2013 Annual Awards Entry Form
(Complete one for each entry.)

Entry Name   IHCDA Vision Squad

HFA   Indiana Housing and Community Development Authority

Submission Contact   Amber Sheffer

Phone   317-232-7781   **Email**   Asheffer@ihcda.in.gov

Program Contact   Mark Wuellner

Phone   317-233-6667   **Email**   MaWuellner@ihcda.in.gov

Entry form with description, check(s), and visual aids (optional) must be received by NCSHA by **Monday, July 1, 2013.**

Use this header on the upper right corner of each page.

HFA   IHCDA

Entry Name   Vision Squad

Communications	Homeownership	Legislative Advocacy	Management Innovation
☐ Annual Report ☐ Promotional Materials and Newsletters ☐ Creative Media	☐ Empowering New Buyers ☐ Home Improvement and Rehabilitation ☐ Encouraging New Production	☐ Federal Advocacy ☐ State Advocacy	☐ Financial ☐ Human Resources ☒ Operations ☐ Technology
Rental Housing	**Special Needs Housing**	**Special Achievement**	**Are you providing visual aids?**
☐ Multifamily Management ☐ Preservation and Rehabilitation ☐ Encouraging New Production	☐ Combating Homelessness ☐ Housing for Persons with Special Needs	☐ Special Achievement	☒ YES included in PDF ☐ NO

IHCDA Vision Squad

Between July 27 and August 3, 2012, Indiana Housing and Community Development Authority's (IHCDA's) long-time Executive Director, Sherry Seiwert, and Chief Operating Officer, Mark Young, left IHCDA to pursue new opportunities. These changes came on the cusp of a November gubernatorial election which guaranteed a change in administration regardless of which party prevailed. With uncertainty in the air about the future of the leadership of the State as well as IHCDA, J. Jacob Sipe assumed the role of Interim Executive Director, in addition to his existing responsibilities related to Section 42 and federal programs (such as HOME and CDBG) as Chief Real Estate Development Officer.

Immediately, Jake recognized that – regardless of whether he remained as Executive Director following the election – IHCDA could not afford to stagnate. He knew IHCDA would most likely be an unknown quantity to a new administration, and that for IHCDA to succeed, it would need to communicate clearly its mission, vision, strategic priorities, opportunities and challenges.

To help with this communication effort, Jake's immediate priority was to identify a core team of IHCDA staff members to lead the process. While the immediate goal was certainly to draw on a variety of perspectives from within the office to craft a communication piece, the underlying motivation was to indicate to staff that IHCDA valued their experience, insight, contributions and opinions. It provided line staff an opportunity to sit at a meeting with executive staff and give feedback on what "IHCDA" was. For practical purposes, the creation of a core team created a team that could carry consistent communication, in the event that the IHCDA executive officers were relieved of their duties following the election.

On August 10, 2012, Jake and the 2 remaining members of the Executive Staff – Chief Financial Officer Blake Blanch and Interim Deputy Executive Director, General Counsel and Chief of Staff Mark Wuellner – invited a core team of staff, which came to be known as the "Vision Squad", to participate in this conversation.

The nine (9) Vision Squad invitees brought a variety of perspectives, representing: Accounting, Real Estate Development, Asset Preservation (Hardest Hit Fund & Foreclosure Prevention), Single Family, EAP/CSBG, Constituent Liaison, and internal Risk Management. Experience also varied wildly, with one of the invitees having been with IHCDA for 6 months and others holding management positions. What all the invitees had in common was a clear passion of IHCDA and its mission. It was a mix of existing and rising stars.

On August 31st, Jake, Mark and Blake convened the Vision Squad for the first time. All members who had been invited chose to participate. Jake explained the purpose of the Vision Squad, and then asked them to tackle 3 key initiatives prior to October 15th:
1. What should IHCDA's goals be?
2. What key performance indicators should IHCDA measure, or be better about measuring?
3. How can IHCDA promote a positive work environment for staff?

Executive Staff gave basic guidance in terms of timelines and work product, but beyond that, gave no further direction or guidance. Jake understood that any suggestion from Executive Staff would likely taint the Squad's end product.

On October 15, 2012, the Vision Squad invited the Executive Staff to a meeting, and presented the document attached as "Exhibit A". The Vision Squad had come up with recommendations that not only would stretch IHCDA to be better than it was, but that were also implementable. As a personal benefit, the Vision Squad members, to a person, indicated that each of them had learned something about IHCDA or another person or department that they had not previously known as a result of this work.

