715,617	-6.1%	2
500-057 TCAP Loans	12	17,890,957	-	(138,702)	17,752,255	-0.8%	12
500-058 HOME Loans	208	119,013,017	3,573,308	(10,076,230)	112,510,096	-5.5%	199
500-062 CHS Loans	7	620,818	55,544	(17,667)	658,695	6.1%	8
Total Portfolio before Cap Int & Reserves		147,898,492	4,628,852	(10,830,788)	141,696,557	-4.2%	
Loan Capitalized Interest Reserve		(8,955,000)	-	1,317,000	(7,638,000)	-14.7%	
Loan Reserves		(100,978,000)	-	3,766,000	(97,212,000)	-3.7%	
Total Portfolio	261	37,965,492	4,628,852	(5,747,788)	36,846,557	-2.9%	253



Loan disbursements were comparable to prior year and unfavorable to budget by \$5,515 due to \$5,000 in water loans not disbursing.

Cash, Cash Equiv & Investments							State Loan Funds
	SLT 049						672,541
	HCBS 050						1,067,637
	THF 051						2,586,173
	CHS 062						2,134,207
							6,460,558
		Commitment Date	Original Commitment	5/31/2023 Balance	Monthly Activity	6/30/2023 Balance	Remaining Commitment
<b>Loan Commitments</b>							
	Chandler Pointe	8/5/2020	1,000,000	-	-	-	1,000,000
	Graceview Courtyard Phase II	9/8/2021	1,000,000	-	-	-	1,000,000
	Vive	9/8/2021	1,000,000	-	-	-	1,000,000
	Shenandoah Senior Villas	9/8/2021	1,000,000	-	-	-	1,000,000
	Grace Creek Senior Apts	9/8/2021	1,000,000	968,741	-	968,741	31,259
	NISHNA	2/28/2023	1,242,000	55,544	-	55,544	1,186,456
<b>Total Commitments</b>			6,242,000	1,024,285	-	1,024,285	5,217,715
<b>Net Funds Available</b>							1,242,843



Assets are 25.2% ahead of budget. The large assets in Cash & CE are derived from the funding for IRUAP at \$56,116 (which will be returned to Treasury in the next few months), Emergency Rental Assistance II Programs (ERA 2) at \$54,556, Water Infrastructure Fund at \$19,282, and Homeowner Assistance Fund at \$33,972.

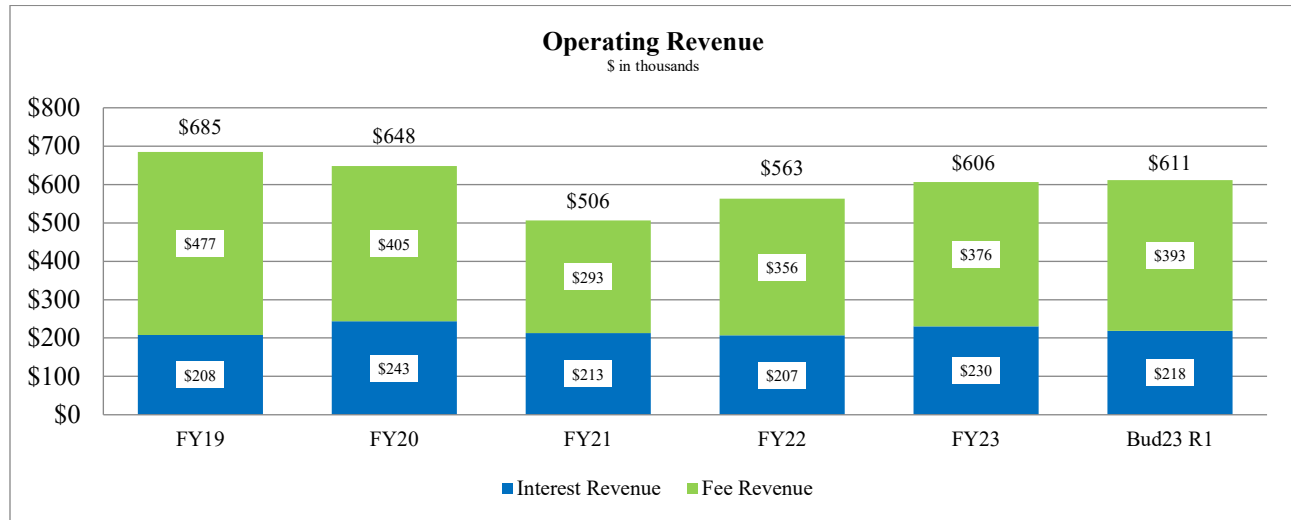
Balance Sheet	Federal and State Grant Programs (Rollup)						
	Jun-2023						
	Actuals	Bud23	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	233,180,781	169,139,727	64,041,054	37.9	250,911,829	(17,731,048)	-7.1
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	36,837,545	46,806,437	(9,968,892)	-21.3	37,965,492	(1,127,947)	-3.0
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	(4,744)	(209,961)	205,217	-97.7	(1,822,168)	1,817,423	-99.7
Deferred Outflows	-	-	-	0.0	-	-	0.0
<b>Total Assets and Deferred Outflows</b>	<b>270,013,582</b>	<b>215,736,204</b>	<b>54,277,378</b>	<b>25.2</b>	<b>287,055,154</b>	<b>(17,041,572)</b>	<b>-5.9</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	164,664,826	112,972,174	51,692,652	45.8	192,849,543	(28,184,717)	-14.6
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	463,824	(463,824)	-100.0	-	-	0.0
Accounts Payable & Accrued Liabilities	286,517	21,062	265,455	1260.3	841,311	(554,794)	-65.9
Other liabilities	-	-	-	0.0	-	-	0.0
Deferred Inflows	-	-	-	0.0	-	-	0.0
<b>Total Liabilities and Deferred Inflows</b>	<b>164,951,343</b>	<b>113,457,060</b>	<b>51,494,284</b>	<b>45.4</b>	<b>193,690,855</b>	<b>(28,739,511)</b>	<b>-14.8</b>
<b>Equity</b>							
YTD Earnings(Loss)	11,761,293	8,793,584	2,967,708	33.7	14,138,836	(2,377,544)	-16.8
Prior Years Earnings	93,364,299	93,515,558	(151,259)	-0.2	79,659,419	13,704,881	17.2
Transfers	(63,354)	(29,999)	(33,355)	111.2	(433,956)	370,602	-85.4
<b>Total Equity</b>	<b>105,062,238</b>	<b>102,279,144</b>	<b>2,783,094</b>	<b>2.7</b>	<b>93,364,299</b>	<b>11,697,939</b>	<b>12.5</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>270,013,582</b>	<b>215,736,204</b>	<b>54,277,378</b>	<b>25.2</b>	<b>287,055,154</b>	<b>(17,041,572)</b>	<b>-5.9</b>

Income Statement	Federal and State Grant Programs (Rollup)													
	Jun-2023							YTD as of Jun-2023						
	Actuals	Bud23	Difference	%	Last Year	Difference	%	Actuals	Bud23	Difference	%	Last Year	Difference	%
<b>Operating Revenue</b>														
Interest Revenue	146,372	16,821	129,551	770.2	5,529	140,843	2547.2	1,135,003	195,356	939,647	481.0	294,439	840,564	285.5
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	81,513	10,750	70,763	658.3	11,835	69,678	588.7	155,095	129,000	26,095	20.2	378,634	(223,539)	-59.0
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Operating Revenue</b>	<b>227,885</b>	<b>27,571</b>	<b>200,314</b>	<b>726.5</b>	<b>17,364</b>	<b>210,521</b>	<b>1212.4</b>	<b>1,290,098</b>	<b>324,356</b>	<b>965,742</b>	<b>297.7</b>	<b>673,073</b>	<b>617,025</b>	<b>91.7</b>
<b>Operating Expense</b>														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	2,000	(2,000)	-100.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	88,644	100,890	(12,245)	-12.1	116,705	(28,060)	-24.0	1,360,519	1,254,700	105,819	8.4	1,364,116	(3,597)	-0.3
Shared Expenses	2,059	173	1,886	1089.9	1,232	827	67.1	13,349	2,596	10,753	414.2	16,379	(3,029)	-18.5
Marketing Expense	-	-	-	0.0	153	(153)	-100.0	4,386	-	4,386	0.0	178	4,207	2360.9
Professional Services	396,827	14,950	381,878	2554.4	2,230,280	(1,833,453)	-82.2	7,837,476	9,005,427	(1,167,951)	-13.0	10,265,448	(2,427,973)	-23.7
Claim and Loss Expenses	(15,000)	(12,000)	(3,000)	25.0	(505,824)	490,824	-97.0	(214,000)	(144,000)	(70,000)	48.6	(645,873)	431,873	-66.9
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	25	(25)	-100.0	-	-	0.0	-	300	(300)	-100.0	341	(341)	-100.0
Overhead Allocation	(31,065)	10,990	(42,054)	-382.7	11,951	(43,015)	-359.9	127,004	149,250	(22,247)	-14.9	146,218	(19,214)	-13.1
<b>Total Operating Expense</b>	<b>441,466</b>	<b>115,027</b>	<b>326,439</b>	<b>283.8</b>	<b>1,854,497</b>	<b>(1,413,031)</b>	<b>-76.2</b>	<b>9,128,734</b>	<b>10,268,273</b>	<b>(1,139,540)</b>	<b>-11.1</b>	<b>11,148,808</b>	<b>(2,020,074)</b>	<b>-18.1</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>(213,581)</b>	<b>(87,456)</b>	<b>(126,125)</b>	<b>144.2</b>	<b>(1,837,132)</b>	<b>1,623,552</b>	<b>-88.4</b>	<b>(7,838,636)</b>	<b>(9,943,918)</b>	<b>2,105,282</b>	<b>-21.2</b>	<b>(10,475,735)</b>	<b>2,637,099</b>	<b>-25.2</b>
<b>Net Grant (Income) Expense</b>														
Grant Revenue	(6,001,320)	(7,372,749)	1,371,429	-18.6	(11,729,172)	5,727,852	-48.8	(92,432,929)	(142,481,303)	50,048,373	-35.1	(109,097,550)	16,664,621	-15.3
Grant Expense	6,114,776	10,509,903	(4,395,127)	-41.8	12,614,363	(6,499,587)	-51.5	72,933,001	123,793,801	(50,860,800)	-41.1	84,482,979	(11,549,978)	-13.7
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	(100,000)	(50,000)	(50,000)	100.0	-	(100,000)	0.0
<b>Total Net Grant (Income) Expense</b>	<b>113,455</b>	<b>3,137,154</b>	<b>(3,023,698)</b>	<b>-96.4</b>	<b>885,190</b>	<b>(771,735)</b>	<b>-87.2</b>	<b>(19,599,928)</b>	<b>(18,737,502)</b>	<b>(862,426)</b>	<b>4.6</b>	<b>(24,614,571)</b>	<b>5,014,643</b>	<b>-20.4</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(327,036)</b>	<b>(3,224,609)</b>	<b>2,897,574</b>	<b>-89.9</b>	<b>(2,722,323)</b>	<b>2,395,287</b>	<b>-88.0</b>	<b>11,761,293</b>	<b>8,793,584</b>	<b>2,967,708</b>	<b>33.7</b>	<b>14,138,836</b>	<b>(2,377,544)</b>	<b>-16.8</b>
<b>Other Non-Operating (Income) Expense</b>														
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Net Income (Loss)</b>	<b>(327,036)</b>	<b>(3,224,609)</b>	<b>2,897,574</b>	<b>-89.9</b>	<b>(2,722,323)</b>	<b>2,395,287</b>	<b>-88.0</b>	<b>11,761,293</b>	<b>8,793,584</b>	<b>2,967,708</b>	<b>33.7</b>	<b>14,138,836</b>	<b>(2,377,544)</b>	<b>-16.8</b>
IFA Home Dept Staff Count	9	14	(5)	-35.7	7	2	28.6	8	14	(7)	-46.4	8	(0)	-3.2
FTE Staff Count	11	10	1	13.6	11	1	5.6	11	10	1	12.2	11	0	3.7

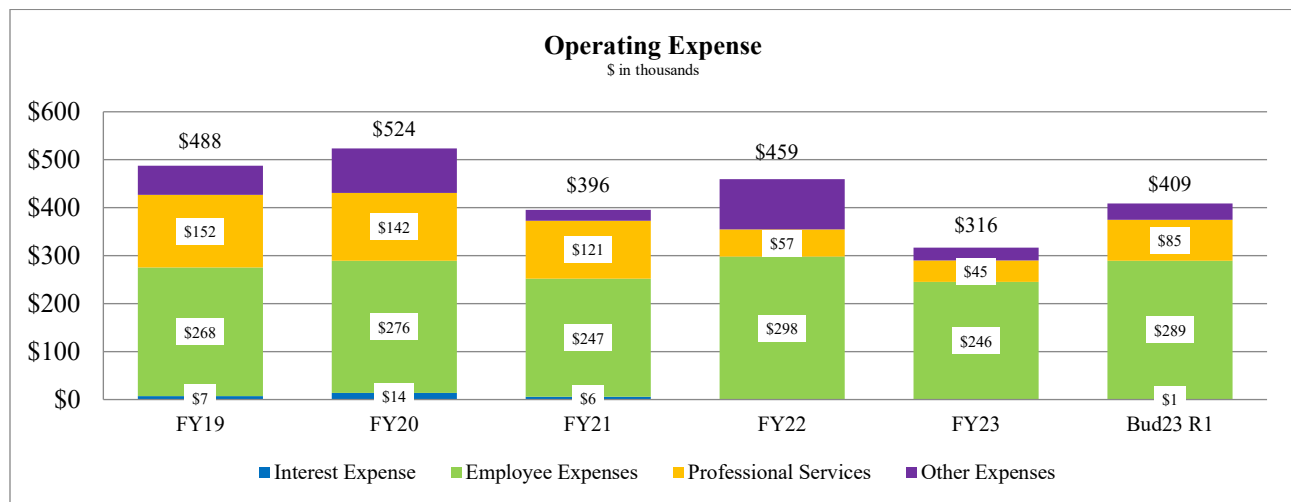
To: IFA and IADD Board Members  
 From: Becky Wu  
 Date: July 19, 2023  
 Re: June 2023 YTD IADD Financial Results

**Iowa Agricultural Development Division Results (\$ in thousands)**

IADD Net Operating Income was favorable to budget as of end of fiscal year 23.

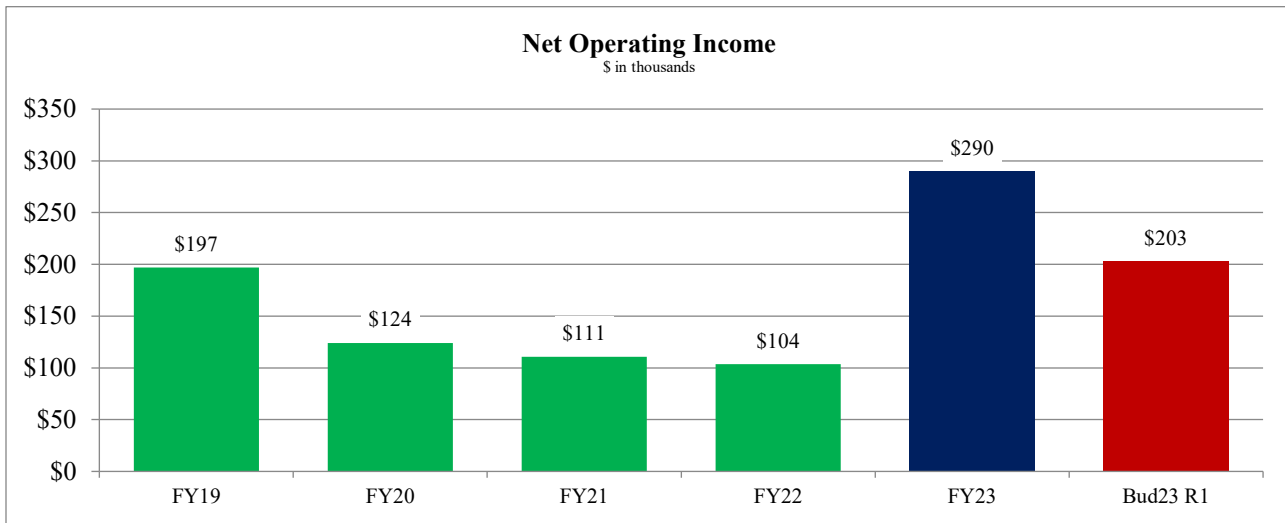


Operating Revenue was \$5 or 0.9% unfavorable to budget but \$43 or 7.7% favorable to last year. Fee Revenue was \$17 or 4.3% unfavorable to budget, but Interest Revenue was \$12 or 5.4% favorable to budget.

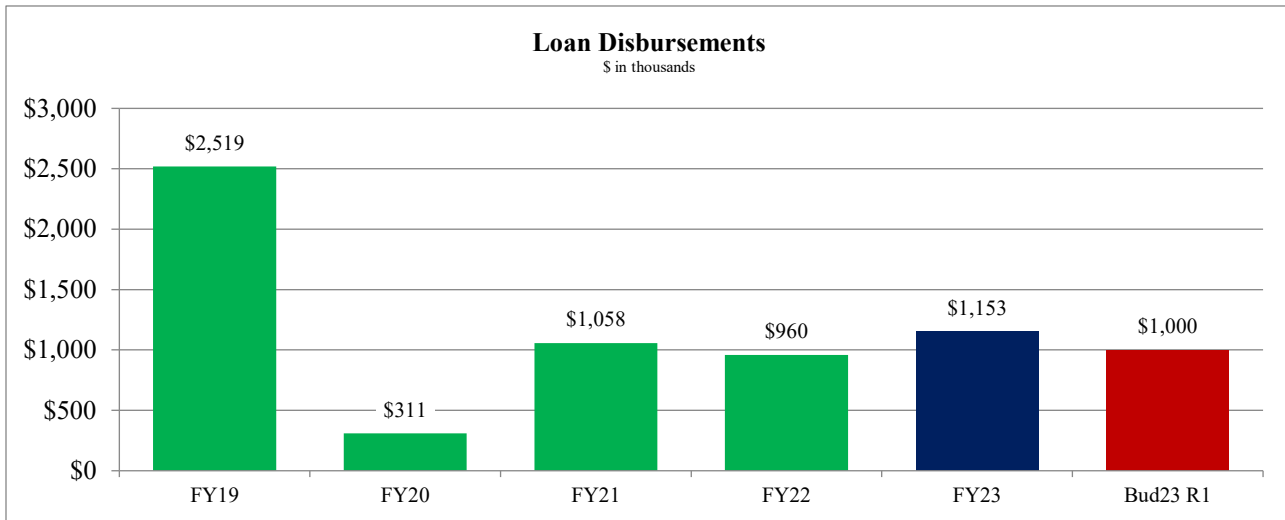


Operating Expense was \$93 or 22.4% favorable to budget and \$143 or 31.0% favorable to last year. Employee Expense was \$43 or 15.1% favorable to budget, due to lower staff employee expenses. Professional Services Expense was \$40 or 47.3% favorable to budget.

Shared Expenses, Overhead Allocation and Marketing Expense were also favorable to budget.



Net Income was \$86 or 42.6% favorable to budget and \$187 or 179.3% favorable to last year.



Notes:

- There was \$643 available for administrative expenses.
- Restricted Rural Rehab Trust funds (LPP loan funds, includes cash and LPP loan repayments) balance was \$458.
- There were six LPP loans closed in fiscal Year 23.
- The LPP loan balance was \$6,185. Loan balance net of reserves was \$6,123 and reserve was \$62.

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### LPP Loan Commitments

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LPP	Bank	Commitment Date	Anticipated Closing Date	Original Commitment (\$ in actual)
P0318	Minnwest Bank	7/5/2023	7/28/2023	\$180,000.00
Total Commitment				\$180,000.00



Income Statement	Agriculture Development Division (Rollup)													
	Jun-2023							YTD as of Jun-2023						
	Actuals	Bud23 R1	Difference	%	Last Year	Difference	%	Actuals	Bud23 R1	Difference	%	Last Year	Difference	%
<b>Operating Income</b>														
Interest Revenue - Loans	19,629	18,688	941	5.0%	16,041	3,588	22%	206,549	218,313	(11,764)	-5%	205,535	1,014	0%
Interest Revenue - CE & Inv	2,206	-	2,206	0.0%	247	1,960	795%	23,504	-	23,504	0%	1,542	21,962	1424%
Fee Inc - BFLP	13,160	18,750	(5,590)	-29.8%	11,744	1,415	12%	278,007	225,000	53,007	24%	214,068	63,939	30%
Fee Inc - LPP	100	1,500	(1,400)	-93.3%	100	-	0%	12,539	18,000	(5,461)	-30%	12,375	164	1%
Fee Inc - BFTC	3,550	21,000	(17,450)	-83.1%	6,650	(3,100)	-47%	85,500	150,000	(64,500)	-43%	129,334	(43,834)	-34%
Fee Inc - BFCH TC	-	-	-	0.0%	-	-	0%	-	-	-	0%	-	-	0%
<b>Total Operating Income</b>	<b>38,645</b>	<b>59,938</b>	<b>(21,293)</b>	<b>-35.5%</b>	<b>34,782</b>	<b>3,863</b>	<b>11%</b>	<b>606,099</b>	<b>611,313</b>	<b>(5,214)</b>	<b>-1%</b>	<b>562,853</b>	<b>43,246</b>	<b>8%</b>
<b>Operating Expense</b>														
Employee Expenses	18,754	24,505	(5,751)	-23.5%	14,828	3,925	26%	245,539	289,068	(43,529)	-15%	298,113	(52,574)	-18%
Shared Expenses	142	200	(58)	-28.9%	20	122	611%	2,243	2,850	(607)	-21%	2,897	(654)	-23%
Marketing Expense	213	700	(487)	-69.6%	-	213	0%	3,313	8,400	(5,087)	-61%	2,603	710	27%
Professional Services	1,036	7,075	(6,039)	-85.4%	828	208	25%	44,716	84,900	(40,184)	-47%	56,552	(11,836)	-21%
Claim and Loss Expenses	-	(558)	558	-100.0%	82,000	(82,000)	-100%	4,128	3,501	628	18%	82,000	(77,872)	-95%
<b>Operating Expense</b>	<b>18,868</b>	<b>33,199</b>	<b>(14,331)</b>	<b>-43.2%</b>	<b>99,148</b>	<b>(80,280)</b>	<b>-81%</b>	<b>317,023</b>	<b>408,558</b>	<b>(91,535)</b>	<b>-22%</b>	<b>459,353</b>	<b>(142,329)</b>	<b>-31%</b>
<b>Net Grant (Income) Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>-</b>	<b>0%</b>
<b>Net Income (Loss)</b>	<b>19,777</b>	<b>26,738</b>	<b>(6,962)</b>	<b>-26.0%</b>	<b>(64,367)</b>	<b>84,143</b>	<b>-131%</b>	<b>289,076</b>	<b>202,754</b>	<b>86,321</b>	<b>43%</b>	<b>103,500</b>	<b>185,575</b>	<b>179%</b>

Balance Sheet	Admin	RRTF	Total
<b>Assets</b>			
Cash & Cash Equivalents	643,716	451,076	1,094,792
Investments	-	-	-
Loans - net of reserves	124,066	5,998,809	6,122,875
Other Assets	(22,150)	33,412	11,262
<b>Total Assets</b>	<b>745,632</b>	<b>6,483,298</b>	<b>7,228,929</b>
<b>Liabilities and Equity</b>			
A/P - STATE	-	-	-
A/P - IFA	-	-	-
A/P - MISC	1,178	-	1,178
<b>Total Liabilities</b>	<b>1,178</b>	<b>-</b>	<b>1,178</b>
Current Years Earnings	83,524	205,551	289,076
Prior Years Earnings	660,929	6,277,746	6,938,676
<b>Equity</b>	<b>744,453</b>	<b>6,483,298</b>	<b>7,227,751</b>
<b>Total Liabilities and Equity</b>	<b>745,632</b>	<b>6,483,298</b>	<b>7,228,929</b>

Income Statement	Agriculture Development Division (Rollup)													
	Jun-2023							YTD as of Jun-2023						
	Actuals	Bud23 R1	Difference	%	Last Year	Difference	%	Actuals	Bud23 R1	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	21,835	18,688	3,148	16.8	16,287	5,548	34.1	230,053	218,313	11,741	5.4	207,077	22,977	11.1
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	16,810	41,250	(24,440)	-59.2	18,494	(1,685)	-9.1	376,046	393,000	(16,954)	-4.3	355,776	20,269	5.7
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Operating Revenue</b>	<b>38,645</b>	<b>59,938</b>	<b>(21,293)</b>	<b>-35.5</b>	<b>34,782</b>	<b>3,863</b>	<b>11.1</b>	<b>606,099</b>	<b>611,313</b>	<b>(5,214)</b>	<b>-0.9</b>	<b>562,853</b>	<b>43,246</b>	<b>7.7</b>
Operating Expense														
Interest Expense	-	42	(42)	-100.0	-	-	0.0	-	500	(500)	-100.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	18,754	24,505	(5,751)	-23.5	14,828	3,925	26.5	245,539	289,068	(43,529)	-15.1	298,113	(52,574)	-17.6
Shared Expenses	142	200	(58)	-28.9	20	122	611.5	2,243	2,850	(607)	-21.3	2,897	(654)	-22.6
Marketing Expense	213	700	(487)	-69.6	-	213	0.0	3,313	8,400	(5,087)	-60.6	2,603	710	27.3
Professional Services	1,036	7,075	(6,039)	-85.4	828	208	25.1	44,716	84,900	(40,184)	-47.3	56,552	(11,836)	-20.9
Claim and Loss Expenses	-	(558)	558	-100.0	82,000	(82,000)	-100.0	4,128	3,501	628	17.9	82,000	(77,872)	-95.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	(1,276)	1,235	(2,512)	-203.3	1,472	(2,748)	-186.7	17,085	19,339	(2,255)	-11.7	17,188	(103)	-0.6
<b>Total Operating Expense</b>	<b>18,868</b>	<b>33,199</b>	<b>(14,331)</b>	<b>-43.2</b>	<b>99,148</b>	<b>(80,280)</b>	<b>-81.0</b>	<b>317,023</b>	<b>408,558</b>	<b>(91,535)</b>	<b>-22.4</b>	<b>459,353</b>	<b>(142,329)</b>	<b>-31.0</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>19,777</b>	<b>26,738</b>	<b>(6,962)</b>	<b>-26.0</b>	<b>(64,367)</b>	<b>84,143</b>	<b>-130.7</b>	<b>289,076</b>	<b>202,754</b>	<b>86,321</b>	<b>42.6</b>	<b>103,500</b>	<b>185,575</b>	<b>179.3</b>
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Net Grant (Income) Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>19,777</b>	<b>26,738</b>	<b>(6,962)</b>	<b>-26.0</b>	<b>(64,367)</b>	<b>84,143</b>	<b>-130.7</b>	<b>289,076</b>	<b>202,754</b>	<b>86,321</b>	<b>42.6</b>	<b>103,500</b>	<b>185,575</b>	<b>179.3</b>
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Net Income (Loss)</b>	<b>19,777</b>	<b>26,738</b>	<b>(6,962)</b>	<b>-26.0</b>	<b>(64,367)</b>	<b>84,143</b>	<b>-130.7</b>	<b>289,076</b>	<b>202,754</b>	<b>86,321</b>	<b>42.6</b>	<b>103,500</b>	<b>185,575</b>	<b>179.3</b>
IFA Home Dept Staff Count	2	2	-	0.0	1	1	100.0	1	2	(1)	-33.3	2	(1)	-27.3
FTE Staff Count	3	2	0	11.3	2	1	78.0	2	2	(0)	-2.3	2	0	5.4

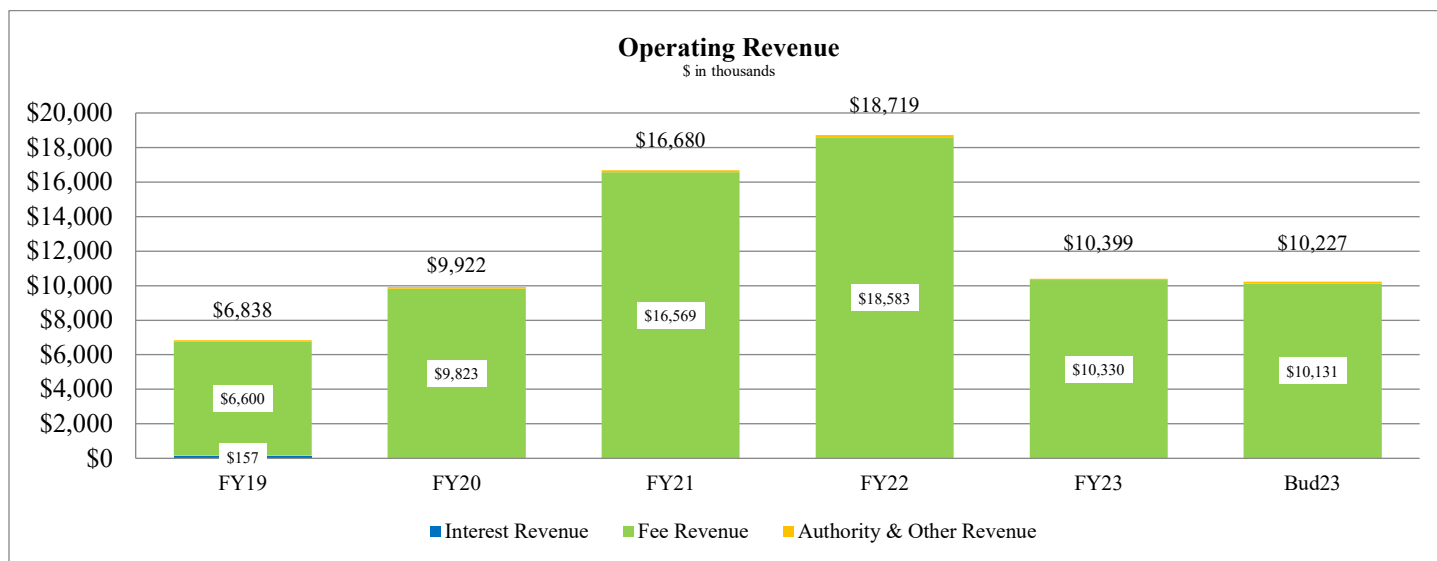
Balance Sheet	Agriculture Development Division (Rollup)						
	Jun-2023						
	Actuals	Bud23 R1	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	1,094,792	735,016	359,776	48.9	1,265,581	(170,789)	-13.5
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	6,122,875	6,484,209	(361,334)	-5.6	5,663,838	459,037	8.1
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	11,262	38,430	(27,168)	-70.7	10,084	1,178	11.7
Deferred Outflows	-	-	-	0.0	-	-	0.0
<b>Total Assets and Deferred Outflows</b>	<b>7,228,929</b>	<b>7,257,655</b>	<b>(28,726)</b>	<b>-0.4</b>	<b>6,939,504</b>	<b>289,426</b>	<b>4.2</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	-	50,000	(50,000)	-100.0	-	-	0.0
Interest Payable	-	500	(500)	-100.0	-	-	0.0
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	1,178	6,127	(4,949)	-80.8	828	350	42.3
Other liabilities	-	-	-	0.0	-	-	0.0
Deferred Inflows	-	-	-	0.0	-	-	0.0
<b>Total Liabilities and Deferred Inflows</b>	<b>1,178</b>	<b>56,627</b>	<b>(55,449)</b>	<b>-97.9</b>	<b>828</b>	<b>350</b>	<b>42.3</b>
<b>Equity</b>							
YTD Earnings(Loss)	289,076	202,754	86,321	42.6	103,500	185,575	179.3
Prior Years Earnings	6,938,676	6,998,274	(59,598)	-0.9	6,835,175	103,500	1.5
Transfers	-	-	-	0.0	-	-	0.0
<b>Total Equity</b>	<b>7,227,751</b>	<b>7,201,028</b>	<b>26,723</b>	<b>0.4</b>	<b>6,938,676</b>	<b>289,076</b>	<b>4.2</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>7,228,929</b>	<b>7,257,655</b>	<b>(28,726)</b>	<b>-0.4</b>	<b>6,939,504</b>	<b>289,426</b>	<b>4.2</b>



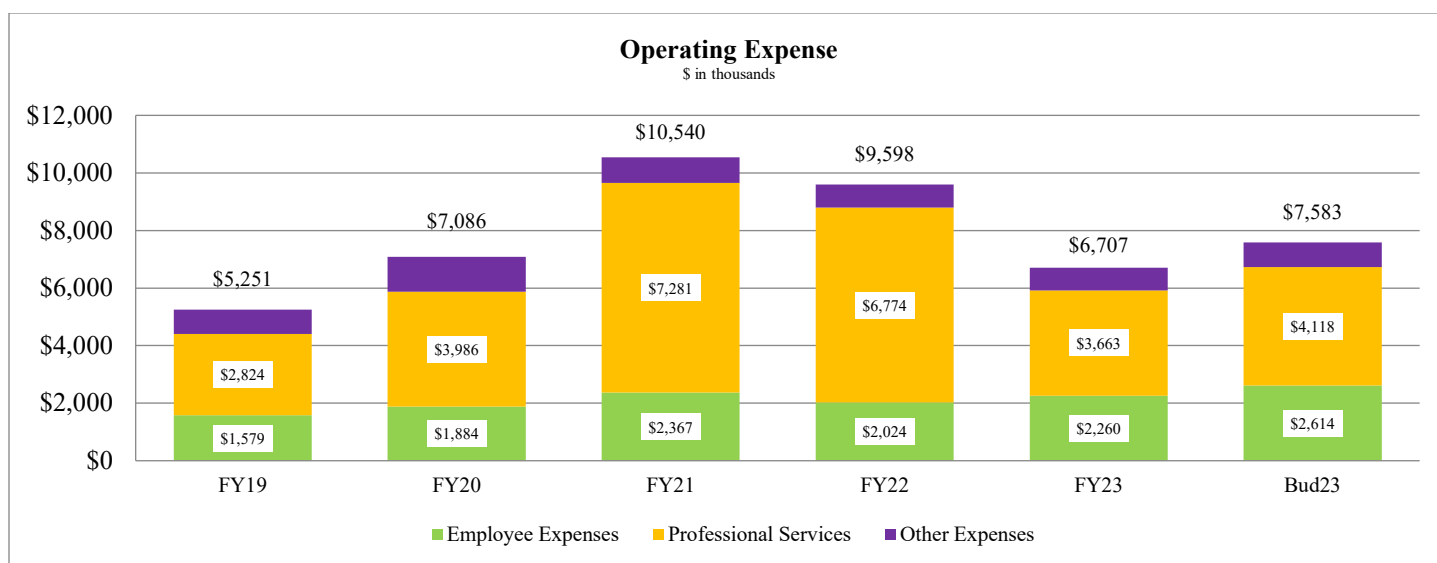
To: IFA & ITG Board Members  
From: Michelle Bodie  
Date: July 19, 2023  
RE: June 2023 YTD Financial Results

### Iowa Title Guaranty Financial Results (\$ in thousands)

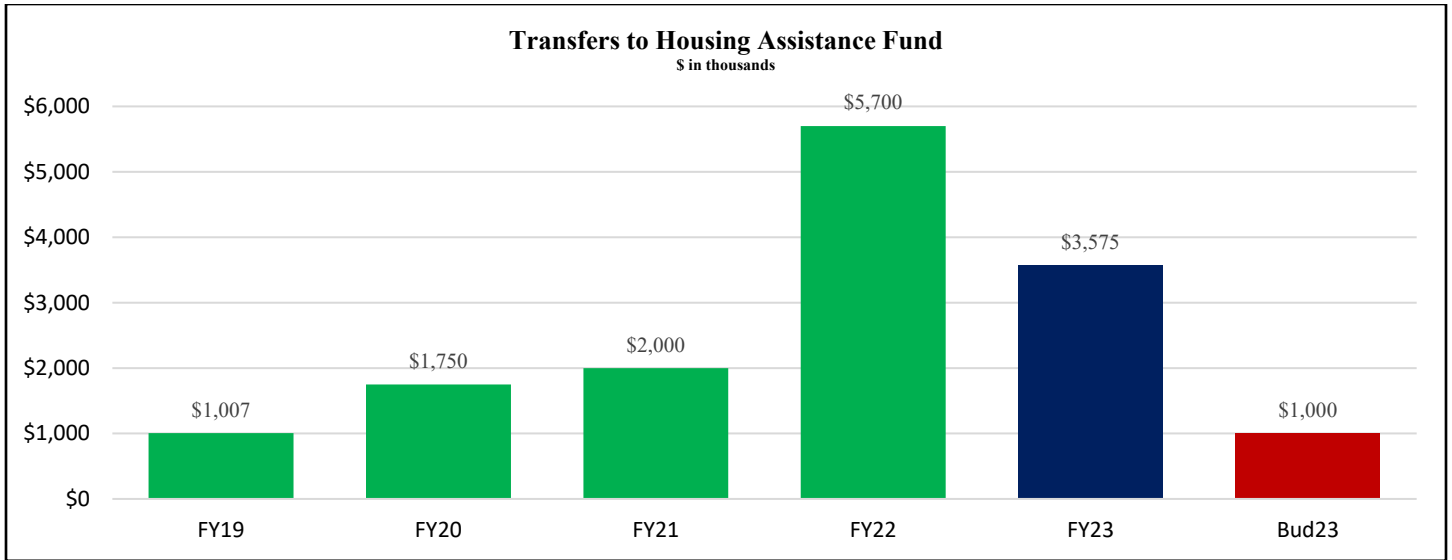
ITG operated unfavorably to budget for the month and fiscal year ended June 30, 2023.



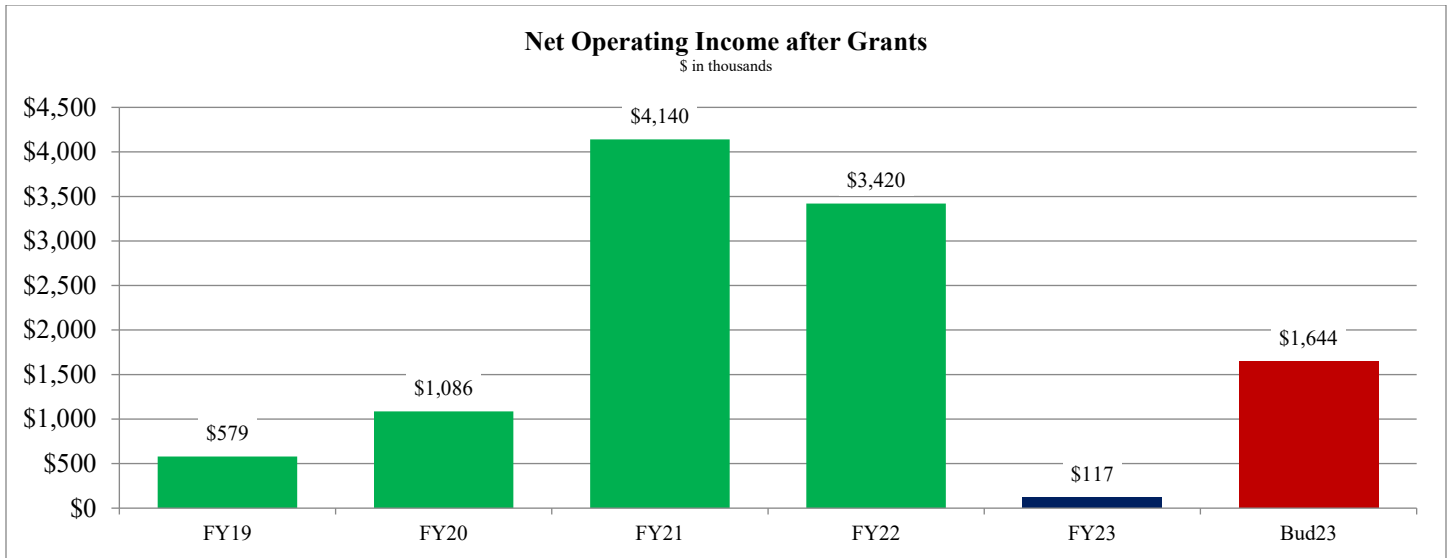
Operating revenue was \$172 or 1.7% above budget and 44.4% behind last year. The effect of rising interest rates on the housing market was the primary reason for the reduction in revenue from the prior year.



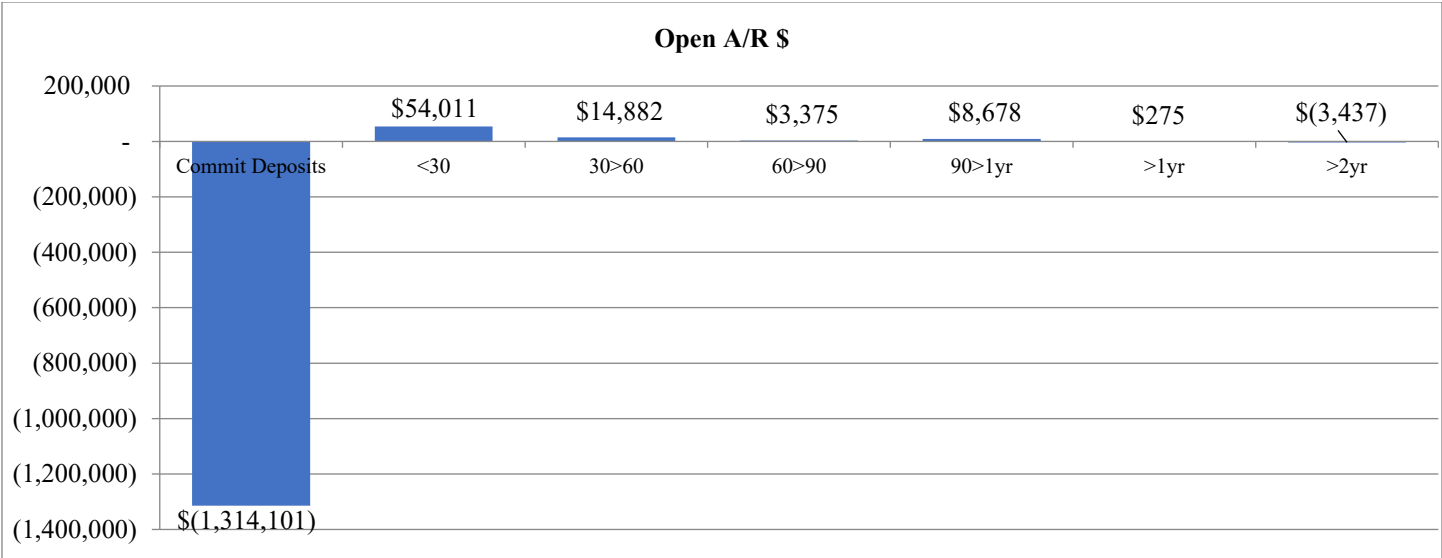
Operating expense was \$876 or 11.6% favorable to budget and 30.1% favorable to last year. Professional Services and Employee Expenses combined for \$810 or 92% of the favorable budget variance.



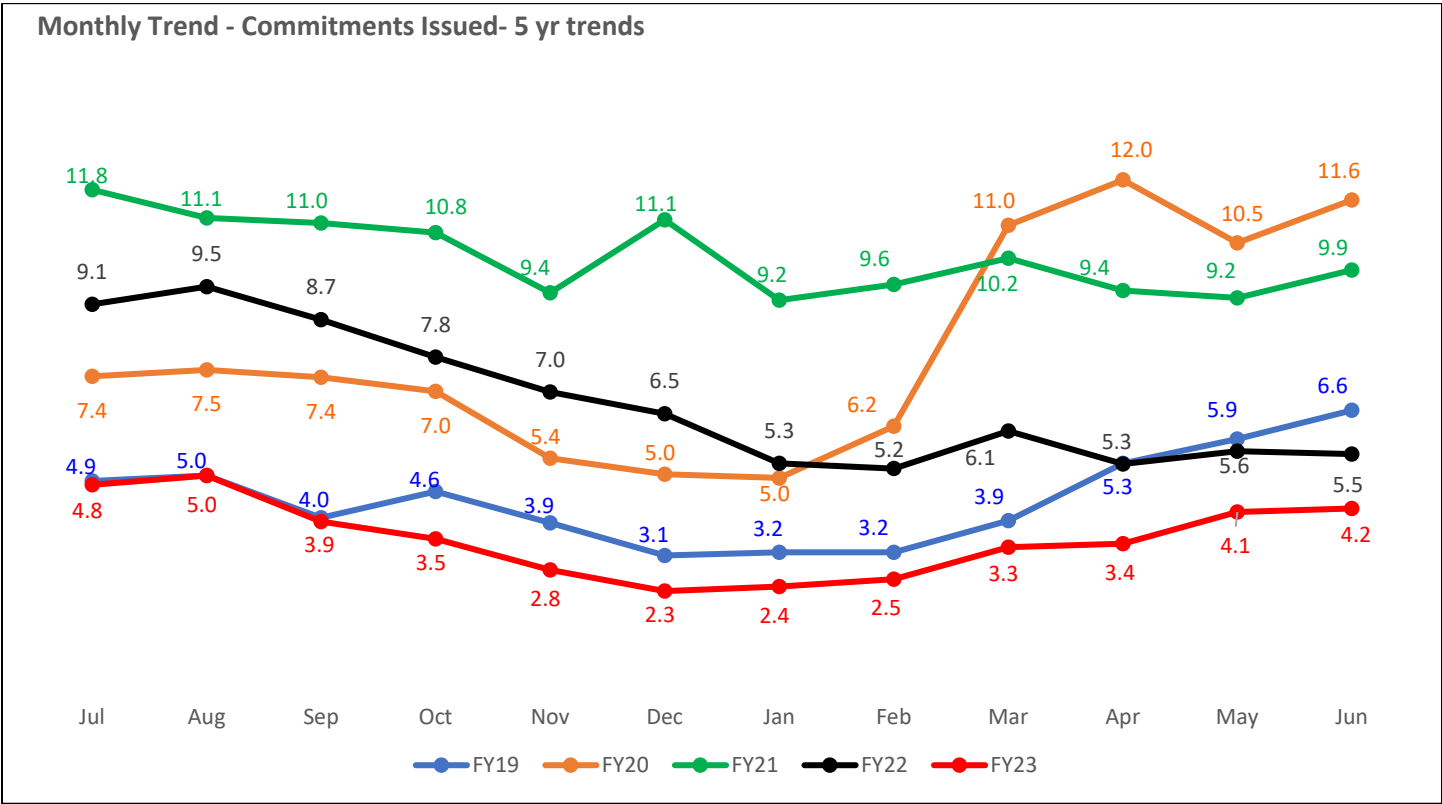
Transfers to the Housing Assistance Fund from Title Guaranty occur quarterly. After a \$75 transfer in June, fiscal year transfers total \$3,575 which is \$2,575 more than budget and \$2,125 less than last year.



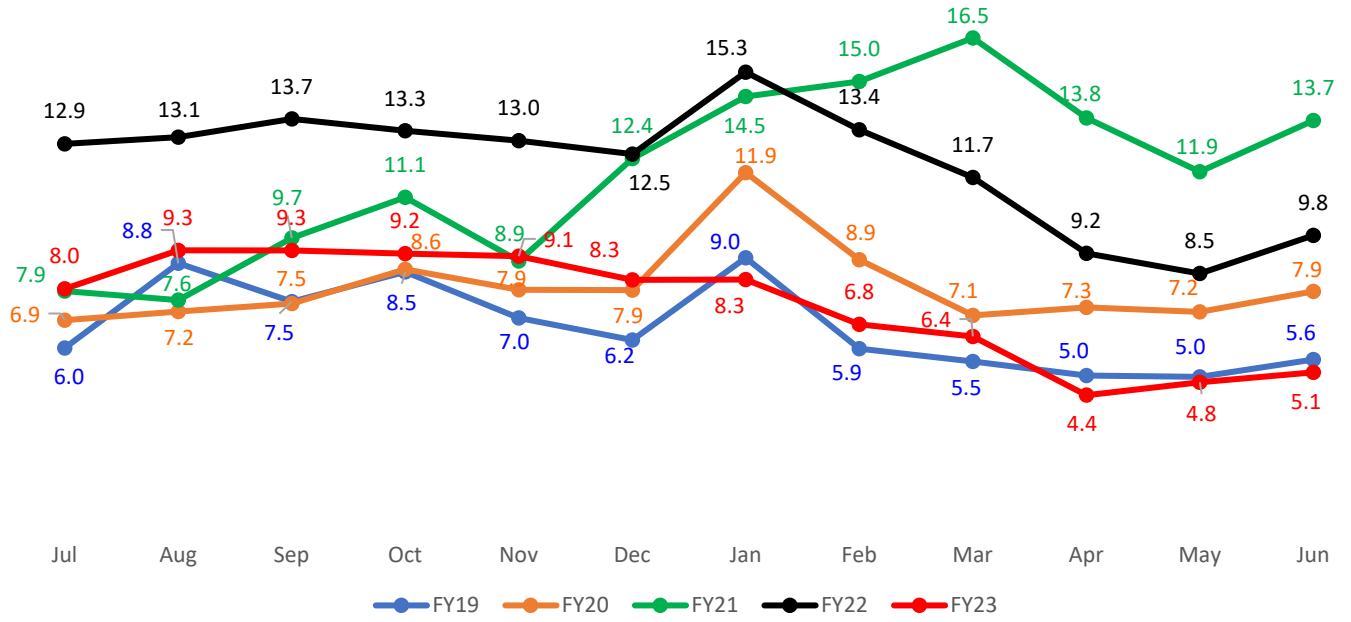
As a result of the \$3.575M transfer to the Housing Assistance Fund, the NOIAG is \$1,527 unfavorable to budget. NOIAG is \$3,303 unfavorable to the prior year primarily due to the housing and refinance market conditions. Current year Fee Revenue is \$8,253 or 44.4% below prior year.



Both commitments and receivables increased over 9% in June. Commitments were up 9.1% compared to May (\$1.314M vs \$1.204M), while outstanding receivables increased 9.4% (\$92.9k vs \$84.9k).



Monthly Trend - Certificates Issued 5 year trend



Balance Sheet	Iowa Title Guaranty Division (Rollup)						
	Jun-2023						
	Actuals	Bud23	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	21,194,239	25,788,781	(4,594,542)	-17.8	23,808,754	(2,614,515)	-11.0
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	-	-	-	0.0	-	-	0.0
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	220,721	190,994	29,727	15.6	102,276	118,445	115.8
Deferred Outflows	268,126	317,864	(49,738)	-15.6	532,199	(264,073)	-49.6
<b>Total Assets and Deferred Outflows</b>	<b>21,683,086</b>	<b>26,297,639</b>	<b>(4,614,553)</b>	<b>-17.5</b>	<b>24,443,229</b>	<b>(2,760,143)</b>	<b>-11.3</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	1,478,774	1,026,841	451,933	44.0	2,615,061	(1,136,287)	-43.5
Reserves for Claims	1,778,141	1,959,444	(181,302)	-9.3	1,768,482	9,659	0.5
Accounts Payable & Accrued Liabilities	1,629,151	3,718,344	(2,089,193)	-56.2	3,115,914	(1,486,763)	-47.7
Other liabilities	250,557	1,279,687	(1,029,130)	-80.4	250,557	-	0.0
Deferred Inflows	1,060,406	81,785	978,621	1196.6	1,324,479	(264,073)	-19.9
<b>Total Liabilities and Deferred Inflows</b>	<b>6,197,029</b>	<b>8,066,100</b>	<b>(1,869,071)</b>	<b>-23.2</b>	<b>9,074,493</b>	<b>(2,877,464)</b>	<b>-31.7</b>
<b>Equity</b>							
YTD Earnings(Loss)	117,321	1,643,933	(1,526,612)	-92.9	3,420,355	(3,303,034)	-96.6
Prior Years Earnings	15,368,736	16,587,606	(1,218,870)	-7.3	11,948,381	3,420,355	28.6
Transfers	-	-	-	0.0	-	-	0.0
<b>Total Equity</b>	<b>15,486,057</b>	<b>18,231,539</b>	<b>(2,745,482)</b>	<b>-15.1</b>	<b>15,368,736</b>	<b>117,321</b>	<b>0.8</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>21,683,086</b>	<b>26,297,639</b>	<b>(4,614,553)</b>	<b>-17.5</b>	<b>24,443,229</b>	<b>(2,760,143)</b>	<b>-11.3</b>



Income Statement	Iowa Title Guaranty Division (Rollup)													
	Jun-2023							YTD as of Jun-2023						
	Actuals	Bud23	Difference	%	Last Year	Difference	%	Actuals	Bud23	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	582,600	706,039	(123,439)	-17.5	1,261,449	(678,849)	-53.8	10,329,807	10,130,943	198,864	2.0	18,582,957	(8,253,150)	-44.4
Other Revenue	420	8,000	(7,580)	-94.7	34,974	(34,553)	-98.8	69,197	96,000	(26,803)	-27.9	135,692	(66,495)	-49.0
<b>Total Operating Revenue</b>	<b>583,020</b>	<b>714,039</b>	<b>(131,019)</b>	<b>-18.3</b>	<b>1,296,423</b>	<b>(713,403)</b>	<b>-55.0</b>	<b>10,399,004</b>	<b>10,226,943</b>	<b>172,061</b>	<b>1.7</b>	<b>18,718,649</b>	<b>(8,319,645)</b>	<b>-44.4</b>
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	190,418	229,208	(38,791)	-16.9	(49,773)	240,190	-482.6	2,259,811	2,614,169	(354,358)	-13.6	2,023,930	235,882	11.7
Shared Expenses	20,394	20,733	(340)	-1.6	21,720	(1,326)	-6.1	280,575	292,066	(11,491)	-3.9	270,611	9,964	3.7
Marketing Expense	750	6,033	(5,283)	-87.6	4,715	(3,965)	-84.1	40,243	65,480	(25,237)	-38.5	32,245	7,998	24.8
Professional Services	201,902	291,834	(89,932)	-30.8	399,697	(197,795)	-49.5	3,662,768	4,118,271	(455,503)	-11.1	6,773,909	(3,111,142)	-45.9
Claim and Loss Expenses	116,465	110,000	6,465	5.9	148,036	(31,571)	-21.3	193,393	220,000	(26,607)	-12.1	177,369	16,023	9.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	34,740	7,600	27,140	357.1	50,666	(15,926)	-31.4	108,458	91,200	17,258	18.9	149,100	(40,642)	-27.3
Overhead Allocation	(10,697)	11,505	(22,202)	-193.0	14,656	(25,353)	-173.0	161,436	181,825	(20,389)	-11.2	171,129	(9,694)	-5.7
<b>Total Operating Expense</b>	<b>553,970</b>	<b>676,913</b>	<b>(122,943)</b>	<b>-18.2</b>	<b>589,716</b>	<b>(35,746)</b>	<b>-6.1</b>	<b>6,706,683</b>	<b>7,583,010</b>	<b>(876,327)</b>	<b>-11.6</b>	<b>9,598,294</b>	<b>(2,891,610)</b>	<b>-30.1</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>29,050</b>	<b>37,126</b>	<b>(8,076)</b>	<b>-21.8</b>	<b>706,707</b>	<b>(677,656)</b>	<b>-95.9</b>	<b>3,692,321</b>	<b>2,643,933</b>	<b>1,048,388</b>	<b>39.7</b>	<b>9,120,355</b>	<b>(5,428,034)</b>	<b>-59.5</b>
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	75,000	250,000	(175,000)	-70.0	2,200,000	(2,125,000)	-96.6	3,575,000	1,000,000	2,575,000	257.5	5,700,000	(2,125,000)	-37.3
<b>Total Net Grant (Income) Expense</b>	<b>75,000</b>	<b>250,000</b>	<b>(175,000)</b>	<b>-70.0</b>	<b>2,200,000</b>	<b>(2,125,000)</b>	<b>-96.6</b>	<b>3,575,000</b>	<b>1,000,000</b>	<b>2,575,000</b>	<b>257.5</b>	<b>5,700,000</b>	<b>(2,125,000)</b>	<b>-37.3</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(45,950)</b>	<b>(212,874)</b>	<b>166,924</b>	<b>-78.4</b>	<b>(1,493,293)</b>	<b>1,447,344</b>	<b>-96.9</b>	<b>117,321</b>	<b>1,643,933</b>	<b>(1,526,612)</b>	<b>-92.9</b>	<b>3,420,355</b>	<b>(3,303,034)</b>	<b>-96.6</b>
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Net Income (Loss)</b>	<b>(45,950)</b>	<b>(212,874)</b>	<b>166,924</b>	<b>-78.4</b>	<b>(1,493,293)</b>	<b>1,447,344</b>	<b>-96.9</b>	<b>117,321</b>	<b>1,643,933</b>	<b>(1,526,612)</b>	<b>-92.9</b>	<b>3,420,355</b>	<b>(3,303,034)</b>	<b>-96.6</b>
IFA Home Dept Staff Count	21	21	-	0.0	19	2	10.5	21	21	(0)	-2.0	20	1	5.5
FTE Staff Count	22	22	0	0.1	21	2	8.3	21	23	(1)	-5.4	21	0	0.7

Income Statement	800-020 Residential													
	Jun-2023							YTD as of Jun-2023						
	Actuals	Bud23	Difference	%	Last Year	Difference	%	Actuals	Bud23	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	531,689	645,250	(113,561)	-17.6	1,095,947	(564,258)	-51.5	9,378,219	9,401,475	(23,256)	-0.2	17,572,733	(8,194,513)	-46.6
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Operating Revenue</b>	<b>531,689</b>	<b>645,250</b>	<b>(113,561)</b>	<b>-17.6</b>	<b>1,095,947</b>	<b>(564,258)</b>	<b>-51.5</b>	<b>9,378,219</b>	<b>9,401,475</b>	<b>(23,256)</b>	<b>-0.2</b>	<b>17,572,733</b>	<b>(8,194,513)</b>	<b>-46.6</b>
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	146,857	183,289	(36,432)	-19.9	(88,810)	235,667	-265.4	1,801,316	2,154,076	(352,760)	-16.4	1,596,853	204,463	12.8
Shared Expenses	19,107	20,134	(1,027)	-5.1	20,790	(1,683)	-8.1	261,565	279,860	(18,296)	-6.5	261,864	(300)	-0.1
Marketing Expense	750	5,933	(5,183)	-87.4	4,715	(3,965)	-84.1	33,493	55,285	(21,792)	-39.4	27,745	5,748	20.7
Professional Services	201,902	291,484	(89,582)	-30.7	403,125	(201,223)	-49.9	3,660,681	4,114,071	(453,390)	-11.0	6,773,909	(3,113,229)	-46.0
Claim and Loss Expenses	116,465	110,000	6,465	5.9	148,036	(31,571)	-21.3	193,393	220,000	(26,607)	-12.1	177,369	16,023	9.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	964	350	614	175.4	687	277	40.3	6,366	4,200	2,166	51.6	7,762	(1,396)	-18.0
Overhead Allocation	(8,174)	9,600	(17,774)	-185.1	12,224	(20,397)	-166.9	134,888	151,147	(16,258)	-10.8	142,732	(7,844)	-5.5
<b>Total Operating Expense</b>	<b>477,871</b>	<b>620,791</b>	<b>(142,920)</b>	<b>-23.0</b>	<b>500,767</b>	<b>(22,896)</b>	<b>-4.6</b>	<b>6,091,701</b>	<b>6,978,638</b>	<b>(886,937)</b>	<b>-12.7</b>	<b>8,988,235</b>	<b>(2,896,534)</b>	<b>-32.2</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>53,818</b>	<b>24,459</b>	<b>29,359</b>	<b>120.0</b>	<b>595,180</b>	<b>(541,362)</b>	<b>-91.0</b>	<b>3,286,518</b>	<b>2,422,837</b>	<b>863,681</b>	<b>35.6</b>	<b>8,584,497</b>	<b>(5,297,979)</b>	<b>-61.7</b>
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	75,000	250,000	(175,000)	-70.0	2,200,000	(2,125,000)	-96.6	3,575,000	1,000,000	2,575,000	257.5	5,700,000	(2,125,000)	-37.3
<b>Total Net Grant (Income) Expense</b>	<b>75,000</b>	<b>250,000</b>	<b>(175,000)</b>	<b>-70.0</b>	<b>2,200,000</b>	<b>(2,125,000)</b>	<b>-96.6</b>	<b>3,575,000</b>	<b>1,000,000</b>	<b>2,575,000</b>	<b>257.5</b>	<b>5,700,000</b>	<b>(2,125,000)</b>	<b>-37.3</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(21,182)</b>	<b>(225,541)</b>	<b>204,359</b>	<b>-90.6</b>	<b>(1,604,820)</b>	<b>1,583,638</b>	<b>-98.7</b>	<b>(288,482)</b>	<b>1,422,837</b>	<b>(1,711,319)</b>	<b>-120.3</b>	<b>2,884,497</b>	<b>(3,172,979)</b>	<b>-110.0</b>
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Net Income (Loss)</b>	<b>(21,182)</b>	<b>(225,541)</b>	<b>204,359</b>	<b>-90.6</b>	<b>(1,604,820)</b>	<b>1,583,638</b>	<b>-98.7</b>	<b>(288,482)</b>	<b>1,422,837</b>	<b>(1,711,319)</b>	<b>-120.3</b>	<b>2,884,497</b>	<b>(3,172,979)</b>	<b>-110.0</b>
IFA Home Dept Staff Count	17	17	-	0.0	15	2	13.3	17	17	(0)	-1.5	16	1	8.0
FTE Staff Count	17	19	(2)	-8.3	17	0	1.5	17	19	(2)	-8.6	17	(0)	-1.4

Income Statement	800-030 Commercial													
	Jun-2023							YTD as of Jun-2023						
	Actuals	Bud23	Difference	%	Last Year	Difference	%	Actuals	Bud23	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	50,911	60,789	(9,878)	-16.2	165,502	(114,591)	-69.2	951,588	729,468	222,120	30.4	1,010,224	(58,637)	-5.8
Other Revenue	420	8,000	(7,580)	-94.7	34,974	(34,553)	-98.8	69,197	96,000	(26,803)	-27.9	135,692	(66,495)	-49.0
Total Operating Revenue	51,331	68,789	(17,458)	-25.4	200,476	(149,145)	-74.4	1,020,785	825,468	195,317	23.7	1,145,916	(125,132)	-10.9
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	43,560	45,919	(2,358)	-5.1	39,037	4,523	11.6	458,495	460,093	(1,598)	-0.3	427,077	31,419	7.4
Shared Expenses	1,287	599	688	114.8	930	357	38.4	19,010	12,206	6,805	55.8	8,747	10,264	117.3
Marketing Expense	-	100	(100)	-100.0	-	-	0.0	6,750	10,195	(3,445)	-33.8	4,500	2,250	50.0
Professional Services	-	350	(350)	-100.0	(3,428)	3,428	-100.0	2,087	4,200	(2,113)	-50.3	-	2,087	0.0
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	33,776	7,250	26,526	365.9	49,979	(16,203)	-32.4	102,092	87,000	15,092	17.3	141,338	(39,246)	-27.8
Overhead Allocation	(2,524)	1,905	(4,428)	-232.5	2,432	(4,956)	-203.8	26,548	30,678	(4,131)	-13.5	28,397	(1,849)	-6.5
Total Operating Expense	76,099	56,122	19,977	35.6	88,949	(12,850)	-14.4	614,982	604,372	10,610	1.8	610,058	4,924	0.8
Net Operating Income (Loss) Before Grants	(24,768)	12,667	(37,435)	-295.5	111,527	(136,295)	-122.2	405,803	221,096	184,707	83.5	535,858	(130,055)	-24.3
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Operating Income (Loss) After Grants	(24,768)	12,667	(37,435)	-295.5	111,527	(136,295)	-122.2	405,803	221,096	184,707	83.5	535,858	(130,055)	-24.3
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	(24,768)	12,667	(37,435)	-295.5	111,527	(136,295)	-122.2	405,803	221,096	184,707	83.5	535,858	(130,055)	-24.3
IFA Home Dept Staff Count	4	4	-	0.0	4	-	0.0	4	4	(0)	-4.2	4	(0)	-4.2
FTE Staff Count	5	4	2	42.7	4	1	37.9	4	4	0	10.8	4	0	10.5

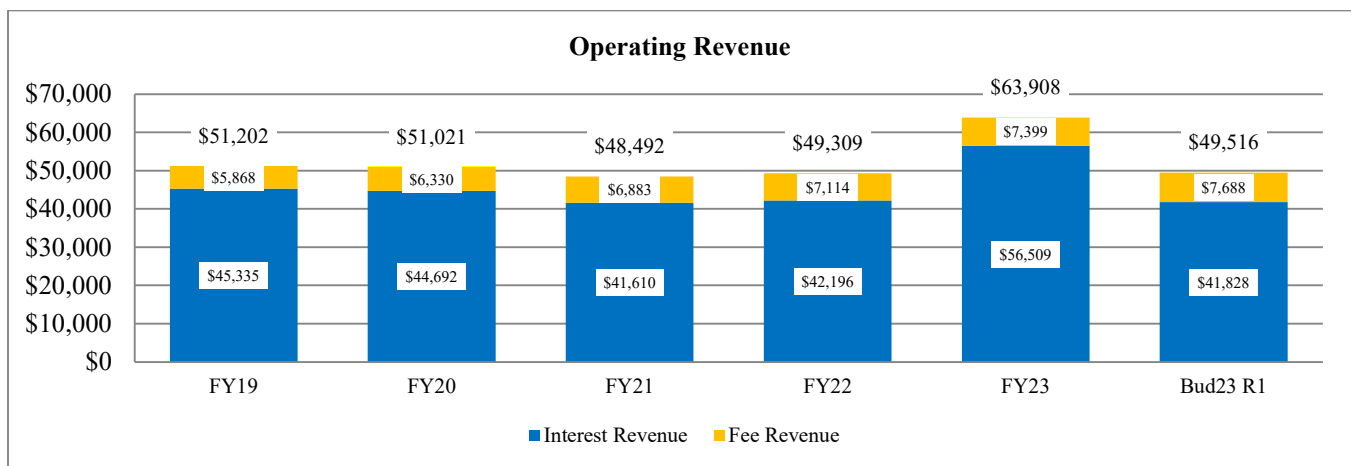
To: IFA Board Members  
 From: Deena Klesel  
 Date: July 19, 2023  
 Re: June 2023 YTD Financial Results

### State Revolving Fund Results (\$ in thousands)

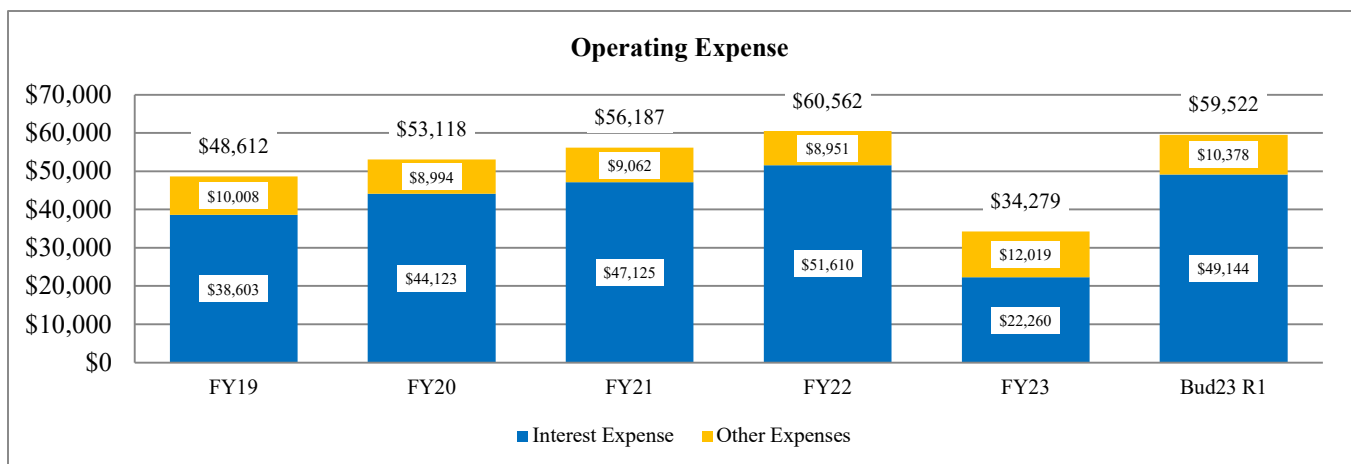
At the close of FY23, the State Revolving Fund is operating unfavorably to budget.

During the month of June, the SRF program closed on the following two bond deals:

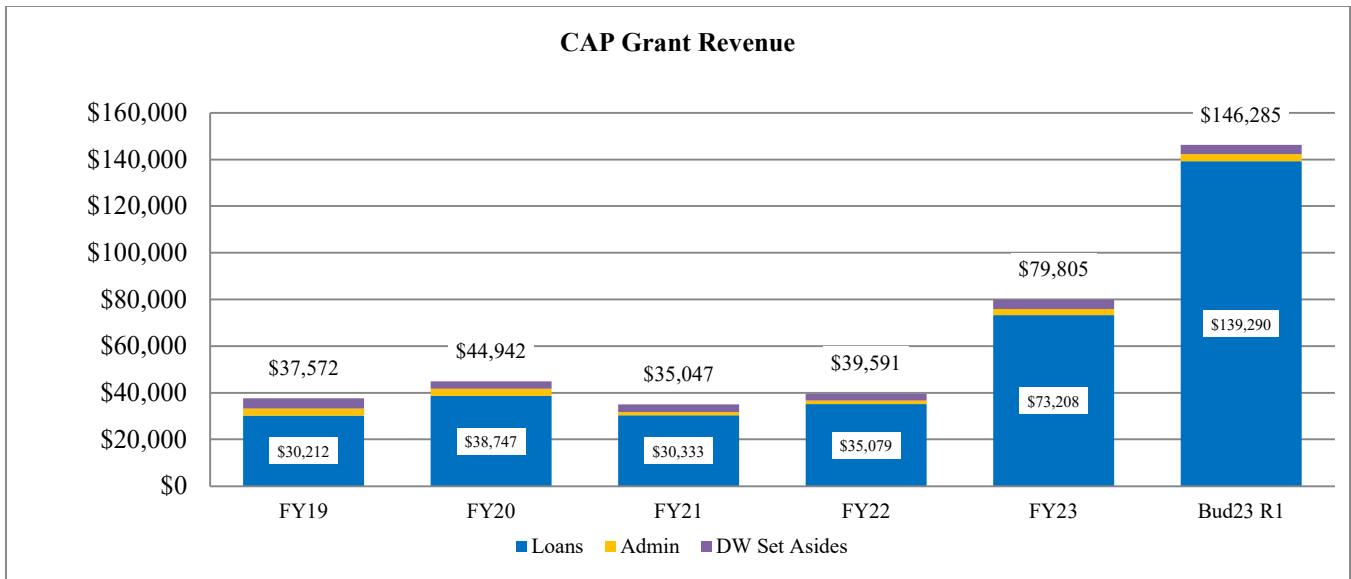
- \$300M 2023A, \$44.5M 2023B, and \$127.6M 2023C Bonds closed on June 15, 2023, which included a tender offer that resulted in \$13.8M of savings.
- \$36M 2022C Forward Refunding Bonds closed on June 28, 2023, which resulted in \$3M of savings.



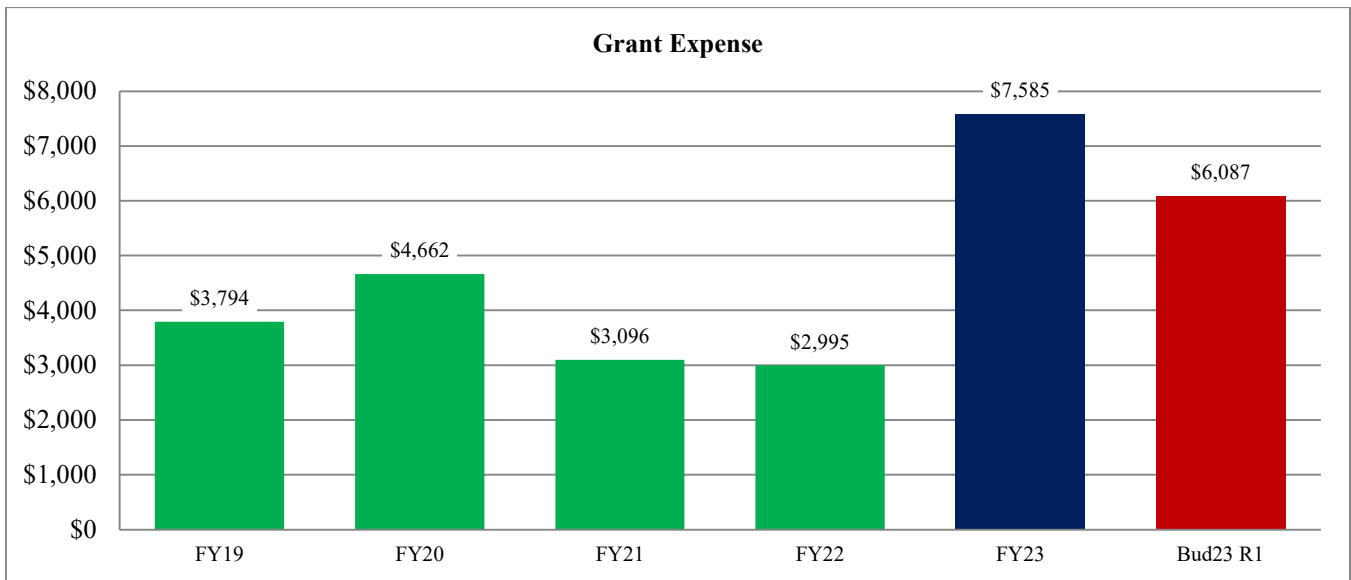
Operating Revenue was \$14,392 or 29.1% above budget and \$14,599 or 29.6% above last year.



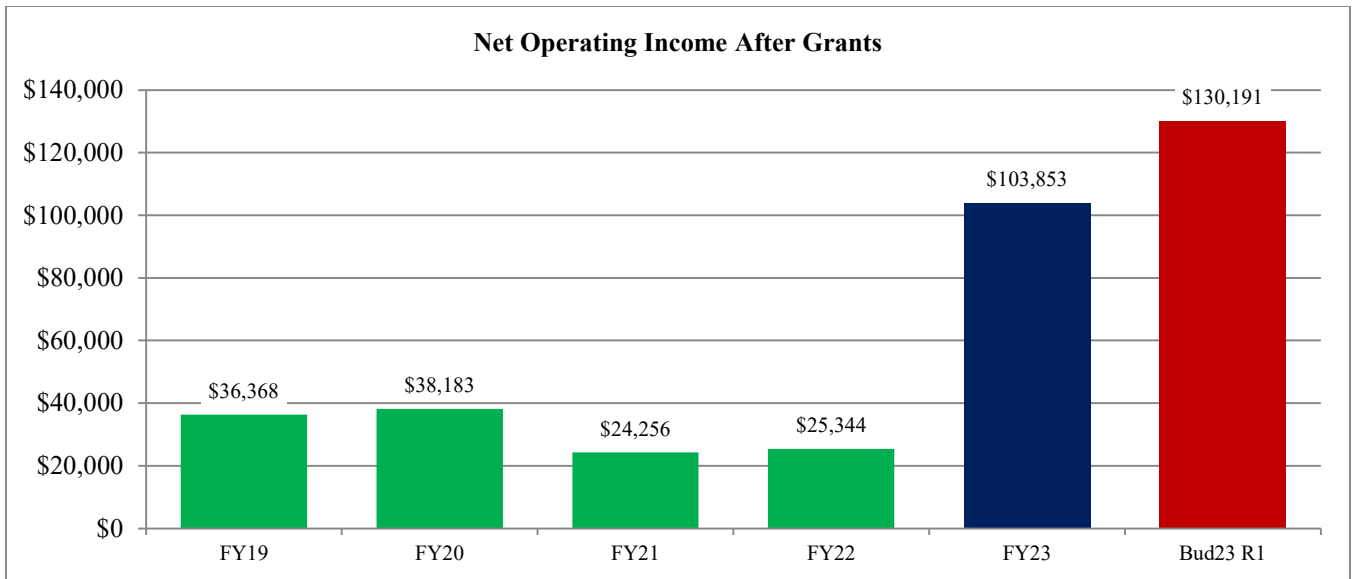
Operating Expense was \$25,243 or 42.4% favorable to budget and \$26,283 or 43.3% favorable to last year. This positive variance is a result of fully recognizing the remaining premium/discount on the debt refunded as part of the 2023A tender offer.



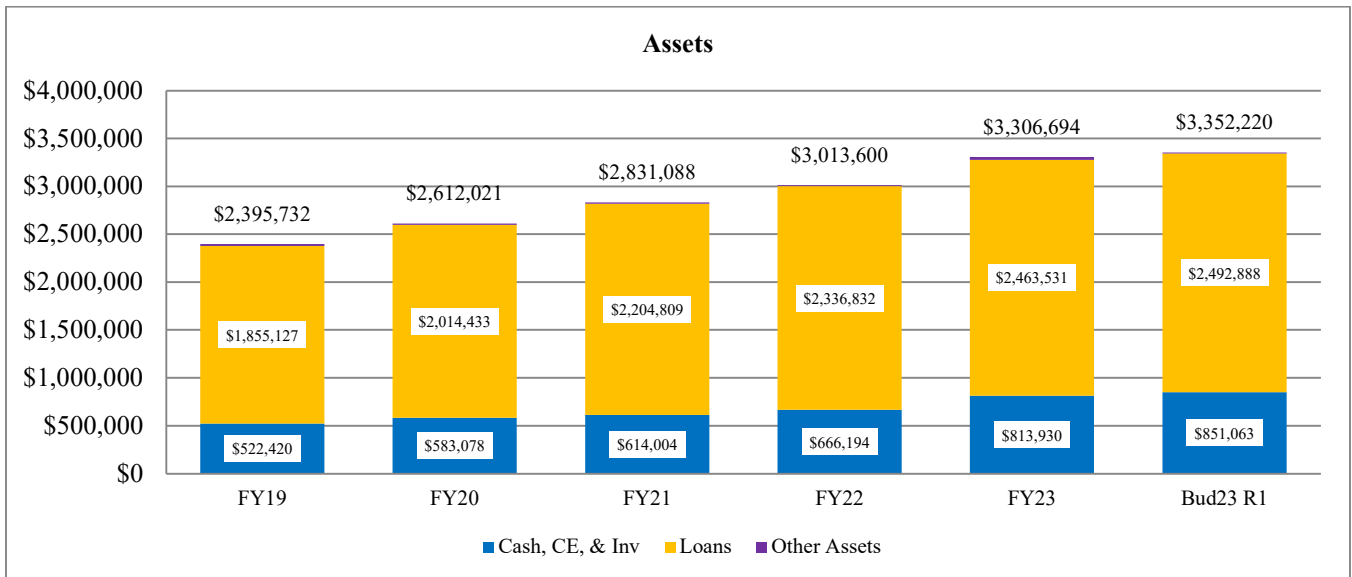
CAP Grant Revenue was \$66,480 or 45.4% unfavorable to budget and \$40,214 or 101.6% above last year. This favorability to prior year was due to the funding made available in the Bipartisan Infrastructure Law. The 2022 awarded Bipartisan Infrastructure Law funds available for loans have been fully disbursed. The variance to budget is due to a delay in three of the 2022 BIL programs development (Lead Service Line Replacement \$44.8M, Clean Water Emerging Contaminants \$1.3M, and Drinking Water Emerging Contaminants \$11.9M). While these three programs were budgeted to be received and disbursed in FY23, the new programs took longer to develop than anticipated and the applications for all three were submitted June 23, 2023.



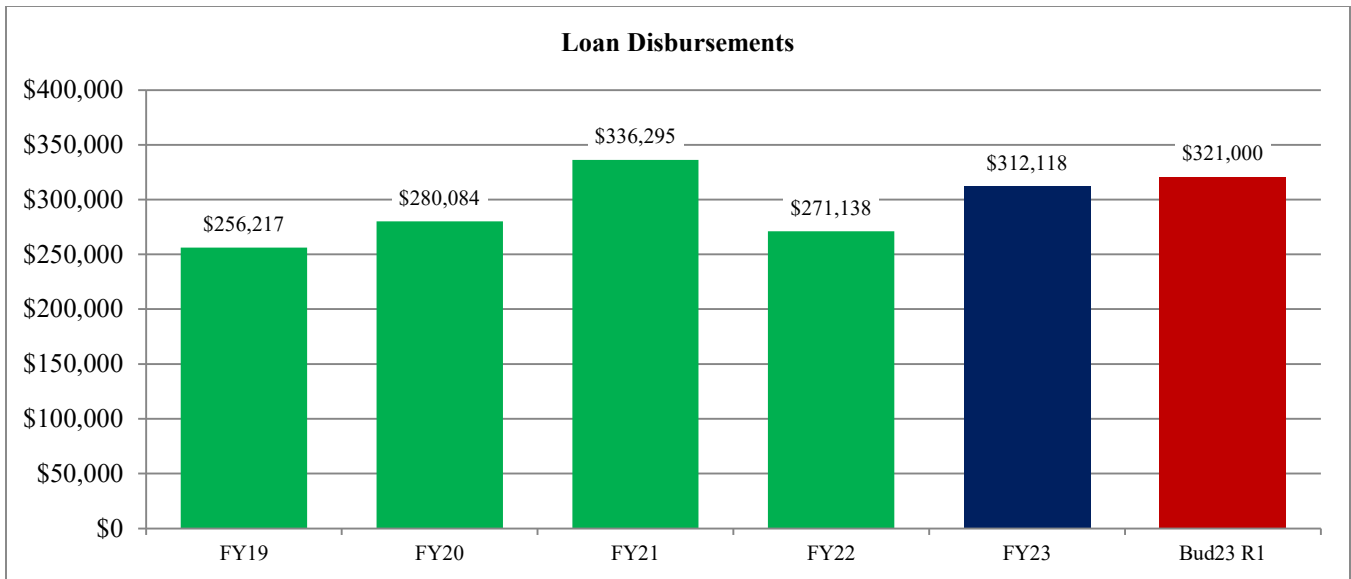
Grant Expense was \$1,498 or 24.6% unfavorable to budget and \$4,590 or 1.53% above last year. Grant Expense relates to the forgivable portion of specific SRF loans which is applied upon project completion. 19 BIL funded projects have accepted offers of principal forgiveness, totaling more than \$14M, which significantly increased the associated reserve and impacted grant expense. Project pacing, and associated principal forgiveness, has been challenging to forecast in this first year of BIL funding.



NOIAG was \$26,338 or 25.3% unfavorable to budget and \$78,509 or 309.8% favorable to last year.



Assets were \$45,526 or 1.4% below budget and \$293,094 or 9.7% above last year.



In June, \$42,240 was disbursed which, YTD, was \$8,882 or 2.8% unfavorable to budget but \$40,980 or 15.11% above last year. Total loan commitments were \$532,087 which is a 28.8% increase from May 2023.

<b>Equity/Program/Admin Fund Balances</b>					
<u>Program</u>	<u>Uses</u>	<u>Account</u>	<u>Balance at 5/31/2023</u>	<u>Net Cash Inflows (Outflows)</u>	<u>Balance at 6/30/2023</u>
<b>Equity Fund</b>	Construction Loans				
Clean Water		12069250/1	89,120	424,258	513,378
Drinking Water		12069253/4	148,111	193,159	341,270
Leveraged		82644014/82410107	0	0	0
			<u>237,231</u>	<u>617,417</u>	<u>854,648</u>
<b>Program Fund</b>	P&D, CW GNPS, DW SWP				
Clean Water		22546000	51,723	4,812	56,535
Drinking Water		22546001	15,920	605	16,525
			<u>67,643</u>	<u>5,417</u>	<u>73,060</u>
<b>Administration Fund</b>	Administrative Expenses				
Clean Water		22546002	15,826	2,605	18,431
Drinking Water		22546003	20,512	850	21,362
			<u>36,338</u>	<u>3,455</u>	<u>39,793</u>

<u>Grant Award Year</u>	<u>Clean Water</u>		<u>Drinking Water</u>		<u>Total SRF</u>	
	<u>EPA Awards</u>	<u>Remaining</u>	<u>EPA Awards</u>	<u>Remaining</u>	<u>EPA Awards</u>	<u>Remaining</u>
Prior Years	594,001	-	326,691	-	920,692	-
2019	21,505	-	17,348	-	38,853	-
2020	21,483	-	17,378	-	38,861	-
2021	21,505	-	17,427	-	38,932	-
2022	39,673	-	39,605	2,203	79,278	2,203
Total	698,167	-	418,449	2,203	1,116,616	2,203
Total federal capitalization grants received to date:						\$ 1,114,413
<u>Available for Loan Draws</u>	<u>Clean Water</u>	<u>Drinking Water</u>	<u>Total</u>	<u>Available for Set-asides</u>		
2019	-	-	-	Clean Water	-	
2020	-	-	-	Drinking Water	2,203	
2021	-	-	-			
2022	-	-	-			
	-	-	-		2,203	

<b>SRF Loan Portfolio</b>	6/30/2020	6/30/2021	6/30/2022	6/30/2023	YTD Increase
Clean Water	1,527,898	1,684,234	1,815,279	1,935,206	6.6%
Drinking Water	497,130	526,655	528,104	541,873	2.6%
Total SRF Loan Portfolio	2,025,028	2,210,889	2,343,383	2,477,079	5.7%



Balance Sheet	State Revolving Fund (Rollup)						
	Jun-2023						
	Actuals	Bud23 R1	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	722,545,083	811,309,399	(88,764,316)	-10.9	597,800,121	124,744,962	20.9
Investments	91,385,347	39,753,236	51,632,111	129.9	68,393,905	22,991,442	33.6
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	2,463,530,735	2,492,887,704	(29,356,968)	-1.2	2,336,831,531	126,699,204	5.4
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	7,490,745	4,570,561	2,920,184	63.9	4,850,018	2,640,727	54.4
Deferred Outflows	21,742,165	3,698,709	18,043,456	487.8	5,724,481	16,017,684	279.8
<b>Total Assets and Deferred Outflows</b>	<b>3,306,694,075</b>	<b>3,352,219,608</b>	<b>(45,525,533)</b>	<b>-1.4</b>	<b>3,013,600,056</b>	<b>293,094,019</b>	<b>9.7</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	2,137,033,337	2,081,669,216	55,364,121	2.7	1,938,056,395	198,976,942	10.3
Interest Payable	28,387,397	90,071,940	(61,684,543)	-68.5	30,251,498	(1,864,101)	-6.2
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	894,944	1,322,090	(427,146)	-32.3	1,485,766	(590,822)	-39.8
Other liabilities	50,658	643,102	(592,444)	-92.1	50,658	-	0.0
Deferred Inflows	341,965	31,947	310,018	970.4	427,707	(85,742)	-20.0
<b>Total Liabilities and Deferred Inflows</b>	<b>2,166,708,301</b>	<b>2,173,738,295</b>	<b>(7,029,994)</b>	<b>-0.3</b>	<b>1,970,272,024</b>	<b>196,436,277</b>	<b>10.0</b>
<b>Equity</b>							
YTD Earnings(Loss)	101,532,781	130,191,320	(28,658,539)	-22.0	23,732,623	77,800,158	327.8
Prior Years Earnings	1,044,699,084	1,048,289,992	(3,590,908)	-0.3	1,019,595,408	25,103,676	2.5
Transfers	(6,246,091)	-	(6,246,091)	0.0	0	(6,246,092)	0.0
<b>Total Equity</b>	<b>1,139,985,774</b>	<b>1,178,481,313</b>	<b>(38,495,539)</b>	<b>-3.3</b>	<b>1,043,328,031</b>	<b>96,657,742</b>	<b>9.3</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>3,306,694,075</b>	<b>3,352,219,608</b>	<b>(45,525,533)</b>	<b>-1.4</b>	<b>3,013,600,056</b>	<b>293,094,019</b>	<b>9.7</b>

Income Statement	State Revolving Fund (Rollup)													
	Jun-2023							YTD as of Jun-2023						
	Actuals	Bud23 R1	Difference	%	Last Year	Difference	%	Actuals	Bud23 R1	Difference	%	Last Year	Difference	%
<b>Operating Revenue</b>														
Interest Revenue	5,820,363	3,678,738	2,141,624	58.2	3,919,874	1,900,489	48.5	56,509,308	41,827,874	14,681,434	35.1	42,195,649	14,313,659	33.9
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	1,489,335	649,509	839,826	129.3	1,679,556	(190,221)	-11.3	7,398,697	7,688,162	(289,465)	-3.8	7,113,659	285,038	4.0
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	2	(2)	-100.0
<b>Total Operating Revenue</b>	<b>7,309,698</b>	<b>4,328,247</b>	<b>2,981,450</b>	<b>68.9</b>	<b>5,599,430</b>	<b>1,710,268</b>	<b>30.5</b>	<b>63,908,005</b>	<b>49,516,036</b>	<b>14,391,969</b>	<b>29.1</b>	<b>49,309,311</b>	<b>14,598,695</b>	<b>29.6</b>
<b>Operating Expense</b>														
Interest Expense	(25,867,367)	6,511,152	(32,378,519)	-497.3	4,673,262	(30,540,629)	-653.5	22,259,501	49,144,461	(26,884,960)	-54.7	51,610,460	(29,350,959)	-56.9
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	74,444	68,009	6,435	9.5	(33,098)	107,542	-324.9	833,438	804,004	29,434	3.7	634,156	199,282	31.4
Shared Expenses	5	917	(912)	-99.5	6,786	(6,781)	-99.9	8,265	11,000	(2,735)	-24.9	17,258	(8,994)	-52.1
Marketing Expense	1,426	3,333	(1,907)	-57.2	1,943	(518)	-26.6	11,564	40,000	(28,436)	-71.1	13,062	(1,498)	-11.5
Professional Services	1,129,423	48,649	1,080,774	2221.6	82,287	1,047,136	1272.5	1,760,671	586,954	1,173,716	200.0	635,889	1,124,782	176.9
Claim and Loss Expenses	1,226,000	-	1,226,000	0.0	(25,000)	1,251,000	-5004.0	(37,168)	-	(37,168)	0.0	(25,000)	(12,168)	48.7
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	1,056,863	730,833	326,030	44.6	676,011	380,853	56.3	9,289,407	8,770,000	519,407	5.9	7,537,494	1,751,913	23.2
Overhead Allocation	(47,700)	12,962	(60,662)	-468.0	12,043	(59,743)	-496.1	153,191	165,732	(12,541)	-7.6	138,221	14,970	10.8
<b>Total Operating Expense</b>	<b>(22,426,907)</b>	<b>7,375,855</b>	<b>(29,802,762)</b>	<b>-404.1</b>	<b>5,394,233</b>	<b>(27,821,140)</b>	<b>-515.8</b>	<b>34,278,869</b>	<b>59,522,152</b>	<b>(25,243,284)</b>	<b>-42.4</b>	<b>60,561,541</b>	<b>(26,282,672)</b>	<b>-43.4</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>29,736,604</b>	<b>(3,047,608)</b>	<b>32,784,212</b>	<b>-1075.7</b>	<b>205,197</b>	<b>29,531,408</b>	<b>14391.8</b>	<b>29,629,137</b>	<b>(10,006,116)</b>	<b>39,635,253</b>	<b>-396.1</b>	<b>(11,252,230)</b>	<b>40,881,367</b>	<b>-363.3</b>
<b>Net Grant (Income) Expense</b>														
Grant Revenue	(7,242,510)	(72,903,044)	65,660,533	-90.1	(832,736)	(6,409,774)	769.7	(79,804,759)	(146,284,820)	66,480,061	-45.4	(39,591,429)	(40,213,330)	101.6
Grant Expense	1,686,201	3,160,493	(1,474,292)	-46.6	16,626	1,669,575	10042.0	7,585,402	6,087,384	1,498,018	24.6	2,995,104	4,590,298	153.3
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Net Grant (Income) Expense</b>	<b>(5,556,309)</b>	<b>(69,742,551)</b>	<b>64,186,241</b>	<b>-92.0</b>	<b>(816,110)</b>	<b>(4,740,199)</b>	<b>580.8</b>	<b>(72,219,357)</b>	<b>(140,197,436)</b>	<b>67,978,079</b>	<b>-48.5</b>	<b>(36,596,325)</b>	<b>(35,623,032)</b>	<b>97.3</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>35,292,914</b>	<b>66,694,943</b>	<b>(31,402,029)</b>	<b>-47.1</b>	<b>1,021,307</b>	<b>34,271,607</b>	<b>3355.7</b>	<b>101,848,494</b>	<b>130,191,320</b>	<b>(28,342,826)</b>	<b>-21.8</b>	<b>25,344,094</b>	<b>76,504,399</b>	<b>301.9</b>
<b>Other Non-Operating (Income) Expense</b>														
	121,379	-	121,379	0.0	368,034	(246,656)	-67.0	315,712	-	315,712	0.0	1,611,471	(1,295,759)	-80.4
<b>Net Income (Loss)</b>	<b>35,171,535</b>	<b>66,694,943</b>	<b>(31,523,408)</b>	<b>-47.3</b>	<b>653,272</b>	<b>34,518,263</b>	<b>5283.9</b>	<b>101,532,781</b>	<b>130,191,320</b>	<b>(28,658,539)</b>	<b>-22.0</b>	<b>23,732,623</b>	<b>77,800,158</b>	<b>327.8</b>
IFA Home Dept Staff Count	5	6	(1)	-16.7	5	-	0.0	5	6	(1)	-16.7	5	0	5.3
FTE Staff Count	8	6	1	18.7	6	2	34.6	6	6	(0)	-2.4	5	1	12.9



IOWA FINANCE  
AUTHORITY

# Investment Report

June 30, 2023

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I. IFA Finance & Investment Summary

II. Investment Composition

III. Treasury Market Outlook

# Finance & Investment Summary

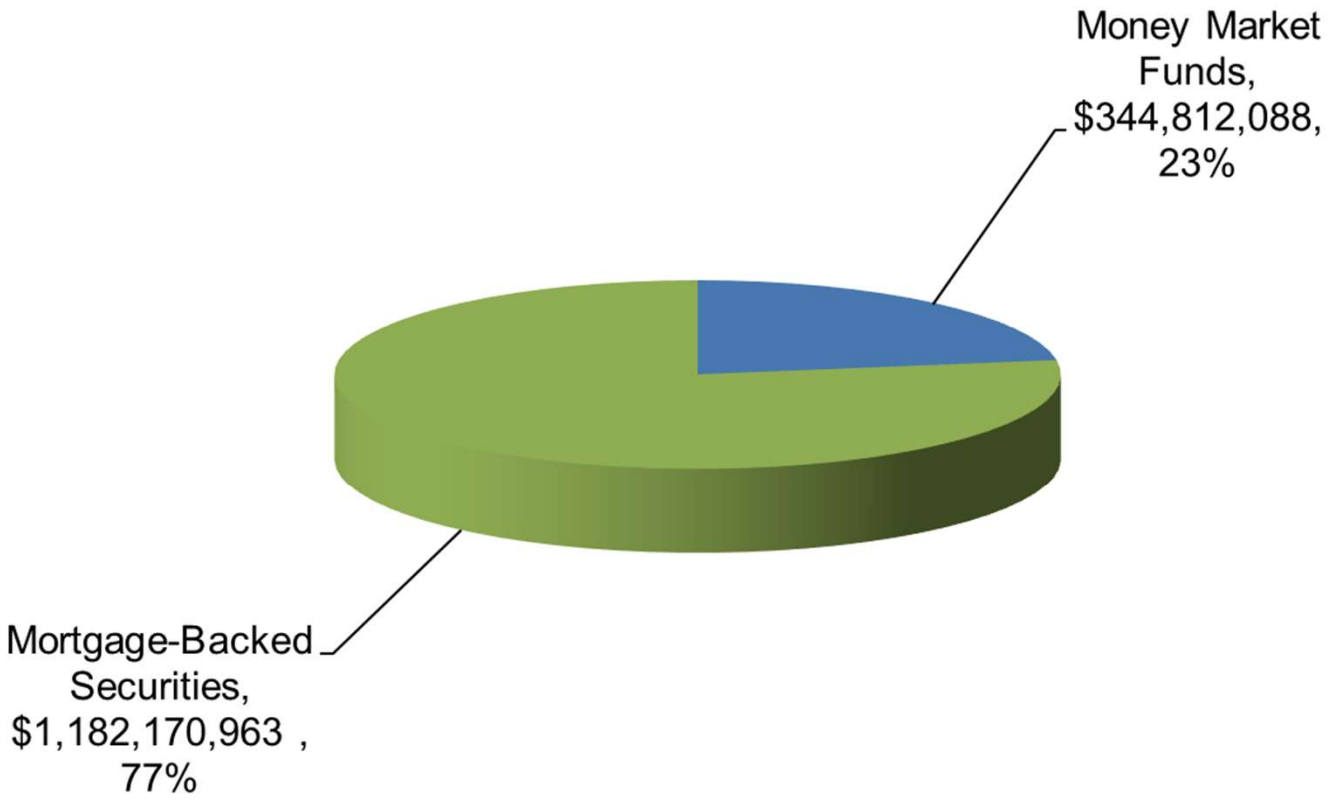
- As of July 24, 2023, the federal funds rate was in the 5.00% to 5.25% target range, and the Federal Reserve is expected to raise the key rate by 0.25% at the July 26, 2023 meeting. The US economy and labor market remains resilient despite higher rates, while the June CPI 3.0% was an encouraging sign that inflation is cooling. Federal Open Market Committee in their June forecast signaled two additional quarter-point hikes in 2023.