The Executive Staff reaction was very positive, as noted in an email from Mark Wuellner to the Squad after the meeting: "*Thanks for the vision document. Jake, Blake and I recognize the stresses and pressures you are under with your day-to-day, so it meant a lot to see the time and effort you had put into the document. We were cautiously optimistic going in, and it looks like we didn't need to worry.*"

Mark's email also challenged the Vision Squad to step up and be responsible for implementing their work:

> *At this point, you have done everything you signed up for. If you are willing & able to continue and make some of these recommendations a reality, we have some initial decisions made (below). If now is not the right time, we understand and there's no negative there.*
>
> *On to decisions:*
>
> - *On Task #1, we would like to proceed with a white sheet for each program/funding source. Can you hit November 1st? That would allow us to have a few days to review prior to the election. The attached funding summary sheets that we provide our Board members (starting page 3) might help you avoid reinventing the wheel.*
>
> - *On Leadership/PD Training, we would like to proceed with the first 2 bullets. (The first bullet I am working on - managers you should have an email from Joe Palus already on that). The second bullet, can you please price out some options and make a recommendation? ...*
>
>   *We'd like to make the Academy available by January 2013, so give yourself time to do the various little things necessary (get quotes; recommend a vendor; get approval by Board, if nec.; get under contract; get dates and space lined up; etc.). ...*
>
> *Let us know if you have any questions. Thanks for your leadership.*

Executive Staff knew that these requests would be a challenge. The Vision Squad had already taken on a significant project in addition to normal job duties, all during a time period of great change at IHCDA. Asking them to implement the projects – one within 2 weeks – was asking a lot.

The Vision Squad came through, however. The Program White Sheets, requested by November 1st, arrived in final form, with no need for correction by that date. Executive Staff used these White Sheets to educate the new administration immediately post-election, and currently uses

them on an ongoing basis as learning tools for new hires. They are also distributed to the IHCDA Board of Directors monthly with the Board packets.

The Leadership Academy created by the Vision Squad is currently in full swing, with the initial five (5) member class consisting of five (5) original Vision Squad members. The goal of the Leadership Academy is initially to promote individual and focused professional development for selected individuals who currently hold management positions with IHCDA, for the potential to move into higher level leadership roles. Subsequent programs may identify individuals in the organization to move into their first level of management/leadership in the organization. The yearlong program includes pairing the IHCDA staff with industry mentors, opportunities to tour high-performing Indiana non-profits, and comprehensive leadership and management development training. The Leadership Academy action plan, training modules and calendar is attached as "Exhibit B".

Ultimately, Jake, Mark and Blake used the insight and work product from the Vision Squad to create that communication piece that they recognized back in August would be so necessary to position IHCDA for success in the brave new world of a new state administration. The resulting "IHCDA Vision Presentation" was well-received by the incoming Pence-Ellspermann administration (as evidenced by the removal of the "Interim" tag from Jake and Mark's titles). Like the White Sheets, the IHCDA Vision Presentation has found a second life educating new staff members about what IHCDA stands for. The final "IHCDA Vision Presentation" is attached as "Exhibit C". Executive Staff continues to receive compliments about the Vision Presentation as it moves into new hands. Without the Vision Squad, the IHCDA Vision Presentation would not have been possible.

IHCDA would like to recognize the Vision Squad by name:

Brandee Allen
Jeff Hasser
Kevin Stage
Marquet Smith
Matt Rayburn
Megan Coler
Samantha Higdon
Taura Edwards
Tom Pearson

Exhibit A

Agency Goals
- **Increase external education and awareness about our programs, policies, and processes**
  Task #1: Develop white sheets for the agency and each program
  - What benefits/services does the program offer
  - Who the program serves
  - Where the program is delivered
  - How funding is allocated and who the federal/state funding authorities are
  Task #2: Increase the number of trainings offered by the agency
  - Create On-Demand trainings for each department, as applicable.

- **Enhance intra-state agency communication**
  Task #1: Identify state agencies with a shared mission and serving similar clients as IHCDA and begin cultivating relationships with those agencies.
  - Leverage funds & resources, if available.
    - Stellar Communities Model

- **Be more efficient in collection of information**
  Task #1: Push towards paperless
  Task #2: Reduction of redundancy in forms collected

Performance Indicators
- **Utilization rate of funds-** Pick a few grants and track our goal vs. actual timeline for obligating/awarding and spending of the grant. Then compare it against other states.
- **Percent of funds passed through to sub grantees-** IHCDA utilizes _____ % of EAP awards for administrative expenses and passes the remaining % to its various recipients. Then compare it against other states.
- **Number of clients trained-** Managers/Directors should put at the top of the weekly report how many clients were trained that week/month, as applicable.
- **How many jobs created/used-** IHCDA will track through designated programs the impact IHCDA's investments have on job creation within the state. Depending on the program, we will either reference direct job creation (BEED, IDA, possibly CIFI) or estimate job creation as a function of dollars spent (RHTC).

Positive Work Environment
- **Project Tours & Grand Openings**-
  - Similar to the Board Tours, do bi-annual tours around the city showing staff projects IHCDA has funded.
  - Also inviting staff to ribbon cuttings/grand openings of IHCDA funded projects
- **Staff Acknowledgement/Recognition**-
  - Employee/Manager of the Quarter

- Recognition of staff for awards internally via intranet and email blasts, as well as external newsletters, etc.
- Nomination of staff for various external awards

- **Leadership/Professional Development Training**
  - Offer leadership training for all managers at IHCDA (half to focus on leadership and half on the policies you are expected to know and follow). Then make new managers go through the training within 6 months of becoming a manger.
  - Create the IHCDA Academy for Future Leaders. Small groups or classes will be put through a time and labor intensive program designed to teach leadership, and most importantly expand their understanding of everything IHCDA does. The class ends with a project that benefits IHCDA. A manager's recommendation and possible interview are required for acceptance. All employees who have been with IHCDA 9 months are eligible.
  - Offer professional development training, such as leadership, etc., for any staff interested.