<i>Sweep Accounts</i>	<i>Fund Manager</i>	<i>Fund Type</i>	<i>S&amp;P</i>	<i>Moody's</i>	<i>6/30/23 Yield</i>	<i>12/31/22 Yield</i>
<i>General Fund</i>	Goldman Sachs	Govt Institutional #465	AAAm	Aaa-mf	5.0222%	4.1402%
<i>Single Family RHF</i>	Goldman Sachs	Treasury Instr. #506	AAAm-G	Aaa-mf	4.9971%	3.9540%
<i>Single Family 1991</i>	Goldman Sachs	Treasury Instr. #506	AAAm-G	Aaa-mf	4.9971%	3.9540%
<i>Single Family 2009</i>	Goldman Sachs	Govt Institutional #465	AAAm	Aaa-mf	5.0222%	4.1402%
<i>Multifamily</i>	Morgan Stanley	Govt Inst. #8302	AAAm	Aaa-mf	5.0367%	4.0815%
<i>SRF Program/Admin</i>	Goldman Sachs	Govt Institutional #465	AAm	Aaa-mf	5.0222%	4.1402%
<i>SRF MTA Equity</i>	Blackrock	Federal Sec T-Fund #30	AAAm	Aaa-mf	4.9900%	4.0450%

- IFA closed two Single Family bond issues during the last semi-annual period – (1) 2023 Series AB issuance in the amount of \$83,540,000 closed on April 13, 2023, and (2) the 2023 Series CD issuance in the amount of \$131,295,000 closed on June 27, 2023. The 2023 Series CD issuance refunded \$38,025,000 of outstanding 2015 Series B variable rate bonds. During the 1st half of 2023, IFA purchased approximately \$144 million of new mortgage-backed securities for its balance sheet with tax-exempt and taxable bond proceeds.
- IFA sold \$10.4 million of mortgage-backed securities in the TBA and Specified Pool market during the 1st half of 2023 for a net gain of \$260,000 or 2.50%. The loans were associated with Homes for Iowans loan products (non-MRB eligible), and all purchases and sales of the MBS were conducted through the 1991 Indenture Restricted Housing Fund. Annual mortgage-backed security sales has declined significantly from \$115 million, to \$79 million, and to \$27 million during FY 2021, FY 2022 and FY 2023 respectively.
- With Board action on February 1, 2023, IFA extended the \$45 million warehouse line of credit with Idaho Housing & Finance Association to December 31, 2023. Idaho uses the Line of Credit to purchase IFA's Single Family loans from participating lenders. This arrangement allows IFA to earn the full mortgage rate of interest on each loan (less 0.15% fee) from the time period when the loan is purchased by Idaho to the settlement of the mortgage-backed security by IFA. IFA began the warehouse advances on 1/29/16 and has realized **\$6.3 million of warehouse loan interest income** through 6/30/23.
- IFA closed the SRF 2022 Series C refunding bonds in the amount of \$36,000,000 on June 28, 2023. The bonds were privately placed with Bank of America, N.A. and priced in September 2022. The new bonds refunded previously issued SRF Series 2013 bonds, resulting in net present value (NPV) savings of \$2.77 million or 7.70% of refunded par.
- IFA closed the SRF 2023 Series ABC bonds in the aggregate par amount of \$472,070,000 on June 15, 2023. The bonds reimbursed IFA for tax-exempt and taxable SRF loan disbursements funded through 4/30/23, funded Clean Water state match amounts and new taxable loans, and purchased \$248,390,000 of market tendered SRF bonds from IFA bondholders. This market tender opportunity resulted in an estimated NPV savings of \$13.9 million or 5.6% of refunded par.

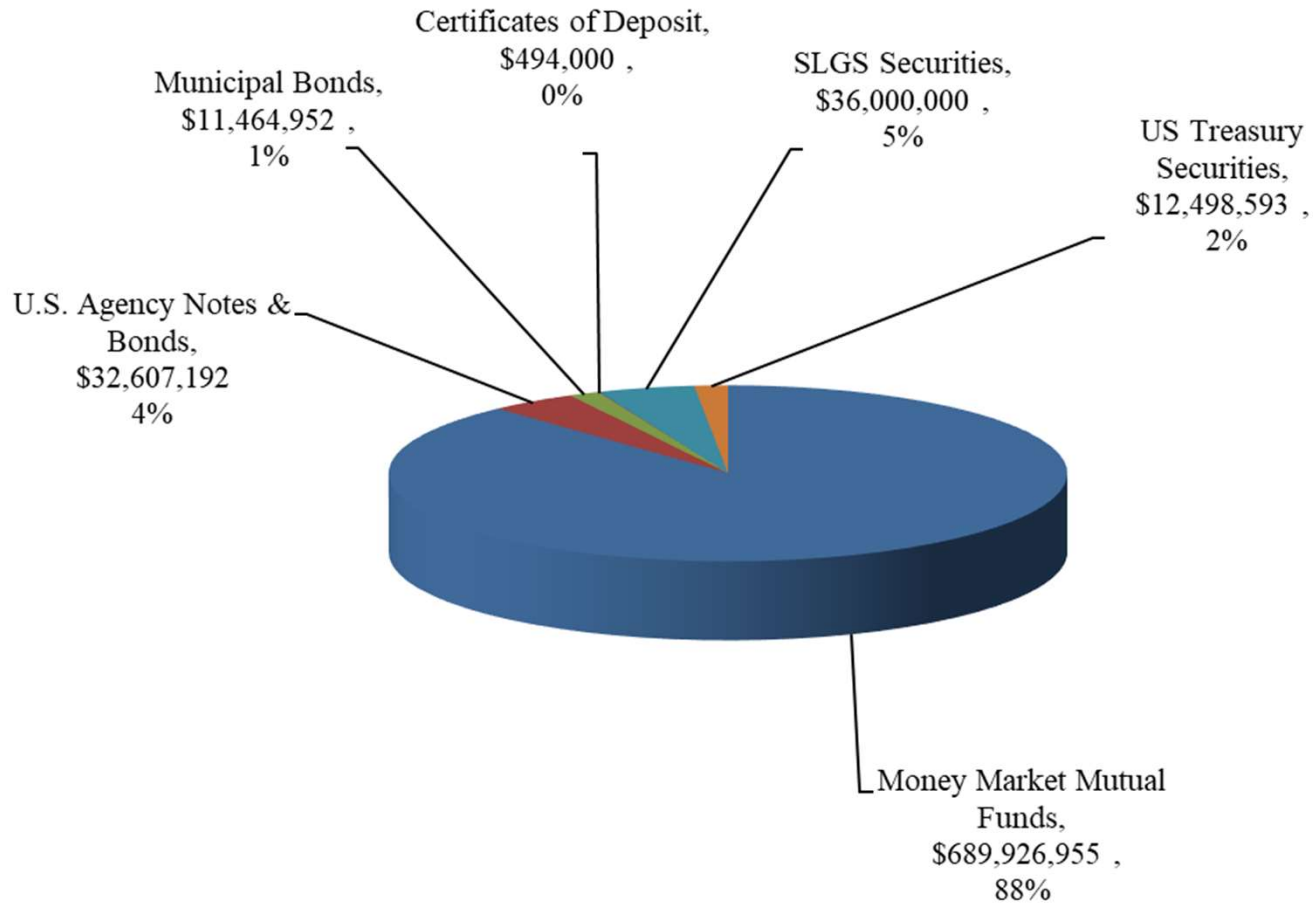
# Housing Agency Investment Composition as of 6/30/23

Total Housing  
Agency  
Investments =  
\$1,526,983,052



**Total SRF  
Investments =  
\$782,991,692**

### State Revolving Fund Investment Composition 6/30/23



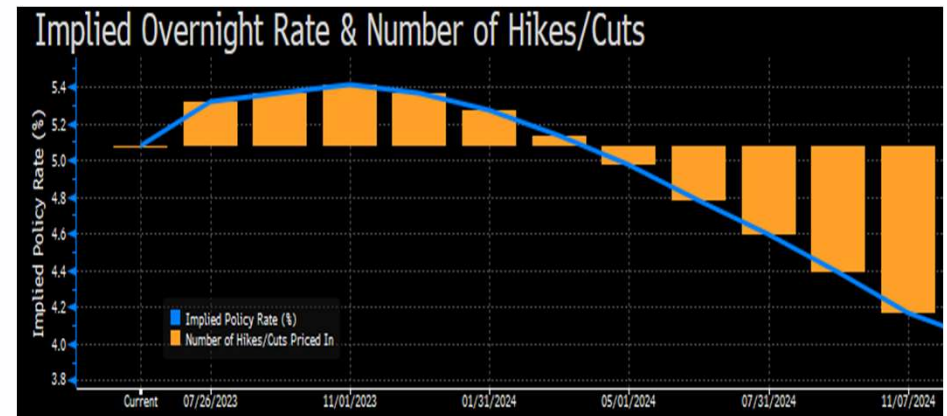
- State and Local Government Series (SLGS) Securities are special purpose securities issued by the US Treasury. The \$36 million SLGS reinvested the SRF 2022 C bond proceeds and will mature on 8/1/23 to redeem the SRF 2013 tax-exempt bonds.

# Treasury Market Outlook

US Treasury yield curve at 7/24/23  
(1% inversion from 2-yr to 10-yr)



Fed Funds futures imply a lower  
benchmark rate of 4% by beginning of 2025



- As the Federal Reserve pivots to a more neutral policy, investment strategies concentrate on developing shorter term bond ladders (5-year maturities and under) in SRF non-MTA accounts.
- Strategies also include holding funds in high yielding money markets which achieves liquidity and yield objectives. The Single Family Indenture has cash flow requirements for scheduled debt service, PAC bond calls, rating agency stress tests and Idaho Line of Credit. The SRF Indenture has approximately \$532 million of loan commitments as of 6/30/23.



To: Iowa Finance Authority Board of Directors

From: Samantha Askland, Underwriter

Date: August 2, 2023

Re: Sugar Creek Apts., Waukee

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**Background:** This 46 one- and two-bedroom unit rental project was specifically for the elderly population, and the original contract effective date was November of 2000. Original funding sources included a bank loan in the original principal amount of \$734,600, a HOME loan through IFA in the original principal amount of \$699,000, IFA- LIHTC in the amount of \$2,843,715 and funds from the Advocacy Network for Aging Iowans in the amount of \$22,000. The project is operating on minimal cash flow. The project is 82% occupied at this time.

**Recommendation:** Staff recommends forgiving the HOME loan with the cash payment shown below. The project has met its affordability end date. Adjusted cash flow is below the threshold for forgiveness.

**Borrower:** Sugar Creek/Waukee LP

**First Mortgage:** \$1,250,000, current loan balance

**HOME Loan Balance:** \$814,315

**HOME payment amount:** \$1,500 annually

**HOME Loan Interest Rate:** 0% interest, reduced in 2019 from 1% to 0%

**HOME Loan Maturity Date:** 11/30/2036

**HOME affordability end date:** 03/24/2023

**2022 Cash Flow:** **-\$7,401.06** (\$1,500 HOME payment not included)

**2021 Cash flow:** \$8,406.56 (\$1,500 HOME payment not included)

**2020 Cash flow:** \$15,900.44 (\$1,500 HOME payment not included)

**Cash payment:** \$7,500

**In Compliance:** Yes, last inspected on May 15, 2023

**LURA Expiration:** December 31, 2052

**RESOLUTION  
FIN 23-17**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, works to create, protect and preserve affordable housing for low and moderate income families in the State of Iowa; and

WHEREAS, on November 15, 2000, the Iowa Department of Economic Development, now succeeded by the Authority, provided a \$699,000.00 affordable housing loan, known as Loan Number 00-HM-427 (“the HOME loan”), to Sugar Creek/Waukee, L.P. (the “Owner”) for the construction of 46 one-bedroom and two-bedroom affordable housing units for elderly residents in Waukee, Iowa (the “Project”); and

WHEREAS, due to the Project meeting its HOME affordability requirements and the Owner’s inability to make loan payments, the Authority and Owner desire that the HOME loan be forgiven following one further payment of \$7,500.00.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Authority to work with the Owner and any other necessary parties to forgive all or part of the HOME loan balance plus any accrued interest and other capitalized amounts upon payment by the Owner of \$7,500.00 and any fees charged by the Authority, as the Director, working with Authority staff, deems necessary and appropriate.

SECTION 2. Upon settlement of the HOME loan, Authority staff is hereby authorized to write the remaining debt of the HOME loan off of the Authority’s loan account and cease further collection efforts relating to such loan, including releasing the outstanding mortgage securing the HOME loan.

SECTION 3. Authority staff is hereby further authorized to work with the Owner to complete and issue the appropriate tax documents associated with the write off of the HOME loan.

PASSED AND APPROVED this 2nd day of August, 2023.

\_\_\_\_\_  
Michel Nelson, Board Chair

ATTEST:

(Seal)

\_\_\_\_\_  
Deborah Durham, Secretary

To: Iowa Finance Authority Board of Directors

From: Tim Morlan, Asset Management Director

Date: August 2, 2023

Re: Hope Haven - Integrated Opportunities

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**Background:** Hope Haven, a non-profit, provides residential homes, activity centers, and other services for persons having physical and/or mental disabilities. Hope Haven continues to strive to move individuals into homes in the Burlington community to meet the new standards and guidelines for integrated community living.

**Recommendation:** Two Community Housing and Services for Persons with Disabilities Revolving Loans will help Hope Haven acquire and remodel a house that will allow four residents to move from a residential care facility. The house is located at 2550 Diamond Ridge Drive in Burlington. Hope Haven will provide over \$217,000 of their own funds to complete the purchase and renovation. The house will be modified with the following: new sprinkler system, storm shelter located in the garage, three ramps for accessibility, accessible doorways, flooring and walk in showers. The service staff of Hope Haven will provide support to the individuals living in this home and will handle most of the routine aspects of building and grounds maintenance. The Department of Health and Human Services has approved the plan for supportive services of this project.

<b>Borrower:</b>	Hope Haven Area Development Center Corporation
<b>1<sup>st</sup> Loan Amount:</b>	\$60,750
<b>Term &amp; Amortization:</b>	10 years
<b>Rate:</b>	0%
<b>Debt Service Coverage Ratio:</b>	1.25:1
<b>Forgivable Loan Amount:</b>	\$344,250
<b>Term:</b>	5 years
<b>Rate:</b>	0%
<b>Loan to Value (both loans):</b>	89% (based on current value w/o improvements)
<b>IFA Fees:</b>	3%

**Source of Funds**

IFA 1st Mortgage 15%	\$60,750.00	
Subordinate Mortgage 85%	\$344,250.00	
Hope Haven Funding	\$217,495.00	
GAP Needs	\$0.00	
<b>Total Source of Funds</b>		<b>\$622,495.00</b>

**Use of Funds**

IFA Fee (3% of Loan)	\$12,150.00	
Title Guaranty	\$1,165.00	
Recording and Other closing costs	\$150.00	
Third party reports(PNA, Phase I, and appraisal)	\$4,000.00	
Borrower legal	\$2,000.00	
Purchase of Home	\$450,000.00	
Construction & Rehab costs (includes 6.5% contingency)	\$153,030.00	
<b>Total Use of Funds</b>		<b>\$622,495.00</b>

## Subject Photo Page

Borrower	N/A						
Property Address	2550 Diamond Ridge Dr						
City	Burlington	County	Des Moines	State	IA	Zip Code	52601
Lender/Client	Hope Haven Area Development Center Corp						



### Subject Front

2550 Diamond Ridge Dr  
Sales Price N/A  
Gross Living Area 3,503  
Total Rooms 9  
Total Bedrooms 4  
Total Bathrooms 2.1  
Location Residential  
View Residential  
Site 24875 sf  
Quality Above Average  
Age 18



### Subject Rear



### Subject Street

**RESOLUTION**  
**FIN 23-18**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, works to protect and preserve affordable housing for low and moderate income families in the State of Iowa; and

WHEREAS, Iowa Code section 16.49 creates the Community Housing and Services for Persons with Disabilities Revolving Loan Program Fund (the “Community Housing and Services Fund”) within the Authority; and

WHEREAS, Hope Haven Area Development Center Corporation (the “Owner”), has applied to the Authority for two loans from the Community Housing and Services Fund to acquire and remodel a house in Burlington, IA to allow four residents to move from a residential care facility (the “Project”); and

WHEREAS, the Authority desires to approve a first mortgage for two loans (the “Loans”) from the Community Housing and Services Fund, on the terms and conditions described below, to fund the request from the Owner;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Authority to work with the Owner and any other necessary parties to provide these Community Housing and Services Fund Loans in the manner described herein.

SECTION 2. The Board authorizes the Authority to commit to and fund a loan to the Owner (or to an entity controlled by the Owner), in an amount not to exceed \$60,750.00, with a maturity and amortization not to exceed ten years and a rate of 0%, such loan to be secured by a first mortgage on the Project, together with such other security as the Director, working with Authority staff, deems necessary and appropriate.

SECTION 3. The Board authorizes the Authority to commit to and fund a forgivable loan to the Owner (or to an entity controlled by the Owner), in an amount not to exceed \$344,250.00, with a maturity not to exceed five years and a rate of 0%, such loan to be secured by a first mortgage on the Project, together with such other security as the Director, working with Authority staff, deems necessary and appropriate.

SECTION 4. The Board authorizes the Director, working with Authority staff, to finalize the terms of the Loans described herein, and to fund said Loans from the Community Housing and Services Fund, all in the manner deemed necessary and appropriate by the Director, subject to the terms and conditions of this Resolution.

PASSED AND APPROVED this 2nd day of August, 2023.

\_\_\_\_\_  
Michel Nelson, Board Chair

Attest:

(Seal)

\_\_\_\_\_  
Deborah Durham, Secretary

TO: Iowa Finance Authority Board of Directors

FROM: Director Debi Durham Upon Consultation with Dillon Malone, Iowa Title Guaranty Director

DATE: August 2, 2023

RE: Iowa Title Guaranty Administrative Rule Waiver Request for Dean G. Hoag, Jr. and Brenden D. Hoag

RULE: Iowa Admin. Code r. 265—9.1

### **RECOMMENDATION**

After consultation with Iowa Title Guaranty (“ITG”) Director Dillon Malone, the Director recommends that the Iowa Finance Authority (“IFA”) Board (“Board”) approve the requests by Dean G. Hoag, Jr. and Brenden D. Hoag (collectively “the Applicants”) for a waiver for the period of August 2, 2023 - March 1, 2027 of the requirement set out in IFA’s administrative rules that an abstract summarize all matters of record affecting title to a specific parcel of real estate. Applicants have submitted a petition pursuant to Iowa Code § 17A.9A and Iowa Administrative Code rule 265—18.6 requesting a waiver of the definition of “abstract” as defined in Iowa Administrative Code rule 265—9.1 (“Waiver”).<sup>1</sup> The Applicants seek to utilize the modified search product known as the Pottawattamie County Report of Title (“Report”). Applicants request their use of the Reports be consistent with past approved applicant’s use. That is to say, the Report’s permissible use limit be \$750,000 or less and that it be permitted for use on residential and commercial transactions.<sup>2</sup> The Applicants Petition for Waiver is attached as **Schedule A**.

The Executive Director recommends approving the Waiver and approving use of the Report on residential or commercial transactions with coverage amounts of \$750,000 or less for the period of August 2, 2023 - March 1, 2027.

### **ABSTRACT DEFINITION**

The Iowa Administrative Rules define an “abstract” or “abstract of title” as a “written or electronic summary of all matters of record affecting title to a specific parcel of real estate prepared in accordance with minimum abstract standards adopted by [ITG.]”<sup>3</sup> In Iowa, the status of title to real estate is determined by abstract examination. Iowa Code § 16.91(6) provides that a participating abstractor must update and certify an abstract of title before a title certificate can be issued.<sup>4</sup>

### **WAIVER DESCRIPTION AND REQUIREMENTS**

The Waiver waives the “all matters of record” requirement within the abstract definition, allowing the Applicants to prepare a Report disclosing only those matters of record currently affecting the property.

The Report would not include all matters of record but would instead include only those matters now affecting title (i.e. unreleased mortgages, easements, judgments, etc.). A Report would not show released mortgages or every prior deed in the chain of title. The Report would typically start at Government Entry looking for easements and come forward from the root of title showing all deeds reflecting a current interest in the title. For detailed information on search requirements and showings, see the Pottawattamie County

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<sup>1</sup> Iowa Admin. Code r. 265—9.1 (2023).

<sup>2</sup> At IFA’s February 2022 Board Meeting, ITG participants Clear Title & Abstract, LLC and Council Bluffs Title & Escrow were granted waivers and authorization to use the Report in a manner that is identical to the waiver and use authorization Applicants request in the present matter.

<sup>3</sup> Iowa Admin. Code r. 265—9.1.

<sup>4</sup> Iowa Code § 16.91(6) (2023).

Report of Title Requirements attached hereto as **Exhibit A**. See the forms attached hereto as **Exhibits B-1** and **B-2**.

## **WAIVER CRITERIA**

Pursuant to Iowa Code § 17A.9A and Iowa Administrative Code rule 265—18.4, the Authority may in its sole discretion issue an order waiving in whole or in part the requirements of a rule if the Authority finds, based on clear and convincing evidence, all of the following:

1. The application of the rule would impose an undue hardship on the person for whom the waiver is requested;
2. The waiver from the requirements of the rule in the specific case would not prejudice the substantial legal rights of any person;
3. The provisions of the rule subject to the petition for a waiver are not specifically mandated by statute or another provision of law; and
4. Substantially equal protection of public health, safety, and welfare will be afforded by a means other than that prescribed in the particular rule for which the waiver is requested.

In determining whether a waiver should be granted, the Authority shall consider the public interest, policies, and legislative intent of the statute on which the rule is based.<sup>5</sup>

### **I. THE APPLICATION OF THE RULE WOULD IMPOSE AN UNDUE HARDSHIP ON THE APPLICANTS.**

To grant the Waiver, Iowa Administrative Code rule 265—18.4 requires the Board to find that the rule would impose an undue hardship. Requiring a traditional abstract to obtain ITG coverage in Pottawattamie County imposes an undue hardship on the Applicants. The traditional abstract requirement prevents the Applicants from competing with the out-of-state title insurance companies operating in the Pottawattamie County market because it forces them to offer only one search product which costs more and takes longer to produce. When required to obtain an abstract, consumers often elect to obtain title insurance to avoid the time and expense associated with the creation of a root of title abstract. The requirement results in the Applicants consistently losing business to title insurance companies that issue coverage based on cheaper, yet inferior, searches. Furthermore, Applicants are at a competitive disadvantage in Pottawattamie County as compared to two existing ITG participating abstractors who have routinely received similar waivers. Applicants have established that application of the rule would impose an undue hardship because absent a Waiver, Applicants are required to offer a slower, more expensive search product that the geographic market rejects.

### **II. THE WAIVER WOULD NOT PREJUDICE THE SUBSTANTIAL LEGAL RIGHTS OF ANY PERSON.**

Granting the Waiver will not prejudice the substantial legal rights of any person. Although the use of ITG certificates is increasing, ITG is not the preferred coverage product in Pottawattamie County. Even if the Waiver is granted there are other title search options available to consumers. The Waiver will not force any other search provider or abstractor in the Pottawattamie County market to change their current practices, nor will it cause them any harm or injury. Indeed, for over a decade the Applicants and their competitors have operated in a market where this Waiver was in effect. Granting the Waiver at worst maintains the status quo and at best increases the availability of ITG certificates to Iowans. Lenders and property owners remain free to use other search providers or traditional abstractors.

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<sup>5</sup> Iowa Admin. Code r. 265—18.4.



III. THE PROVISIONS OF THE RULE SUBJECT TO THE PETITION FOR A WAIVER ARE NOT SPECIFICALLY MANDATED BY STATUTE OR ANOTHER PROVISION OF LAW.

The Iowa Code does not specifically prescribe a definition for “abstract”. For ITG purposes, the term “abstract” is defined in IFA’s administrative rules at Iowa Administrative Code rule 265—9.1, the rule from which Applicants seek a Waiver. The definition of an abstract is not specifically mandated by statute or another provision of the law.

IV. SUBSTANTIALLY EQUAL PROTECTION OF PUBLIC HEALTH, SAFETY, AND WELFARE WILL BE AFFORDED BY MEANS OTHER THAN THAT PRESCRIBED IN THE PARTICULAR RULE FOR WHICH THE WAIVER IS REQUESTED.

The Waiver will afford the Pottawattamie County public equal protection. The Waiver will allow Pottawattamie County the same access to ITG products the rest of the state enjoys. The Waiver will afford the public in Pottawattamie County the commensurate protections afforded by the abstract, attorney title opinion, and ITG system, which is a public purpose<sup>6</sup>, and will provide substantially equal protection of public health, safety, and welfare as the Iowa Administrative Code’s definition of “abstract” affords all other Iowa counties.

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<sup>6</sup> Iowa Code § 16.4C.

## **SCHEDULE A**

PETITION FOR WAIVER – DEAN G. HOAG, JR. AND BRENDEN D. HOAG

*See attached hereto and incorporated herein.*

**BEFORE THE IOWA FINANCE AUTHORITY**

Petition by Dean G. Hoag, Jr. and ) PETITION FOR  
Brenden D. Hoag for the waiver of ) WAIVER  
Iowa Administrative Code r. 265-9.1, Petitioners )

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COMES NOW, the Petitioners, Dean G. Hoag, Jr, office address: 215 West Salem Avenue, Indianola, Iowa, 515-961-7479 and Brenden D. Hoag, office address: 215 West Salem Avenue, 515-961-7479, and requests that the Iowa Finance Authority (Authority) waive the definitional requirements of an abstract as defined by Iowa Administrative Code r. 265-9.1, that an abstract of title be brought up-to-date and certified before an Iowa Title Guaranty Certificate can be issued, as applied to waived attorney/abstractors Dean G. Hoag, Jr. and Brenden D. Hoag until such time as up-to-date Abstracts of Title can be created economically in Pottawattamie County. The definitional requirements of an abstract of title are, not specifically mandated by statute or another provision of law, and are onerous on an abstractor acting in Pottawattamie County and are within the ability and authority of the Authority, pursuant to Iowa Administrative Code r. 265-18, to waive said definitional requirements of an abstract as defined by Iowa Administrative Code 265-9 1.

Petitioners requests that the Authority to grant the waiver to include real property transactions up to \$750,000.00, in line with the current standards of practice.

Petitioners presents the following facts:

- i. On February 2, 2022, the Authority extended the original waivers, granted January 19, 2007 pursuant to Iowa Administrative Code r. 265-18, from the definition of an abstract pursuant to Iowa Admin. Code r. 265-9.1 to Clear Title & Abstract, LLC (CTA) and Council Bluffs Title & Escrow, LLC (CBTE), respectfully, operating out of Pottawattamie County, starting on March 1, 2022 and ending on March 1, 2027. Under the waiver, each company was allowed to issue a Pottawattamie County Report of Title (PCRT) instead of an abstract of title. The PCRT would contain all of the information required in an abstract of title and would record information for the last forty (40) years pursuant to Iowa Land Title Standard 11.7.
- ii. The reasons and rationale for granting this waiver to CTA and

CBTE would allow for the Title Guaranty System to be competitive and thrive in Pottawattamie County. Pottawattamie County primarily uses out of state title insurance on the majority of the real estate purchases. Title insurance is, in some instances, less expensive and quicker than the abstracting system used in Iowa. The reasons and rationale continue to exist.

- iii. One reason that the title insurance is less expensive is due to the requirements to update abstracts. Due to title insurance being used so heavily in Pottawattamie County in the past, very few real estate owners have an abstract for the property resulting in nearly all update requests requiring that a new abstract be created. This is considerably expensive and time consuming than the alternative, title insurance. This situation and condition continues to exist.
- iv. Recognizing the problem that title insurance created for Pottawattamie County the Pottawattamie County Bar Association passed a resolution on January 19, 2007 asking the Iowa Title Guaranty Division to grant waivers such as the one requested in this petition. Said resolution is incorporated by reference herein.
- v. Competition from title insurance is still a threat to the Iowa title system in Pottawattamie County.
- vi. The Iowa Title Guaranty Division (ITG) has strove to prove the efficiency and accuracy of Iowa's title system since its creation. Allowing title insurance to operate more cheaply in Pottawattamie County undermines the goals of the Iowa title system and ITG.
- vii. One way to combat the use of title insurance is through the use of the inexpensive, but accurate, ITG's PCRT product. PCRT, as described above, are already relied upon by attorneys, lenders and real estate professionals in Pottawattamie County. Title insurance companies and agencies also rely on the PCRT, described above, when issuing insurance commitments. They have become a standard product in Pottawattamie County. Full abstracts are limited and are becoming nonexistent as the PCRT has replaced abstracts and has been the accepted title evidencing for over 16 years.
- viii. The waivers granted in 2007, subsequently extended as recently as 2022, has allowed attorneys, lenders and real estate professionals


to rely on the PCRT and Iowa Title Guaranty Certificates. Given enough time, the PCRT system will continue to allow Iowa Title Guaranty Certifications to become the title evidencing of choice in Pottawattamie County. This would allow the integrity of the Iowa title system to be maintained.

- ix. The requirement of making full up-to-date abstract is an undue burden on the Petitioners business because of the prohibitive cost, time, lack of abstracts, and competitive disadvantage to title insurance, of making full abstracts. This requirement has been exacerbated by the introduction and acceptance of the PCRT product in Pottawattamie County.
- x. This waiver will provide the Pottawattamie County real estate market and ITG another authorized PCRT provider to compete with out of state title insurance and benefit the Iowa consumer
- xi. The substantial legal rights of no person will be affected by allowing the waiver because all the proper and relevant information will be given to a real property purchaser in the title reports.
- xii. Iowa Administrative Code r. 265-9.1 does not define an Abstract of Title. The definition of an acceptable abstract has been left to the Authority. The Authority, through Iowa Administrative Code r. 265-18 has the authority to grant a waiver of Iowa Administrative Code r. 265-9.1.

WHEREFORE, Petitioners respectfully requests the Iowa Finance Authority, pursuant to the authority granted in Iowa Administrative Code r. 265-18, grant this waiver of the definitional requirements of an abstract as defined by Iowa Administrative Code r. 265-9.1, that an abstract of title be brought up-to-date and certified before an Iowa Title Guaranty Certificate can be issued, allowing Dean G. Hoag, Jr. and Brenden D. Hoag the ability to produce a Pottawattamie County Reports of Title for commercial and residential transaction up to \$750,000; and this amount be automatically amended pursuant to the Iowa Title Guaranty limits; and that this waiver be permanent due to the impracticable nature of the current abstracting requirement in Pottawattamie County, or in the alternative, the waiver be extended to match the expiration of those waivers granted to Clear Title & Abstract, LLC and Council Bluffs Title & Escrow, LLC. It is Petitioners' goal to show the consumer that Iowa Title Guaranty Certifications can be as efficient and

inexpensive as title insurance and provide needed competition in the Pottawatomie County market. Please allow Petitioners this chance.

We affirm the above information is true and correct dated this 26<sup>th</sup> day of May, 2023.



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By: Dean G. Hoag, Jr.  
Iowa Title Guaranty  
Number 8849



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By: Brenden D. Hoag  
Iowa Title Guaranty  
Number 10494

# EXHIBIT A

## POTTAWATTAMIE COUNTY REPORT OF TITLE REQUIREMENTS

Dean G. Hoag, Jr. and Brenden D. Hoag must prepare Pottawattamie County Reports of Title (“Report”) pursuant to ITG’s most current Minimum Abstract Standards, as may be amended from time to time, subject to the following exceptions:

1. **Conveyances in the Root of Title Search.** The Report must show the most recent full value deed and all conveyances thereafter. Additionally, the Report must show all prior questionable or explanatory conveyances. This is a departure from Section 4 of the Minimum Abstract Standards which requires a showing of the record chain of title back at least 40 years.
  - a. NOTE: This does **NOT** exempt the Report from showing all other matters discovered in the 40-year root of title search. The Report must show all other matters discovered in a search dating back at least 40 years pursuant to the Marketable Record Title Act (“MRTA”), Iowa Code § 614.26, and Iowa Land Title Standard 11.7 as required by Section 4 of the Minimum Abstract Standards. There can be no gaps of time in the chain of title. All matters of record prior to the 40-year search period may be omitted except for the following:
    - i. Any right, title, or interest of the United States.
    - ii. Plats and surveys.
    - iii. Grants of easement.
    - iv. Mineral or timber rights, interests, or reservations.
    - v. Unexpired leases.
    - vi. Boundary line agreements.
2. **Abstracting of Entry Information.** The entries shown in the Report do not need to be abstracted if copies of the documents are attached to the Report. This is a departure from Section 7 of the Minimum Abstract Standards which requires abstracting of all entries.
  - a. NOTE: This does **NOT** exempt the Report from showing all entries in accordance with the Minimum Abstract Standards. All entries must be prepared in accordance with Sections 7.1 and 7.2 of the Minimum Abstract Standards.

The ITG Participation Agreement requires participating abstractors to include the assigned ITG participant number on all abstracting products which will be used to obtain ITG coverage, including the Report. The inclusion of the ITG participant number serves as the preparer’s acknowledgment that the Report is prepared in accordance with all ITG rules, guidelines, and directives.

Dean G. Hoag, Jr., Brenden D. Hoag, and any participating attorney who examines the Report and prepares the title opinion must retain a copy of the Report in the transaction file for a period of 10 years after the effective date of the ITG certificate or 10 years after the effective date of the commitment if a certificate is not issued.<sup>7</sup>

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<sup>7</sup> ITG Participation Agreement, Paragraph 1(a)(vi).

# EXHIBIT B-1

## POTTAWATTAMIE COUNTY REPORT OF TITLE

TO: \_\_\_\_\_ [name and address]

We furnish the following information of record in Pottawattamie County, Iowa:

Abstract No. or Reference No.: \_\_\_\_\_; Loan No.: \_\_\_\_\_

Legal description: \_\_\_\_\_

Local address: \_\_\_\_\_

**LAST FULL VALUE DEED AND ALL SUBSEQUENT CONVEYANCES:**

**UNRELEASED MORTGAGES AND ASSIGNMENTS:**

**COURT PROCEEDINGS, JUDGMENTS, LIENS, ETC.:**

**MNLR POSTINGS AND MECHANIC'S LIENS:**

**EASEMENTS:**

**ALL OTHER MATTERS OF RECORD AFFECTING TITLE:**

**SEARCHES HAVE BEEN CONDUCTED AGAINST THE FOLLOWING NAMED INDIVIDUALS:**

**TAXES & SPECIAL ASSESSMENTS:**

General Taxes for the year \_\_\_\_\_ and prior years, paid.

General Taxes for the year \_\_\_\_\_, \$ \_\_\_\_\_

First one-half, \$ \_\_\_\_\_; Second one-half, \$ \_\_\_\_\_

Parcel No. \_\_\_\_\_

Assessed Value: \$ \_\_\_\_\_; Assessed residential: \_\_\_\_\_ YES \_\_\_\_\_ NO

**THE UNDERSIGNED HEREBY CERTIFIES THAT IT HAS PERFORMED THOROUGH, GOOD FAITH DUE DILIGENCE TO LOCATE THE ABSTRACT TO THE ABOVE-DESCRIBED PROPERTY AND HAS DETERMINED THE ABSTRACT HAS BEEN LOST OR DESTROYED. THE UNDERSIGNED HEREBY FURTHER CERTIFIES THAT THIS REPORT CONTAINS ALL MATTERS OF RECORD CURRENTLY AFFECTING TITLE TO THE REAL ESTATE DESCRIBED HEREIN. THIS REPORT IS MADE PURSUANT TO IOWA CODE SECTIONS 614.29 THROUGH 614.38. JUDGMENT AND LIEN SEARCHES HAVE BEEN MADE AGAINST ALL PARTIES WITHIN THE CHAIN OF TITLE PURSUANT TO IOWA TITLE GUARANTY MINIMUM ABSTRACT STANDARDS AND OTHER GUIDELINES, DIRECTIVES, AND RULES, AS AMENDED FROM TIME TO TIME. THIS REPORT IS GIVEN SOLELY FOR THE PURPOSE OF ISSUANCE OF A CERTIFICATE BY IOWA TITLE GUARANTY, A DIVISION OF THE IOWA FINANCE AUTHORITY. NO LIABILITY FOR ERRORS OR OMISSIONS WILL ACCRUE TO THE BENEFIT OF ANY OTHER PERSON, FIRM, OR CORPORATION. THIS REPORT IS NOT A GUARANTY OF TITLE, OR A STATEMENT AS TO THE LEGAL EFFECT OF ANY INSTRUMENT OR PROCEEDING INSPECTED.**

Search ending on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ at \_\_\_\_\_ AM/PM, Pottawattamie County, Iowa.

By: \_\_\_\_\_ (authorized signature)

Authorized Signor Name: \_\_\_\_\_

ITG Participant Name: \_\_\_\_\_; ITG# \_\_\_\_\_

Participant Address: \_\_\_\_\_

**Addendum:** *[ATTACH ALL INSTRUMENTS IN THE CHAIN OF TITLE FOR ATTORNEY EXAMINATION]*



# EXHIBIT B-2

## POTTAWATTAMIE COUNTY POST-CLOSING REPORT OF TITLE

TO: \_\_\_\_\_ [name and address]

We furnish the following information of record in Pottawattamie County, Iowa:

Abstract No. or Reference No.: \_\_\_\_\_; Loan No.: \_\_\_\_\_

Previous Report or Title Date and Time: \_\_\_\_\_

Legal description: \_\_\_\_\_

Local address: \_\_\_\_\_

**LAST RECORDED DEED CONVEYS THE ABOVE-DESCRIBED REAL ESTATE TO:**

**WE ALSO FURNISH THE FOLLOWING NEW INFORMATION OF RECORD SINCE OUR PREVIOUS REPORT:**

*[INSERT TAXES, AFFIDAVITS, JUDGMENTS, LIENS, SATISFACTIONS, RELEASES, MORTGAGES, ASSIGNMENTS, DEEDS, MNLR POSTINGS, MECHANIC'S LIENS, OTHER NEW RECORDINGS]  
[INCLUDE THE FILING DATE AND TIME OF THE GUARANTEED MORTGAGE]*

**THE UNDERSIGNED HEREBY CERTIFIES THAT IT HAS PERFORMED THOROUGH, GOOD FAITH DUE DILIGENCE TO LOCATE THE ABSTRACT TO THE ABOVE-DESCRIBED PROPERTY AND HAS DETERMINED THE ABSTRACT HAS BEEN LOST OR DESTROYED. THE UNDERSIGNED HEREBY FURTHER CERTIFIES THAT THIS REPORT CONTAINS ALL MATTERS OF RECORD CURRENTLY AFFECTING TITLE TO THE REAL ESTATE DESCRIBED HEREIN. THIS REPORT IS MADE PURSUANT TO IOWA CODE SECTIONS 614.29 THROUGH 614.38. JUDGMENT AND LIEN SEARCHES HAVE BEEN MADE AGAINST ALL PARTIES WITHIN THE CHAIN OF TITLE PURSUANT TO IOWA TITLE GUARANTY MINIMUM ABSTRACT STANDARDS AND OTHER GUIDELINES, DIRECTIVES, AND RULES, AS AMENDED FROM TIME TO TIME. THIS REPORT IS GIVEN SOLELY FOR THE PURPOSE OF ISSUANCE OF A CERTIFICATE BY IOWA TITLE GUARANTY, A DIVISION OF THE IOWA FINANCE AUTHORITY. NO LIABILITY FOR ERRORS OR OMISSIONS WILL ACCRUE TO THE BENEFIT OF ANY OTHER PERSON, FIRM, OR CORPORATION. THIS REPORT IS NOT A GUARANTY OF TITLE, OR A STATEMENT AS TO THE LEGAL EFFECT OF ANY INSTRUMENT OR PROCEEDING INSPECTED.**

Search ending on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ at \_\_\_\_\_ AM/PM, Pottawattamie County, Iowa.

By: \_\_\_\_\_ (authorized signature)

Authorized Signor Name: \_\_\_\_\_

ITG Participant Name: \_\_\_\_\_; ITG# \_\_\_\_\_

Participant Address: \_\_\_\_\_

**Addendum:** *[ATTACH ALL AFFIDAVITS, RELEASES, SATISFACTIONS, OR OTHER CLEARANCE DOCUMENTS FILED OR RECORDED AFTER CERTIFICATION DATE]*



# *Iowa Land Title Association*

P.O. Box 444 • Carroll, IA 51401 • 800.778.3789 • ILTA@austin.rr.com

July 25, 2023

Iowa Finance Authority Board of Directors  
Attn: Debi Durham, IFA Director  
1963 Bell Avenue, Suite 200  
Des Moines, IA 50315

RE: Petition by Dean G. Hoag, Jr. and Brenden D. Hoag for the waiver of Iowa Administrative Code r. 265-9.1, Petitioners

The Iowa Land Title Association (ILTA) has received notice of the Petition for a waiver to the definitional requirements of an abstract as defined by Iowa Administrative Code r. 265-9.1. The petitioner, Dean Hoag, Jr. is a member of the Iowa Land Title Association (ILTA) through his abstract offices in Iowa.

The ILTA is aware of the unique circumstances in Pottawattamie County real estate transactions and the Authority's 2007 decision to grant the waiver to the definitional requirements of an abstract as defined by Iowa Administrative Code r. 265-9.1 that was granted to Clear Title & Abstract., LLC and Council Bluffs Title & Escrow, LLC, and remain in effect today. Both companies operate in Pottawattamie County; Clear Title & Abstract, LLC is also a member of the ILTA.

The Iowa Finance Authority (IFA) Board of Directors will determine if its position is to grant the waiver petition at its meeting on August 2, 2023. The waiver request appears to be in line with the current standard of practice for the single county of Pottawattamie County, and the ILTA recognizes that the IFA Board will determine how best to manage this waiver petition in keeping with the integrity of the Iowa land title system.

Sincerely,

Sally A. Hertel, President  
Iowa Land Title Association

BEFORE THE IOWA FINANCE AUTHORITY

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IN RE:	)	ORDER GRANTING REQUEST FOR
DEAN G. HOAG, JR.	)	WAIVER OF IOWA ADMINISTRATIVE
BRENDEN D. HOAG	)	CODE RULE 265—9.1
	)	
	)	
	)	

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**SUMMARY OF THE RELEVANT FACTS**

Dean G. Hoag, Jr. and Brenden D. Hoag (collectively “Applicants”) submitted a petition pursuant to Iowa Code § 17A.9A and Iowa Administrative Code rule 265—18.6 requesting a waiver of the definition of “abstract” as defined in Iowa Administrative Code rule 265—9.1 (“Waiver”).

This is the Applicants first request for a Waiver. The Iowa Finance Authority (“IFA” or “Authority”) Board (“Board”) has previously granted requests for such waivers. Clear Title & Abstract, LLC (“CTA”) originally petitioned the Board for Waiver and was approved for the use of a modified search product known as the Pottawattamie Report of Title (“Report”) on or about June 12, 2007, for a period of five years. The Board later granted Waiver extensions in 2012, 2017, and 2022. The 2012, 2017, and 2022 extensions also granted the Waiver to Council Bluffs Title & Escrow, LLC (“CBTE”). The 2022 Waiver extension increased the Report’s permissible use limit to \$750,000 or less; and permitted the Report’s use on commercial transactions.<sup>1</sup>

**ABSTRACT DEFINITION**

The Iowa Administrative Rules define an “abstract” or “abstract of title” as a “written or electronic summary of *all matters of record* affecting title to a specific parcel of real estate prepared in accordance with minimum abstract standards adopted by [ITG]”.<sup>2</sup> In Iowa, the status of title to real estate is determined by abstract examination. Iowa Code § 16.91(6) provides that prior to the issuance of a title certificate, a participating abstractor must update and certify an abstract of title.<sup>3</sup>

**WAIVER DESCRIPTION AND REQUIREMENTS**

The Waiver waives the “all matters of record” requirement within the abstract definition, allowing the Applicants to prepare a Report disclosing only those matters of record *currently*

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<sup>1</sup> Prior to 2022, the Report’s use was limited to residential properties valued at \$500,000 or less.  
<sup>2</sup> Iowa Admin. Code r. 265—9.1 (2023).  
<sup>3</sup> Iowa Code § 16.91(6) (2023).

affecting the property. For detailed information on search requirements and showings, see the Pottawattamie County Report of Title Requirements attached as **Exhibit A**. See the forms attached as **Exhibits B-1** and **B-2**.

### WAIVER CRITERIA

Pursuant to Iowa Code § 17A.9A and Iowa Administrative Code rule 265—18.4, the Authority may, in its sole discretion, issue an order waiving in whole or in part the requirements of a rule if the Authority finds, based on clear and convincing evidence, all of the following:

1. The application of the rule would impose an undue hardship on the person for whom the waiver is requested;
2. The waiver from the requirements of the rule in the specific case would not prejudice the substantial legal rights of any person;
3. The provisions of the rule subject to the petition for a waiver are not specifically mandated by statute or another provision of law; and
4. Substantially equal protection of public health, safety, and welfare will be afforded by a means other than that prescribed in the particular rule for which the waiver is requested.

In determining whether a waiver should be granted, the Authority shall consider the public interest, policies, and legislative intent of the statute on which the rule is based.<sup>4</sup>

I. THE APPLICATION OF THE RULE WOULD IMPOSE AN UNDUE HARDSHIP ON THE APPLICANTS.

To grant the Waiver, Iowa Administrative Code rule 265—18.4 requires the Board to find that the rule would impose an undue hardship. Requiring a traditional abstract to obtain ITG coverage in Pottawattamie County imposes an undue hardship on Applicants. Given the unique history of title coverage in Pottawattamie County, few property owners have an abstract which then causes owners who want to use ITG to obtain a new abstract when they seek to sell their property. The traditional abstract requirement prevents Applicants from competing with the out-of-state title insurance companies operating in the Pottawattamie County market because it forces them to offer only one search product which costs more and takes longer to produce. When required to obtain an abstract, consumers elect to obtain title insurance to avoid the time and

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<sup>4</sup> Iowa Admin. Code r. 265—18.4.

expense associated with creating a root of title abstract. The requirement results in Applicants consistently losing business to title insurance companies that issue coverage based on cheaper, yet inferior, searches.

Furthermore, the Board has previously granted waivers to two ITG participating abstractors. Applicants are not only at a competitive disadvantage with out-of-state interests, they are also at a competitive disadvantage with in-state competitors given Applicants' inability to use the Report. The Board finds Applicants have established that application of the rule would impose an undue hardship because absent a Waiver, Applicants are forced to provide and offer a search product that the geographic market rejects.

II. THE WAIVER WOULD NOT PREJUDICE THE SUBSTANTIAL LEGAL RIGHTS OF ANY PERSON.

Granting the Waiver will not prejudice the substantial legal rights of any person. Although the use of ITG certificates is increasing, ITG is not the preferred coverage product in Pottawattamie County. Even if the Waiver is granted there are other title search options available to consumers. Granting the Waiver will not force any other search provider or abstractor in the Pottawattamie County market to change their current practices, nor will it cause them any harm or injury. Indeed, since 2007 this Waiver has been in effect in the Pottawattamie County market, with the Report's current version present in the market since 2022. Granting the Waiver increases avenues to ITG coverage for market participants and maintains the status quo. Lenders and property owners remain free to use other search providers or traditional abstractors.

III. THE PROVISIONS OF THE RULE SUBJECT TO THE PETITION FOR A WAIVER ARE NOT SPECIFICALLY MANDATED BY STATUTE OR ANOTHER PROVISION OF LAW.

The Iowa Code does not specifically prescribe a definition for "abstract". For ITG purposes, the term "abstract" is defined in IFA's administrative rules at Iowa Administrative Code rule 265—9.1, the rule from which Applicants seek a Waiver. The definition of an abstract is not specifically mandated by statute or another provision of the law.

IV. SUBSTANTIALLY EQUAL PROTECTION OF PUBLIC HEALTH, SAFETY, AND WELFARE WILL BE AFFORDED BY MEANS OTHER THAN THAT

PRESCRIBED IN THE PARTICULAR RULE FOR WHICH THE WAIVER IS REQUESTED.

The Waiver will afford the Pottawattamie County public equal protection. Such equal protection will not be altered by allowing Applicants to use the Report. The Waiver will allow Pottawattamie County the same access to ITG products the rest of the state enjoys. The Waiver will afford the public in Pottawattamie County the commensurate protections afforded by the abstract, attorney title opinion, and ITG system, which is a public purpose<sup>5</sup>, and will provide substantially equal protection of public health, safety, and welfare as the Iowa Administrative Code’s definition of “abstract” affords all other Iowa counties.

**RULING**

**SECTION 1. SATISFACTION OF CRITERIA.** Upon review of the Applicants’ petition, the relevant facts, and application of the relevant rules, the IFA Board has determined that the criteria for waiver have been met by clear and convincing evidence as required by Iowa Administrative Code rule 265—18.4; and

**SECTION 2. WAIVER.** The IFA Board grants to Applicants a Waiver of the Rule contained in Iowa Administrative Code rule 265—9.1 providing that an “abstract of title” or “abstract” for Iowa Title Guaranty purposes is a summary of “all matters of record” subject to the terms and conditions described in Section 3 below; and

**SECTION 3. TERMS AND CONDITIONS.** The IFA Board grants this Waiver, subject to the following terms and conditions:

1. The property must be in Pottawattamie County.
2. The coverage amount must be \$750,000 or less.
3. Applicants may utilize the Waiver only after all appropriate transaction parties, including but not limited to, the titleholder(s), abstractor, real estate agent, attorney(s) and settlement agent, have completed thorough, good faith due diligence which concludes that the abstract is unavailable because it has been lost or destroyed.
4. Applicants must perform the root of title search in accordance with Iowa Code §§ 614.29 through 614.38.

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<sup>5</sup> Iowa Code § 16.4C (2021).

5. Applicants must perform judgment and lien searches against all parties within the chain of title pursuant to ITG’s most current Minimum Abstract Standards and other guidelines, directives, and rules, as amended from time to time.
6. Applicants must prepare the Pottawattamie County Report of Title in accordance with ITG’s Pottawattamie County Report of Title Requirements and ITG’s most current Minimum Abstract Standards, as amended from time to time.
7. Applicants must prepare the Pottawattamie County Report of Title on a form approved by the ITG Board, as amended from time to time.
8. When rendering a title opinion based on a Report of Title, the examining attorney must include the following disclaimer in the title opinion: “A Pottawattamie County Report of Title was the basis for this title opinion.”
9. If ITG determines the Applicants are preparing or using the Pottawattamie County Report of Title in a manner inconsistent with the Terms and Conditions contained herein, Applicants shall be subject to disciplinary action to be determined by the ITG Director, which may include but shall not be limited to, immediate termination of this Waiver or immediate revocation of their active status as ITG participating abstractors. Provided, however, this Waiver shall not be terminated without approval of the IFA Director.

**SECTION 4. TERM.** The IFA Board grants this Waiver for a term extending from August 2, 2023 to March 1, 2027.

SO RULED this 2<sup>nd</sup> day of August, 2023.

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Michel Nelson, Iowa Finance Authority Board Chair

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Deborah Durham, Iowa Finance Authority Board Secretary

(seal)

# EXHIBIT A

## POTTAWATTAMIE COUNTY REPORT OF TITLE REQUIREMENTS

Dean G. Hoag, Jr. and Brenden D. Hoag must prepare Pottawattamie County Reports of Title (“Report”) pursuant to ITG’s most current Minimum Abstract Standards, as may be amended from time to time, subject to the following exceptions:

1. **Conveyances in the Root of Title Search.** The Report must show the most recent full value deed and all conveyances thereafter. Additionally, the Report must show all prior questionable or explanatory conveyances. This is a departure from Section 4 of the Minimum Abstract Standards which requires a showing of the record chain of title back at least 40 years.
  - a. NOTE: This does **NOT** exempt the Report from showing all other matters discovered in the 40-year root of title search. The Report must show all other matters discovered in a search dating back at least 40 years pursuant to the Marketable Record Title Act (“MRTA”), Iowa Code § 614.26, and Iowa Land Title Standard 11.7 as required by Section 4 of the Minimum Abstract Standards. There can be no gaps of time in the chain of title. All matters of record prior to the 40-year search period may be omitted except for the following:
    - i. Any right, title, or interest of the United States.
    - ii. Plats and surveys.
    - iii. Grants of easement.
    - iv. Mineral or timber rights, interests, or reservations.
    - v. Unexpired leases.
    - vi. Boundary line agreements.
2. **Abstracting of Entry Information.** The entries shown in the Report do not need to be abstracted if copies of the documents are attached to the Report. This is a departure from Section 7 of the Minimum Abstract Standards which requires abstracting of all entries.
  - a. NOTE: This does **NOT** exempt the Report from showing all entries in accordance with the Minimum Abstract Standards. All entries must be prepared in accordance with Sections 7.1 and 7.2 of the Minimum Abstract Standards.

The ITG Participation Agreement requires participating abstractors to include the assigned ITG participant number on all abstracting products which will be used to obtain ITG coverage, including the Report. The inclusion of the ITG participant number serves as the preparer’s acknowledgment that the Report is prepared in accordance with all ITG rules, guidelines, and directives.

Dean G. Hoag, Jr., Brenden Hoag, and any participating attorney who examines the Report and prepares the title opinion must retain a copy of the Report in the transaction file for a period of 10 years after the effective date of the ITG certificate or 10 years after the effective date of the commitment if a certificate is not issued.<sup>6</sup>

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<sup>6</sup> ITG Participation Agreement, Paragraph 1(a)(vi).



**EXHIBIT B-1**

**POTTAWATTAMIE COUNTY REPORT OF TITLE**

TO: \_\_\_\_\_ [name and address]

We furnish the following information of record in Pottawattamie County, Iowa:

Abstract No. or Reference No.: \_\_\_\_\_; Loan No.: \_\_\_\_\_

Legal description: \_\_\_\_\_

Local address: \_\_\_\_\_

**LAST FULL VALUE DEED AND ALL SUBSEQUENT CONVEYANCES:**

**UNRELEASED MORTGAGES AND ASSIGNMENTS:**

**COURT PROCEEDINGS, JUDGMENTS, LIENS, ETC.:**

**MNLR POSTINGS AND MECHANIC’S LIENS:**

**EASEMENTS:**

**ALL OTHER MATTERS OF RECORD AFFECTING TITLE:**

**SEARCHES HAVE BEEN CONDUCTED AGAINST THE FOLLOWING NAMED INDIVIDUALS:**

**TAXES & SPECIAL ASSESSMENTS:**

General Taxes for the year \_\_\_\_\_ and prior years, paid.

General Taxes for the year \_\_\_\_\_, \$ \_\_\_\_\_

First one-half, \$ \_\_\_\_\_; Second one-half, \$ \_\_\_\_\_

Parcel No. \_\_\_\_\_

Assessed Value: \$ \_\_\_\_\_; Assessed residential: \_\_\_\_\_ YES \_\_\_\_\_ NO

**THE UNDERSIGNED HEREBY CERTIFIES THAT IT HAS PERFORMED THOROUGH, GOOD FAITH DUE DILIGENCE TO LOCATE THE ABSTRACT TO THE ABOVE-DESCRIBED PROPERTY AND HAS DETERMINED THE ABSTRACT HAS BEEN LOST OR DESTROYED. THE UNDERSIGNED HEREBY FURTHER CERTIFIES THAT THIS REPORT CONTAINS ALL MATTERS OF RECORD CURRENTLY AFFECTING TITLE TO THE REAL ESTATE DESCRIBED HEREIN. THIS REPORT IS MADE PURSUANT TO IOWA CODE SECTIONS 614.29 THROUGH 614.38. JUDGMENT AND LIEN SEARCHES HAVE BEEN MADE AGAINST ALL PARTIES WITHIN THE CHAIN OF TITLE PURSUANT TO IOWA TITLE GUARANTY MINIMUM ABSTRACT STANDARDS AND OTHER GUIDELINES, DIRECTIVES, AND RULES, AS AMENDED FROM TIME TO TIME. THIS REPORT IS GIVEN SOLELY FOR THE PURPOSE OF ISSUANCE OF A CERTIFICATE BY IOWA TITLE GUARANTY, A DIVISION OF THE IOWA FINANCE AUTHORITY. NO LIABILITY FOR ERRORS OR OMISSIONS WILL ACCRUE TO THE BENEFIT OF ANY OTHER PERSON, FIRM, OR CORPORATION. THIS REPORT IS NOT A GUARANTY OF TITLE, OR A STATEMENT AS TO THE LEGAL EFFECT OF ANY INSTRUMENT OR PROCEEDING INSPECTED.**

Search ending on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ at \_\_\_\_\_ AM/PM, Pottawattamie County, Iowa.

By: \_\_\_\_\_ (authorized signature)

Authorized Signor Name: \_\_\_\_\_

ITG Participant Name: \_\_\_\_\_; ITG# \_\_\_\_\_

Participant Address: \_\_\_\_\_

**Addendum:** *[ATTACH ALL INSTRUMENTS IN THE CHAIN OF TITLE FOR ATTORNEY EXAMINATION]*

## EXHIBIT B-2

### POTTAWATTAMIE COUNTY POST-CLOSING REPORT OF TITLE

TO: \_\_\_\_\_ [name and address]

We furnish the following information of record in Pottawattamie County, Iowa:

Abstract No. or Reference No.: \_\_\_\_\_; Loan No.: \_\_\_\_\_

Previous Report or Title Date and Time: \_\_\_\_\_

Legal description: \_\_\_\_\_

Local address: \_\_\_\_\_

**LAST RECORDED DEED CONVEYS THE ABOVE-DESCRIBED REAL ESTATE TO:**

**WE ALSO FURNISH THE FOLLOWING NEW INFORMATION OF RECORD SINCE OUR PREVIOUS REPORT:**

*[INSERT TAXES, AFFIDAVITS, JUDGMENTS, LIENS, SATISFACTIONS, RELEASES, MORTGAGES, ASSIGNMENTS, DEEDS, MNLR POSTINGS, MECHANIC'S LIENS, OTHER NEW RECORDINGS]  
[INCLUDE THE FILING DATE AND TIME OF THE GUARANTEED MORTGAGE]*

**THE UNDERSIGNED HEREBY CERTIFIES THAT IT HAS PERFORMED THOROUGH, GOOD FAITH DUE DILIGENCE TO LOCATE THE ABSTRACT TO THE ABOVE-DESCRIBED PROPERTY AND HAS DETERMINED THE ABSTRACT HAS BEEN LOST OR DESTROYED. THE UNDERSIGNED HEREBY FURTHER CERTIFIES THAT THIS REPORT CONTAINS ALL MATTERS OF RECORD CURRENTLY AFFECTING TITLE TO THE REAL ESTATE DESCRIBED HEREIN. THIS REPORT IS MADE PURSUANT TO IOWA CODE SECTIONS 614.29 THROUGH 614.38. JUDGMENT AND LIEN SEARCHES HAVE BEEN MADE AGAINST ALL PARTIES WITHIN THE CHAIN OF TITLE PURSUANT TO IOWA TITLE GUARANTY MINIMUM ABSTRACT STANDARDS AND OTHER GUIDELINES, DIRECTIVES, AND RULES, AS AMENDED FROM TIME TO TIME. THIS REPORT IS GIVEN SOLELY FOR THE PURPOSE OF ISSUANCE OF A CERTIFICATE BY IOWA TITLE GUARANTY, A DIVISION OF THE IOWA FINANCE AUTHORITY. NO LIABILITY FOR ERRORS OR OMISSIONS WILL ACCRUE TO THE BENEFIT OF ANY OTHER PERSON, FIRM, OR CORPORATION. THIS REPORT IS NOT A GUARANTY OF TITLE, OR A STATEMENT AS TO THE LEGAL EFFECT OF ANY INSTRUMENT OR PROCEEDING INSPECTED.**

Search ending on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ at \_\_\_\_\_ AM/PM, Pottawattamie County, Iowa.

By: \_\_\_\_\_ (authorized signature)

Authorized Signor Name: \_\_\_\_\_

ITG Participant Name: \_\_\_\_\_; ITG# \_\_\_\_\_

Participant Address: \_\_\_\_\_

**Addendum:** *[ATTACH ALL AFFIDAVITS, RELEASES, SATISFACTIONS, OR OTHER CLEARANCE DOCUMENTS FILED OR RECORDED AFTER CERTIFICATION DATE]*

**RESOLUTION**  
**ITG 23-01**  
**Dean G. Hoag, Jr. and Brenden D. Hoag**  
**Waiver of Definition of Abstract**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, through the Iowa Title Guaranty Division, is empowered to make and issue title guaranties on Iowa real property in a form acceptable to the secondary market, to fix and collect the charges for the guaranties and to procure reinsurance against any loss in connection with the guaranties;

WHEREAS, the Authority, in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, has the power to make, alter and repeal rules consistent with the provisions of this chapter, and subject to chapter 17A; and

WHEREAS, the Authority, pursuant to Iowa Code section 17A.9A, the Authority may issue a waiver from the requirements of a rule

WHEREAS, the IFA Board has received a Petition for Waiver of Iowa Title Guaranty rule contained in Iowa Administrative Code rule 265—9.1 pertaining to the definition of an “Abstract of Title” or “Abstract” by Dean G. Hoag, Jr. and Brenden D. Hoag for Pottawattamie County; and

WHEREAS, the IFA Board finds that the Authority has jurisdiction over the rule and the requested waiver is consistent with applicable statutes, constitutional provisions, or other provisions of law; and

WHEREAS, the Authority desires to grant this waiver, subject to certain conditions and limitations set forth in the Order Approving the Request for Waiver of Iowa Administrative Code rule 265—9.1.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The IFA Board hereby grants to Dean G. Hoag, Jr. and Brenden D. Hoag a waiver of the rule contained in Iowa Administrative Code rule 265—9.1 “Abstract of Title” or “Abstract” that states that an abstract for Iowa Title Guaranty purposes, is a summary of “all matters of record”; and

SECTION 2. Pursuant to Iowa Administrative Code rule 265—18.10, the IFA Board adopts the Order Approving the Request for Waiver of Iowa Administrative Code rule 265—9.1 attached hereto.

PASSED AND APPROVED this 2<sup>nd</sup> day of August, 2023.

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Michel Nelson, Board Chairman

ATTEST:

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Deborah Durham, Secretary

(SEAL)

To: Iowa Finance Authority Board of Directors

From: Kristin Hanks-Bents, Legal Counsel

Date: July 25, 2023

Re: Adopt Amendments to 265—Chapter 12

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**Reason for the rule making:** Pursuant to Iowa Code section 16.35, IFA has adopted rules which govern the allocation process and applications for the award of tax credits. These rules function by incorporating the QAP by reference. IFA staff has worked with stakeholders to draft a new 9% Qualified Allocation Plan and a new 4% Qualified Allocation Plan for 2024 (collectively, “2024 QAPs”). To ensure the rules properly incorporate the 2024 QAPs, the Board of Directors must amend 265 Iowa Administrative Code chapter 12.

**Summary of proposed amendments to rules:** Staff proposes the Board adopt amendments to rule 265-12.1 and rule 265-12.2 by changing the year of the QAPs and the dates referenced in the rules.

**Status update since June 2023:** Staff has received no comments related to the amendments proposed in the Notice of Intended Action that the Board approved at the June 2022 meeting. No substantive changes have been made to the Noticed rule making.

**Rule making moratorium:** The Administrative Rules Coordinator directed IFA to amend chapter 265-12 to adopt the updated QAP, pursuant to part IV of Executive Order 10.

**Staff recommendation:** Staff recommends the Board adopt amendments to chapter 265-12 as set forth in the attached rule making.

**Proposed Motion:** Move to adopt amendments to chapter 265-12 as proposed.

## IOWA FINANCE AUTHORITY[265]

The following rule-making action is adopted:

ITEM 1. Amend rule 265—12.1(16) as follows:

### **265—12.1(16) Qualified allocation plans.**

**12.1(1)** *Four percent qualified allocation plan.* The qualified allocation plan titled Iowa Finance Authority Low-Income Housing Tax Credit Program ~~2023~~ 2024 4% Qualified Allocation Plan (“4% QAP”) dated ~~December 7, 2022~~ August 2, 2023, shall be the qualified allocation plan for the allocation of 4 percent low-income housing tax credits consistent with IRC Section 42 and the applicable Treasury regulations and Iowa Code section 16.35. The 4% QAP is incorporated by reference pursuant to Iowa Code section 17A.6 and 265—subrules 17.4(2) and 17.12(2). The 4% QAP does not include any amendments or editions created subsequent to ~~December 7, 2022~~ August 2, 2023.

**12.1(2)** *Nine percent qualified allocation plan.* The qualified allocation plan titled Iowa Finance Authority Low-Income Housing Tax Credit Program ~~2023~~ 2024 9% Qualified Allocation Plan (“9% QAP”) shall be the qualified allocation plan for the allocation of 9 percent low-income housing tax credits consistent with IRC Section 42 and the applicable Treasury regulations and Iowa Code section 16.35. The 9% QAP is incorporated by reference pursuant to Iowa Code section 17A.6 and 265—subrules 17.4(2) and 17.12(2). The 9% QAP does not include any amendments or editions created subsequent to ~~November 2, 2022~~ August 2, 2023.

ITEM 2. Amend rule 265—12.2(16) as follows:

### **265—12.2(16) Location of copies of the plans.**

**12.2(1)** *4% QAP.* The 4% QAP can be reviewed and copied in its entirety on the authority’s website at [www.iowafinance.com](http://www.iowafinance.com). Copies of the 4% QAP, application, and all related attachments and exhibits shall be deposited with the administrative rules coordinator and at the state law library and shall be available on the authority’s website. The 4% QAP incorporates by reference IRC Section 42 and the regulations in effect as of ~~December 7, 2022~~ August 2, 2023. Additionally, the 4% QAP incorporates by reference Iowa Code section 16.35. These documents are available from the state law library, and information about these statutes, regulations and rules is on the authority’s website.

**12.2(2) 9% QAP.** The 9% QAP can be reviewed and copied in its entirety on the authority's website at [www.iowafinance.com](http://www.iowafinance.com). Copies of the 9% QAP, the application, and all related attachments and exhibits shall be deposited with the administrative rules coordinator and at the state law library and shall be available on the authority's website. The 9% QAP incorporates by reference IRC Section 42 and the regulations in effect as of ~~November 2, 2022~~ August 2, 2023. Additionally, the 9% QAP incorporates by reference Iowa Code section 16.35. These documents are available from the state law library, and information about these statutes, regulations and rules is on the authority's website.

To: Iowa Finance Authority Board of Directors

From: Stacy Cunningham, LIHTC Operations Manager

Date: August 2, 2023

Re: 2023 9% LIHTC Award

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**Background:** The Iowa Finance Authority has received a return of tax credits for a 2022 project, The Villas at Governor's Field, due to financial feasibility of the project. The return of the tax credits in addition to the residual 2023 tax credits would allow for a project to be awarded from the waitlist.

**Recommendation:** Staff has reviewed the 9% tax credit waitlist and recommends awarding the following project:

**Project Number:** 23-13

**Project Name:** Alley Landing

**City:** Des Moines

**Project Type:** New Construction

**Occupancy:** Family and Permanent Supportive Housing

**LIHTC Units:** 40

**Developers:** Woda Cooper Development, Inc.

**Tax Credits:** \$1,150,000

**RESOLUTION**  
**HI 23-11**

WHEREAS, the Iowa Finance Authority (the “Authority”) is the housing credit agency for the State of Iowa in connection with the Low-Income Housing Tax Credit Program administered under Section 42 of the Internal Revenue Code of 1986, as amended; and

WHEREAS, on August 31, 2022 the Authority awarded 2022 low-income housing tax credits (the “2022 Tax Credits”) under the 2022-23 QAP; and

WHEREAS, one of the projects awarded 2022 Tax Credits, The Villas at Governor’s Field, returned its 2022 Tax Credits award; and

WHEREAS, the Authority wishes to award the 2022 Tax Credits previously awarded to The Villas at Governor’s Field and a portion of the residual tax credits from the 2023 low-income housing tax credits (the “2023 Tax Credits”) round to Woda Cooper Development, Inc. as developer of the first project on the 2023 Tax Credit waiting list, Alley Landing; and

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. Subject to Section 2 hereof, the Board hereby awards \$1,150,000.00 in 2023 Tax Credits to Woda Cooper Development, Inc. as developer of Alley Landing.

SECTION 2. The provisions of this Resolution are declared to be separable, and if any section, phrase, line item, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, line items, and provisions.

SECTION 3. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED this 2<sup>nd</sup> day of August, 2023.

\_\_\_\_\_  
Michael Nelson, Board Chairman

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary



# 2024 — 4% QUALIFIED ALLOCATION PLAN (QAP)

This Qualified Allocation Plan (QAP) governs the 2024 4% Low-Income Housing Tax Credit (LIHTC) allocation year. The Iowa Finance Authority (IFA) administers this program in Iowa, as specified in Iowa Code Section 16.35.



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# INTRODUCTION

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This Qualified Allocation Plan (QAP) governs the 2024 4% Low-Income Housing Tax Credit (LIHTC) allocation year. The Iowa Finance Authority (IFA) administers this program in Iowa, as specified in Iowa Code Section 16.35.

The mission of the State of Iowa LIHTC Program is to enhance the lives of Iowans by partnering with developers who share our mission of preserving and expanding affordable housing. The QAP, online application, and policies and procedures were developed to meet this mission, as well as all requirements of Section 42 of the Internal Revenue Code (Code).

The Code requires each Allocating Agency to develop a QAP for use in determining those developments that will receive an allocation of Tax Credits. If the relevant IRS Code or IRS regulations that govern this program are amended, the IFA Board may amend this QAP to ensure it conforms.

In the process of administering the LIHTC program, IFA will make decisions and interpretations regarding this QAP, Applications, and Projects. Unless otherwise stated, IFA is entitled to full discretion in making such decisions.

IFA shall become the owner of the Applications. IFA is not responsible for any costs incurred by Applicants.

In all instances in which federal, state, or local requirements apply to the Project, the most restrictive requirements shall apply.

**PART A –  
REQUIREMENTS FOR  
4% TAX CREDITS  
WITH TAX-EXEMPT  
BONDS**

# SECTION 1. TAX-EXEMPT BOND FINANCED PROJECTS CREDIT ALLOCATION PROCESS

**1.1. PRIVATE ACTIVITY CAP (CAP).** The bonds to finance the Project shall have received an allocation of CAP pursuant to IRC Section 146 and Iowa Code Chapter 7C. Tax Credits are allowed for the portion of a Project's Eligible Basis that is financed with the tax-exempt bonds. If fifty percent (50%) or more of a Project's aggregate basis (land and building) is so financed, the Project is eligible for Tax Credits for up to the full amount of Eligible Basis. CAP allocation is limited to the greater of \$15,000,000 or fifty five percent (55%) of the aggregate basis. The allocation of the CAP shall be after the 42M letter is issued.

**1.2 PROJECT CAP.** The maximum Tax Credit amount is limited by the availability of CAP and the Project Eligible Basis.

## SECTION 2. APPLICATION PROCESS OVERVIEW

**2.1 TAX CREDIT RESERVATION SCHEDULE.** To the extent possible, the following schedules apply to the Tax Credit Reservation Application process for 4% Tax Credits:

Process Step	Date
Application Package Available	January 2024
Date of Last Application Package Submission to IFA	October 31, 2024
IRS Form 8609 Application Package due to IFA	No later than November 1 of the first year credit period

Any revisions to the schedule will be published on the IFA website at [www.iowafinance.com](http://www.iowafinance.com).

**2.2 FEES.** Electronic payment of the fees is required. fees are nonrefundable. IFA shall collect the fees described below for the LIHTC Program.

Fee Type	All Applicants
Application Fee	\$2,750
Reservation Fee	1% of the total 10-year Tax Credit amount due within 30 calendar days of issuance of IRC Section 42(m) Letter.
Material Change in Application Fee	\$2,000 for material change requests.
IRS Form 8609 Application Fee	\$10,000
Amended IRS Form 8609 Fee	\$1,000
Legal Fees	Legal fees of IFA's in-house counsel and related to the Project may be billed at the rate of \$150 per hour. Legal fees of outside counsel and related to this Project will be billed at the rate charged to IFA.
Construction Monitoring Fees	A \$2,900 construction monitoring fee will be due with the IRS Form 8609 Application.
Fees for Failed and Missed Inspections	IFA charges an additional \$500 fee when conditions at the site warrant a return visit or any missed inspection or preconstruction meetings when IFA's construction analyst is not given 10 days advance notice.

Fee Type	All Applicants
Compliance Monitoring Fee	<p>\$32 per Unit x number of total Project Units, submitted annually on or before January 31 for each year of the Compliance Period and the Extended Use Period (if applicable). (Example: \$32 per Unit x 24-Unit Project = \$768.00 paid annually for 30 years.)</p> <p>Additional fees may apply if the Ownership Entity does not successfully elect to treat a Project as a multiple-building Project on the IRS Form 8609, if eligible to do so.</p> <p>Annual rate increases may apply. Other fees as provided in the IFA compliance manual.</p> <p>The first annual payment shall be submitted with the IRS Form 8609 Application. The Ownership Entity has the option of paying the compliance monitoring fee in advance for the entire Compliance Period and the Extended Use Period (if applicable); however, additional fees may be assessed to the Property during the Compliance Period and Extended Use Period if annual rate increases are applied during that time.</p>

### 2.3 APPLICATION PROCESS.

- A. **Application Summary.** An Application Summary shall be completed and submitted through the online Application. IFA will contact the Applicant to discuss the tax-exempt bond process and determine whether IFA will be the conduit bond issuer which will require submission of the bond inducement application.
- B. **Bond Inducement Application.** Applicant shall complete the bond inducement application and payment of the bond inducement application fee through the online Application.
- C. **Board Approval of Bond Inducement.** The IFA Board has discretion to approve the bond inducement resolution for the purpose of using tax-exempt financing for the 4% Tax Credit Project. The approved bond inducement resolution is required prior to submission of the LIHTC Application.
- D. **LIHTC Application Package.** Applicants shall submit the Application and exhibits through the online Application. Applicants shall use the forms contained in the Application Package and include all information required by the QAP or as otherwise required. Applications shall be submitted within 6 months of Board approval of the bond inducement otherwise the bond inducement may be terminated. Applicants are advised to check IFA's website periodically for any amendments or modifications to the Application Package.

- E. **Complete Application.** In order for IFA to review an Application fairly and accurately, it shall be complete. If there is not adequate information provided to review the Application, and upon request from IFA to the Applicant, adequate information is not submitted, then IFA shall reject the Application.
- F. **Market Study.** All applications shall include a comprehensive market analysis with a full narrative report following IFA's current market study guidelines. The study must be prepared by an independent third-party National Council of Housing Market Analysts member unaffiliated with the developer. The Market Study Provider shall acknowledge the study is being completed for IFA's use and benefit. IFA may contact the Market Study Provider at any time. Refer to Appendix O – Market Study Guidelines.
- G. **Market Study Timing.** The Market Study and field survey must have been completed no more than 6 months prior to the application submission.
- H. **IFA Market Study Review.** The Market Study must reflect the Application submitted, including but not limited to: unit mix, income targeting, rent levels, minimum set-aside, and other property attributes and amenities. IFA may permit or require Applicants to comply with recommendations made by the Market Study Provider in the deficiency report. IFA may reject an Application if the Market Study submitted does not meet the IFA Market Study guidelines.
- I. **Site Plans and Site Visits.** Applications shall include a preliminary site plan, floor plans, and elevations of all sides of all buildings. Applicants shall provide IFA building access for inspection.
- J. **Authorization Forms.** IFA may request an executed IRS Form 8821, Tax Information Authorization Form
- K. **Document Timeliness.** Required supporting documentation shall not be more than 180 days old, unless otherwise noted, on the date that the Application is submitted. Exceptions include documents not specifically produced for the Application, such as a valid purchase agreement, deed, land title document, Articles of Incorporation.
- L. **Opinions and Certifications.** All certifications, professional opinions, and related documents must be based on an independent investigation into the facts and circumstances regarding the proposed Project, in the form specified by IFA, and made under penalty of perjury.
- M. **Local Jurisdiction Notification.** The Applicant shall supply the contact information of the Chief Executive Officer of the Local Jurisdiction.
- N. **Application Deficiency.** During the Application review, IFA may request additional information on the Application through a deficiency report sent via email. The Applicant will have a period of time determined solely by IFA to remedy the deficiency items. IFA may adjust the underwriting, if applicable. IFA may contact the Applicant in other ways to clarify information contained in the Application.
- O. **IRC Section 42(m) Letter.** Once an Application is approved, IFA shall issue an IRC Section 42(m) letter confirming that the Project satisfies the requirements of the QAP and stating the preliminary amount of Tax Credits for the Project.
- P. **Joint Review.** IFA may conduct joint reviews with any other party. IFA may contact other sources to obtain information regarding the materials contained in the Application.

- Q. **Public Information.** At the conclusion of the selection process, the contents of all Applications will be in the public domain and be public records available for review by interested parties, unless, at the time of submitting the application, the Applicant properly requests that specific parts of the Application be treated as confidential AND the information is confidential under Iowa or other applicable law. IFA's release of public records is governed by Iowa Code Chapter 22. Applicants are encouraged to familiarize themselves with Chapter 22 before submitting an Application. IFA will make records available as required to comply with Chapter 22 or other applicable law.
1. **Confidential Request.** An applicant who desires confidential treatment of information must complete a confidential treatment request exhibit and upload it with the application. For each confidentiality request, the Applicant must (1) enumerate the specific grounds in Iowa Code Chapter 22 or other applicable law that supports treatment of the material as confidential, (2) provide adequate justification as to why the material should be maintained in confidence, (3) explain why disclosure of the material would not be in the best interest of the public, and (4) set forth the name, address, telephone, and e-mail for the person authorized by applicant to respond to inquiries by IFA concerning the confidential status of such material. Requests to maintain an entire application as confidential will be rejected as non-responsive. An applicant's request for confidentiality that does not comply with this section or an applicant's request for confidentiality on information or material that cannot be held in confidence as set forth herein are grounds for rejecting an application as non-responsive.
  2. **Redacting.** Any Application submitted which contains information for which Applicant is requesting confidential treatment must be conspicuously marked by the Applicant as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as containing confidential information. If the Contractor designates any portion of its Application as confidential, the Applicant must submit a copy labeled as "Public Copy" from which the confidential information has been excised. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the Application as possible. Failure to properly identify specific information as confidential or to provide a Public Copy shall relieve IFA or State personnel from any responsibility if confidential information is viewed by the public or a competitor, or is in any way released. If the Applicant identifies its entire Application as confidential, IFA will reject the Application.
  3. **Release.** If IFA receives a request for information that includes information Applicant has marked as confidential and IFA intends to release such information, IFA will give written notice to the Applicant at least seven calendar days prior to the release of the information to allow the Applicant to seek injunctive relief pursuant to Iowa Code Section 22.8. After seven calendar days, IFA will release the information marked confidential unless a court of competent jurisdiction determines the information is confidential under Iowa Code Chapter 22 or other applicable law. If Applicant fails to comply with the request process set forth herein, if Applicant's request for confidentiality is unreasonable, or if Applicant rescinds its request for confidential treatment, IFA may release such information or material with or without providing advance notice to Applicant and with or without affording Applicant the opportunity to obtain an order restraining its release from a court possessing competent jurisdiction.
  4. **Waiver.** The Applicant's failure to request confidential treatment of material will be deemed a waiver of any right to confidentiality the Applicant may have had.



## SECTION 3. ELIGIBILITY

**3.1 LEGAL OWNERSHIP ENTITY.** This Ownership Entity shall be formed prior to application submission and shall be a single-asset entity to which Tax Credits will be awarded. All members, managers, partners, and officers of all entities of the Ownership Entity shall be disclosed in an organizational chart. The proposed structure identified within this chart may not be changed after Application submittal until closing with the investor, and only the limited partner and special limited partner, if applicable, may be added.

**3.2 QUALIFIED DEVELOPMENT TEAM.** The Application shall identify all members of the Qualified Development Team (QDT) and Affiliates. The Developer/Co-Developer (Developer), General Partner/Managing Member (GP/MM), and Affiliates thereof, may not change between Tax Credit reservation and issuance of the IRS Form 8609.

A. **Qualified Development Team Members.** The Application must identify the following QDT Members, if applicable:

- Developer/Co-Developer
- General Partner/Managing Member
- Syndicator or Direct Investor
- Special Limited Partner
- Management Company
- Bond Counsel
- Architect
- Energy Consultant
- Tax Attorney
- Tax Accountant
- Contractor
- Engineer
- Development Consultant

B. **New Developer and General Partner/Managing Member.** Developers or GP/MM with no prior LIHTC awards, with a prior LIHTC award without an issued 8609, or with an 8609 issued from another state shall be eligible as follows:

Developer or GP/MM with no prior LIHTC Award	Up to one LIHTC award in 2024 and shall not be eligible for a second award in any team member role until the project places in service.
Developer or GP/MM with prior LIHTC Award in Iowa, but no 8609	No LIHTC award until project awarded Tax Credits in Iowa meets places in service.
Developer or GP/MM new to Iowa with 8609 from another state	Up to one LIHTC award in 2024.

- C. **Direct Investor.** A direct investor shall have a LIHTC asset management department with at least 3 years' experience.
- D. **Management Company.** The management company shall have at least 3 years of LIHTC management experience and is currently managing at least 3 LIHTC Properties.
- E. **Architect.** The Architect, and not just the architectural firm, must be duly licensed to do business in Iowa.
- F. **Energy Consultant.** The Energy Consultant shall be a RESNET certified energy rater in Iowa.
- G. **Development Consultant.** A copy of the executed Development Consultant Agreement shall be submitted in the Application.

**3.3 INELIGIBILITY.** Any QDT member or Affiliates thereof may be deemed ineligible by the Executive Director to participate in the LIHTC Program for the following:

- A. Evidence of involvement in a financial crime or crime related to dishonesty.
- B. Evidence of involvement in a crime or violation of laws or regulations, including, but not limited to, laws and regulations related to the development or management of housing
- C. Making misrepresentation or providing materially false information in an application.
- D. Allowing an affordable rental housing property to enter into foreclosure.
- E. Exiting a LIHTC ownership entity voluntarily or involuntarily.
- F. Being suspended, debarred, or otherwise excluded from doing business with any federal housing program.
- G. Not being in good standing with any affordable rental housing program administrator.
- H. Having been issued an IRS Form 8823 or the equivalent State-Issued uncorrected notice of noncompliance.
- I. A history of repeated or numerous Tax Credit allocation or compliance issues, even if such issues have not resulted in an uncorrected IRS Form 8823.
- J. Has returned a full credit Allocation or has failed to comply with a Carryover allocation.

**3.4 SITE REQUIREMENTS.** The proposed Project shall be located in an incorporated city at Application submission. Applications shall not contain or propose alternate sites. The Applicant shall be ready to proceed with the Project by documenting site control and site suitability. IFA may deem a site unacceptable if located in an area of high LIHTC unit density.

**A. Zoning.**

The Applicant shall provide confirmation from the city of the current zoning, including special or conditional use permits and any other discretionary land use for each site on which the Project will be located. The city zoning department shall verify whether the official plat is properly zoned. The Applicant shall provide site plans to the city that show the Project will have:

- 1. The proper number of parking stalls;
- 2. Direct contiguous access to a publicly dedicated paved road;
- 3. Any legal easement(s) necessary to not be landlocked; and
- 4. Right of ways, if applicable.

**B. Scattered Sites.** The Applicant shall submit an Application reflecting the total of all sites as well as separate site specific exhibits for each site included in the Project. A Scattered Site is a Project where multiple buildings with the same occupancy type and are not located in proximity to one another, but are

owned by the same party and financed under the same agreement(s). For Scattered Site Projects, all Units shall be qualified LIHTC Units. Scattered Sites cannot elect the average income test.

C. **Submission of Site Characteristics.** The site shall be suitable for the proposed Project and shall not include excess acreage unnecessary for the construction and use of the Project.

The Applicant shall provide:

1. A narrative of the current use of the Property, all adjacent Property land uses, and the surrounding neighborhood;
2. Labeled colored photographs (or color copies) of the proposed Property and all adjacent properties;
3. A clear map identifying the exact location of the Project site; and
4. A plat map of the site or proposed replat of the site.

D. **Detrimental Site Characteristics.** The Applicant shall not change the site location. If the site(s) includes any detrimental characteristics, the Applicant shall provide a remediation plan and budget, subject to IFA's approval, to make the site suitable for the Project.

IFA may reject sites:

1. Located within one-half mile of storage areas for hazardous or noxious materials, sewage treatment plants or other solid waste facilities, businesses or equipment producing foul odors or excessive noise or the site is a prior storage area for hazardous or noxious materials, sewage, or other solid or liquid waste;
2. Where the slope/terrain is not suitable for a Project based on extensive earth removal/replacement required for development;
3. Where there are obvious physical barriers to the Project;
4. Located within one-half mile of a sanitary landfill or sites that were previously used as a sanitary landfill;
5. Located within a flood hazard area, 100-year flood zone or a 500-year flood zone as determined by the Iowa Department of Natural Resources, a FEMA map, or a FIRM map;
6. Located within 500 feet of an airport runway clear zone or accident potential zone;
7. That are landlocked;
8. That are native prairie land or designated wetlands;
9. Within 300 feet of an electrical power substation, natural gas substation, or similar substation; or
10. That are otherwise unsuitable as a home for LIHTC households as determined by IFA.

E. **Site Control.** The Application must demonstrate the Applicant has site control by providing executed documents described below.

1. **Evidence of Site Control.**

The evidence shown below must be binding on the contractor/lessor/optionor of the Property (i.e. there must be no conditions for the termination within the sole discretion of the contractor/lessor/optionor, and the evidence must provide that the contractor/lessor/optionor cannot unilaterally withdraw, revoke, or rescind the obligation to the sale or lease of the Property to the Applicant unless the Applicant is in default under the contract).

- a. The Applicant holds sole fee simple title to the Property on which the Project will be located by a properly executed and recorded warranty deed; or
- b. The Applicant has an executed and exclusive purchase option or contract that is valid for nine months following the date of the Application due date; or
- c. The Applicant has an executed lease or an option on a lease, which has a term not less than 35 years. If the Applicant is purchasing or leasing parking space from a unit of local government, a project specific resolution would suffice.

2. **Requirements for Site Control.**

- a. There shall be a common ownership between all Units and buildings within a single Project for the duration of the Compliance Period and the Extended Use Period.
- b. The Applicant shall provide the location of existing and proposed easements on the site, the most current real estate tax assessment, and documentation that the Project meets or exceeds the City requirements for parking (unless subject to an exemption).

### 3.5 PROJECT REQUIREMENTS.

The Applicable Percentage for each building is established at either the month in which the building is Placed-in-Service, or at the Ownership Entity's election, the month in which the bonds are issued. If the latter is desired, the election statement shall be signed by the Ownership Entity, notarized and submitted to IFA before the close of the fifth calendar day following the month in which the bonds are issued.

The Project shall be Placed-in-Service no later than 24 months following the date of the bond issuance. IFA may, on a case-by-case basis, allow a Project to exceed the 24 month requirement. All requests to exceed this requirement on a 4% Tax Credit Project shall be required to go before the IFA Board of Directors for approval.

- A. **Qualified Residential Rental Property.** The Applicant shall certify that the Project as proposed is a Qualified Residential Rental Property. IFA may require the Applicant to supply a legal opinion.
- B. **Community Service Facility.** A Community Service Facility is a facility meeting the requirements of IRC Section 42(d)(4)(C)(iii) and Revenue Ruling 2003-77.

- C. **Minimum Set-Aside Elections.** The Applicant shall make a minimum set-aside election of income and rent levels from the options listed below. Any Owner election made in regard to the minimum set-aside election requirement for a qualified low-income housing project under IRC Section 42(g) cannot be changed once made in the Application. If a Project has an existing LURA, the minimum set-aside election shall remain the same.
1. **20-50 Test.** At a minimum 20% or more of the residential Units in a Project are both rent-restricted and occupied by individuals whose income is 50% or less of AMI; or
  2. **40-60 Test.** At a minimum 40% or more of the residential Units in a Project are both rent restricted and occupied by individuals whose income is 60% or less of AMI; or
  3. **Average Income Test.** At a minimum 40% or more of the residential Units in a Project serve households earning as much as 80% AMI, as long as the average income/rent limit in the property is 60% or less of AMI. The Average Income Test is not available for Scattered Site Projects, Projects with Market Rate units, Project Based Rental Assistance, or PHA Project Based Vouchers.
- D. **Senior Projects Standards.** Senior Projects are not allowed anything greater than 2 bedrooms per Unit. If layered with an existing Federal Program, the senior occupancy restrictions for the Federal Contract shall apply.
- E. **Units.** All LIHTC Units shall be evenly distributed in terms of location and number of bedrooms throughout the Project, be of comparable quality, and offer a range of sizes and number of bedrooms to any unrestricted Units.
- F. **Market Rate Standards.** Market rate single family homes shall not be allowed in any Project.
- G. **Acquisition/Rehab**
1. **Existing Tax Credit Project Resyndication.** A Project is eligible to apply for Tax Credits following the close of the initial 15 year Compliance Period.
  2. **Rehabilitation Expenditure.** The Applicant shall provide information regarding rehabilitation expenditures for each building. The information shall address how the Applicant will meet all of the building standards and minimum development characteristics. The Applicant shall identify, with respect to each building as required by the Application, the rehabilitation expenditures as defined in IRC Section 42(e)(2) that shall be allocable to or substantially benefit the Low-Income Units in such building. Each building in the Project must meet the greater of the IRS minimum expenditures requirement set forth in Section 42(e)(3) or a \$35,000 rehabilitation expenditure limited to hard construction costs per Low-Income Unit.
  3. **Eligibility for Acquisition Credits.** Project must meet all IRS requirements for acquisition credits including the 10 Year Rule and Related Parties Rule in IRC Section 42(d)(A) – (D)(ii).

**3.6 DISPLACEMENT OF RESIDENTIAL TENANTS.** IFA may reject any Application that fails to minimize permanent displacement of tenants and/or provide an adequate relocation plan. The Application must include a formal relocation plan if the Project scope requires any form of temporary or permanent relocation of existing tenants. The plan shall provide an overview of the need for relocation, a proposed timeline, an estimated budget, and other information as requested in the Application. If the project has a federal funding source, the most restrictive relocation plan requirements shall apply.

## SECTION 4. APPLICATION UNDERWRITING STANDARDS

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IFA may adjust the amount of Tax Credits based upon the underwriting. All Projects shall meet underwriting standards.

### 4.1 PROJECT DEVELOPMENT COSTS

- A. **Developer Fees.** Developer fees (including overhead and profit, Consultant Fees) shall not exceed 18%. The Developer's Fee is calculated as a percentage of Total Project Costs minus land, Developer's Fee, Developer's overhead and profit, Consultant Fees and Project reserves.
- B. **Builder and General Contractor Fees.** Builder and general contractor fees will be limited to a total of 12% of the hard construction costs (site improvements or work, new construction, rehabilitation, accessory buildings, garages, general requirements, construction contingency, asbestos abatement, lead-based paint measures, builder's overhead, builder's profit, builder bond fee, architect's fees, engineering fees, and other fees).
- C. **Professional and Other Fees.** IFA reserves the right to limit professional fees and other fees related to services rendered to the Project.
- D. **Operating Reserve.** The operating reserve will be at least 6 months of debt service, operating expenses, and real estate taxes. The operating reserve shall be fully funded within 6 months from the date IFA sent the IRS Form 8609 to the Ownership Entity. The operating reserves may be funded with an irrevocable letter of credit. If a letter of credit is used, the proceeds shall not be included in the Project costs. The fees associated with obtaining the letter of credit may be included in Project costs.
- E. **Appraisals.** An appraisal by an active Member Appraisal Institute (MAI)-certified appraiser who is not a related party at the Applicant's expense is required for the following reasons unless waived by IFA:
  - 1. For land or buildings that are acquired from a party with an Identity of Interest.
  - 2. For Acquisition/Rehab Projects requesting acquisition credits.
  - 3. During the Application review, if IFA may determine that cause exists to question the fair market value of the land and/or buildings being acquired and require an appraisal.
- F. **Project Costs Not Allowed in Eligible Basis.** The following project costs are not allowed in Eligible Basis:
  - 1. **Existing Reserve Accounts.** Cash from Project reserve accounts transferred to the Ownership Entity with the acquisition of a Project shall not be allowed in eligible basis.
  - 2. **Construction and Permanent Lender Fees.** Construction fees if the construction and permanent lender are the same.
  - 3. **Paved Roads.** The cost of construction of a de minimis paved road on public property may be included in the Project costs, as determined by IFA. The cost of construction of an extensive paved road on public property shall not be included in the Project costs.
  - 4. **Off-Site Utilities.** Costs that are not normal connections or extensions to existing utilities shall not be included in the Project costs.
  - 5. **Tenant Paid Amenities.** Garages, storage units, or other amenities where the Ownership Entity is charging tenants for use, except when part of normal rent for all of Units.
  - 6. **Predevelopment Interest Cost.** Interest financing costs on land acquisition prior to closing of the partnership.



## 4.2 PROJECT FUNDING SOURCES.

- A. **Tax Credit Investor Letter of Intent.** Applicant shall provide a letter of intent from the investor for the LIHTCs on the company letterhead with the price, approximate equity amount.
- B. **Financing Letters of Intent.** Applicant shall provide a letter of intent from each funding source for construction and permanent financing on the institution's letterhead. The letter for loans shall state the amount of the loan, interest rate, term, amortization period (minimum 30 years required for first mortgage debt), fees, prepayment penalties, anticipated security interest in the Property, and lien position. The letter for all other sources (including any existing debt to be assumed, grants, loans, tax credits, etc.) shall state the value of the funding, the purpose the funds may be used for, and any time limitations.
- C. **Deferred Developer Fees.** Deferred Developer fees cannot exceed 65% of the total Developer fee, and the Application must demonstrate the full amount being paid within 15 years. The deferred Developer fee shall be paid from the net cash flow and not be calculated into the minimum Debt Service Coverage Ratio.
- D. **Federal and State Historic Tax Credits.** Projects with historic significance shall use equity invested for the maximum amount of state and federal historic tax credits as proposed or awarded by the appropriate allocating agency as a funding source,

## 4.3 PROJECT OPERATING COSTS AND CASH FLOW.

- A. **Operating Expenses.** Operating expenses are based on thresholds provided by the LIHTC equity investor partner and subject to IFA review.
- B. **Escalators.** IFA will underwrite Projects with income escalating at 2% and operating expenses escalating at 3%. Management fees will escalate at the same rate as income.
- C. **Vacancy Rate Standards.** IFA will underwrite Projects at a 7% vacancy rate unless otherwise recommended by a lender or investor.
- D. **Debt Service Coverage Ratio (DSCR) Standards.** The Application may not show DSCR as less than 1.15 in any year. IFA will evaluate high DSCR and cash flow to determine if the requested resources are necessary for sustainability.
- E. **Replacement Reserve.** All Family Projects shall budget replacement reserves of \$350 per Unit per year, escalating at the same rate as operating expenses, or a flat \$435 per unit per year. All Older Persons Projects shall budget replacement reserves of \$300 per Unit per year, escalating at the same rate as operating expenses or a flat \$375 per unit per year.
- F. **Subsidy Layering Review.** IFA shall complete a subsidy layering review for each Project that receives HUD housing assistance (other than HOME and CDBG).
- G. **Basis Boost.** The Code allows a boost in the Eligible Basis of up to 30% for Buildings located in a QCT or DDA as defined by HUD. Refer to Appendix C - QCTs & DDAs.
- H. **Tax Credit Calculation.** IFA shall determine the amount of Tax Credits necessary for the financial feasibility of the Project through the information received during the Application. IFA will utilize the percentage of the limited partnership interest in the Project and equity price in the determination of the Tax Credit amount.

**PART B –  
POST RESERVATION  
REQUIREMENTS**



**Failure to comply with any provision of this Section may result in revocation of the Tax Credit Reservation, withholding of the IRS Form 8609 or issuance of an IRS Form 8823.**

## **SECTION 5. POST RESERVATION REQUIREMENTS**

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**5.1 CHANGES TO THE APPLICATION.** Ownership Entities must submit any proposed Project change after Tax Credit Reservation through the online Application. IFA may approve changes, subject to conditions, or deny. Material changes may be considered but shall result in an additional fee and future scoring penalty in a 9% Round if approved. Material changes are changes that cause the Project to not be substantially the same as when awarded. This includes but is not limited to redesigns or revisions to the site, design or plans that may require extensive review, consideration for feasibility, or special considerations that may require IFA Board approval.

The following changes are not allowed:

- A. Changes to the Ownership Entity named in after Tax Credit Reservation;
- B. Transfers of the Tax Credit Reservation;
- C. Changes in Unit mix;
- D. Change to the minimum set-aside election; or
- E. Change that decreases the applicable fraction per building.

**5.2 POST CLOSING SUBMITTAL.** Applicant shall submit evidence of site ownership and final closing documents to the online Application within 30 days of Syndicator/Direct Investor closing.

**5.3 PRIOR TO PLACED-IN-SERVICE DOCUMENTS.** As a precondition to receiving IRS Form 8609, the Ownership Entity shall submit the following documents through the online Application at least 120 days prior to the first Unit placing in service. More detail is available in the Application.

- A. Affirmative Fair Housing Marketing Plan Package (AFHMP, ads/brochures, tenant selection plan, lease, lease addendums, community rules, VAWA documents).
- B. Confirmation that the Project is listed on Iowa's free rental housing locator at [www.IowaHousingSearch.org](http://www.IowaHousingSearch.org).
- C. A commitment to notify PHA of vacancies.

**5.4 MARKETABLE TITLE REQUIREMENT.** The Ownership Entity shall provide adequate evidence that the Ownership Entity's title in the real estate on which the Project is to be located is a marketable title pursuant to Iowa Land Title Examination Standards, or other applicable law. Adequate evidence of marketable title is demonstrated by either: (1) a title opinion of an attorney authorized to practice law in Iowa showing marketable title in the Ownership Entity; or (2) a certificate issued by the Iowa Title Guaranty Division of IFA showing the Ownership Entity as the guaranteed. In the case of leased land, a copy of the recorded lease shall be provided.

**5.5 IRS FORM 8609.** Upon approval of the 8609 Application by IFA, IFA shall complete Part A of IRS Form 8609 and send it to the Ownership Entity. The Ownership Entity shall complete Part B and return a copy of the fully executed IRS Form 8609 to IFA within 60 days of IFA sending the IFA executed IRS Form 8609. The Owner's completed IRS Form 8609 shall match the terms agreed upon in the LURA.

**5.6 DESTRUCTION OF A PROJECT PRIOR TO PLACEMENT-IN-SERVICE.** If a Project cannot be placed in-service by the applicable federal deadline due to a casualty loss, IFA may allow the Ownership Entity to return the Tax Credits in exchange for a binding commitment by IFA to allocate a future year's Tax Credits in an amount not to exceed the original allocation. This section only covers casualty losses not addressed under Revenue Procedure 2014-49.

**5.7 COMPLIANCE** IFA has established procedures for monitoring compliance. Refer to the IFA Compliance Manual and supporting documentation. Any other rent and income restrictions required by other programs, including HOME, shall still apply as applicable.

**5.8 COMPLIANCE PERIOD (INITIAL 15-YEAR COMPLIANCE PERIOD).** The Compliance Period is the 10-year credit period and additional 5-year period for a total of 15 taxable years, beginning with the first taxable year of the credit period. Any other rent and income restrictions required by other programs, including HOME, shall still apply as applicable.

**5.9 EXTENDED USE PERIOD (LONG TERM COMPLIANCE PERIOD).** The time frame that begins the first day of the Initial 15-Year Compliance Period, in which the building is a part of a qualified low-income housing Project and ends 15 years after the close of the Initial 15-Year Compliance Period, or the date specified by IFA in the LURA. Any other rent and income restrictions required by other programs, including HOME, shall still apply as applicable.

## **SECTION 6: TERMS AND CONDITIONS.**

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The following terms and conditions apply to all Applicants and Projects that receive a reservation of 4% Tax Credits.

IFA will rely on the following when interpreting the requirements of the QAP: (1) the QAP, including the Tax Credit Application, appendices, exhibits, instructions, and any incorporated materials; (2) IFA's questions and answers for the QAP; and (3) IFA's past practice. IFA may, at its discretion, conduct due diligence to verify information provided by the Applicant. An Applicant's interpretation of the QAP and its requirements is immaterial.

**6.1 DOCUMENTS INCORPORATED BY REFERENCE** The items described in this Section are incorporated by reference in the QAP.

- A. 26 USC Section 42 as amended and the related Treasury regulations in effect as of the date this QAP is adopted by the Board.
- B. Iowa Code Section 16.35 and the rules promulgated by IFA to govern the LIHTC Program in effect as of the effective date hereof.
- C. IFA Compliance Manual.
- D. In the case of any inconsistency or conflict between the items listed in this Section, conflicts shall be resolved as follows:
  - 1. First by IRC Section 42 and the related Treasury regulations;
  - 2. Second by Iowa Code Sections 16.4, 16.35, and the rules governing the QAP; and
  - 3. Third by the QAP.

**6.2 BINDING OBLIGATIONS** The representations made in the Application bind the Applicant and shall become a contractual obligation of the Developer and the Ownership Entity and any Entity the Developer or the Ownership Entity is representing in the presentation of the Application or a successor in interest in the event Tax Credits are awarded to a proposed Project. The contractual obligation constitutes the agreement between the parties, as represented by the Developer or Ownership Entity, within the following documents: the QAP, Application (with any permitted amendments), and any other agreements executed between IFA and the Ownership Entity.

**6.3 LAND USE RESTRICTIVE COVENANTS (LAND USE RESTRICTIVE AGREEMENT (LURA)).** The Project shall be subject to the LURA, which is an agreement between IFA and the Ownership Entity and all of its successors in interest. The LURA shall conform to the requirements of IRC Section 42(h), Iowa Code Section 16.35 and the QAP.

**6.4 NO REPRESENTATION OR WARRANTY REGARDING QAP.** IFA makes no representation or warranty to any Person or Entity as to compliance issues or the feasibility or viability of any Project.

**6.5 IFA POLICY ON CIVIL RIGHTS COMPLIANCE.** The Applicant and any of its employees, agents, or sub-contractors doing business with IFA understand and agree that it is the responsibility of the Developer and Ownership Entity to adhere to and comply with all federal civil rights legislation, including the Fair Housing Laws, the Americans With Disabilities Act, as well as any state and local civil rights legislation. The Developer and Ownership Entity are responsible for being aware of and complying with all non-discrimination provisions of federal, state, or local law.

**6.6 VIOLENCE AGAINST WOMEN ACT (VAWA).** The Applicant and any of its employees, agents, or sub-contractors doing business with IFA understand and agree that it is the responsibility of the Developer and Ownership Entity to adhere to and comply with the Violence Against Women Act, including adding the VAWA lease terms provided by the authority to its leases.

**PART C –  
CONSTRUCTION  
REQUIREMENTS**

## **SECTION 7. PRIOR TO THE INITIATION OF CONSTRUCTION**

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**7.1 CHANGES IN SCOPE.** The Ownership Entity shall not make any changes or alterations to the Project (including the site layout, floor plan, elevations, or amenities) from Reservation without IFA's written authorization. This includes changes required by local governments to receive building permits.

**7.2 IFA PLAN REVIEW.** The Ownership Entity shall submit final plans, specifications, and the energy audit or analysis to IFA upon completion. IFA shall give written approval before the Ownership Entity commences site work or construction.

**7.3 ENERGY.** For Acquisition/Rehab Projects, the Ownership Entity must provide:

- A. A copy of the energy audit conducted by a certified home energy rater, and
- B. Appropriate specifications to meet IECC standards or alternate cost-effective energy improvements with the final construction documents.

IFA requires an engineer or architect to certify that the architect has met and coordinated the design with the energy consultant and Ownership Entity and that the design meets the applicable International Energy Conservation Code (IECC). as shown in Section 11 – Building Standards. The contract for the determination of the energy audit shall be between the certified rater and the Ownership Entity. This section does not apply to Historic projects.

**7.4 CAPITAL NEEDS ASSESSMENT (CNA).** Acquisition/Rehab or Rehab Projects shall submit a complete Capital Needs Assessment with the design documents that are submitted for review and approval prior to the start of construction. The CNA shall be prepared by a third party that regularly provides CNA's as a basic or core service. The third party may be a member of the Qualified Development Team with prior approval by IFA, but may not be the Ownership Entity or Developer. The CNA shall assess the rehabilitation needs of each existing structure, including:

- A. A site visit and physical inspection of the interior and exterior of Units and structures;
- B. An interview with on-site property management and maintenance personnel to inquire about past repairs/improvements, pending repairs, and existing or chronic physical deficiencies;
- C. The presence of hazardous materials;
- D. A detailed opinion as to the proposed budget for recommended improvements;
- E. Identify critical building systems or components that have reached or exceeded their expected useful lives;
- F. A projection of recurring probable expenditures for significant systems and components impacting use and tenancy, which are not considered operation or maintenance expenses, to determine the appropriate replacement reserve deposits on a per Unit per annual basis;
- G. Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, and gas and electric utilities and lines;
- H. Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system, stairs, and drainage;

- I. Interiors, including Unit and common area finishes (carpeting, vinyl tile, plaster walls, paint conditions, etc.), Unit kitchen finishes, cabinets and appliances, Unit bathroom finishes and fixtures, and common area lobbies and corridors; and
- J. Mechanical and electrical systems, including plumbing and domestic hot water, HVAC, electrical, lighting fixtures, fire protection, security, low voltage systems, and elevators.

The CNA shall conform to standards outlined in ASTM E 2018-08, Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process. An assessment done for and accepted by USDA Rural Development is acceptable.

**7.5 PRECONSTRUCTION MEETING.** An IFA representative shall attend a contractor/developer construction meeting at or near the initiation of construction. The Ownership Entity must provide a copy of the contractor's initial pay application with a schedule of values when executed.

**7.6 MINIMUM DEVELOPMENT CHARACTERISTICS – ALL PROJECTS.** All construction will use the following minimum development characteristics:

**A. GENERAL.**

1. **Construction Warranty.** Provide an enforceable minimum 1 year blanket construction warranty stipulating that the general contractor is responsible to do or have done any and all required warranty repair work, including consequential damages, at its own expense.
2. **Accessibility.** All Projects shall have at least 5% percent of the Units, or at least 1 (whichever is greater) Unit accessible for persons with mobility disabilities constructed in accordance with the Uniform Federal Accessibility Standards (UFAS). An additional 2% percent of the Units, or at least 1 (whichever is greater) must be accessible for persons with hearing or visual disabilities (Units with Accessible Communication Features). For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit. Refer to Section 15 – Building Standards.
3. **Radon System.** A passive radon system, including a drain tile loop below the building slab along with vertical vent pipes and junction boxes for new construction. Acquisition/Rehab Projects shall have a radon test, and a passive radon system is required, or an active system if the radon test exceeds permissible thresholds. Refer to Appendix F – “Radon Control Methods” in the 2012 International Residential Code.
4. **No Smoking Policy.** Implement and enforce a “no smoking” policy in all Units and common areas, not including public areas of the exterior grounds.
5. **Community Room.** For senior Projects only, community room must be 20 square feet per unit up to the first 40 units made available exclusively to all tenants and guests of the Project, either in a stand-alone building or incorporated within a residential structure, located entirely on the Property. Does not apply to Scattered Site Projects.

6. **Playground.** For family Projects only, an outdoor area provided for children to play in containing 5 to 7 commercial-grade play components (an element intended to generate specific opportunities for play, socialization, or learning) that does not include wood. At least 2 must be elevated. Swings, spring riders, water tables, playhouses, slides, and climbers are acceptable; ramps, transfer systems, steps, decks, and roofs are not. IFA may approve exceptions including a sport court. The playground must comply with the requirements of the Department of Justice 2010 ADA Standards for Accessible Design. Does not apply to Scattered Site Projects.
7. **Sidewalks.** Concrete sidewalks providing access to a city public way from each entrance door.
8. **Trash Enclosures.** Screened trash removal areas.
9. **Internet Access.** High speed internet wiring for broadband, wireless, or digital subscriber line (DSL) for all Units.
10. **Video Security System.** The security system shall record activity at the site as follows: Parts of the site to be covered include parking areas, all building entrances and the main level of the stairways. The recordings shall be maintained for a minimum of 30 days. Single family or each building in Scattered Site Projects are required to have the Video Security System.

#### B. EXTERIOR CONSTRUCTION.

1. **Exterior Design.** The Project shall have a building design that is appealing and appropriate for the community and neighborhood, including varied facades, rooflines, and exterior materials.
2. **Exterior Siding.** Exterior siding shall be durable and impact-resistant. Vinyl does not qualify as durable. Exterior siding shall be a mix of 2 or more of the following (no single material shall constitute more than 70% of the siding): brick, fiber cement board siding, or engineered wood siding with quality standards similar to Smartside, and/or nominal, 2" nominal thickness manufactured stone over ¾" stucco, nail on stone panels or metal siding approved by IFA. The exterior siding requirements do not apply to existing buildings that are 100% brick or stone. The soffit and fascia shall be pre-finished aluminum, fiber cement board, or engineered wood siding with quality standards similar to Smartside. Soffits shall be vented.
3. **Roofs.** Roofs shall have a 30 year full warranty. Flat roofs shall have a minimum 60 mil TPO or EPDM thickness and a 10 year full warranty. Full warranty includes: all labor and materials for the entire roofing system and insurance rider for consequential damage. All reroofing applications shall include the removal of the existing roofing system down to the roof deck.
4. **Main Entrance Areas.** Apartment building main entrances to interior shall have a foyer and be equipped with a remote security and intercom system to each Unit to control entry to common areas. Single-family, duplex, and rowhouse Unit main entrances to exterior shall have a storm door and a covered entry with a minimum depth and width of coverage of 4 feet by 4 feet.
5. **Unit Doors.** Any Unit primary entry door may be solid core wood or solid wood panel type, insulated metal, or fiberglass panel type with optional glass insert, 180-degree peephole, lockset and deadbolt lock with 1 inch throw. Primary entry doors shall have steel frames. Metal frames at exterior doors shall be thermally broken or metal clad wood frames are acceptable at Unit entries leading to the exterior.



## C. INTERIOR CONSTRUCTION

1. **Appliances.** The kitchen shall have a cook top, an oven, a microwave, a cooling/freezing unit, built-in dishwasher, and a sink. Single-bowl sinks shall be minimum 20" x 30". Appliances shall be Energy Star. These requirements do not apply to Single Room Occupancy Units.
2. **Water Conserving Measures.** Toilets are high efficiency WaterSense toilets that use 1.28 gallons per flush or less; faucet aerators use 1.5 gallons per minute (gpm) or less in kitchens and 1.0 gpm or less in bathrooms; showerheads use 1.5 gpm or less. Dual flush toilets do not qualify.
3. **Cabinetry.** Cabinetry and woodwork shall meet ANSI/AWI standards for Custom Grade Cabinetry and/ have the KCM A161.1 Quality Certification Seal.
4. **Closet Rods and Shelves.** Closet rods and shelves are required in each bedroom closet in each Unit. For Accessible Units only, the closet shelves and hanger bars shall be easy to adjust to different heights with no tools required with adjustable standards and brackets. Hanger rods shall attach to the shelving and provide continuous slide for hangers between supports. Shelves shall be 12" deep minimum and material vinyl coated steel or similar.
5. **Paints and Primers, Adhesives, Caulks and Sealants.** Paints, primers, adhesives, caulks, and sealants shall comply with Federal regulations applicable to low VOC requirements.
6. **Minimum Bathroom Accessories**
  - Towel bar(s) within reach of lavatory and tub/shower
  - Toilet paper holder
  - Shower curtain rod (if applicable)
  - Mirror
  - Cabinet with drawers, shelf space, or medicine storage cabinet.
7. **Carpeting.** Carpets shall be 100% nylon or nylon/olefin blend.
8. **Resilient Flooring.** 1/8-inch vinyl composition tile with color and pattern full thickness, LVT, sheet vinyl, linoleum flooring, tile flooring, bamboo, wood, or polished concrete.
9. **Resilient Flooring—Bathrooms.** LVT, sheet vinyl, linoleum flooring, or tile flooring.
10. **Durable Window Sills.** All window sills/ledges shall be composed of moisture-resistant materials, such as plastic laminate, molded plastic, cultured marble, etc. Projects with Historic tax credits may provide wood sills if they are specifically required by the State Historic Preservation Office (SHPO).
11. **Window Covering.** Window coverings are required. A spring loaded type window shade is not an approved covering.



**D. ENERGY REQUIREMENTS.**

1. **Heating and Air Conditioning.** All Units shall be heated and air conditioned. Air conditioning equipment should be at least 13 SEER (14.5 SEER and 8.50 HSPF for electric heat pumps) and use R-410a refrigerant that is charged according to manufacturer specifications. Thru-wall A/C units, when used in conjunction with fluid based radiant heat systems, shall be at least 9.8 EER or 9.7 CEER, otherwise they shall be at least 10.7 EER or 10.6 CEER. Heating equipment should be at least 95 AFUE for furnaces and 90 AFUE for boilers. Window units are not allowed. Electric resistance heating is not allowed as the primary heating source for new construction adaptive reuse and must be approved at the time of application if proposed for an Acquisition/Rehab or rehab project. AC sleeves shall be provided with a tight-fitting, insulated cover for thru wall AC units. Winter covers shall be provided for each AC unit.

IFA may approve existing projects with electric resistance heating prior to Application submittal.

2. **Water Heaters.**

- In-unit water heaters that have a minimum energy factor (EF) of 0.61 for tank-type gas, 0.93 for tank-type electric, or 0.96 for tankless water heaters.
- Central water heaters (serving entire building) – with a 90% Thermal Efficiency rating or minimum 95% efficient thermal water storage tanks coupled to a better than 90 AFUE boiler.

**7.7. MINIMUM DEVELOPMENT CHARACTERISTICS – NEW CONSTRUCTION AND ADAPTIVE REUSE.**

New Construction and Adaptive Reuse Construction must use the following additional minimum development characteristics:

- A. **Closets.** Each bedroom shall have a closet (2 foot x 5 foot minimum) with a door. The minimum complement of closets per Unit include: 1 linen closet or cabinet 1.5 foot x 2 foot minimum and 1 coat closet 2 foot x 3 foot minimum.
- B. **Laundry.** Each Unit must have an enclosed washer and dryer (accessible if applicable), and the dryer vented to the building exterior.
- C. **Unit Bathrooms.** Three or more bedroom Units in new construction and Adaptive Reuse Projects shall have at least 1 full bathroom and 1 three-quarter bathroom.

D. **Minimum Unit Net Square Footage:**

**New Construction and Adaptive/Reuse**

Unit Type	Minimum Unit Net Square Footage
Efficiency	450
1 Bedroom	625
2 Bedroom	800
3 Bedroom	1,000
4 Bedroom	1,175

Unit net square footage is measured face of wall to face of wall of the unit's perimeter walls. The total of all spaces in the Unit measured this way must exceed the Minimum Unit Net Square Footage. This does not include balconies or patios. IFA may approve smaller Units in Adaptive Reuse Projects prior to Application. Public area square footage is measured face of wall to face of wall. Building gross square footage is measured from the outside face of the building perimeter walls and includes balconies.

E. **Energy Requirements.** In addition to meeting Iowa State Code and the IECC, the Project shall meet or exceed prescriptive standards for Multi Family New Construction (MFNC) or prescriptive standards for Energy Star Certified Homes (except where those requirements have been reduced herein) and receive a Home Energy Rating Systems (HERS) Index of 70 or less from a certified rater in Iowa. A home energy rating performed by a certified HERS rater is required on each building after it is completed to verify that actual construction meets the above listed requirements. Five Units with different floor plans and orientations for complexes of less than 50 Units and 10% of Units, up to a maximum of 10 Units in complexes of 50 or more Units shall be rated. The contract for the determination of the HERS index shall be between the certified rater and the Ownership Entity.

**7.8 MINIMUM DEVELOPMENT CHARACTERISTICS – ACQUISITION/REHAB.** Rehabilitation Construction must use the following additional minimum development characteristics:

A. **Scope of Work.** The Scope of Work shall, at a minimum, include work on the following as indicated in the CNA:

1. Making common areas accessible, creating or improving sidewalks, installing new roof shingles, adding gutters, sealing brick veneers, applying exterior paint or siding, and re-surfacing or re-paving parking areas.
2. Improving site and exterior dwelling lighting with Energy Star qualified lighting fixtures, landscaping/fencing, and durable siding.
3. Using energy efficient related Energy Star labeled products to replace inferior ones, including insulated windows.
4. Improving heating and cooling units, plumbing fixtures and water heaters, toilets, sinks, faucets, and tub/shower. Units to meet minimum efficiency standards for new construction above.
5. Improving quality of interior conditions and fixtures, including carpet, vinyl, interior doors, painting, drywall repairs, cabinets, Energy Star appliances, Energy Star light fixtures, and window coverings to meet minimum efficiency standards for new construction.
6. Upgrading electrical circuits to have GFCI outlets at kitchens, baths, laundries and other applicable locations;
7. Upgrade all interior lighting to compact fluorescent and/or LED.

B. **Resident/Community Laundry.** A common laundry room facility located on site with a minimum of 1 washer/dryer to serve each 12 Units. An Applicant may provide a washer and dryer in each Unit in lieu of a common laundry room facility.

C. **Smoke Detectors.** All Acquisition Rehab/Rehab Projects shall install or replace all smoke detectors.

## **SECTION 8. BUILDING STANDARDS**

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Preliminary site plan and floor plans are to be submitted with the Application to IFA. The Applicant shall meet local, state and federal standards that apply to the Project, regardless if listed below.

- 2015 International Building Code adopted and published by the International Code Council.
- 2015 International Existing Building Code adopted and published by the International Code Council.
- 2015 International Residential Code adopted and published by the International Code Council (excepting paragraphs R313.1 and R313.2; sprinklers are not required in single family or townhomes separated by 2 hr. fire walls).
- 2015 International Fire Code adopted and published by the International Code Council.
- 2015 International Mechanical Code adopted and published by the International Code Council.
- 2012 Uniform Plumbing Code adopted by the International Association of Plumbing and Mechanical Officials.
- 2014 National Electric Code adopted by the National Electrical Code Committee and published by the National Fire Protection Association, Inc.
- 2015 International Energy Conservation Code adopted by the International Code Council.
- Iowa Administrative Code, including but not limited to the following Chapters: 300 (Administration), 301 (General Provisions), 302 (Accessibility of Building), 303 (Energy Conservation), 350 (State Historic Building), and 25 (State Plumbing Code).
- Uniform Federal Accessibility Standards provided in 24 CFR Part 8 and delineated in the American National Standards Institute Standard 2009 A117.1.
- The Americans with Disabilities Act 1990 provided by the Federal Department of Justice. All publicly accessible areas must meet the accessibility requirements of this Act.
- The Federal Fair Housing Act of 1988 – all buildings with 4 or more units must comply with this Act and the Fair Housing Design Standards. Applies to ground floor Units or all Units in an elevator building.
- For Adaptive Reuse/Rehabilitation, the Lead Base Paint Poisoning Prevention Act, the Department of Housing and Urban Development (HUD) Guidelines for the Evaluation and Control of Lead Based Paint Hazards, Environmental Protection Administration (EPA) and Occupational Safety and Health Act (OSHA) provisions shall apply when applicable.
- For Adaptive Reuse/Rehabilitation, if applicable, State Historic Preservation Office (SHPO) clearance Section 106 of the National Historic Preservation Act, 36 CFR Part 800 for Projects receiving any direct federal funding (HOME or categorical grant) or affecting properties listed in the National Register of Historic Places, or in a designated historic preservation district or zone.

**PART D –  
GLOSSARY OF  
TERMS**

The following capitalized terms shall have the meanings set forth herein unless context clearly requires a different meaning.

**Affiliates:** Any Person or Entity who (i) directly or indirectly through one or more intermediaries Controls, is controlled by, or is under common Control with the Applicant; or (ii) owns or Controls any outstanding voting securities, partnership interests, membership interests, or other ownership interests of the Applicant; or (iii) is an officer, director, guarantor, employee, agent, partner, member, manager or shareholder of the Applicant; or (iv) has an officer, director, member, manager, guarantor, employee, agent, partner, or shareholder who is also an officer, director, member, manager, employee, agent, partner, or shareholder of the Applicant.

**Applicant:** the Ownership Entity, Developer, General Partner or Affiliate as shown in the Application Package.

**Area Median Gross Income (AMI):** the most current tenant income requirements published by HUD pursuant to the qualified Low-Income Housing Project requirements of IRC Section 42(g).

**Disability:** at least one of the following criteria: (1) Has a physical, mental or emotional impairment which is expected to be of long-continued and indefinite duration, substantially impedes the person's ability to live independently, and is of a nature that such ability could be improved by more suitable housing conditions; or (2) Has a developmental Disability, defined as a severe chronic Disability which is attributable to a mental or physical impairment or combination of mental and physical impairments, is manifested before the Person attains age 22, is likely to continue indefinitely, results in substantial functional limitation in three or more of the following areas of major life activity: self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency; and which reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong, or extended duration and are individually planned and coordinated.

**Eligible Basis:** with respect to a building within a Project, the building's Eligible Basis at the close of the first taxable year of the Tax Credit Period and as further defined in IRC Section 42(d). Eligible Basis shall not include garages or Storage Units or other amenities where the Ownership Entity is charging tenants for the use of the garage or Storage Unit or other amenities, except when the garage or Storage Units or other amenities are part of normal rent for all of the Units in the Project. If a grant is made with respect to any building or its operation during any taxable year of the Compliance Period and Extended Use Period, if applicable, and any portions of such grant is funded with federal funds, the Eligible Basis of the building for that taxable year and all succeeding taxable years shall be reduced by the portion of the grant.

**Entity:** any General Partnership, limited partnership, corporation, joint venture, trust, limited liability company, limited liability partnership, business trust, cooperative or other business association.

**Family Project:** General occupancy project with no age restrictions.

**Identity of Interest:** a financial, familial or business relationship that permits less than an arm's length transaction. No matter how many transactions are made subsequently between Persons, corporations, or trusts Controlled by the Ownership Entity/Developer, these subsequent transactions shall not be considered "arm's-length". Identity of Interest includes but is not limited to the following: the existence of a reimbursement program or exchange of funds; common financial interests; common officers, directors or stockholders; family relationships among the officers, directors or stockholders; the Entity is Controlled by the same group of corporations; a partnership and each of its partners; a limited liability company and each of its members; or an S Corporation and each of its shareholders. Failure to disclose an Identity of Interest is an unsatisfactory performance issue with IFA and may deem the party ineligible for future rounds.

**Low-Income Unit:** any residential rental Unit if such Unit is rent-restricted and the occupant's income meets the limitations applicable as required for a qualified low-income housing Project.

**Older Persons:** persons 55 or older: An Older Persons Project is exempt from the prohibition against familial status discrimination under the Fair Housing Act if: (1) The HUD Secretary has determined that it is specifically designed for and occupied by elderly Persons under a federal, state or local government program; or (2) It is occupied solely by Persons who are 62 or older; or (3) It houses at least one Person who is 55 or older in at least 80% of the occupied Units, and adheres to a policy that demonstrates intent to house Persons who are 55 or older.

**Owner Representative:** the General Partner(s) or managing member(s) of the Ownership Entity.

**Project:** a low-income rental housing Property the Applicant of which represents that it is or will be a qualified low-income housing Project within the meaning of IRC Section 42(g). With regard to this definition, the Project is that Property which is the basis for the Application.

**Property:** the real estate and all improvements thereon which are the subject of the Application, including all items of personal Property affixed or related thereto, whether currently existing or proposed to be built thereon in connection with the Application.

**State Issued Notice of Noncompliance:** a notice that identifies noncompliance issues (that existed at the property during a physical inspection or file review) with the LURA, the Carryover Agreement, the Application, etc. that are not reported to the IRS via IRS Form 8823, throughout the Compliance Period and the Extended Use Period, if applicable. This report will be issued to the Owner only after the 90 day correction period has expired and no action has been taken to correct all reported noncompliance issues to IFA's satisfaction.

**Tax Credits:** The Low-Income Housing Tax Credits issued pursuant to the program, IRC Section 42 and Iowa Code Section 16.35.

**Tax Credit Reservation:** With respect to a Project or a building within a Project, the amount of Tax Credits IFA awards to an Ownership Entity.

**Tax Credit Reservation Date:** The date that the notice of Tax Credit Reservation was emailed to an approved Applicant.

**Unit:** a room or a group of related rooms designed for use as a dwelling for which rent is paid. A Unit contains sleeping accommodations, a kitchen and a bathroom.

**Utility (ies):** gas, electricity, water, sewer service, and trash.



IOWA FINANCE  
AUTHORITY

**Iowa Finance Authority**

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**RESOLUTION**  
**HI 23-12**

WHEREAS, the Iowa Finance Authority (the “Authority”) is the housing credit agency for the State of Iowa in connection with the Low-Income Housing Tax Credit (“LIHTC”) Program administered under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, pursuant to Section 42 of the Code and Iowa Code section 16.35, the Authority must draft one or more qualified allocation plans (each a “QAP”) which governs the allocation of tax credits under Section 42 of the Code; and

WHEREAS, the Authority’s proposed 2024 Low Income Housing Tax Credit Qualified Allocation Plan for four percent tax credits (“2024 4% QAP”) is attached as Exhibit A hereto; and

WHEREAS, the Authority now proposes to adopt the 2024 4% QAP as the governing document for the 2024 4% LIHTC applications and awards.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board hereby approves the 2024 4% QAP set forth as Exhibit A hereto.

SECTION 2. The 2024 4% QAP shall apply to all 4% LIHTC applications and awards which will be made in 2024.

SECTION 3. The provisions of this Resolution are declared to be separable, and if any section, phrase, line item, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, line items, and provisions.

SECTION 4. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED this 2<sup>nd</sup> day of August, 2023.

ATTEST:

\_\_\_\_\_  
Michel Nelson, Board Chairman  
(SEAL)

\_\_\_\_\_  
Deborah Durham, Secretary

# 2024 — 9% QUALIFIED ALLOCATION PLAN (QAP)

This Qualified Allocation Plan (QAP) governs the 2024 — 9% Low-Income Housing Tax Credit (LIHTC) allocation year. The Iowa Finance Authority (IFA) administers this program in Iowa, as specified in Iowa Code Section 16.35.



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# INTRODUCTION

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This Qualified Allocation Plan (QAP) governs the 2024 — 9% Low-Income Housing Tax Credit (LIHTC) allocation year. The Iowa Finance Authority (IFA) administers this program in Iowa, as specified in Iowa Code Section 16.35.

The mission of the State of Iowa LIHTC Program is to enhance the lives of Iowans by partnering with developers who share our mission of preserving and expanding affordable housing. The QAP, online application, and policies and procedures were developed to meet this mission, as well as all requirements of Section 42 of the Internal Revenue Code (Code).

The Code requires each Allocating Agency to develop a QAP for use in determining those developments that will receive an allocation of Tax Credits. If the relevant IRS Code or IRS regulations that govern this program are amended, the IFA Board may amend this QAP to ensure it conforms.

The Code requires that the QAP include three statutory preferences: developments serving the lowest-income tenants, developments affordable for the longest periods of time, and developments located in qualified census tracts (QCTs) designated by the U.S. Department of Housing and Urban Development (HUD) that contribute to a Concerted Community Revitalization Plan. The Code also requires the QAP to consider ten statutory selection criteria: project location; housing needs characteristics; project characteristics; sponsor characteristics; tenant populations with special housing needs; public housing waiting lists; tenant populations of individuals with children; projects intended for eventual tenant ownership; energy efficiency of the project; and historic nature of the project.

In addition to federal requirements, IFA has developed three goals for this QAP:

- A. Build durable rental units that will remain quality assets in communities,
- B. Build rental units in communities and sites that have high opportunity for residents, and
- C. Build rental units that are affordable for rent-burdened residents.

In the process of administering the LIHTC program, IFA will make decisions and interpretations regarding this QAP, Applications, and Projects. Unless otherwise stated, IFA is entitled to full discretion in making such decisions.

IFA shall become the owner of the Applications. IFA is not responsible for any costs incurred by Applicants.

In all instances in which federal, state, or local requirements apply to the Project, the most restrictive requirements shall apply.

# **PART A – APPLICATION REQUIREMENTS**

## **SECTION 1. SET-ASIDES AND TAX CREDIT LIMITS.**

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**1.1 AMOUNT OF TAX CREDITS TO BE ALLOCATED.** The amount of annual Tax Credits allocated to Iowa by the federal government for the LIHTC program is based on a per-capita amount derived from population estimates released by the Internal Revenue Service (IRS). IFA intends to award all credits allocated in the current year along with any returned Tax Credits from previous years.

**1.2 SET-ASIDES.** The funding round will include the following set-asides. Projects competing in a set-aside may compete in the General Set-Aside except the Innovation Set-Aside.

- A. **Innovation Set-Aside.** IFA may award up to \$1,000,000 in Tax Credits to no more than one project that applies for the Innovation Set-Aside.
1. Refer to Appendix P – Innovation Set-Aside for more information on the Innovation Set-Aside.
  2. The Director may waive specific requirements of this QAP for projects applying under the Innovation Set-Aside.
- B. **Nonprofit Set-Aside.** Under this set-aside, Qualified Nonprofit Organizations shall receive at least 10% of all available Tax Credits. Not more than 90% of the available Tax Credits shall be allocated to projects other than to Projects qualifying for this set-aside. IFA will determine whether an Entity is a Qualified Nonprofit Organization for the purpose of this Set-Aside.

To qualify for the Nonprofit Set-Aside:

1. A Qualified Nonprofit Organization must be the Developer or Co-Developer.
2. The Nonprofit shall have a designation under Internal Revenue Code (IRC) Section 501(c)(3) or 501(c)(4), is tax-exempt from tax under Section 501(a), and be qualified to do business in Iowa.
3. The Nonprofit shall not be formed for the principal purpose of being included in the Nonprofit Set-Aside.
4. The Nonprofit shall not be affiliated with or controlled by a for-profit organization. IFA, in its sole discretion, shall make a determination that the Nonprofit is not affiliated with or controlled by a for-profit organization. Control means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of any person or Affiliate thereof, whether through the ownership of voting securities, by contract or otherwise, including specifically, ownership of more than 50% of the General Partner interest in a limited partnership, or designation as General Partner/Managing Member of a limited liability company.
5. The Nonprofit and/or parent Nonprofit organization shall have, as one of its tax-exempt purposes, the fostering of low-income housing and shall have been so engaged for the two years prior to the Application submission date. The Applicant shall demonstrate that the Nonprofit's programs include a low-income housing component that previously placed affordable units in service. Consistent with Rev. Proc. 96-32, 1996-1 C.B. 717, the Applicant shall explain how the Nonprofit is pursuing a charitable purpose by fostering low-income housing.
6. The Nonprofit shall be an Owner Representative, either directly as a General Partner or through a wholly-owned subsidiary as defined in IRC Section 42(h)(5)(d)(i) and (ii) throughout the Compliance Period. If there are two or more Owner Representatives, each must be Nonprofit, but only one must meet the requirements of Section 1.2 A 5 above. The Nonprofit shall materially participate in the development and operation of the Project throughout the Compliance Period. Nonprofit material participation is defined in IRC Section 469(h) and Treasury Regulation 1.469-5T.

- 7. The Nonprofit shall materially participate in the development and operation of the Project throughout the Compliance Period. Nonprofit material participation is defined in IRC Section 469(h) and Treasury Regulation 1.469-5T.
- 8. The Nonprofit shall receive no less than 50% of the combined total of the Developer and Consultant Fee.
- C. **Rural Set-Aside.** IFA will award no more than \$1,300,000 in Tax Credits to Applications in Rural counties. Refer to Appendix A – QCT’s, DDA’s and Rural Counties
- D. **General Set-Aside.** IFA will award the remaining Tax Credits to Applications in a general competition.

**1.3 PROJECT LIMITATIONS.**

**A. Tax Credit Cap per LIHTC Unit.**

Project Type	Amount Per LIHTC Unit	Description
Family New Construction or Adaptive Reuse Projects	\$25,000 per LIHTC Unit	Projects shall not include more than 20% 1BR or smaller Units, and the average bedroom size shall be at least 2.2 bedrooms.
	\$27,500 per LIHTC Unit	Projects shall not include more than 20% 1BR or smaller Units, shall include at least 10% 4BR Units, and the average bedroom size shall be at least 2.5 bedrooms.
Senior New Construction or Adaptive Reuse Projects	\$22,500 per LIHTC Unit	Projects shall not include more than 20% Studio Units, and the average bedroom size shall be at least 1.1 bedrooms.
Acquisition/Rehabilitation Projects	\$17,500 per LIHTC Unit	
Permanent Supportive Housing Projects	\$25,000 per LIHTC Unit	Project unit mix shall be appropriate for the population to be served.

- B. **Project Cap.** The maximum Tax Credit amount that will be awarded to any one Project is \$1,300,000.
- C. **Developer, General Partner/Managing Member Cap.** IFA will not award Tax Credits to any project in which the Developer, General Partner/Managing Member, or Affiliate is controlled by an individual or entity that is involved with other awarded projects in the same round that, in the aggregate, have been awarded 2 projects or \$1,600,000. Whether an individual’s or entity’s involvement in a project counts towards the calculation of the 2 projects or \$1,600,000 limit is in IFA’s sole discretion.
- D. **Open Projects Limitation.** A single individual, entity or entities controlled by such individuals, or entities involved as a Developer, General Partner/Managing Member or Affiliate that has a total of 4 or more open LIHTC Projects (4% and 9%) in Iowa shall be eligible for only 1 award in the current funding round, regardless of team member role that the entity is listed as in the LIHTC Application(s). A Project is considered open once it receives a Tax Credit Reservation and closed upon IRS Form 8609 issuance.
- E. **Community Cap.** A city in a rural county shall receive no more than 1 Tax Credit award, and a rural county shall receive no more than 2 Tax Credit awards. A city in other counties shall receive no more than 2 Tax Credit awards, and other counties shall receive no more than 3 awards. Refer to Appendix A – QCT’s, DDA’s, and Rural Counties.

## SECTION 2. APPLICATION PROCESS OVERVIEW.

**2.1 TAX CREDIT RESERVATION SCHEDULE.** To the extent possible, the following schedules apply to the Tax Credit Reservation Application process for 9% Tax Credits:

Process Step	Date
Application Package Available	December 2023
Qualified Service Provider due to IFA	No later than 9 calendar days prior to Application Package Submission due date.
Application Package Submission due to IFA	April 10, 2024
Application Deficiency Period	Late May or Early June 2024
IFA Tax Credit Reservation recommendations presented to Board	July 2024 IFA Board of Directors meeting
Issuance of 2023 Carryover Allocation Agreements	On or about September 1, 2024
Carryover-Ten Percent Test Application Package due to IFA	On or about July 1, 2025 (10 months following date of Carryover Agreement)
IRS Form 8609 Application Package due to IFA	No later than November 1 of the first-year credit period

Any revisions to the schedule will be published on the IFA website at [www.iowafinance.com](http://www.iowafinance.com).

**2.2 FEES.** Electronic payment of the fees is required. All fees are nonrefundable. IFA shall collect the fees described below for the LIHTC Program.

Fee Type	All Applicants
Application Submission Fee	\$2,000 Due at Application submission.
Application Review Fee	\$1,500 Due within 5 business days of the Application submission due date.
Reservation Fee	1% of the total 10-year Tax Credit amount due within 30 calendar days of the Tax Credit Reservation Date.
Material Change in Application Fee	\$7,500 for material change requests.
Late Submission of the Carryover-Ten Percent Test Application	If a late submission of the Carryover-Ten Percent Test Application is allowed by IFA, the Applicant will be billed \$5,000. Does not apply to extension exceptions allowed by IRS.
IRS Form 8609 Application Fee	\$10,000 for all projects or \$5,000 for projects that applied and qualified for the Nonprofit Set-Aside.
Amended IRS Form 8609 Fee	\$1,000.



Fee Type	All Applicants
Legal Fees	<p>Legal fees of IFA's in-house counsel and related to the Project may be billed at the rate of \$150 per hour. Legal fees of outside counsel and related to this Project will be billed at the rate charged to IFA.</p> <p>Fees and expenses in cases of unsuccessful appeals may be assessed and billed to the Applicant.</p>
Construction Monitoring Fees	<p>A \$2,900 construction monitoring fee will be due with the CarrYover-Ten Percent Test Application.</p>
Fees for Failed and Missed Inspections	<p>IFA charges an additional \$500 fee when conditions at the site warrant a return visit or any missed inspection or preconstruction meetings when IFA's construction analyst is not given 10 days advance notice.</p>
Compliance Monitoring Fee	<p>\$32 per Unit x number of total Project Units, submitted annually on or before January 31 for each year of the Compliance Period and the Extended Use Period (if applicable). (Example: \$32 per Unit x 24-Unit Project = \$768.00 paid annually for 30 years.)</p> <p>Additional fees may apply if the Ownership Entity does not successfully elect to treat a Project as a multiple-building Project on the IRS Form 8609, if eligible to do so.</p> <p>Annual rate increases may apply. Other fees as provided in the IFA compliance manual.</p> <p>The first annual payment shall be submitted with the IRS Form 8609 Application. The Ownership Entity has the option of paying the compliance monitoring fee in advance for the entire Compliance Period and the Extended Use Period (if applicable); however, additional fees may be assessed to the Property during the Compliance Period and Extended Use Period if annual rate increases are applied during that time.</p>

## 2.3 CONTACT WITH IFA.

- A. **Prior to Application Submittal.** Prior to the submittal of the Application, Applicants may submit questions regarding an interpretation or clarification of the QAP, IFA policies, procedures, or rules relating to the LIHTC Program to [housingtaxcredits@iowafinance.com](mailto:housingtaxcredits@iowafinance.com). IFA shall not be bound by any oral or written representation made in connection with the Application or award of Tax Credit Reservations other than those provided on its website.
- B. **After Application Submittal.** Applicants shall not contact IFA staff or Board members regarding their Application until after award. Once the Application has been submitted, IFA will only discuss supplemental or clarifying data during the Application Deficiency Review Period.

**2.4 APPLICATION SUBMITTAL.** Applicants shall pay the Application Submission Fee when submitting the Application prior to the Submission Due Date. Within 1 business day of the submission deadline, preliminary scoring for all submitted applications shall be posted on the IFA website, [www.iowafinance.com](http://www.iowafinance.com). Within 5 days of the Submission Due Date, Applicants must pay the Application Review Fee if they want their application submitted for full Application Review.

**2.5 MARKET STUDY.** All applications shall include a comprehensive market analysis with a full narrative report following IFA's current market study guidelines. The study must be prepared by an independent third-party National Council of Housing Market Analysts member unaffiliated with the developer. The Market Study Provider shall acknowledge the study is being completed for IFA's use and benefit. IFA may contact the Market Study Provider at any time. Refer to Appendix O — Market Study Guidelines.

- A. **Market Study Timing.** The Market Study is due upon application submission. The Market Study and field survey must have been completed no more than 6 months prior to the application due date. The Applicant is solely responsible for providing a Market Study for a Project within these timeframes; failure to do so will result in IFA rejecting the Application.
- B. **IFA Market Study Review.** The Market Study must reflect the Application submitted, including but not limited to: unit mix, income targeting, rent levels, minimum set-aside, and other property attributes and amenities. IFA may permit or require Applicants to comply with recommendations made by the Market Study Provider during the deficiency period. IFA may reject an Application if the Market Study submitted does not meet the IFA Market Study guidelines.

**2.6 COMPLETE APPLICATION.** For IFA to review an Application fairly and accurately, it shall be complete. If there is not adequate information provided to review the Application, IFA shall reject the Application.

- A. **Application Package.** Applicants shall use the forms contained in the Application Package and include all information required by the QAP or as otherwise required. Applicants shall submit the Application and exhibits through the online Application.
- B. **Prior Years.** Application determinations made in prior years are not binding on IFA for the current funding round.
- C. **Site Plans and Site Visits.** Applications shall include a preliminary site plan, floor plans, and elevations of all sides of all buildings. Applicants shall provide IFA building access for inspection.

- D. **Authorization Forms.** IFA may request an executed IRS Form 8821, Tax Information Authorization.
- E. **Document Timeliness.** Required supporting documentation shall not be more than 180 days old, unless otherwise noted, on the date the Application is submitted. Exceptions include documents not specifically produced for the Application, such as a valid purchase agreement, deed, land title document, Articles of Incorporation, and IRS letters to a Nonprofit stating it is an exempt organization.
- F. **Opinions and Certifications.** All certifications, professional opinions, and related documents must be based on an independent investigation into the facts and circumstances regarding the proposed Project, in the form specified by IFA, and made under penalty of perjury.
- G. **Local Jurisdiction Notification.** The Applicant shall supply the contact information of the Chief Executive Officer of the Local Jurisdiction.
- H. **Application Deficiency Period.** During the Application deficiency review, IFA may request additional information on the Application via email through the online Application. The Applicant will have a period of time determined solely by IFA (Application Deficiency Period) to remedy all deficiency items. Changes made by the Applicant that were not recommended by IFA and changes that improve the score shall not be allowed. If applicable, IFA may adjust underwriting and/or scoring. IFA may contact the Applicant in other ways to clarify information contained in the Application.
- I. **Scoring Determination.** IFA shall make the final determination of the Applicant's score.
- J. **Joint Review.** IFA may conduct joint reviews with any other party. IFA may contact other sources to obtain information regarding the materials contained in the Application.

**2.7 PUBLIC INFORMATION.** At the conclusion of the selection process, the contents of all Applications will be in the public domain and be public records available for review by interested parties, unless, at the time of submitting the application, the Applicant properly requests that specific parts of the Application be treated as confidential AND the information is confidential under Iowa or other applicable law. IFA's release of public records is governed by Iowa Code Chapter 22. Applicants are encouraged to familiarize themselves with Chapter 22 before submitting an Application. IFA will make records available as required to comply with Chapter 22 or other applicable law.

- A. **Confidential Request.** An applicant who desires confidential treatment of information must complete a confidential treatment request exhibit and upload it with the application. For each confidentiality request, the Applicant must (1) enumerate the specific grounds in Iowa Code Chapter 22 or other applicable law that supports treatment of the material as confidential, (2) provide adequate justification as to why the material should be maintained in confidence, (3) explain why disclosure of the material would not be in the best interest of the public, and (4) set forth the name, address, telephone, and e-mail for the person authorized by applicant to respond to inquiries by IFA concerning the confidential status of such material. Requests to maintain an entire application as confidential will be rejected as non-responsive. An applicant's request for confidentiality that does not comply with this section or an applicant's request for confidentiality on information or material that cannot be held in confidence as set forth herein are grounds for rejecting an application as non-responsive.

- B. **Redacting.** Any Application submitted which contains information for which Applicant is requesting confidential treatment must be conspicuously marked by the Applicant as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as containing confidential information. If the Contractor designates any portion of its Application as confidential, the Applicant must submit a copy labeled as “Public Copy” from which the confidential information has been excised. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the Application as possible. Failure to properly identify specific information as confidential or to provide a Public Copy shall relieve IFA or State personnel from any responsibility if confidential information is viewed by the public or a competitor, or is in any way released. If the Applicant identifies its entire Application as confidential, IFA will reject the Application.
- C. **Release.** If IFA receives a request for information that includes information Applicant has marked as confidential and IFA intends to release such information, IFA will give written notice to the Applicant at least seven calendar days prior to the release of the information to allow the Applicant to seek injunctive relief pursuant to Iowa Code Section 22.8. After seven calendar days, IFA will release the information marked confidential unless a court of competent jurisdiction determines the information is confidential under Iowa Code Chapter 22 or other applicable law. If Applicant fails to comply with the request process set forth herein, if Applicant’s request for confidentiality is unreasonable, or if Applicant rescinds its request for confidential treatment, IFA may release such information or material with or without providing advance notice to Applicant and with or without affording Applicant the opportunity to obtain an order restraining its release from a court possessing competent jurisdiction.
- D. **Waiver.** The Applicant’s failure to request confidential treatment of material will be deemed a waiver of any right to confidentiality the Applicant may have had.

## SECTION 3. ELIGIBILITY.

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**3.1 LEGAL OWNERSHIP ENTITY.** The Ownership Entity shall be formed and submitted within 30 days after the date of the Tax Credit Reservation Date. This entity shall be a single-asset entity to which Tax Credits will be or have been awarded. All members, managers, partners, and officers of all entities of the Ownership Entity shall be disclosed in an organizational chart. The proposed structure identified within this chart may not be changed after Application submittal until closing with the investor, and only the limited partner and special limited partner, if applicable, may be added. Failure to submit the required Ownership Entity documents within 30 days after the date of the Tax Credit Reservation Date may result in the revocation of Tax Credit award.

The Ownership Entity shall waive the right to a qualified contract in accordance with Section 42(h)(6)(F).

**3.2 QUALIFIED DEVELOPMENT TEAM.** The Application shall identify all members of the Qualified Development Team (QDT) and Affiliates. The Developer/Co-Developer (Developer), General Partner/Managing Member (GP/MM), and Affiliates thereof may not change between Tax Credit reservation and issuance of the IRS Form 8609.

A. **Qualifying Entity.** Only the Developer or General Partner/Managing Member, and affiliates thereof, of the Ownership Entity shall be eligible for experience points as a qualifying entity and may not be changed after Application submission. At least one Developer or General Partner/Managing Member, and affiliates thereof, of the Ownership Entity shall be a Qualifying entity and meet the following requirements:

1. **Developer.** The Developer or an affiliate thereof shall have been listed in an awarded LIHTC application as a Developer (may be a joint venture), and is currently serving as a Managing Member/General Partner or sole shareholder/member of the General Partner/Managing Member of the legal ownership entity for at least one LIHTC project that has received an IRS Form 8609 prior to the Application submission due date. As the qualifying entity, the Developer shall receive a combined total of at least 50% of the total Developer and consultant fee for the Project.
2. **General Partner/Managing Member.** The General Partner/Managing Member or an affiliate thereof of the Ownership Entity shall have been listed in an awarded LIHTC application as a GP/MM, Affiliate thereof, or member/manager thereof, and currently serving as a General Partner/Managing Member or sole shareholder/member of the GP/MM of the legal ownership entity for at least one LIHTC project that has received an IRS Form 8609 prior to the Application submission due date. As the qualifying entity, the GP/MM shall have at least 50% ownership of the GP/MM of the Project.

B. **Qualified Development Team Members.** The Application must identify the following QDT Members, if applicable:

- Developer/Co-Developer
- General Partner/Managing Member
- Syndicator or Direct Investor
- Special Limited Partner
- Management Company
- Architect
- Energy Consultant
- Tax Attorney
- Tax Accountant
- Contractor
- Engineer
- Development Consultant

C. **New Developer and General Partner/Managing Member.** Developers or GP/MM with no prior LIHTC awards, with a prior LIHTC award without an issued 8609, or with an 8609 issued from another state shall be eligible as follows.

Developer or GP/MM with no prior LITHC Award	Up to one award in 9% funding round and shall not be eligible for a second award in any team member role until the project meets 10% Test and places in service.
Developer or GP/MM with prior LIHTC Award in Iowa, but no 8609	No LIHTC award until project awarded Tax Credits in Iowa meets 10% Test and placed in service.
Developer or GP/MM new to Iowa with 8609 from another state	Up to one award in the 9% funding round

- D. **Direct Investor.** A direct investor shall have a LIHTC asset management department with at least 3 years' experience.
- E. **Management Company.** The management company shall have at least 3 years of LIHTC management experience and is currently managing at least 3 LIHTC Properties.
- F. **Architect.** The Architect, and not just the architectural firm, must be duly licensed to do business in Iowa.
- G. **Energy Consultant.** The Energy Consultant shall be a RESNET certified energy rater in Iowa.
- H. **Development Consultant.** A copy of the executed Development Consultant Agreement shall be submitted in the Application.

**3.3 INELIGIBILITY.** Any QDT member or Affiliates thereof may be deemed ineligible by the Executive Director to participate in the LIHTC Program for the following:

- A. Evidence of involvement in a financial crime or crime related to dishonesty.
- B. Evidence of involvement in a crime or a violation of laws or regulations. Including, but not limited to, laws and regulations related to the development or management of housing.
- C. Making misrepresentation or providing materially false information in an application.
- D. Allowing an affordable rental housing property to enter into foreclosure.
- E. Exiting a LIHTC ownership entity voluntarily or involuntarily.
- F. Being suspended, debarred, or otherwise excluded from doing business with any federal housing program.
- G. Not being in good standing with any affordable rental housing program administrator.
- H. Having been issued an IRS Form 8823 or the equivalent State-Issued uncorrected notice of noncompliance.
- I. A history of repeated or numerous Tax Credit allocation or compliance issues, even if such issues have not resulted in an uncorrected IRS Form 8823.
- J. Has returned a full credit Allocation or has failed to comply with a Carryover allocation.

**3.4 SITE REQUIREMENTS.** The proposed Project shall be located in an incorporated city at Application submission. Applications shall not contain or propose alternate sites. The Applicant shall be ready to proceed with the Project by documenting site control and site suitability.

- A. **Zoning.** The Applicant shall provide confirmation from the city of the current zoning, including special or conditional use permits and any other discretionary land use for each site on which the Project will be located. The city zoning department shall verify whether the official plat is properly zoned. The Applicant shall provide site plans to the city that show the Project will have:
1. The proper number of parking stalls;
  2. Direct contiguous access to a publicly dedicated paved road;
  3. Any legal easement(s) necessary to not be landlocked; and
  4. Right of ways, if applicable.
- B. **Scattered Sites.** The Applicant shall submit an Application reflecting the total of all sites as well as separate site-specific exhibits for each site included in the Project. A Scattered Site is a Project where multiple buildings with the same occupancy type are not located in proximity to one another, but are owned by the same Ownership Entity and financed under the same agreement(s), and are located within the same county. For Scattered Site Projects, all Units shall be qualified LIHTC Units.
- C. **Submission of Site Characteristics.** The site shall be suitable for the proposed Project and shall not include excess acreage unnecessary for the construction and use of the Project.

The Applicant shall provide:

1. A narrative of the current use of the Property, all adjacent Property land uses, and the surrounding neighborhood;
  2. Labeled colored photographs (or color copies) of the proposed Property and all adjacent properties;
  3. A clear map identifying the exact location of the Project site; and
  4. A plat map of the site or proposed replat of the site.
- D. **Detrimental Site Characteristics.** If the site includes any detrimental characteristics, the Applicant shall provide a remediation plan and budget, subject to IFA's approval, to make the site suitable for the Project. The Applicant shall not change the site location.

IFA may reject sites:

1. Located within one-half mile of storage areas for hazardous or noxious materials, sewage treatment plants or other solid waste facilities, businesses or equipment producing foul odors or excessive noise or the site is a prior storage area for hazardous or noxious materials, sewage, or other solid or liquid waste;
2. Where the slope/terrain is not suitable for a Project based on extensive earth removal/replacement required for development;



3. Where there are obvious physical barriers to the Project;
4. Located within one-half mile of a sanitary landfill or sites that were previously used as a sanitary landfill;
5. Located within a flood hazard area, or a 500-year flood zone as determined by the Iowa Department of Natural Resources, a FEMA map, or a FIRM map. Sites that are located within a 100-year flood zone are not permitted;
6. Located within 500 feet of an airport runway clear zone or accident potential zone;
7. That are landlocked;
8. That are native prairie land or designated wetlands;
9. Within 300 feet of an electrical power substation, natural gas substation, or similar substation; or that are otherwise unsuitable as a home for LIHTC households as determined by IFA.

E. **Site Control.** The Application must demonstrate the Applicant has site control by providing executed documents described below.

1. **Evidence of Site Control.**

The evidence shown below must be binding on the contractor/lessor/optionor of the Property (i.e. there must be no conditions for the termination within the sole discretion of the contractor/lessor/optionor, and the evidence must provide that the contractor/lessor/optionor cannot unilaterally withdraw, revoke, or rescind the obligation to the sale or lease of the Property to the Applicant unless the Applicant is in default under the contract).

- a. The Applicant holds sole fee simple title to the Property on which the Project will be located by a properly executed and recorded warranty deed; or
- b. The Applicant has an executed and exclusive purchase option or contract that is valid for nine months following the date of the Application due date; or
- c. The Applicant has an executed lease or an option on a lease, which has a term not less than 35 years. If the Applicant is purchasing or leasing parking space from a unit of local government, a project specific resolution would suffice.

2. **Requirements for Site Control.**

- a. There shall be a common ownership between all Units and buildings within a single Project for the duration of the Compliance Period and the Extended Use Period.
- b. The Applicant shall provide the location of existing and proposed easements on the site, the most current real estate tax assessment, and documentation that the Project meets or exceeds the City requirements for parking (unless subject to an exemption).

**3.5 PROJECT REQUIREMENTS.**

- A. **Qualified Residential Rental Property.** The Applicant shall certify that the Project as proposed is a Qualified Residential Rental Property. IFA may require the Applicant to supply a legal opinion.
- B. **Community Service Facility.** A Community Service Facility is a facility meeting the requirements of IRC Section 42(d)(4)(C)(iii) and Revenue Ruling 2003-77.



- C. **Minimum Set-Aside Elections.** The Applicant shall make a minimum set-aside election of income and rent levels from the options listed below. Any Owner election made in regard to the minimum set-aside election requirement for a qualified low-income housing project under IRC Section 42(g) cannot be changed once made in the Threshold Application. If a Project has an existing LURA, the minimum set-aside election shall remain the same.
1. **20-50 Test.** At a minimum, 20% or more of the residential Units in a Project are both rent-restricted and occupied by individuals whose income is 50% or less of AMI; or
  2. **40-60 Test.** At a minimum, 40% or more of the residential Units in a Project are both rent-restricted and occupied by individuals whose income is 60% or less of AMI; or
  3. **Average Income Test.** At a minimum, 40% or more of the residential Units in a Project serve households earning as much as 80% AMI, as long as the average income/rent limit in the Property is 60% or less of AMI. The Average Income Test is not available for Scattered Site Projects, Projects with Market Rate units, Project Based Rental Assistance, or PHA Project Based Vouchers.
- D. **Senior Projects Standards.** Senior Projects are not allowed anything greater than 2 bedrooms per Unit. If layered with an existing Federal Program, the federal occupancy restrictions shall apply.
- E. **Units.** All LIHTC Units shall be evenly distributed in terms of location and number of bedrooms throughout the Project, be of comparable quality, and offer a range of sizes and number of bedrooms to any unrestricted Units.
- F. **Market Rate Standards.** Market-rate single-family homes shall not be allowed.
- G. **Acquisition/Rehab.**
1. **Existing Tax Credit Project Resyndication.** A Project is eligible to apply for Tax Credits following the close of the initial 15-year Compliance Period.
  2. **Rehabilitation Expenditures.** The Applicant shall provide information regarding rehabilitation expenditures for each building. The information shall address how the Applicant will meet all of the building standards and minimum development characteristics. The Applicant shall identify, with respect to each building as required by the Application, the rehabilitation expenditures as defined in IRC Section 42(e)(2) that shall be allocable to or substantially benefit the Low-Income Units in such building. Each building in the Project must meet the greater of the IRS minimum expenditures requirement set forth in Section 42(e)(3) or a \$35,000 rehabilitation expenditure limited to hard construction costs per Low-Income Unit.
  3. **Eligibility for Acquisition Credits.** Project must meet all IRS requirements for acquisition credits including the 10 Year Rule and Related Parties Rule in IRC Section 42(d)(A) – (D)(ii).

**3.6 DISPLACEMENT OF RESIDENTIAL TENANTS.** IFA may reject any Application that fails to minimize permanent displacement of tenants and/or provide an adequate relocation plan. The Application must include a formal relocation plan if the Project scope requires any form of temporary or permanent relocation of existing tenants. The plan shall provide an overview of the need for relocation, a proposed timeline, an estimated budget, and other information as requested in the Application. If the project has a federal funding source, the most restrictive relocation plan requirements shall apply.

## SECTION 4. APPLICATION UNDERWRITING STANDARDS.

IFA may adjust the amount of Tax Credits based upon the underwriting. All Projects shall meet underwriting standards.

### 4.1 PROJECT DEVELOPMENT COSTS.

- A. **Developer Fees.** The total Developer fees, including Developer overhead/profit and development consultant fees, shall not exceed the amounts described below. The Developer fee is calculated as a percentage of Total Project Costs minus land, existing structures, Developer fee, Developer overhead and profit, Consultant fees, and Project reserves. Developer Fee is not permitted for acquisition costs.

All Projects	Fee Limit
First 24 Units	Not to exceed 18%
Remaining Units within the Project above 24	Not to exceed 15%

- B. **Builder and General Contractor Fees.** Builder and general contractor fees shall be limited to a total of 12% of the hard construction costs (site improvements or work, new construction, rehabilitation, accessory buildings, garages, general requirements, construction contingency, asbestos abatement, lead-based paint measures, builder's overhead, builder's profit, builder bond fee, architect's fees, engineering fees, and other fees).
- C. **Professional and Other Fees.** IFA may limit professional fees and other fees related to services rendered to the Project.
- D. **Construction Contingency Funding.** Construction contingency shall be used to cover costs for unknown conditions discovered and cost overruns incurred during construction. Applicants shall obtain IFA approval for the use of construction contingency funds for items that were not part of the initial scope of work. The following are the allowed construction contingency amounts:

Project Type	Percentage of Hard Construction Costs less Construction Contingency
New Construction	5% - 6%
Acquisition/Rehab or Rehab Projects	8% - 15%
Adaptive Reuse	12% - 16%

- E. **Soft-Cost Contingency.** Soft-cost contingencies are restricted to the lesser of \$20,000 or 6% of the subtotals of the interim costs, financing fees and expenses, and soft costs minus the soft-cost contingency.
- F. **Operating Reserve.** The operating reserve will be at least 6 months of debt service, operating expenses, and real estate taxes. The operating reserve shall be fully funded within 6 months from the date IFA sent the IRS Form 8609 to the Ownership Entity. The operating reserves may be funded with an irrevocable letter of credit. If a letter of credit is used, the proceeds shall not be included in the Project costs. The fees associated with obtaining the letter of credit may be included in Project costs.
- G. **Appraisals.** An appraisal by an active Member Appraisal Institute (MAI)-certified appraiser who is not a related party at the Applicant's expense is required for the following reasons unless waived by IFA:
1. For land or buildings that are acquired from a party with an Identity of Interest.
  2. For Acquisition/Rehab Projects requesting acquisition credits.
  3. During the Application review, if IFA may determine that cause exists to question the fair market value of the land and/or buildings being acquired and require an appraisal.
- H. **Projects Costs Not Allowed In Eligible Basis.** The following project costs are not allowed in Eligible Basis:
1. **Existing Reserve Accounts.** Cash from Project reserve accounts transferred to the Ownership Entity with the acquisition of a Project.
  2. **Construction and Permanent Lender Fees.** Construction fees if the construction and permanent lender are the same.
  3. **Paved Roads.** The cost of construction of a de minimis paved road on public property may be included in the Project costs, as determined by IFA. The cost of construction of an extensive paved road on public property shall not be included in the Project costs.
  4. **Off-Site Utilities.** Costs that are not normal connections or extensions to existing utilities shall not be included in the Project costs.
  5. **Tenant Paid Amenities.** Garages, storage units, or other amenities where the Ownership Entity is charging tenants for use, except when part of normal rent for all of Units. \
  6. **Predevelopment Interest Costs.** Interest financing costs on land acquisition prior to closing of the partnership.

#### 4.2 PROJECT FUNDING SOURCES.

- A. **Tax Credit Investor Letter of Intent.** Applicant shall provide a letter of intent from the investor for the LIHTCs on the company letterhead with the price and approximate equity amount.
- B. **Financing Letters of Intent.** Applicant shall provide a letter of intent from each funding source for construction and permanent financing on the institution's letterhead. The letter for loans shall state the amount of the loan, interest rate, term, amortization period (minimum 30 years required for first mortgage debt), fees, prepayment penalties, anticipated security interest in the Property, and lien position. The letter for all other sources (including any existing debt to be assumed, grants, loans, tax credits, etc.) shall state the value of the funding, the purpose the funds may be used for, and any time limitations.
- C. **Deferred Developer Fees.** Deferred Developer fees cannot exceed 50% of the total Developer fee, and

the Application must demonstrate the full amount being paid within 15 years. The deferred Developer fee shall be paid from the net cash flow and not be calculated into the minimum Debt Service Coverage Ratio (DSCR).

- D. **Federal and State Historic Tax Credits.** Projects with historic significance shall use equity invested for the maximum amount of state and federal historic tax credits as proposed or awarded by the appropriate allocating agency as a funding source. Applicants shall not create a subrecipient of the Federal Historic Tax Credits in order to become eligible for more Tax Credits.
- E. **Senior Living Revolving Loan Program.** Refer to Appendix B – Senior Living Revolving Loan Program.
- F. **HOME Funds.** Refer to Appendix C – HOME Rental with LIHTC Requirements.
- G. **Multiple Funding Scenarios.** IFA shall not consider multiple funding scenarios except as listed in Appendix B – Senior Living Revolving Loan Program and Appendix C – HOME Rental with LIHTC Requirements.
- H. **Additional State and Federal Funding.** If available, refer to Appendix R - Additional State and Federal Funding.

#### 4.3 PROJECT OPERATING COSTS AND CASH FLOW.

- A. **Operating Expenses.** Operating expenses are based on thresholds provided by the LIHTC equity investor partner and subject to IFA review.
- B. **Escalators.** IFA will underwrite Projects with income escalating at 2% and operating expenses escalating at 3%. Management fees will escalate at the same rate as income.
- C. **Vacancy Rate Standards.** IFA will underwrite Projects at a 7% vacancy rate unless otherwise recommended by a lender or investor.
- D. **Debt Service Coverage Ratio (DSCR) Standards.** The Application may not show DSCR as less than 1.15 in any year. IFA will evaluate high DSCR and cash flow to determine if the requested resources are necessary for sustainability.
- E. **Replacement Reserve.** All Family Projects shall budget replacement reserves of \$350 per Unit per year, escalating at the same rate as operating expenses or a flat \$435 per Unit per year. All Older Persons Projects shall budget replacement reserves of \$300 per Unit per year, escalating at the same rate as operating expenses or a flat \$375 per Unit per year.
- F. **Subsidy Layering Review.** IFA shall complete a subsidy layering review for each Project that receives HUD housing assistance (other than HOME and CDBG).

## **SECTION 5. BASIS BOOST.**

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A Project may receive up to a 30% increase in Eligible Basis and Tax Credit Cap per LIHTC Unit, but is still subject to the Project Cap.

**5.1 PROJECTS LOCATED IN QUALIFIED CENSUS TRACTS (QCT) AND DIFFICULT DEVELOPMENT AREAS (DDA).** IFA allows up to a 10% increase in Eligible Basis for Projects where all buildings are located in QCTs and DDAs. Refer to Appendix A – QCTs, DDAs, and Rural Counties.

**5.2 PROJECTS LOCATED IN A RURAL COUNTY.** IFA allows up to a 10% increase in Eligible Basis for Projects in a Rural county as designated by IFA. Refer to Appendix A – QCTs, DDAs, and Rural Counties.

**5.3 PROJECTS PROVIDING PERMANENT SUPPORTIVE HOUSING.** IFA allows up to a 10% increase in Eligible Basis for Projects providing at least 10% of the Units as permanent supportive housing, or a 15% increase in Eligible Basis for Projects providing at least 15% of the Units as permanent supportive housing under Section 6.1.D – Projects Providing Permanent Supportive Housing. Refer to Appendix D – Permanent Supportive Housing.

**5.4 PROJECTS WITH MARKET RATE UNITS.** IFA allows up to a 10% increase in Eligible Basis for Projects that elect at least 25% of the Units as market-rate units. Projects with market-rate Units cannot elect the minimum set-aside as average income.

## SECTION 6. SCORING CRITERIA.

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IFA shall make the final determination of the Applicant's score. IFA will award points based on the evidence provided in the Application and exhibits. All sites and buildings within the Project must qualify to be eligible to receive points. The online Application provides a tentative non-binding score based on the submitted information. Scoring determinations made in prior years are not binding on IFA for the current funding round.

If a project has an existing LIHTC Land Use Restriction Agreement (LURA), all existing LURA requirements must be maintained.

### 6.1 AFFORDABILITY FOR RESIDENTS.

*30 points Maximum*

To achieve the 30 points maximum, an Applicant may select one or multiple categories below. No Units shall count for points in more than one Affordability for Resident categories, except for Projects Providing Permanent Supportive Housing or project-based vouchers from a local PHA. For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit. The Affordability for Resident categories A through E are not available to an Applicant that elects the minimum set aside as Average Income Test.

- A. **Serving 30% AMI LIHTC Residents.** Projects that provide Units that are set-aside and occupied by tenants with incomes at 30% Area Median Income (AMI) or less and are rent-restricted. Annual recertifications shall be required, and tenant incomes may increase up to 60% AMI and still be considered a 30% AMI resident as long as rent is restricted at 30% AMI.
- For each 3.0% of the LIHTC Units *5 points*
- B. **Serving 40% AMI LIHTC Residents.** Projects that provide Units that are set-aside and occupied by tenants with incomes at 40% AMI or less and are rent-restricted. Annual recertifications shall be required, and tenant incomes may increase up to 60% AMI and still be considered a 40% AMI resident as long as the rent is restricted at 40% AMI.
- For each 4.0% of the LIHTC Units *5 points*
- C. **Rent Reduction.** Projects that provide LIHTC rents for the 60% or 50% AMI units at 40% AMI rent levels. Tenant income eligibility will remain at 60% and 50% AMI, respectively. This category is not available to Projects with a Federal project-based rental assistance contract.
- For each 4.5% of the LIHTC Units *5 points*
- D. **Projects Providing Permanent Supportive Housing.** Projects that provide Units for persons experiencing homelessness. These Units shall be leased only to qualified persons experiencing homelessness. Partnership with an IFA approved qualified service provider that provides supportive services to persons experiencing homelessness in the proposed Project's market area is required. Refer to Appendix D – Permanent Supportive Housing.
- For each 2.5% of the LIHTC Units *5 points*

**E. Project-Based Rental Assistance.**

**1. Projects with a Federal project-based rental assistance contract with HUD or RD must meet both a and b below.**

- a. Applicant must provide a comfort letter from HUD or RD regional office acknowledging the Project will be the subject of a Tax Credit Application.
- b. Applicant must be determined a Qualified Non-Profit Organization pursuant to Part A of Section 1.2 of this QAP.
  - At least 25% of the total Project Units covered by the rental assistance contract *20 points*
  - At least 75% of the total Project Units covered by the rental assistance contract *30 points*

**2. Projects with project-based vouchers from a local PHA with a commitment for at least 10 years.**

- a. 10% of the total LIHTC Units *10 points*

**F. Average Income Test with 40% AMI.** Projects that elect Average Income Test and provide at least 30% of the Units that are set-aside and occupied by tenants with incomes at 40% AMI or less and are rent-restricted. Annual recertifications shall be required.

- 30% of the LIHTC Units at 40% AMI *30 points*

**G. Average Income Test.** Projects that elect Average Income Test and limit tax credit cap based on 6% tax credit rate.

- 100% Average Income Test Units *30 points*

**6.2 LOCATION.** All building addresses in a Project, including Scattered Site Projects, shall meet the Location scoring requirements to be eligible for points. IFA will award the lesser points within each scoring category based on building locations.

**A. Underserved Cities.**

*1 point*

Projects located in an underserved city as shown in Appendix E – Underserved Cities.

**B. Rent Burdened Households.**

*1 point*

Projects located in a city shown in Appendix F – Rent Burdened Households.

**C. Density.**

*0 to 2 points*

Projects that are located in a census tract that has a low percentage of LIHTC Units Placed-In-Service compared to the total number of households as shown in Appendix G – LIHTC Unit Density.

**D. Active Development Communities.**

*1 point*

Projects located in cities that have received IFA and IEDA housing and economic development awards and in the past 2 years as shown in Appendix H - Active Development Communities.

**E. Disaster Recovery.**

*0 to 5 points*

Projects located in a county for which the Governor has issued a state major disaster proclamation with an Iowa Individual Assistance Grant Program (IIAGP) activation, or a federal major disaster declaration has been received that included federal individual assistance may be eligible for points. IFA may activate Disaster Recovery scoring consideration for one or more counties or a more narrowly defined geographic area, such as a city or targeted census tract(s), to address specific housing recovery needs. Refer to Appendix K – Disaster Recovery.



- F. **High Quality Jobs Award.** *0 to 2 points*  
 Projects located in cities that have received IEDA High Quality Job awards in the past 2 years as shown in Appendix I - High Quality Job Awards.
- G. **Social Vulnerability Index.** *1 point*  
 Projects located in a county with high Social Vulnerability as shown in Appendix J – Social Vulnerability Index.
- H. **Iowa Thriving Communities.** *2 points*  
 Projects located in cities as shown in Appendix Q – Iowa Thriving Communities.
- I. **Site Appeal.** The Site Appeal scoring section is valued at a total of 5 points. The Applicant will provide the preliminary scoring and supporting information for each of the 16 categories in this section, but IFA will review and determine the final scoring. The category scores will be averaged and rounded to the nearest whole number (0 through 5) to determine the Site Appeal score for the Application. Misrepresentations in the preliminary scoring that are intentional or blatant as deemed by IFA may result in zero total points for the entire Site Appeal scoring section. Individual site scores will be averaged to determine the Site Appeal score for scattered site Projects.

<b>Category 1 — Zoning</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Proper zoning in place prior to Application due date.			
<b>Category 2 — Community Support</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
TIF, tax abatement, community grant or loan, or waived fees totaling at least \$5,000 per unit. Or Land cost is \$1 or less, or donated.	TIF, tax abatement, community grant or loan, or waived fees totaling at least \$2,500 per unit. Or Land costs less than \$10,000.	TIF, tax abatement, community grant or loan, or waived fees totaling at least \$500 per unit.	
<b>Category 3 — Site Neighborhood</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
The area within a 1/2 mile radius has experienced significant residential and commercial new construction or renovation in the past 5 years.	The area within a 1/2 mile radius has experienced some residential or commercial new construction or renovation in the past 5 years.		



<b>Category 4 — Neighborhood Location to Services</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Located within 1 mile driving distance of at least 4 of the following services: park, food bank or pantry, bank or credit union, police or fire station, convenience store or dollar store, pharmacy, or public library.	Located within 2 miles driving distance of at least 4 of the following services: park, food bank or pantry, bank or credit union, police or fire station, convenience store or dollar store, pharmacy, or public library	Located within 2 miles driving distance of at least 2 of the following services: park, food bank or pantry, bank or credit union, convenience store or dollar store, pharmacy, or public library	
<b>Category 5 — Location to Grocery Store</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Located within 1/2 mile driving distance of a grocery store.	Located within 1 mile driving distance of a grocery store.	Located within 2 miles driving distance of a grocery store.	
<b>Category 6 — Location to Daycare Center, Public School or Senior Center</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Located within 1 mile driving distance of a licensed daycare center or K-12 public school (family only) or senior center (senior only).	Located within 2 miles driving distance of a licensed daycare center or K-12 public school (family only) or senior center (senior only).		
<b>Category 7 — Location to Public Transportation</b>			
Fixed-route is a system of transport for passengers by group travel available for use by the general public, typically managed on a schedule. In cities without fixed route service, dial-a-ride or on-demand services will be eligible for points if they serve the general public. Taxis, Uber, or Lyft-type services are not eligible for points.			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Site is 1/4 mile walking distance from a bus stop for a fixed-route service. or Any city that does not have a fixed-route service and dial-a-ride is available M-F.	Site is 1/2 mile walking distance from a bus stop for a fixed-route service.		
<b>Category 8 — Site Location</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Site is adjacent to existing developments on at least 3 sides.	Site is adjacent to existing developments on at least 2 sides.		

<b>Category 9 — Adjacent Properties</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Adjacent on at least 3 sides to a mixture of single-family, duplex, rowhouse residential properties.	Adjacent on at least 3 sides to a mixture of single-family, duplex, rowhouse residential properties and/or multifamily properties.	Adjacent to a mixture of both residential/multi-family and commercial properties. Commercial does not include manufacturing or industrial facilities.	
<b>Category 10 — Noise from Adjacent Uses</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
All other sites			Sites close to train tracks, airports, industrial, interstate, or other sources of excessive noise as determined by IFA.
<b>Category 11 — Site Frontage</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Access to the site from local or collector road that has 2 lanes (excluding turn lanes), and speed limit not greater than 35 mph.	Access to the site from local or collector road that has more than 2 lanes (excluding turn lanes), but speed limit not greater than 45 mph.		
<b>Category 12 — Public Paved Road Complete With Storm Drainage</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Publicly paved road is already in place and appropriately sized.	Publicly paved road is at the edge of the site but an extension or road widening is needed that is only a de minimus extension.		
<b>Category 13 — Offsite Utilities</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Offsite utilities are appropriately sized and do not require an extension beyond normal connections.	Offsite utilities are at the edge of the site but only a de minimus extension is necessary.		

<b>Category 14 — Parking</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Project offers free on-site parking with at least 1 space per unit for senior projects and 1.5 spaces per Unit for family projects.	About 1 free offsite street parking space available per Unit.	Free offsite street parking spaces available equal to at least 25% of the Units.	
<b>Category 15a —Ease of Site Development – New Construction</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Site is open, clear, and ready for construction.	Minimal tree clearing, minor demolition, and moderate slopes on site.		Steep slopes, potential site drainage problems, extensive retaining walls needed, extensive tree clearing demolition, or site needs contamination cleanup.
<b>Category 15b —Condition of Buildings – Rehab and Adaptive Re-use</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Good	Fair		Poor
<b>Category 16 —Projects with Historical Significance or Community Revitalization</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Project is listed on the National Register of Historic Places or has a National Park Service approved Part 1 application and Federal and State Historic credits are included in the Application funding sources. Or Site is in a QCT where affordable housing is part of a Concerted Community Revitalization Plan that was last updated no longer than 5 years ago. Refer to Appendix A – QCTs, DDAs, and Rural Counties.			

### 6.3 MARKET APPEAL.

5 points maximum

The amenities shall be provided at no cost to the tenants.

- A. **Kitchen Pantry:** 1 point  
2 ft. wide full-height cabinet or closet with minimum 5 shelves in every Unit.
- B. **Walk-In Closets:** 1 point  
Available in at least 1 bedroom of every Unit including studio Units.
- C. **Patio/Balcony** 2 points  
Each unit shall include a patio or balcony.
- D. **Multipurpose Room:** 1 point  
Multipurpose room must at least 400 square feet and made available exclusively to all tenants and guests of the Project, either in a stand-alone building or incorporated within a residential structure, located entirely on the Property.
- E. **Free Heating:** 1 points  
Owner-paid heat for each Unit.
- F. **Fenced Dog Walking Area:** 2 points  
Minimum 1,000 square feet with waste area.
- G. **Fitness Center:** 1 point  
An exercise room available 24 hours a day, with commercial-grade cardiovascular health, strength training, and flexibility equipment.
- H. **Storage Units:**  
A dedicated and lockable (if outside the Unit) structurally strong and secure, floor-to-ceiling room that is at least 20 square feet. The storage unit shall be in addition to the required bedroom, linen, and coat closets and maintained in compliance with the requirements for fire safety and the 2020 NEC and the International Fire Code (IFC). Prefabricated steel mesh enclosures designed as storage units are acceptable.
1. Storage In Project; or 1 point
  2. Storage In-Unit 2 points
- I. **Laundry:**  
Acquisition/Rehab projects without in-unit laundry that provide tenants unlimited access to the community laundry facility at no charge, or Acquisition/Rehab projects that add or replace in-unit washers and dryers to all units during the rehabilitation.
1. Free Resident/Community Laundry; or 3 points
  2. In-Unit washers and dryers (added or replaced to Acquisition/Rehab) 4 points

- J. Olmstead Goals:** *3 points*  
Projects that provide at least 15% of the Units as accessible for persons with mobility disabilities for acquisition/rehabilitation or 20% of the Units for persons with mobility disabilities for new construction and adaptive reuse. For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit.
- K. Single Family, Duplex, or Rowhouse:** *5 points*  
At least 20% of the Project are single-family, duplex, or rowhouses where each Unit extends from foundation to roof and may be 1 to 3 stories. Each unit has separate exterior entrances in both the front and rear of the Unit and some open space in a rear yard with a suitable patio that may be used by the occupants.
- L. Exterior Materials:** *5 points*  
Minimum of 30% of the gross exterior (excluding window and door areas), of 4" nominal brick, 4" nominal stone, stucco over masonry, architectural CMU block, or pre-cast concrete wall panels. The remaining 70% shall be constructed of 100% fiber cement board siding or engineered wood siding with quality standards similar to Smartside. The buildings' soffit and fascia shall be pre-finished aluminum, fiber cement board, or engineered wood siding with quality standards similar to Smartside. Soffits shall be vented.
- M. Iowa Green Streets:** *2 points*  
The Project meets the requirements of Iowa Green Streets.
- N. Energy Efficiency:** *3 points*  
New construction up to 3 stories, or 4 stories or more with each Unit having its own heating, A/C and water heating: Home Energy Rating Systems (HERS) Index of 60 or less.  
  
New Construction 4 stories or more without each Unit having its own heating, A/C and water heating: Exceed ASHRAE 90.1-10 by 25%.  
  
Acquisition/Rehab or Adaptive Reuse excluding Historic Tax Credit projects: 2015 International Energy Conservation Code (IECC) exceeded by 8% or more.

## 6.4 QUALIFYING DEVELOPMENT TEAM.

### A. LIHTC Experience.

*0 to 2 points*

Points available for one of the following categories under this section:

Prior to Application submission, the Developer or General Partner/Managing Member, or affiliates thereof, of this Project shall have completed 3 LIHTC Projects that have received an IRS Form 8609, as a Developer or General Partner/Managing Member, or affiliates thereof, not more than 5 years before the Application due date. *2 points*

Or

Prior to Application submission, the Developer or General Partner/Managing Member, or affiliates thereof, of this Project received a prior LIHTC award and is the owner and management company of that LIHTC Project in Iowa. *1 point*

### B. Community Housing Development Organization Experience.

*1 point*

Nonprofits that receive Community Housing Development Organizations (CHDO) certification and State HOME funds in this Application round.

### C. Developer, General Partner, or Managing Member Performance.

*-1 point*

The Developer or General Partner/Managing Member, or affiliates thereof, of this Project has requested and received approval for a material change to a Tax Credit project after January 1, 2023 in Iowa.

### D. Iowa Title Guaranty.

*2 points*

The Applicant shall obtain a Final Title Guaranty Owner Certificate on the real estate of the Project from IFA's Iowa Title Guaranty Division prior to submitting the IRS Form 8609 package. The Ownership Entity shall obtain, at a minimum, a Final Title Guaranty Certificate with an amount of coverage that is not less than the value of the land and pre-existing improvements, if any, combined with the total hard construction costs of the Project.

## **SECTION 7. SELECTION CRITERIA AND AWARD PROCESS.**

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**7.1 TAX CREDIT CALCULATION.** IFA shall determine the amount of Tax Credits necessary for the financial feasibility of the Project through the information received during the Application. IFA will utilize the percentage of the limited partnership interest in the Project and equity price in the determination of the Tax Credit amount.

**7.2 SELECTION CRITERIA.** IFA shall evaluate applications using the set-aside and scoring criteria. IFA may decline to reserve Tax Credits to any Project, regardless of the score.

**7.3 PRIORITIZATION OF REVIEW.** Applications will be scored and ranked within each of the set-asides in the order listed below. If an Applicant is not awarded within a set-aside, except for the Innovation Set-Aside, the Applicant will be considered in the next set-aside applied for and then the General Set-Aside. In the event there are not enough qualified Projects to fill the Rural or Innovation Set-Asides, the remaining balance will be transferred to the General Set-Aside.

- A. Innovation Set-Aside
- B. Nonprofit Set-Aside.
- C. Rural Set-Aside.
- D. General Set-Aside.

**7.4 TIEBREAKERS.** In the event that the final scores of more than one Application are identical, IFA will use the following tiebreakers:

- A. Project is within a project identified in an Iowa Great Places agreement that has been designated by the Iowa Great Places Board for participation in the program within the last 3 years, pursuant to Section 303.3C, subsection 4 of the Iowa Code.
- B. Projects that provide an opportunity for homeownership through the Iowa Renter to Ownership Savings Equity (ROSE) Program.
- C. Project with a Developer that has not received an award of Tax Credits in Iowa for the longest period of time within the last 7 years. New Developers to Iowa are excluded from this tiebreaker.
- D. Project in a community that has not received a reservation of 9% or 4% Tax Credits for the longest period of time.
- E. Application requesting the least amount of Tax Credits per LIHTC Unit.
- F. Board Discretion.

**7.5 DISCRETION BY THE BOARD.** The Board may accept, reject, or make changes to the award recommendations.

**7.6 ACCEPTANCE OF TAX CREDIT RESERVATION.** The acceptance of the reservation and reservation fee shall be due no later than the date stated in the award letter.

**7.7 WAITING LIST.** The Board, in its discretion, may establish a waiting list and adjust the order on the waiting list for any reason. The waiting list shall expire no earlier than 90 days after the date of the Board approval.

**7.8 UNRESERVED TAX CREDITS.** Unreserved Tax Credits are Tax Credits that were not awarded by IFA during its most recent round of allocation or are returned to IFA during the current year. If Unreserved Tax Credits become available within 75 days after the date of the Notice of Tax Credit Reservation, IFA shall review all Applications placed on the waiting list to determine if there are sufficient Tax Credits to fund one or more new Projects on the waiting list. The award of Tax Credits to a project on the waitlist requires Board approval. If Unreserved Tax Credits become available more than 75 days after the date of the Notice of Tax Credit Reservation, the unreserved Tax Credits will be available in the next funding round, and the waiting list shall expire.

**7.9 INFORMAL APPEALS.**

- A. **Notice of Appeal.** Any Applicant requesting an appeal shall submit written notice of appeal to housingtaxcredits@iowafinance.com within 7 days of the Tax Credit Reservation Date. The notice of appeal shall state the grounds upon which the Applicant challenges IFA's LIHTC awards.
- B. **Procedures for Appeal.** Within 21 days of the Tax Credit Reservation Date, the Applicant shall file its appeal by submitting a written document to housingtaxcredits@iowafinance.com stating the relevant facts supporting its position. IFA staff may submit to the Executive Director a written document in response to the Applicant's appeal ("IFA response"). IFA staff will provide a copy of the IFA response to the Applicant.
- C. **Decision.** Within 30 days of the filing of the appeal as set forth in above in Procedures for Appeal, the Executive Director shall consider and rule on the appeal and will notify the Applicant in writing of the decision.
- D. **Final Agency Action.** The decision is final except as provided for in Iowa Code sections 17A.19 to 17A.20.

**7.10 REMEDIES ON APPEAL.**

- A. If an Applicant passed the Application requirements and is successful in demonstrating that the Applicant should have been awarded Tax Credits based on the score the Project should have received and taking into account Section 7.5 – Discretion by the Board, the Executive Director may place the Project on a waiting list for Unreserved or returned Tax Credits.
- B. If an Applicant is successful in demonstrating that a Project was improperly determined by IFA to have not met the Application requirements, the Executive Director shall cause the Project to be scored. If the Project receives a score equal to or greater than the lowest score of any Project receiving credits from the General Set-Aside in the same round for 100% of such Project's underwritten Tax Credit amount (as opposed to Projects awarded under Section 7.5 – Discretion by the Board), prior to any skipping of Projects pursuant to Section 7.5 – Discretion by the Board, the Executive Director may place the Project on a waiting list for Unreserved or returned Tax Credits.
- C. Once the waiting list has expired, a Project that has been placed on the waiting list per Section 7.7 – Waiting List due to a successful appeal shall be awarded 5 points in the next 9% Tax Credit Round. To receive the additional points during the next 9% Tax Credit Round, the Project shall be the same Project that was the subject of the successful appeal.



**PART B –  
POST RESERVATION  
REQUIREMENTS**

Failure to comply with any provision of this section may result in the revocation of the Tax Credit Reservation, denial of the Carryover Allocation, withholding of the IRS Form 8609, or the issuance of an IRS Form 8823.

## **SECTION 8. CHANGES TO THE APPLICATION AFTER AWARD.**

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Ownership Entities must submit any proposed Project change after Tax Credit Reservation through the online Application. IFA may approve changes, subject to conditions, or deny. Material changes may be considered but shall result in an additional fee and future scoring penalty if approved. Material changes are changes that cause the Project to not be substantially the same as when awarded. This includes but is not limited to redesigns or revisions to the site, design or plans that may require extensive review, consideration for feasibility, scoring, or special considerations that may require IFA Board approval.

The following changes are not allowed:

- A. Changes to the Ownership Entity named in after Tax Credit Reservation;
- B. Transfers of the Tax Credit Reservation or Carryover Allocation;
- C. Change in the qualifying entity on the Qualified Development Team;
- D. Changes that increase the housing credit amount;
- E. Changes in Unit mix;
- F. Changes that lowers the final scoring of the Project;
- G. Change to the minimum set-aside election; or
- H. Change that decreases the applicable fraction per building.

## **SECTION 9. CARRYOVER ALLOCATION-TEN PERCENT TEST APPLICATION.**

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To qualify for a carryover allocation, the requirements set forth in Section 42(h)(1) and Treasury Regulation 1.42-6 must be met. The Ownership Entity must submit a complete Carryover Allocation-Ten Percent Test Application (10% Test Application) package through the online Application unless all buildings are placed-in-service and the IRS forms 8609s issued in the same year as the Tax Credit award.

**9.1 SITE CONTROL.** The Ownership Entity shall provide evidence of site ownership or lease term of at least 35 years, including all parking, as part of the 10% Test Application package, and this ownership shall be continuous and uninterrupted through the issuance of an IRS Form 8609.

**9.2 ZONING.** The site must be zoned appropriately to allow construction of the Project by submission of the 10% Application.

## **SECTION 10. PRIOR TO PLACED-IN-SERVICE DOCUMENTS.**

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As a precondition to receiving IRS Form 8609, the Ownership Entity shall submit the following documents through the online Application at least 120 days prior to the first Unit placing in service. More detail is available in the Application:

- A. Affirmative Fair Housing Marketing Plan Package (AFHMP, ads/brochures, tenant selection plan, lease, lease addendums, community rules, VAWA documents).
- B. Confirmation the Project is listed on Iowa's free rental housing locator at [www.iowaHousingSearch.org](http://www.iowaHousingSearch.org).
- C. A commitment to notify the local public housing authority of all vacancies.

## **SECTION 11. APPLICATION FOR IRS FORM 8609.**

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After all buildings in a Project have been placed-in-service, a complete IRS Form 8609 Application (8609 Application) package shall be submitted through the online Application. At the time the 8609 Application is submitted, the Project shall have completed construction and all other requirements of the 8609 Application package have been met.

**11.1 MARKETABLE TITLE REQUIREMENT.** The Ownership Entity shall provide adequate evidence that it has marketable title as determined by IFA in IFA's sole discretion. Adequate evidence of marketable title is demonstrated by either: (1) a title opinion of an attorney authorized to practice law in Iowa showing marketable title in the Ownership Entity; or (2) a certificate issued by the Iowa Title Guaranty Division of IFA showing the Ownership Entity as the guaranteed. In the case of leased land, a copy of the recorded lease shall be provided.

**11.2 IRS FORM 8609.** Upon approval of the 8609 Application by IFA, IFA shall complete Part A of IRS Form 8609 and send it to the Ownership Entity. The Ownership Entity shall complete Part B and return a copy of the fully executed IRS Form 8609 to IFA within 60 days of IFA sending the IFA executed IRS Form 8609. The Owner's completed IRS Form 8609 shall match the terms agreed upon in the LURA.

## **SECTION 12. CASUALTY LOSS AND COMPLIANCE.**

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**12.1 DESTRUCTION OF A PROJECT PRIOR TO PLACEMENT-IN-SERVICE.** If a Project cannot be placed-in-service by the applicable federal deadline due to a casualty loss, IFA may allow the Ownership Entity to return the Tax Credits in exchange for a binding commitment by IFA to allocate a future year's Tax Credits in an amount not to exceed the original allocation. This section only covers casualty losses not addressed under Revenue Procedure 2014-49.

**12.2 COMPLIANCE.** IFA has established procedures for monitoring compliance. Refer to the IFA Compliance Manual and supporting documentation.

**12.3 COMPLIANCE PERIOD (INITIAL 15-YEAR COMPLIANCE PERIOD).** The Compliance Period is the 10-year credit period and additional 5-year period for a total of 15 taxable years, beginning with the first taxable year of the credit period. During this period the federal minimum set-aside selected by the applicant and the rent affordability requirements in Section 6.1 of this QAP apply, with the more restrictive of the set-asides applying to the LIHTC units. Any other rent and income restrictions required by other programs, including HOME, shall still apply as applicable.

**12.4 EXTENDED USE PERIOD (LONG TERM COMPLIANCE PERIOD).** The time frame that begins the first day of the Initial 15-Year Compliance Period, in which the building is a part of a qualified low-income housing Project and ends 15 years after the close of the Initial 15-Year Compliance Period, or the date specified by IFA in the LURA. During the Extended Use Period, the rent affordability requirements identified in Section 6.1 of this QAP cease applying, but the federal minimum set-asides set forth in the Code and selected by the applicant shall continue to apply. However, the rent affordability requirements identified in Section 6.1 of this QAP do not cease applying to a unit until the tenant currently in said unit and benefiting from the rent affordability requirements in Section 6.1 of this QAP vacates the unit. A tenant cannot be evicted just to cause the rent affordability requirements set forth in Section 6.1 of this QAP to terminate as to that tenant's unit. Any other rent and income restrictions required by other programs, including HOME, shall still apply as applicable.

## **SECTION 13. TERMS AND CONDITIONS.**

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The following terms and conditions apply to all Applicants and Projects that receive a reservation of 9% Tax Credits, Carryover Allocation and IRS Form 8609 allocation.

IFA will rely on the following when interpreting the requirements of the QAP: (1) the QAP, including the Tax Credit Application, appendices, exhibits, instructions, and any incorporated materials; (2) IFA's questions and answers for the QAP; (3) IFA's training guide; and (4) IFA's past practice. IFA may, at its discretion, conduct due diligence to verify information provided by the Applicant. An Applicant's interpretation of the QAP and its requirements is immaterial.

**13.1 DOCUMENTS INCORPORATED BY REFERENCE.** The items described in this Section are incorporated by reference in the QAP.

- A. 26 USC Section 42 as amended and the related Treasury regulations in effect as of the date this QAP is adopted by the Board.
- B. Iowa Code Section 16.35 and the rules promulgated by IFA to govern the LIHTC Program in effect as of the effective date hereof.
- C. IFA Compliance Manual.
- D. In the case of any inconsistency or conflict between the items listed in this Section, conflicts shall be resolved as follows:
  1. First by IRC Section 42 and the related Treasury regulations;
  2. Second by Iowa Code Sections 16.4, 16.35, and the rules governing the QAP; and
  3. Third by the QAP.

**13.2 BINDING OBLIGATIONS.** The representations made in the Application bind the Applicant and shall become a contractual obligation of the Developer and the Ownership Entity and any Entity the Developer or the Ownership Entity is representing in the presentation of the Application or a successor in interest in the event Tax Credits are awarded to a proposed Project. The contractual obligation constitutes the agreement between the parties, as represented by the Developer or Ownership Entity, within the following documents: the QAP, Application (with any permitted amendments), and any other agreements executed between IFA and the Ownership Entity.

**13.3 LAND USE RESTRICTION AGREEMENT (LURA).** The Project shall be subject to the LURA, which is an agreement between IFA and the Ownership Entity and all of its successors in interest. The LURA shall conform to the requirements of IRC Section 42(h), Iowa Code Section 16.35 and the QAP.

**13.4 NO REPRESENTATION OR WARRANTY REGARDING THE QAP.** IFA makes no representation or warranty to any Person or Entity as to compliance issues or the feasibility or viability of any Project.

**13.5 IFA POLICY ON CIVIL RIGHTS COMPLIANCE.** The Applicant and any of its employees, agents, or sub-contractors doing business with IFA understand and agree that it is the responsibility of the Developer and Ownership Entity to adhere to and comply with all federal civil rights legislation, including the Fair Housing Laws, the Americans With Disabilities Act, as well as any state and local civil rights legislation. The Developer and Ownership Entity are responsible for being aware of and complying with all non-discrimination provisions of federal, state, or local law.

**13.6 VIOLENCE AGAINST WOMEN ACT (VAWA).** The Applicant and any of its employees, agents, or sub-contractors doing business with IFA understand and agree that it is the responsibility of the Developer and Ownership Entity to adhere to and comply with the Violence Against Women Act, including adding the VAWA lease terms provided by the authority to its leases.

**PART C –  
CONSTRUCTION  
REQUIREMENTS**

## **SECTION 14. PRIOR TO INITIATION OF CONSTRUCTION.**

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**14.1 CHANGES IN SCOPE.** The Ownership Entity shall not make any changes or alterations to the Project (including the site layout, floor plan, elevations, or amenities) from Reservation without IFA's written authorization. This includes changes required by local governments to receive building permits.

**14.2 IFA PLAN REVIEW.** The Ownership Entity shall submit final plans, specifications, the energy audit or analysis, preliminary Iowa Green Streets checklist, and Capital Needs Assessment (CNA), if applicable, to IFA upon completion but no later than submission of the 10% Application. IFA shall give written approval before the Ownership Entity commences site work or construction.

**14.3 ENERGY.** For Acquisition/Rehab Projects, the Ownership Entity must provide:

- A. A copy of the energy audit conducted by a certified home energy rater, and
- B. Appropriate specifications to meet IECC standards or alternate cost-effective energy improvements with the final construction documents.

IFA requires an engineer or architect to certify that the architect has met and coordinated the design with the energy consultant and Ownership Entity and that the design meets the applicable International Energy Conservation Code (IECC) as shown in Section 15 – Building Standards. The contract for the determination of the energy audit shall be between the certified rater and the Ownership Entity. This section does not apply to Historic projects.

**14.4 CAPITAL NEEDS ASSESSMENT (CNA).** Acquisition/Rehab or Rehab Projects shall submit a complete Capital Needs Assessment with the design documents that are submitted for review and approval prior to the start of construction. The CNA shall be prepared by a third party that regularly provides CNAs as a basic or core service. The third party may be a member of the Qualified Development Team with prior approval by IFA, but may not be the Ownership Entity or Developer. The CNA shall assess the rehabilitation needs of each existing structure, including:

- A. A site visit and physical inspection of the interior and exterior of Units and structures;
- B. An interview with on-site property management and maintenance personnel to inquire about past repairs/improvements, pending repairs, and existing or chronic physical deficiencies;
- C. The presence of hazardous materials;
- D. A detailed opinion as to the proposed budget for recommended improvements;
- E. Identify critical building systems or components that have reached or exceeded their expected useful lives;
- F. A projection of recurring probable expenditures for significant systems and components impacting use and tenancy, which are not considered operation or maintenance expenses, to determine the appropriate replacement reserve deposits on a per Unit per annual basis;
- G. Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, and gas and electric utilities and lines;

- H. Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system, stairs, and drainage;
- I. Interiors, including Unit and common area finishes (carpeting, vinyl tile, plaster walls, paint conditions, etc.), Unit kitchen finishes, cabinets and appliances, Unit bathroom finishes and fixtures, and common area lobbies and corridors; and
- J. Mechanical and electrical systems, including plumbing and domestic hot water, HVAC, electrical, lighting fixtures, fire protection, security, low voltage systems, and elevators.

The CNA shall conform to standards outlined in ASTM E 2018-08, Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process. An assessment done for and accepted by USDA Rural Development is acceptable.

**14.5 PRECONSTRUCTION MEETING.** An IFA representative shall attend a contractor/developer construction meeting at or near the initiation of construction. The Ownership Entity must provide a copy of the contractor's initial pay application with a schedule of values when executed.

**14.6 MINIMUM DEVELOPMENT CHARACTERISTICS – ALL PROJECTS.** All construction will use the following minimum development characteristics:

**A. General.**

1. **Construction Warranty.** Provide an enforceable minimum 1 year blanket construction warranty stipulating that the general contractor is responsible to do or have done any and all required warranty repair work, including consequential damages, at its own expense.
2. **No Smoking Policy.** Implement and enforce a "no smoking" policy in all Units and common areas, not including public areas of the exterior grounds.
3. **Community Room.** For senior Projects only, community room must be 20 square feet per unit up to the first 40 units made available exclusively to all tenants and guests of the Project, either in a stand-alone building or incorporated within a residential structure, located entirely on the Property. Does not apply to Scattered Site Projects.
4. **Playground.** For family Projects only, an outdoor area provided for children to play in containing 5 to 7 commercial-grade play components (an element intended to generate specific opportunities for play, socialization, or learning) that does not include wood. At least 2 must be elevated. Swings, spring riders, water tables, playhouses, slides, and climbers are acceptable; ramps, transfer systems, steps, decks, and roofs are not. IFA may approve exceptions including a sport court. The playground must comply with the requirements of the Department of Justice 2010 ADA Standards for Accessible Design. Does not apply to Scattered Site Projects.
5. **Sidewalks.** Concrete sidewalks providing access to a city public way from each entrance door.
6. **Trash Enclosures.** Screened trash removal areas.
7. **Internet Access.** High-speed internet wiring for broadband, wireless, or digital subscriber line for all Units.



8. **Radon System.** A passive radon system, including a drain tile loop below the building slab along with vertical vent pipes and junction boxes for new construction. Acquisition/Rehab Projects shall have a radon test, and a passive radon system is required, or an active system if the radon test exceeds permissible thresholds. Refer to Appendix F – “Radon Control Methods” in the 2012 International Residential Code.
9. **Video Security System.** The security system shall record activity at the site as follows: Parts of the site to be covered include parking areas and all levels of stairways. Cameras in corridors shall be placed in such a way that all unit entrances are covered. The recordings shall be maintained for a minimum of 30 days. Single family or each building in Scattered Site Projects are required to have the Video Security System.

#### B. Exterior Construction.

1. **Exterior Design.** The Project shall have a building design that is appealing and appropriate for the community and neighborhood, including varied facades, rooflines, and exterior materials.
2. **Exterior Siding.** Exterior siding shall be durable and impact-resistant. Vinyl does not qualify as durable. Exterior siding shall be a mix of 2 or more of the following (no single material shall constitute more than 70% of the siding): brick, fiber cement board siding, or engineered wood siding with quality standards similar to Smartside, and/or nominal, 2” nominal thickness manufactured stone over ¾” stucco, nail on stone panels or metal siding approved by IFA. The exterior siding requirements do not apply to existing buildings that are 100% brick or stone. The soffit and fascia shall be pre-finished aluminum, fiber cement board, or engineered wood siding with quality standards similar to Smartside. Soffits shall be vented.
3. **Main Entrance Areas.** Apartment building main entrances to interior shall have a foyer and be equipped with a remote security and intercom system to each Unit to control entry to common areas. Single-family, duplex, and rowhouse Unit main entrances to exterior shall have a storm door and a covered entry with a minimum depth and width of coverage of 4 feet by 4 feet.
4. **Roofs shall have a 30 year full warranty.** Flat roofs shall have a minimum 60 mil TPO or EPDM thickness and a 10-year full warranty. Full warranty includes: all labor and materials for the entire roofing system and insurance rider for consequential damage. All reroofing applications shall include the removal of the existing roofing system down to the roof deck.
5. **Unit Doors.** Any Unit primary entry door may be solid core wood or solid wood panel type, insulated metal, or fiberglass panel type with optional glass insert, 180-degree peephole, lockset and deadbolt lock with 1 inch throw. Primary entry doors shall have steel frames. Metal frames at exterior doors shall be thermally broken or metal clad wood frames are acceptable at Unit entries leading to the exterior.

#### C. Interior Construction.

1. **Appliances.** The kitchen shall have a cooktop, an oven, a microwave, a cooling/freezing unit, a built-in dishwasher, and a sink. Single-bowl sinks shall be minimum 20” x 30”. Appliances shall be Energy Star. These requirements do not apply to Single Room Occupancy units.
2. **Water Conserving Measures.** Toilets are high efficiency WaterSense toilets that use 1.28 gallons per flush or less; faucet aerators use 1.5 gallons per minute (gpm) or less in kitchens and 1.0 gpm or less in bathrooms; showerheads use 1.5 gpm or less. Dual flush toilets do not qualify.

3. **Cabinetry.** Cabinetry and woodwork shall meet ANSI/AWI standards for Custom Grade Cabinetry and/ have the KCMAA161.1 Quality Certification Seal.
4. **Closet Rods and Shelves.** Closet rods and shelves are required in each bedroom closet in each Unit. For Accessible Units only, the closet shelves and hanger bars shall be easy to adjust to different heights with no tools required with adjustable standards and brackets. Hanger rods shall attach to the shelving and provide continuous slide for hangers between supports. Shelves shall be 12” deep minimum and material vinyl coated steel or similar.
5. **Paints and Primers, Adhesives, Caulks, and Sealants.** Paints, primers, adhesives, caulks, and sealants shall comply with Federal regulations applicable to low VOC requirements.
6. **Minimum Bathroom Accessories:**
  - Towel bar(s) within reach of lavatory and tub/shower.
  - Toilet paper holder.
  - Shower curtain rod (if applicable).
  - Mirror.
  - Cabinet with drawers, shelf space, or medicine storage cabinet.
7. **Carpeting.** Carpets shall be 100% nylon or nylon/olefin blend.
8. **Resilient Flooring.** 1/8-inch vinyl composition tile with color and pattern full thickness, LVT, sheet vinyl, linoleum flooring, tile flooring, bamboo, wood, or polished concrete.
9. **Resilient Flooring for Bathrooms.** LVT, sheet vinyl, linoleum flooring, or tile flooring.
10. **Durable Window Sills.** All window sills/ledges shall be composed of moisture-resistant materials, such as plastic laminate, molded plastic, cultured marble, etc. Projects with Historic tax credits may provide wood sills if they are specifically required by the State Historic Preservation Office (SHPO).
11. **Window Covering.** Window coverings are required. A spring-loaded type window shade is not an approved covering.

**D. Energy Requirements.**

1. **Heating and Air Conditioning.** All Units shall be heated and air conditioned. Air conditioning equipment shall be at least 13 SEER (14.5 SEER and 8.50 HSPF for electric heat pumps) and use R-410a refrigerant that is charged according to manufacturer specifications. Thru-wall A/C units, when used in conjunction with fluid based radiant heat systems, shall be at least 9.8 EER or 9.7 CEER, otherwise they shall be 10.7 EER or 10.6 CEER. Heating equipment shall be at least 95 AFUE for furnaces and 90 AFUE for boilers. Window units are not allowed. Electric resistance heating is not allowed as the primary heating source for new construction or adaptive reuse and must be approved at time of application if proposed for an Acquisition/Rehab or rehab project. AC sleeves shall be provided with a tight-fitting, insulated cover for thru wall AC units. Winter covers shall be provided for each AC unit.

IFA may approve existing projects with electric resistance heating prior to Application submittal.

## 2. Water Heaters.

- a. In-unit water heaters that have a minimum energy factor (EF) of 0.61 for tank-type gas, 0.93 for tank-type electric, or 0.93 for tankless water heaters.
- b. Central water heaters (serving entire building) – with a 90% Thermal Efficiency rating or minimum 95% efficient thermal water storage tanks coupled to a better than 90 AFUE boiler.

### 14.7 MINIMUM DEVELOPMENT CHARACTERISTICS – NEW CONSTRUCTION AND ADAPTIVE REUSE.

New Construction and Adaptive Reuse Construction must use the following additional minimum development characteristics:

- A. **Closets.** Each bedroom shall have a closet (2 foot x 5 foot minimum) with a door. The minimum complement of closets per Unit include: 1 linen closet or cabinet 1.5 foot x 2 foot minimum and 1 coat closet 2 foot x 3 foot minimum.
- B. **Laundry.** Each Unit must have an enclosed washer and dryer (accessible if applicable), and the dryer vented to the building exterior.
- C. **Unit Bathrooms.** Three or more bedroom Units in new construction and Adaptive Reuse Projects shall have at least 1 full bathroom and 1 three-quarter bathroom.
- D. **Minimum Unit Net Square Footage.**

Unit Type	Minimum Unit Net Square Footage
Efficiency	450
1 Bedroom	625
2 Bedroom	800
3 Bedroom	1,000
4 Bedroom	1,175

Unit net square footage is measured face of wall to face of wall of the unit's perimeter walls. The total of all spaces in the Unit measured this way must exceed the Minimum Unit Net Square Footage. This does not include balconies or patios. Public area square footage is measured face of wall to face of wall. Building gross square footage is measured from the outside face of the building perimeter walls and includes balconies.

- E. **Energy Requirements.** In addition to meeting Iowa State Code and the IECC, the Project shall meet or exceed prescriptive standards for Multi Family New Construction (MFNC) or prescriptive standards for Energy Star Certified Homes (except where those requirements have been reduced herein) and receive a Home Energy Rating Systems (HERS) Index of 70 or less from a certified rater in Iowa. A home energy rating performed by a certified HERS rater is required on each building after it is completed to verify that actual construction meets the above listed requirements. Five Units with different floor plans and orientations for complexes of less than 50 Units and 10% of Units, up to a maximum of 10 Units in complexes of 50 or more Units shall be rated. The contract for the determination of the HERS index shall be between the certified rater and the Ownership Entity.

**F. Accessibility.** Projects shall have at least 10% percent of the Units, or at least 1 (whichever is greater) Unit accessible for persons with mobility disabilities constructed in accordance with the Uniform Federal Accessibility Standards (UFAS). An additional 2% percent of the Units, or at least 1 (whichever is greater) must be accessible for persons with hearing or visual disabilities (Units with Accessible Communication Features). For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit. Refer to Section 15 – Building Standards.

**14.8 MINIMUM DEVELOPMENT CHARACTERISTICS – ACQUISITION/REHAB.** Rehabilitation Construction shall use the following additional minimum development characteristics:

**A. Scope of Work.** The Scope of Work shall, at a minimum, include work on the following as indicated in the CNA:

1. Making common areas accessible, creating or improving sidewalks, installing new roof shingles, adding gutters, sealing brick veneers, applying exterior paint or siding, and re-surfacing or re-paving parking areas.
2. Improving site and exterior dwelling lighting with Energy Star qualified lighting fixtures, landscaping/fencing, and durable siding.
3. Using energy-efficient related Energy Star labeled products to replace inferior ones, including insulated windows.
4. Improving heating and cooling Units, plumbing fixtures and water heaters, toilets, sinks, faucets, and tub/shower Units to meet minimum efficiency standards for new construction.
5. Improving quality of interior conditions and fixtures, including carpet, vinyl, interior doors, painting, drywall repairs, cabinets, Energy Star appliances, Energy Star light fixtures, and window coverings to meet minimum efficiency standards for new construction.
6. Upgrading electrical circuits to have GFCI outlets at kitchens, baths, laundries, and other applicable locations.
7. Upgrading all interior lighting to compact fluorescent and/or LED.

**B. Resident/Community Laundry.** A common laundry room facility located on site with a minimum of 1 washer/dryer to serve each 12 Units. An Applicant may provide a washer and dryer in each Unit in lieu of a common laundry room facility.

**C. Smoke Detectors.** Install or replace all smoke detectors, and these shall have a 10 year battery if not hard wired.

**D. Accessibility.** Projects shall have at least 5% percent of the Units, or at least 1 (whichever is greater) Unit accessible for persons with mobility disabilities constructed in accordance with the Uniform Federal Accessibility Standards (UFAS). An additional 2% percent of the Units, or at least 1 (whichever is greater) must be accessible for persons with hearing or visual disabilities (Units with Accessible Communication Features). For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit. Refer to Section 15 – Building Standards.

## **SECTION 15. BUILDING STANDARDS.**

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Preliminary site plan and floor plans are to be submitted with the Application to IFA. The Applicant shall meet local, state, and federal standards that apply to the Project, regardless if listed in Section 15 Building Standards.

- A. 2015 International Building Code adopted and published by the International Code Council.
- B. 2015 International Existing Building Code adopted and published by the International Code Council.
- C. 2015 International Residential Code adopted and published by the International Code Council (excepting paragraphs R313.1 and R313.2; sprinklers are not required in single family or townhomes separated by 2 hr. fire walls).
- D. 2015 International Fire Code adopted and published by the International Code Council.
- E. 2015 International Mechanical Code adopted and published by the International Code Council.
- F. 2012 Uniform Plumbing Code adopted by the International Association of Plumbing and Mechanical Officials.
- G. 2014 National Electric Code adopted by the National Electrical Code Committee and published by the National Fire Protection Association, Inc.
- H. 2015 International Energy Conservation Code adopted by the International Code Council.
- I. Iowa Administrative Code, including but not limited to the following Chapters: 300 (Administration), 301 (General Provisions), 302 (Accessibility of Building), 303 (Energy Conservation), 350 (State Historic Building), and 25 (State Plumbing Code).
- J. Uniform Federal Accessibility Standards provided in 24 CFR Part 8 and delineated in the American National Standards Institute Standard 2009 A117.1.
- K. The Americans with Disabilities Act 1990 provided by the Federal Department of Justice. All publicly accessible areas must meet the accessibility requirements of this Act.
- L. The Federal Fair Housing Act of 1988 – all buildings with 4 or more units must comply with this Act and the Fair Housing Design Standards. Applies to ground floor Units or all Units in an elevator building.
- M. For Adaptive Reuse/Rehabilitation, the Lead Base Paint Poisoning Prevention Act, the Department of Housing and Urban Development (HUD) Guidelines for the Evaluation and Control of Lead Based Paint Hazards, Environmental Protection Administration (EPA) and Occupational Safety and Health Act (OSHA) provisions shall apply when applicable.
- N. For Adaptive Reuse/Rehabilitation, if applicable, State Historic Preservation Office (SHPO) clearance Section 106 of the National Historic Preservation Act, 36 CFR Part 800 for Projects receiving any direct federal funding (HOME or categorical grant) or affecting properties listed in the National Register of Historic Places, or in a designated historic preservation district or zone.

**PART D –  
GLOSSARY OF  
TERMS**

The following capitalized terms shall have the meanings set forth herein unless context clearly requires a different meaning.

**Affiliates:** Any Person or Entity who (i) directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with the Applicant; or (ii) owns or controls any outstanding voting securities, partnership interests, membership interests, or other ownership interests of the Applicant; or (iii) is an officer, director, guarantor, employee, agent, partner, member, manager, or shareholder of the Applicant; or (iv) has an officer, director, member, manager, guarantor, employee, agent, partner, or shareholder who is also an officer, director, member, manager, employee, agent, partner, or shareholder of the Applicant; or (v) is a consultant of the Applicant.

**Applicant:** The Ownership Entity, Developer, General Partner, or Affiliate as shown in the Application.

**Area Median Gross Income (AMI):** The most current tenant income requirements published by HUD pursuant to the qualified Low-Income Housing Project requirements of IRC Section 42(g).

**Carryover Allocation Agreement:** The document that contains the Ownership Entity's election statements for an allocation of Tax Credit Reservations by IFA pursuant to IRC Section 42(h)(1)(E) and Treasury Regulations, Section 1.42-6.

**Disability:** At least one of the following criteria: (1) has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration, substantially impedes the person's ability to live independently, and is of a nature that such ability could be improved by more suitable housing conditions; or (2) has a developmental disability, defined as a severe chronic disability that is attributable to a mental or physical impairment or combination of mental and physical impairments, is manifested before the person attains age 22, is likely to continue indefinitely, results in substantial functional limitation in 3 or more of the following areas of major life activity: self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency; and that reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated.

**Eligible Basis:** The Project costs allowable under Section 42(d) that are used to calculate the maximum Tax Credits.

**Entity:** Any general partnership, limited partnership, corporation, joint venture, trust, limited liability company, limited liability partnership, business trust, cooperative, or other business association.

**Family Project:** General occupancy project with no age restrictions.



**Identity of Interest:** A financial, familial, or business relationship that permits less than an arm’s-length transaction. No matter how many transactions are made subsequently between persons, corporations, or trusts controlled by the Ownership Entity/Developer, these subsequent transactions shall not be considered “arm’s-length”. Identity of Interest includes but is not limited to the following: the existence of a reimbursement program or exchange of funds; common financial interests; common officers, directors, or stockholders; family relationships among the officers, directors, or stockholders; the Entity is controlled by the same group of corporations; a partnership and each of its partners; a limited liability company and each of its members; or an S Corporation and each of its shareholders. Failure to disclose an Identity of Interest is an unsatisfactory performance issue with IFA and may deem the party ineligible for future rounds.

**Low-Income Unit:** Any residential rental Unit that is rent-restricted and the occupant’s income meets the limitations applicable as required for a qualified low-income housing Project.

**Older Persons/Senior Housing:** Housing that meets the Fair Housing Act definition of housing for older persons and is exempt from the law’s familial status requirements provided that: (1) HUD has determined that the dwelling is specifically designed for and occupied by elderly persons under a federal or state government program; (2) it is occupied solely by persons who are 62 or older; or (3) it houses at least 1 person who is 55 years or older in at least 80% of the occupied Units, and adheres to a policy that demonstrates intent to house persons who are 55 years old or older.

**Owner Representative:** The General Partner(s)/Managing Member(s) of the Ownership Entity.

**Project:** A low-income rental housing Property the Applicant of which represents that it is or will be a qualified low-income housing Project within the meaning of IRC Section 42(g). With regard to this definition, the Project is that Property which is the basis for the Application.

**Property:** The real estate and all improvements thereon which are the subject of the Application, including all items of personal Property affixed or related thereto, whether currently existing or proposed to be built thereon in connection with the Application.

**Radon System (Sub-Slab Depressurization System):** Radon-resistant features below the building slab along with vertical vent pipe(s) with junction box(es) following requirements in ASTM E2121-13 Standard Practice for Installing Radon Mitigation Systems in Existing Low Rise Residential Buildings and ASTM E1465 – 08a Standard Practice for Radon Control Options for the Design and Construction of New Low-Rise Residential Buildings. Find other technical guidance at [www.epa.gov/iaq/radon/pubs/index.html](http://www.epa.gov/iaq/radon/pubs/index.html).

**ROSE Program:** A Renter to Ownership Savings Equity (ROSE) Program. For further explanation, refer to Appendix M – ROSE Requirements.

**Rural:** Any city or county located in this state, except those located wholly within 1 or more of the 11 most populous counties in the state, as determined by the most recent population estimates issued by the United States Census Bureau. Iowa Data Center - Population Estimates



**Senior Center:** A community-based, federally funded program that provides a variety of services that may include social activities, nutrition, and educational and recreational opportunities for older adults.

**Single-Room Occupancy (SRO) Housing:** Housing consisting of single-room dwelling Units that is the primary residence of its occupant or occupants. Per Iowa Code 42(i)(3)(B)(iii), all SRO Units shall have kitchen and bathroom facilities within the Unit and used other than on a transient basis.

**State Issued Notice of Noncompliance:** A notice that identifies noncompliance issues (that existed at the Property during a physical inspection or file review) with the LURA, the Carryover Agreement, the Application, etc. that are not reported to the IRS via IRS Form 8823, throughout the Compliance Period and the Extended Use Period.

**Tax Credits:** The Low-Income Housing Tax Credits issued pursuant to the program, IRC Section 42 and Iowa Code Section 16.35.

**Tax Credit Reservation:** With respect to a Project or a building within a Project, the amount of Tax Credits IFA awards to an Ownership Entity.

**Tax Credit Reservation Date:** The date that the notice of Tax Credit Reservation was emailed to an approved Applicant.

**Unit:** A room or a group of related rooms designed for use as a dwelling for which rent is paid. A Unit contains sleeping accommodations, a kitchen, and a bathroom.

**Utilities:** Gas, electricity, water, and sewer service.



IOWA FINANCE  
AUTHORITY

**Iowa Finance Authority**

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**RESOLUTION  
HI 23-13**

WHEREAS, the Iowa Finance Authority (the “Authority”) is the housing credit agency for the State of Iowa in connection with the Low-Income Housing Tax Credit (“LIHTC”) Program administered under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, pursuant to Section 42 of the Code and Iowa Code section 16.35, the Authority must draft one or more qualified allocation plans (each a “QAP”) which governs the allocation of tax credits under Section 42 of the Code; and

WHEREAS, the Authority’s proposed 2024 Low Income Housing Tax Credit Qualified Allocation Plan for nine percent tax credits (“2024 9% QAP”) is attached as Exhibit A hereto; and

WHEREAS, the Authority now wishes to adopt the 2024 9% QAP as the governing document for the 2024 9% LIHTC applications and awards.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board hereby approves the 2024 Low 9% QAP set forth as Exhibit A.

SECTION 2. The 2024 9% QAP shall apply to all 9% LIHTC applications and awards which will be made in 2024.

SECTION 3. The provisions of this Resolution are declared to be separable, and if any section, phrase, line item, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, line items, and provisions.

SECTION 4. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED this 2nd day of August, 2023.

ATTEST:

\_\_\_\_\_  
Michel Nelson, Board Chairman  
(SEAL)

\_\_\_\_\_  
Deborah Durham, Secretary

To: Iowa Finance Authority Board of Directors

From: Tim Morlan, Asset Management Director

Date: August 2, 2023

Re: Multifamily Loan Program

Loans in Process (Board approved):

<u>Project</u>	<u>Loan Program</u>	<u>Target Closing</u>	<u>Amount</u>	<u>Loan Type</u>
Chandler Pointe	Multifamily - SL	2023	\$1,000,000	P
Graceview Courtyard II	Multifamily -SL	2023	\$1,000,000	P
Vive	Multifamily - SL	2024	\$1,000,000	P
Shenandoah Senior Villas	Multifamily – SL	2024	\$1,000,000	P
Westown Crossing	Multifamily	2024	\$1,400,000	P
Grace Creek Senior Apts	Multifamily	2024	\$500,000	P
Hawthorne Pointe	Multifamily	2025	\$2,300,000	P
Nex Senior	Multifamily	2025	\$1,850,000	P
Arro Senior (2)	Multifamily	2025	\$1,995,000	P

Applications in Process:

<u>Project</u>	<u>Loan Program</u>	<u>Amount</u>	<u>Loan Type</u>
Integrated Opportunities (Hope Haven)	CHS	\$405,000	P

To: Iowa Finance Authority Board of Directors

From: Alyson C. Fleming, Section 8 Director

Date: July 17, 2023

Re: Section 8 Summary FY2023, Quarter 4

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IFA holds a performance-based contract with HUD to provide oversight of select Section 8 Housing Assistance Payments (HAP) contracts in Iowa. Our current ACC covers 207 HAP contracts, which is different from last quarter's 208, that provide housing assistance to 11,642, which is different from last quarter's 11,678, individuals and families in a total of 67 counties. The difference in contracts and units listed above are due to:

- Rock Valley Residential Housing, IA05-T803-002, Rock Valley, IA opted out of the program. The opt-out removed one (1) contract consisting of thirty-six (36) units from our portfolio effective April 30, 2023.

This month's board package contains a report covering all work performed by Section 8 Contract Administration for the quarter ending June 30, 2023. During FY 2023 Q4, fifty-five (55) Management and Occupancy Reviews (MORs) were conducted; fifty-three (53) requests for contract rent adjustments were processed; six hundred twenty-six (626) HAP vouchers were reviewed, approved, and paid; nine (9) HAP full contract renewals were completed; twenty-one (21) Tenant, Health, Safety and Maintenance Issues were followed up on and completed, and one (1) Opt-Outs were processed.

It is anticipated that staff may perform forty (40) on-site MOR's, will process four (4) requests for HAP contract renewals, will process fifty-five (55) contract rent adjustments, and will review, approve, and pay six hundred twenty-four (624) HAP voucher requests during the next quarter ending September 30, 2023.

**Properties experiencing unusual behavior during FY 2023 Q4:**

**Linwood Apartments, IA05-0028-005, Cedar Rapids, IA**

On April 13, 2023, a Congressional Inquiry was received from U.S. Senator Charles Grassley. Two (2) residents had concerns pertaining to food pantry rules, non-enforcement of Property dress code policy, inoperable washers and dryers, arbitrary rule enforcement, pet waste fee charges, and the eviction of another resident.

IFA staff communicated with and received documentation from the management agent as well as the residents. After review of the documents, the following determinations were made and communicated to the residents: 1. The current food pantry policy did not appear to violate any HUD regulations. 2. There has been no report to the Property from any residents regarding inappropriate clothing in the common areas. 3. Management tested all twelve (12) washers and all twelve (12) dryers and found

*(Linwood Apartments, continued)*

them all to be operating as intended. 4. It was determined that House Rule #16 did not match the Pet Policy regarding pet waste charges. Management was notified of the inconsistency and that the House Rules must be revised. On April 17, 2023, Management provided IFA with the revised House Rules. 5. Management denied the claim that they are selectively enforcing House Rules, nor do they threaten eviction when a resident disagrees with Management. They stated that no resident has been served notice and/or terminated to their knowledge.

A satisfactory resolution was reported to the Des Moines Multifamily HUD office on April 24, 2023.

**Geneva Tower, IA05-M000-061, Cedar Rapids, IA**

On May 2, 2023, IFA was notified of a fire that occurred. There were no injuries reported. One (1) unit was deemed uninhabitable, displacing one (1) resident who was transferred to a different unit within the property. It is unknown how long it will take to restore the unit to its original condition. IFA will continue to monitor the status of the uninhabitable unit, and subsidy will be terminated until it is verified ready for occupancy.

**Featherstone Townhomes, IA05-L000-069, Council Bluffs, IA**

On May 3, 2023, IFA was notified of a fire that occurred on May 2, 2023. The fire severely damaged the entire 2nd floor of the and a portion of the 1<sup>st</sup> floor of the townhome, deeming the unit uninhabitable and displacing one (1) resident. It is estimated to take at least four (4) months to restore the townhome to its original condition. IFA will continue to monitor the status of the uninhabitable unit, and subsidy will be terminated until it is verified ready for occupancy.

**Muscatine Tower Apartments, IA05-0036-015, Muscatine, IA**

On May 8, 2023, IFA was notified of a fire that occurred on May 7, 2023. Two (2) units were deemed uninhabitable due to fire, smoke, and water damage, displacing two (2) residents. Preliminary cause of the fire was determined to be an unattended pan left on the stove. Residents were temporarily provided hotel rooms by the Salvation Army and were later transferred to vacant units within the property. It is unknown at this time how long it will take to restore the two (2) units back to their original condition. IFA will continue to monitor the status of the uninhabitable units, and subsidy will be terminated until they are verified ready for occupancy.

**Hawthorne Hills Apartments, IA05-M000-054, Cedar Rapids, IA**

On May 26, 2023, IFA was notified of a fire that occurred on May 24, 2023. Officers entered the unit and found a 40-year-old resident unconscious. The resident was transported to the hospital by EMS. The resident has been charged with arson by the Linn County Attorney, and the Management initiated and served the resident with a 3-day Notice of Termination for Clear and Present Danger, requiring the resident to vacate the premises by 5:00 PM on May 28, 2023. On May 30, 2023, Management filed a Court action, Forcible Entry and Detainer, to obtain a judgement for eviction and possession of the unit. Work to restore the unit will begin once the Courts have determined the status of the eviction. It is unknown at this time how long it will take to restore the unit back to its original condition. IFA will continue to monitor the status of the uninhabitable unit, and subsidy will be terminated until it is verified ready for occupancy.



### **Heritage Apartments, IA05-M000-059, Waterloo, IA**

- IFA was notified that there have been three (3) separate shootings at this scattered-site property since April 22, 2023. IFA has requested and obtained preliminary information. The incidents occurred on April 22, 2023, May 10, 2023, and May 27, 2023. Preliminary police reports indicate damage to the property on two (2) incidents. IFA will continue to gather information and follow up as necessary.
- IFA received a resident inquiry where the resident disputed the move-out date reported by Heritage Apartments as it was affecting her rent at another Section 8 property. After obtaining documents from both properties, it would appear the owner of Heritage Apartments did not provide this resident the utility reimbursement per HUD guidelines during her entire residency at the property. Additional information from the owner of Heritage Apartments has been requested but has not yet been provided. IFA will continue to follow up.
- On June 29, 2023, IFA received notice that a REAC inspection was completed on June 27, 2023, resulting in a score of 55c\*. This is the fifth consecutive failing REAC inspection since 2019. IFA staff followed up with the owner/agent regarding Exigent Health & Safety items, and on July 7, 2023, the owner certified and provided documentation that all deficiencies were mitigated. The HUD Account Executive was notified of the mitigation.
- On March 27, 2023, IFA and HUD forwarded a letter from the City of Waterloo Housing Inspector addressed to the property ownership, Waterloo Affordable Housing LLC, stating that the property/ownership was in default of Building/Rental codes. The letter stated that City of Waterloo is recommending revocation of the rental license/Permit due to: fire safety issues with fire doors, smoke seals, exit lighting, and holes in walls and materials being used that do not meet code requirements, electrical issues, plumbing issues, smoke detectors/CO detectors missing/not working, vermin infestation, broken/missing/damaged door hardware, broken/damaged windows, damages surfaces, damaged kitchen cabinets, toilets not working/leaking, sanitary conditions of the buildings, cracked plaster, peeling paint, broken entrance doors. IFA was informed that the owner requested the May 11, 2023, hearing be postponed. IFA has not been informed if a new hearing date has been scheduled.
- This property has seventy-five (75) Section 8 units of which twenty-seven (27) units are deemed uninhabitable: twelve (12) units from fire, three (3) units from water damage, and eleven (12) units from City inspections.
- On September 14, 2022, IFA notified the owner and requested a plan for corrective action on all maintenance items listed from a past potential buyer including a date they anticipate corrective actions to be made. IFA has yet to receive a plan of correction for all items and will continue to follow-up.
- On August 15, 2022, IFA was notified by HUD to not perform the Management and Occupancy Review on this property prior to the end of September 30, 2022.
- On April 7, 2022, IFA received an email from HUD stating, "HUD accepts receipt of all open MOR's for Heritage Apartments and Pinnacle Apartments from IFA." IFA continues to process the monthly vouchers as well as follow up and monitor all uninhabitable units, tenant inquiries, and Health Safety and Maintenance items.
- IFA continues to express our concerns to HUD for the tenants of these properties as well as the use of HUD's funds according to program rules and regulations.

**Northgate Townhomes, IA05-M000-089, Council Bluffs, IA**

On June 23, 2023, IFA was notified and provided a Notice of Default (NOD) that was issued by the HUD Southwest Multifamily Region. The NOD was issued due to a June 7, 2023, REAC Inspection, which resulted in a REAC score of 39c\*. This is the second failing REAC for this property since April 2022. IFA will continue to follow up with HUD on this NOD until it is considered resolved.

**Renaissance Park Apartments, IA05-T801-001, Waterloo, IA**

On June 26, 2023, IFA was notified and provided a Notice of Default (NOD) that was issued by the HUD Southwest Multifamily Region. The NOD was issued due to a June 12, 2023, REAC Inspection, which resulted in a REAC score of 39c. IFA will continue to follow up with HUD on this NOD until it is considered resolved.

**Vinton Park Apartments, IA05-R000-025, Vinton, IA**

On June 27, 2023, IFA was notified and provided a Notice of Default (NOD) that was issued by the HUD Southwest Multifamily Region. The NOD was issued due to a June 13, 2023, REAC Inspection, which resulted in a REAC score of 40c. IFA will continue to follow up with HUD on this NOD until it is considered resolved.

**Hillside Park~Sioux City, IA05-M000-037, Sioux City, IA**

IFA has received three (3) tenant Health, Safety & Maintenance (HS&M) inquiries throughout the month of June. Issues include cockroach infestation, flooring problems, potential mold, heating issue, hole in the ceiling, appliances not functioning correctly, and water leak. IFA will continue to monitor the status of all items until verified they are corrected.

**Park at Nine23, IA05-0005-006, Cedar Falls, IA**

- Park at Nine23 had an ownership change on November 14, 2022. The Management and Occupancy Review (MOR) conducted on December 21, 2022, resulted in a Below-Average Rating. All MOR findings have not successfully been addressed and this MOR remains open. The next due date for information from the Property is July 12, 2023.
- A REAC inspection on December 1, 2022, resulted in a score of 44c\*. The owner did provide documentation and a certification that all EH&S items were mitigated. HUD issued an NOV/NOD/CDE Plan to the owner on December 14, 2022. IFA will continue to follow up with HUD on this NOD until it is considered resolved.
- This property has not successfully submitted a voucher for the months of June 2023, July 2023, or August 2023. IFA has been informed that this is causing issues for tenants that have moved from this property into other subsidized properties as TRACS is not current. In speaking to the property, they stated they are having software issues that they continue to work on.

**Pinnacle Apartments, IA05-M000-045, Boone, IA**

- On April 7, 2022, IFA received an email from HUD stating, "HUD accepts receipt of all open MOR's for Heritage Apartments (IA05-M000-059) and Pinnacle Apartments (IA05-M000-045) from IFA."
- On August 15, 2022, IFA received an email from HUD Field Staff instructing IFA not to perform a Management and Occupancy Review for Pinnacle Apartments prior to the end of September 30, 2022.



*(Pinnacle Apartments, continued)*

- On September 14, 2022, IFA notified the owner and requested a plan for corrective action on all maintenance items listed from a past potential buyer including a date they anticipate corrective actions to be made. IFA has yet to receive a plan of correction for all items and will continue to follow up.
- On February 7, 2023, IFA received an email from HUD requesting that IFA review for completion the owner's 2021 Management and Occupancy Review (MOR) response received at HUD.
- On February 13, 2023, IFA was notified by HUD that IFA would reassume the review and closure of this properties MOR. A "No Response Received" Letter was sent to the owner on June 21, 2023, with a response due date of July 17, 2023.

**Section 8 Project Based HAP Administration**

**Quarter Ending  
June 30, 2023**

	# Events Completed		Basic Fee Earned		Incentive Fees Earned		Disincentives	FYTD	FYTD	FYTD
	Current Qrt.	FYTD	Current Qrt.	FYTD	Current Qrt.	FYTD				
<b>PBT Requirements-(New ACC Effective 10/11/2011)</b>										
01. Management and Occupancy Reviews	55	210	144,101.01	564,490.59	7,205.04	28,224.51	0.00	592,715.10		
02. Adjust Contract Rents	53	217	72,050.49	282,245.25	7,205.04	28,224.51	0.00	310,469.76		
03. Review and Pay Monthly Vouchers	639	2535	144,101.01	564,490.59	7,205.04	28,224.51	0.00	592,715.10		
04. Renew HPA Contracts and Process Terminations	9	22	144,101.01	564,490.59	7,205.04	28,224.51	0.00	592,715.10		
05. Tenant Health, Safety & Maintenance Issues	22	56	72,050.49	282,245.25	7,205.04	28,224.51	0.00	310,469.76		
06. Administration - Monthly and Quarterly Reports	7	28	72,050.49	282,245.25	0.00	0.00	0.00	282,245.25		
07. Administration-ACC Year End Reports & Certifications	0	4	57,640.41	225,796.26	0.00	0.00	0.00	225,796.26		
08. Annual Financial Reports - PHA FYE	0	3	14,410.11	56,449.08	0.00	0.00	0.00	56,449.08		
<b>PBTs #1-8-(New ACC Eff. 10/1/2011)</b>	<b>785</b>	<b>3075</b>	<b>\$720,505.02</b>	<b>\$2,822,452.86</b>	<b>\$36,025.20</b>	<b>\$141,122.55</b>	<b>\$0.00</b>	<b>\$2,963,575.41</b>		
<b>Customer Service - Annual Incentive Fee</b>	N/A	N/A	N/A	N/A	<b>\$36,025.20</b>	<b>\$141,122.55</b>	N/A	<b>\$141,122.55</b>		
<b>TOTAL:</b>	<b>785</b>	<b>3075</b>	<b>\$720,505.02</b>	<b>\$2,822,452.86</b>	<b>\$72,050.40</b>	<b>\$282,245.10</b>	<b>0.00</b>	<b>\$3,104,697.96</b> *	\$2,834,040	\$270,658

# Contracts            207  
 # Units                11,642  
 # Counties            67

To: Iowa Finance Authority Board of Directors

From: Terri Rosonke, Housing Programs & Strategic Initiatives Manager

Date: August 2, 2023

Re: ICARE Reentry Opportunity Pilot Program

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Proposed IFA Grant Funding Award: \$475,200

The attached “Iowa Creating a Real Equity (ICARE) Reentry Opportunity Pilot Program” proposal is offered for the Board’s consideration. Representatives from the Fountain of Youth Program (FOY) and Community Solutions of Eastern Iowa (CSEI) will join the meeting to share information on their distinct responsibilities under the proposed pilot program. Both nonprofit organizations are based in Dubuque. Fountain of Youth Program also has invited a key employer partner, John Deere Dubuque Works, to share their perspective on the ICARE pilot program with the IFA Board of Directors.

IFA staff recommends approval of the proposed \$475,200 grant award to Community Solutions of Eastern Iowa to implement the ICARE Reentry Opportunity Pilot Program as described in the attached detailed pilot program proposal and resolution.

- **Action: Resolution HI 23-14**

## **ICARE REENTRY OPPORTUNITY PILOT PROGRAM IN PARTNERSHIP WITH FOUNTAIN OF YOUTH PROGRAM AND COMMUNITY SOLUTIONS OF EASTERN IOWA PROPOSED BUDGET: \$475,200**

### **ESTIMATED IMPACT**

The proposed \$475,200 investment for the “Iowa Creating a Real Equity Reentry Opportunity Pilot Program” (ICARE pilot program) is estimated to assist at least 16 participants per year, totaling a minimum of 48 participants during the three-year pilot program timeframe. IFA will partner with Fountain of Youth Program (FOY) and Community Solutions of Eastern Iowa (CSEI), both based in Dubuque, to implement the reentry pilot program. FOY estimates the potential cost savings to the state, assuming even a 50% participant success rate, could be as much as \$750,000 over the life of the pilot initiative when compared to the cost of incarceration (annual cost of incarceration for one person equals \$41,385 versus a total anticipated expense of \$9,900 in IFA funds per ICARE participant).

FOY’s mission is to change the mindsets that contribute to generational poverty through community collaboration, resource sharing, mindfulness, and education. The nonprofit organization avoids a “cookie-cutter” approach by supporting participants to choose their own goals and become invested in their own success. FOY offers a hand up, not a handout, in its efforts to create lasting change.

CSEI is a nonprofit arm of the East Central Intergovernmental Association (ECIA) formed in 2020 to provide services to address homelessness. CSEI works to improve the viability, livability, and environment of the citizens of Delaware and Dubuque Counties by addressing identified needs using a holistic approach to help enrich lives. CSEI’s goal is to be a strong community partner and collaborate with all groups to enhance the quality of life for the citizens within Delaware and Dubuque Counties. The nonprofit and its parent organization have extensive collective experience in administering rapid rehousing and rental assistance programs.

### **PROGRAM GUIDELINES**

Eligible uses of IFA funds under the ICARE pilot program will include direct financial assistance paid by CSEI to the landlord for rental application or screening fees, security deposit, and rent assistance and/or to a utility service provider for a required utility deposit. Case management, transportation, and other necessary support services will be provided by FOY and its local partner agencies and paid for through resources outside the scope of IFA’s proposed ICARE pilot initiative budget.

While incarcerated, individuals will be screened and selected by Iowa Department of Corrections officials for ICARE participation. The pilot initiative will focus on persons being released from state correctional facilities including the Iowa Correctional Institution for Women in Mitchellville, the Mt. Pleasant Correctional Facility, and the Dubuque Residential Facility.

Identified ICARE program participants will be eligible for the following assistance:

1. Relocation Assistance defined as rental application/screening fees, security and/or utility deposits

- a. Security deposit assistance may not exceed two month's rent (given ICARE's reentry target population, double-deposits are likely to be required by landlords).
- b. Returned security deposits that were paid with ICARE funds may be retained by the tenant household only if the tenant leased the rental unit for a period of six months or more and is not reincarcerated. Any security deposit not returned to the tenant must be repaid to CSEI for return to the ICARE pilot program fund.
- c. If utilities must be established in the tenant's name, ICARE funds may be used to pay for required utility deposits if paid directly to the utility service provider by CSEI. If on-going utility assistance is needed, the tenant should be referred to LIHEAP or other utility assistance resources.

## 2. Rent

- a. IFA staff will work with CSEI and FOY to establish an agreed upon maximum monthly allowable rent assistance amount under the pilot program, such as Rent Reasonableness or 110% or a higher percentage of the HUD Fair Market Rent as an adopted rent standard. IFA recognizes a higher rent standard may be needed to convince landlords to participate in the program but that the rent level also must be sustainable for the ICARE participant long-term.
- b. The tenant must enter into a written lease agreement with the landlord. A one-year lease will be the goal of the program, recognizing a 6-month or other lease term determined acceptable by CSEI may be required in order for the participant to obtain affordable rental housing.
- c. Rental assistance payments for approved program participants will begin no earlier than the lease start date and only after the signed lease is fully executed and a copy provided to CSEI.
- d. May include any type of eligible rental housing units, including but not limited to single-family, multifamily, single-room occupancy, and manufactured home rent or lot rent.
- e. May include required utility expenses specified in the lease that are paid directly to the landlord, with utilities defined as electric, natural gas, propane or fuel oil, water, sewer, and/or trash removal.
- f. Participants will be eligible for rental assistance for a maximum of 12 months.
  - i. First six months: rental assistance up to 100% of the monthly rent
  - ii. Second six months: rental assistance up to 50% of the monthly rent

CSEI and FOY will collaborate to operate the ICARE pilot program, but each nonprofit organization will have distinct responsibilities. CSEI will be responsible for administering the ICARE pilot program through a contract with IFA. CSEI's administrative responsibilities will include approving the participant for rental assistance, determining the assistance amount, documenting the identified rental housing unit meets minimum housing quality standards, ensuring a written lease between the tenant and landlord is in place, making assistance payments directly to the landlord, reporting program activity to IFA, and maintaining records. CSEI will not be responsible for providing case management or wrap-around services to pilot program participants, as that will be the responsibility of FOY, nor will CSEI be responsible for any actions or activities of FOY related to the pilot program's operation. CSEI will make the final determination of the ICARE program participant's eligibility for rental assistance under the pilot initiative.

Successful execution of the ICARE pilot initiative will require the participant to receive wrap-around supportive services and case management. FOY will work with the Iowa Department of Corrections in selecting ICARE program participants and provide case management services for at least one year. The

FOY case managers will assist program participants in completing an ICARE application for rental assistance that will be submitted to CSEI for review and processing. FOY will be responsible for working with pilot program participants to locate and secure a rental unit that best meets their housing needs and assisting with negotiating a lease. Once a rental unit has been identified, FOY will send a copy of the proposed lease to CSEI and ask for an inspection to be completed. If the rental unit passes inspection, FOY will make sure the lease is fully executed and return a signed copy to CSEI. FOY will be responsible for maintaining regular contact with the program participant and notifying CSEI if the tenant moves or is terminated from their lease or the pilot program.

Participants will attend FOY RealTalk support weekly to allow the opportunity for critical thinking coupled with a cognitive behavioral approach and also commit to a one-year model of FOY's core program called "Partners In Change." This curriculum-based model of programming is administered over an up to six-month time period in three phases that include career and professional development, knowledge of self, and financial literacy. Then, the ICARE participant will transition into "Post Partners in Change" with 90-day specific focus check-ins. The case manager will determine which resources are needed to continue to assist the participant while allowing the participant to demonstrate a measure of self-accountability. While FOY will provide case management for ICARE program participants for at least one year, FOY will remain available as a support to the tenant and the landlord for up to six additional months. During the ICARE rental assistance period, participants will be expected to build savings that will help ease the transition to the tenant's responsibility for making full rent payment to the landlord beginning in month 13. FOY's case management team will work with the program participant to ensure they can afford their rent and maintain housing stability after the end of their 12-month ICARE assistance period, which may include assisting the tenant to apply for a Section 8 Housing Choice Voucher or another form of long-term rent subsidy, if needed. Pilot program participants will not be exited to homelessness.

Employment, transportation, and healthcare will be important components of the ICARE pilot initiative. John Deere Dubuque Works and several other local employers listed below will help provide job security as ICARE participants will work to establish an employment path prior to release from corrections. Iowa Workforce Development and Northeast Iowa Community College will also serve as key partners for employment and job training services. Transportation will be provided through a coordinated approach in partnership with ECIA Transportation services. The wrap-around service model will ensure coordinated healthcare is met through FOY's partnership with Crescent Community Health Center.

### Fountain of Youth – Local Partners

<b>Business/Skills &amp; Resource Sharing Partners</b>	<b>Contact</b>	<b>Title</b>	<b>Email</b>
Addoco Pallet	Mark Wagner	President	mwagner@addoco.com
City of Dubuque	Jill Connors	Economic Development Director	Jilconno@cityofdubuque.org
Community Foundation of Greater Dubuque	Nancy Van Milligen	President & CEO	Nancy@dbqfoundation.org
Conlon Construction	Becky Conlon	Vice President of Business Development	bconlon@conlonco.com
Crescent Community Health Center	Gary Collins	CEO	GCollins@crescentchc.org



Dubuque Racing Association	Kathy Buhr	Director of Strategic Philanthropy & Schmitt Island Development	kathyb@dradubuque.com
Greater Dubuque Development	Rick Dickinson	President & CEO	rickd@greaterdubuque.org
Hodge	Jordan Fullan	Vice President, Human Resources	jfullan@hodgecompany.com
Hormel	Ed Miller	Human Resources Manager	EPMiller@hormel.com
Iowa Department of Corrections	Katrina Carter	Director of Reentry and Treatment Services	katrina.carter@iowa.gov
Iowa Vocational Rehabilitation Services	Jason Rubel	Rehabilitation Counselor	jason.rubel@iowa.gov
Iowa Workforce Development	Beth Townsend	Executive Director	Beth.Townsend@iwd.iowa.gov
John Deere Dubuque Works	Alejandro Fernandez	Operations Manager	fernandez.alejandro@johndeere.com DicksonMarkA@johndeere.com
Lowe's	Mike Bryson	Store Manager	Mike.j.bryson@store.lowes.com
Northeast Iowa Community College	Erin Powers Daley	Executive Director of Community and Student Development	powersdaleye@nicc.edu
Rainbo Oil	Tessa Fahey	Wholesale Operations Development	tessaf@rainbolubes.com
Spahn & Rose Lumber Co	Dave Davis	CEO	DDavis@spahnandrose.com

FOY will hold ongoing meetings with participating employers to obtain feedback as well as provide a survey regarding the ICARE pilot initiative once the employer has hired one of more program participants.

### OUTCOME MEASUREMENTS

CSEI will track and report to IFA all data related to amounts paid to landlords and/or utility service providers under the ICARE pilot program in a reporting format to be specified by IFA in the award contract. IFA's total financial investment in the reentry housing assistance program will be tracked in order to compare state funding costs incurred under the pilot program as compared to the annual cost of incarceration incurred by the state of Iowa.

FOY will track and report benchmarks and outcomes related to program participants' basic demographics; regular survey responses (anticipated to be completed every 8 weeks) related to income, employment, housing, and quality of life questions; and recidivism rates. Recidivism is defined as the act of an individual leaving prison (parole/special sentence, work release, or discharge) who is then reincarcerated within three years for any reason.

As a baseline measure, the Iowa Department of Corrections reports that the statewide recidivism rate in Iowa was 37% in fiscal year (FY) 2022. The FY 2022 recidivism rates at the state correctional facilities participating in the ICARE pilot program were reported as follows:

- Iowa Correctional Institution for Women in Mitchellville: 34.2%
- Mt. Pleasant Correctional Facility: 36.8%

- Dubuque Residential Facility: 42.8%
  - Residential facilities tend to have higher recidivism rates, often due to the selection of the population admitted.

FOY, in collaboration with the Iowa Department of Corrections, will track recidivism among ICARE pilot program participants and report to IFA at least annually. As a comparison measure, IFA staff will obtain annual state recidivism data directly from the Iowa Department of Corrections. Please see the attached handout for more information regarding Iowa’s FY 2022 recidivism report.

**AWARD PROCESS**

IFA has identified CSEI as the experienced nonprofit agency best positioned to assist FOY in successfully implementing the ICARE pilot program by entering into a contract with IFA as the grantee and program administrator. CSEI is a key leader in Eastern Iowa's Coordinated Entry Region, focusing on the homeless population in Delaware and Dubuque Counties by providing rapid rehousing assistance and street outreach efforts to connect those experiencing a housing crisis to emergency homeless services and providers. CSEI has also served as an IFA grantee for ESG, ESG-CV1, and ESG-CV2 funding for the Eastern Iowa Region. In addition, CSEI is currently partnering with IFA as a subrecipient under the Iowa Rapid Rehousing Project – ERA2 pilot program. CSEI has qualified staff in place to successfully manage the proposed reentry rental assistance pilot program, including their Director of Special Programs, Finance Director, Community Services Advocate, Regional Housing Coordinator, and other support staff.

**APPROXIMATE TIMELINE**

- May 31, 2023: Director Durham meeting with FOY and CSEI in Dubuque to discuss the ICARE Reentry Opportunity Pilot Program and next steps.
- July 17, 2023: IFA, FOY, and CSEI meeting to discuss proposed pilot program and next steps.
- August 2, 2023: IFA staff will present the proposed ICARE Reentry Opportunity Pilot Program to the IFA Board of Directors, requesting approval of a resolution to award \$475,200 in funding to CSEI to administer the pilot initiative. The resolution will propose that any approved funding award from IFA will be contingent upon FOY securing the additional funding commitments needed to complete the overall reentry pilot initiative budget to ensure adequate financial resources are in place to allow FOY to provide the case management and wrap-around support services that will be vital to the successful implementation of the ICARE pilot program.
- Within 30 days of Board approval, IFA will issue the contract to CSEI for review and signature.
- The first ICARE pilot program participants are anticipated to be scheduled for release from corrections in late 2023, meaning the first relocation and rental assistance payments under the pilot program will be made at that time.
- The ICARE pilot program will cover a three-year timeframe, approximately December 1, 2023 – December 31, 2026.

**BUDGET**

Financial Assistance (relocation and rent)	\$ 432,000
Administration (CSEI)	\$ 43,200 (10% administrative fee)
<b>TOTAL IFA FUNDING AWARD*</b>	<b>\$ 475,200</b>

**Additional funding for FOY Program Associate and other FOY salaries and operating costs to be secured by FOY. See attached FOY sources and uses statement.**



\* Award to be financed through IFA’s Multi-family Restricted Housing Funds will be recommended for approval by the IFA Board of Directors contingent upon FOY’s commitment to secure the additional funding needed for case management (Program Associates), wrap-around services, and any other required FOY salary or related supportive services expenses over the three-year pilot program. FOY’s current annual operating budget is approximately \$389,000 per year, including funding for their Program Associate staffing.

3-18 Month  
**RESOURCE COORDINATION**

Top Tier Employers  
 John Deere  
 Hodge  
 Savings for the future  
 Tristate Metals  
 Affordable Homeownership  
 DUPACO COMMUNITY CREDIT UNION  
 HABITAT FOR HUMANITY  
 Spann & Rose  
 Addoco  
 WEALTH BUILDING OPPORTUNITIES FOR ALL  
 Skills & Resource Sharing  
 Iowa Works Dvlp  
 Housing  
 Quality Healthcare  
 Local Landlords  
 SUPPORT FOR TENANTS AND PROVIDERS  
 CRESCENT COMMUNITY HEALTH CENTER  
 Transportation  
 Van-Mike Finnin Kia  
 Community Foundation for Greater Dubuque  
 Northeast Iowa Community College  
 Brain Health  
 Dental  
 Medical

theountainofyouthprogram.org

LMI Participants from 2021

introducing  
**PROPOSED PROGRAM**

**REALTALK**  
 Critical Thinking  
 Cognitive Behavior Approach  
 Support Group

**PARTNERS IN CHANGE**  
 Financial Literacy  
 Career  
 Knowledge of Self & Others

**COMMUNITY IN CHANGE**  
 Partners learn how to plug in for long term success  
 Resource Coordination  
 Self Accountability

theountainofyouthprogram.org

## Sources and Uses Statement

### Fountain of Youth Program - ICARE Reentry Opportunity Pilot Program

Source of Funding	Amount	Are funds secured? Yes or No	If no, estimated date to be secured?
Dubuque County	\$53,667	Yes	
City of Dubuque (2024 & 2025)	\$63,000	Yes	
DRA Core Grant	\$50,000	No	Jul-23
Community Impact Grant	\$15,000	No	Aug-23
Mosanic Temple	\$2,000	No	Oct-23
Mobility Grant with City	\$15,000	No	Oct-23
Second Chance Act Community-Based Reentry Program	\$250,000	No	Sep-24
<b>TOTAL SOURCES</b>	<b>\$448,667</b>		

Use of Funding	Amount
Transportation (Van, Insurance, and Maintenance)	\$35,000
Administrative & Driver Salaries, Benefits, Taxes	\$111,120
Case Management Salaries, Benefits, Taxes	\$302,547
<b>TOTAL USES</b>	<b>\$448,667</b>



# FY22 RECIDIVISM

Published October 2022

## Research, Data, and Trends

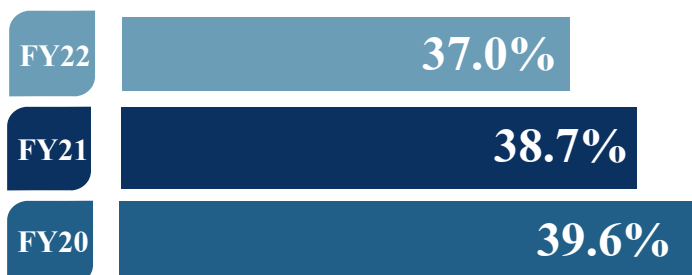


**Recidivism Defined:** The act of an individual leaving prison (parole/special sentence, work release, or discharge) who is then reincarcerated within three-years for any reason. The findings below are based on a cohort of individuals released in FY2019.

### Three-Year Recidivism Trends

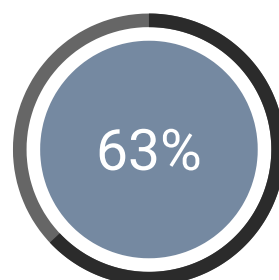
Over the course of the last two years year, the recidivism rate has decreased by 2.6%

Individuals were slightly more likely to return to prison by way of an other return than a new charge.

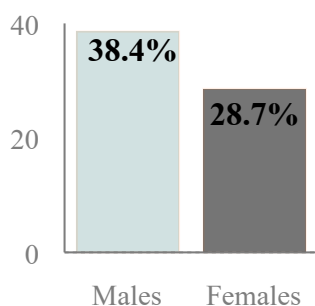


### Successful Reentry Rate

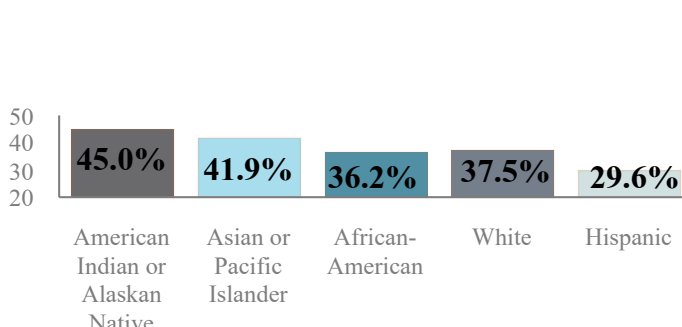
In FY22, 63% of those who were released from prison three-years earlier, successfully reentered the community and did not return to prison.



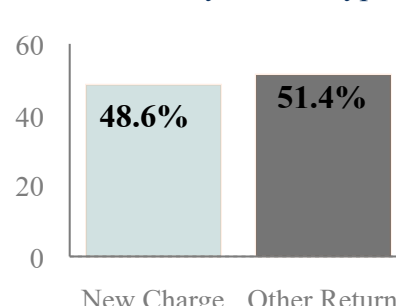
Recidivism by Gender



Recidivism by Race



Recidivism by Return Type



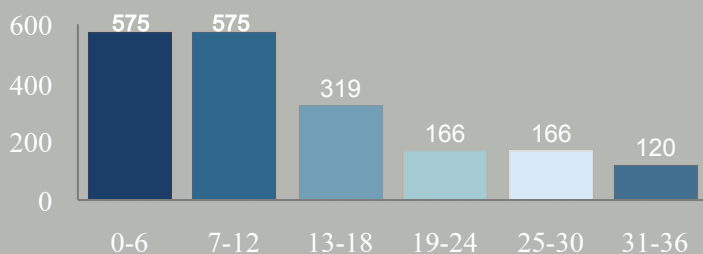
### Survival Time

Is the period when an individual is released into the community and returns. According to research, most individuals are at highest risk the first 0-12 months after release from prison.

### Unpacking the Numbers

There are a number of potential explanations for the variance in recidivism percentages. Many are policy decisions, such as types of individuals sentenced to prison, how offenders are selected for release, the length of stay under supervision, and decisions about how to respond to violations of supervision.

### Survival Time to Recidivism (Months)



# FY22 RECIDIVISM

Published October 2022

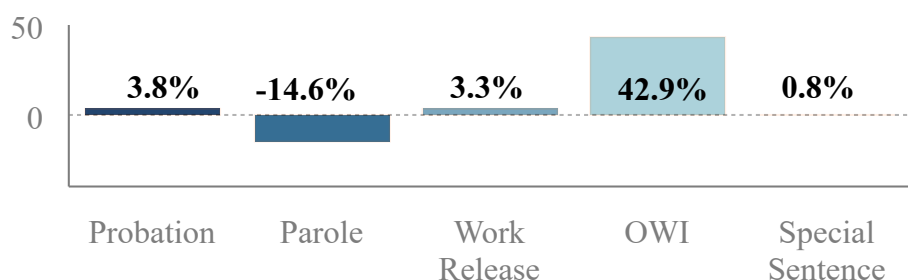
## Contributing Factors to Recidivism Rate

### Institutional Treatment Needed to Reduce Recidivism

Of those who recidivated in FY22, 63% either did not receive treatment while incarcerated or did not successfully complete institutional treatment programming. Thirty-seven percent of recidivists successfully completed treatment.

### Offender Served Population Trends

Offender Served Population FY21 to FY22 Percent Change



From FY21 to FY22 we notice increases in the number of individuals served under probation, work release, and the OWI continuum.

The number of individuals under parole have decreased by about 14.6%

## DOC Activities to Reduce Recidivism

The IDOC has taken several actions to mitigate the rise in recidivism.



#### Align Our Resources

- Prioritize institutional and community-based treatment for high risk clients
- Continue utilization of program inventories to ensure provided programs are evidence-based
- Improve and align reentry practices



#### Utilize Our Tools

- Utilize a competency matrix to build staff knowledge and skills
- Utilize a response matrix to improve objective supervision strategies when clients violate
- Improve fidelity with risk assessment instruments by deploying staff trained in Continuous Quality Improvement (CQI)



#### Expand Our Skills

- Increase access to education (both high school and post-secondary)
- Build capacity within apprenticeship programs
- Train all staff in core correctional practices (CCP)
- Enhance case management training



July 24, 2023

The Fountain of Youth  
20 W 7<sup>th</sup> Street  
Suite 1010  
Dubuque, IA 52001

I am writing to show my support for the Fountain of Youth Program in their pursuit of funding their upcoming I-Care project. Crescent Community Health Center has had a hand in supporting this project through fulfilling and maintaining wrap around services for individuals who will be participating in this program.

We will be providing the support that is necessary to fulfill the basic needs for the individuals involved. These services include providing mental, physical, and dental health services.

This project will fill a need in our community, encourage growth and retention of individuals, and allow Dubuque to grow in ways we have not yet seen. A successful reentry program is pivotal to an individual's success upon their release into society and will make the difference in a well-functioning society.

We support Fountain of Youth Program for their submittal of this I-Care project.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gary Collins", is written over the typed name.

Gary Collins, CEO  
Crescent Community Health Center  
563.690.2860



Economic Development  
Department  
1300 Main Street  
Dubuque, Iowa 52001-4763  
Office (563) 589-4393  
TTY (563) 690-6678  
<http://www.cityofdubuque.org>

July 25, 2023

Members of the Iowa Finance Authority Board,

I am writing to express my support for the “Iowa Creating a Real Equitable Ex-Offender Reentry” (ICARE) program proposed by the Fountain of Youth Program. As the Economic Development Director for the city of Dubuque, I am excited about this venture in the community. The proposed program entails personal and professional development for up to three years for the ex-offenders. After six or more months of programming, Fountain of Youth staff will connect them to employment, housing, health, and education.

This project will fill a need in our community, encourage growth and retention of individuals, and allow Dubuque to grow in ways we have not yet seen. A successful reentry program is pivotal to an individual's success upon their release into society and will make a difference in a well-functioning community.

Please accept this letter as a show of my full support and future partnership with the Fountain of Youth Program for this important program.

Sincerely,

Jill M Connors, Economic Development Director



July 24, 2023



Schmid Innovation Center  
900 Jackson St., Suite 109  
Dubuque, IA, 52001  
[www.greaterdubuque.org](http://www.greaterdubuque.org)

The Fountain of Youth  
220 W 7th St Suite 101  
Dubuque, IA 52001

To Whom It May Concern:

I am writing to show my support for the Fountain of Youth Program in their pursuit of a grant to fund their upcoming project. Our organization has had a hand in piecing together the logistics for this project along with talking about sustainability, the gap it will fill in our community, and the necessity for community support as the pilot for the project gets underway. This project will fill a need in our community, encourage growth and retention of individuals, and allow Dubuque to grow in ways we have not yet seen.

As part of our show of support we agree to cover mileage costs on the vehicle to strengthen the sustainability of this program. Our support has not only been logistically but also monetarily, and we believe this program will meet the requirements of this grant request.

Regards,

A handwritten signature in blue ink, appearing to read "Rick Dickinson", with a long horizontal flourish extending to the right.

Rick Dickinson  
*President & CEO*  
Greater Dubuque Development Corporation

To : The Fountain of Youth  
220 W 7th St Suite 101  
Dubuque, IA 52001

7/24/2023

Greetings!

I am writing to show my support for the Fountain of Youth Program in their pursuit to fund their upcoming project. Our organization has had a hand in supporting this project through filling the roll as an employer, but also through financial support in other projects. This project will fill a need in our community, encourage growth and retention of individuals, and allow Dubuque to grow in ways we have not yet seen. As an employer and partner we are excited to see individuals succeed and maintain sustainable jobs.

As part of our show of support we have involved the Fountain of Youth Program in the Lowe's Heroes Program in order to cover costs for their office and alleviate costs like carpet and office updates upon approval. We support Thr Fountain of Youth as they seek out sustainable practices and participate in their pilot program.

Regards,



STORE MANAGER

Mike Byson  
Store mgr Lowe's 0117  
Dubuque Iowa



**NORTHEAST IOWA  
COMMUNITY COLLEGE**

To; Fountain of Youth  
220 West 7<sup>th</sup> Street, Suite 101  
Dubuque, Iowa 52001

Greetings!

I am writing this letter to show my support for the Fountain of Youth program in their pursuit of funding for their upcoming project. Our organization has had a hand in piecing together the logistics for this project along with talking about sustainability, the gap it will fill in our community, and the necessity for community support as the pilot for the project gets under way. This project will fill need in our community, encourage growth and retention of individuals, and allow Dubuque to grow in ways we have not yet seen.

The partnership Northeast Iowa Community College and IowaWORKS has formed with the Fountain of Youth Program has shown success among previous participants at the Dubuque County Jail, and assisting participants with removing their barriers would fill a need in the community.

Regards,

A handwritten signature in black ink, appearing to read 'Erin Powers Daley'.

Erin Powers Daley, Ph.D.  
Executive Director of Community and Student Development  
Northeast Iowa Community College.

Calmar Campus  
1625 Hwy. 150 S.  
P.O. Box 400  
Calmar, IA 52132  
844.642.2338

Peosta Campus  
8342 NICC Drive  
Peosta, IA 52068  
844.642.2338

[www.nicc.edu](http://www.nicc.edu)





**SPAHN & ROSE**  
LUMBER COMPANY

*We provide the products and services that make it easier for contractors  
and builders to operate their businesses efficiently and profitably.*

July 24, 2023

The Fountain of Youth  
220 W. 7<sup>th</sup> Street, Suite 101  
Dubuque, Iowa 52001

To whom it may concern:

I am writing to show my support for the Fountain of Youth Program in their pursuit of a grant to fund their upcoming project. Our company has had a hand in supporting this project through filling the roll as an employer, and through financial support in other projects. This project will fill a need in our community by assisting individuals in a successful transition back into the mainstream of our society.

Our hope is that these individuals will stay in our community, work and feel welcomed. As an employer and partner, we are excited to see individuals succeed and maintain sustainable jobs.

As part of our show of support, we have been involved with the Fountain of Youth Program workforce program, and successfully hired a candidate who was employed by us for more than a year.

We support The Fountain of Youth as they seek out sustainable practices and believe their program will meet the requirements of this grant request.

Best Regard,

David C. Davis  
President & CEO

**RESOLUTION**  
**HI 23-14**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, works to enhance the availability of affordable housing for low- and moderate-income families in the State of Iowa; and

WHEREAS, Community Solutions of Eastern Iowa (“Community Solutions”) is a nonprofit arm of the East Central Intergovernmental Association formed to provide services to address homelessness, which partners with other groups to enhance the quality of life for citizens of Delaware and Dubuque Counties by administering rapid rehousing and rental assistance programs; and

WHEREAS, Fountain of Youth Program (“Fountain”) is a nonprofit with the mission of addressing generational poverty through community collaboration, resource sharing, mindfulness and education; and,

WHEREAS, consistent with its purpose, goals, mission and guiding principles, the Authority, desires to partner with Community Solutions and Fountain through the Iowa Creating a Real Equity Reentry Opportunity Pilot Program (the “ICARE pilot program”) to assist recently incarcerated individuals, screened and selected by Iowa Department of Corrections, to find and secure affordable housing in connection with wrap-around supportive services and case management.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. Pursuant to its authority under Iowa Code sections 16.1A and 16.5, the Board hereby approves a grant allocation of \$475,200 to Community Solutions for the ICARE pilot program covering up to a 3-year period. Authority staff shall re-evaluate the ICARE pilot program and its effectiveness annually. At the time of the Authority’s annual review, Authority staff will make a recommendation on whether to continue funding the program. The Director may decide to continue or terminate the ICARE pilot program. The Board shall be provided an annual status report, including tracking of outcomes measured under the ICARE pilot program.

SECTION 2. Community Solutions and Fountain will collaborate to operate the ICARE pilot program, each with distinct responsibilities. Community Solutions will be responsible for administering the ICARE pilot program, including approving participants for financial assistance, determining the assistance amounts, documenting that identified rental housing units meet minimum housing quality standards, ensuring written leases between landlords and participants are in place, making assistance payments directly to landlords, reporting program activity to the Authority, and maintaining records. The Authority is authorized to enter into an agreement with Community Solutions consistent with the terms set forth in this resolution and in the attached Exhibit A.

SECTION 3. Fountain will provide case management, transportation and other support services for the ICARE pilot program that will be paid for through other resources outside the scope of the ICARE pilot program and this grant award. The Board's approval for funding of the ICARE pilot program is contingent upon Fountain securing the necessary outside funding commitments it needs to carry out its services for the successful implementation of the ICARE pilot program for at least the first year of pilot program operation. By no later than November 30, 2023, Fountain shall provide documentation to the Authority of at least \$150,000 in total outside funding resources secured to carry out Fountain's responsibilities under the ICARE pilot program.

SECTION 4. The Authority's budget is hereby amended to reflect the expenditure authorized by this resolution.

SECTION 5. The provisions of this resolution are declared to be separable, and if any section, phrase, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

SECTION 6. All resolutions, parts of resolutions, or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 2nd day of August, 2023.

\_\_\_\_\_  
Michel Nelson, Board Chairman

ATTEST:

(SEAL)

\_\_\_\_\_  
Deborah Durham, Secretary

**Exhibit A**  
**Iowa Creating a Real Equity (ICARE) Reentry Opportunity Pilot Program**  
**Grant Award**

Grant Amount: \$475,200 to Community Solutions covering up to a 3-year period.

- Up to \$43,200 of the grant amount may be budgeted for administrative expenses incurred by Community Solutions in administering the ICARE pilot program.
- Authority staff shall re-evaluate the ICARE pilot program and its effectiveness annually and make a recommendation on whether to continue funding the program. The Director may decide to continue or terminate the ICARE pilot program.
- Grant award is contingent upon Fountain securing the outside funding commitments it needs on an annual basis to carry out its responsibilities and services for the successful implementation of the ICARE pilot program.

Grant Purpose: Grant funds may be used for financial assistance paid by Community Solutions directly to landlords for rental assistance, rental application fees, screening fees, and security deposits. Grant funds may also be paid by Community Solutions directly to utility service providers for utility deposits.

Source of Funds: The monies for the grant shall be taken from the Authority's Multi-family Restricted Housing Funds.

Agreement: The award of the grant shall be memorialized in an agreement between the Authority and Community Services, setting forth the terms contained herein and such additional terms and conditions as the Director shall deem prudent and reasonable.