Exhibit B

Planning*plus*⁺

A Certified Woman-Owned Business Enterprise

(WBE)
PROFESSIONAL & ORGANIZATIONAL DEVELOPMENT

2815 E. 62nd Street, Suite 110
Indianapolis IN 46220

jfrazier@planningplusllc.com

IHCDA LEADERSHIP ACADEMY

NOVEMBER 3, 2012
<mark>**UPDATED NOVEMBER 14,**</mark>

<mark>**2012**</mark>

After meeting with the first Leadership Academy candidates, the following process has been revised to better reflect the specific needs of IHCDA. As per the previous outline dated November 3, 2012, this document identifies two processes:

- ❐ Individual and focused professional development for selected individuals;
- ❐ General development for all those members of leadership and management.

IHCDA PROFESSIONAL DEVELOPMENT PROCESS

The following is the process we will use for focused, individual development. All consultation from Jan Frazier will be invoiced at $125/professional hour, including preparation, facilitation, and follow up reports as appropriate. Any specific "training sessions" will be invoiced at general training rates ($1,650 per half day session).

Process Steps	Status @ 11/14/12

Identify specific goals for the project:
  a. Develop current individuals in leadership roles and/or
  b. Identify individuals to move into leadership roles.
	2013 Goal:
	Develop four (4) individuals who currently hold management positions to potentially move into higher level leadership roles.
	
	Subsequent programs may identify individuals in the organization to move into their first level of management/leadership in the organization.

Identify components of the program and the organization's financial and time capacities:
  a. Formal outside learning as appropriate.
  b. Internal development classes/sessions as identified in this document.
	Based on individuals selected to participate in the pilot program, no additional formal education appears to be necessary at this time. 2013 components will consist of:
	  a. Formal Leadership Development classes (4);
	  b. Tours of outside agencies/organizations to gain broader perspectives of leadership (2);
	  c. Shadowing across the organization to obtain a broad

c. Tours of outside organizations to gain broader perspectives of leadership. d. Reading assignments/book reports. e. Potential mentors for candidates (can be internal or external).	internal perspective; d. Reading assignments/book reports (2-3); e. One group project; f. Assignment to a mentor.	
Identify criteria for professional development candidates: a. Positions held in the organization, current and potential. b. Perceived potential to benefit from process. c. Tenure with the organization. d. Perceived commitment to IHCDA.	**2013 Criteria:** Candidates have been selected by Executive Leadership based on current management positions, potential for further development, and perceived commitment to the organization. Majority tenure is 4 years.	
Hold organizational meeting to clarify specific steps in the process and set calendar for 2013 activities.	ORGANIZATIONAL MEETING HELD NOVEMBER 14, 2012, TO IDENTIFY SPECIFIC PROCESS STEPS AND SET CALENDAR.	Facilitation of organizational meeting and follow up: $450.
Conduct current assessment of candidates: a. Skills and behaviors necessary for success in current positions. b. Current skills demonstrated via 2011 and 2012 performance reviews. c. Inherent behaviors demonstrated (DISC Personal Concept). d. Gap analysis of skills/behaviors currently demonstrated vs. those necessary for success. e. Individual interviews with candidates to discuss assessment and create individual development plan.	Jan Frazier to receive by 12/11/12: a. Job descriptions for each candidate. b. Past 2 performance reviews. c. Completed DISC Personal Concepts (scan and send page 4). Jan will conduct individual assessments with each candidate on Wednesday, December 19th; interviews last approximately 60 minutes. **Prefer 9a-10a; 10a-11a; 11a-12p; 12p-1p.**	Preparation, conducting interviews with 4 individuals, follow up plans. Approximately 2 hours/candidate: $1,000.
Selection of mentor/mentee relationships: Identify specific mentor for each candidate (internal or external) and approach mentors to obtain agreement and commitment to the process.	3 mentors have been identified with a potential 4th. Criteria to be a mentor: 1. Holds or has held a leadership role. 2. Has substantial leadership experience (several years).	This work will be done internally.

	3. Broad understanding of organizational dynamics. 4. Can keep confidences. 5. Will make a time commitment to the process, be available to mentee. 6. Mentor and mentee will have a comfortable and open relationship.	

Mentor/Mentee Kick-Off Meeting: a. Training on mentoring for both mentors and mentees: what mentoring means, commitments and expectations. b. Setting the schedule for all quarterly update meetings (see below). c. Setting the schedule for formal leadership training. d. Time for mentors/mentees to begin scheduling meetings and setting goals. e. Discussions of 2 potential agencies to tour. f. Discussion of shadowing opportunities. g. Discussion of group project. h. Assignment of first reading.	Jan Frazier will conduct training, approximately 2 hours. She will also have prepared a summary for each mentor of perceived assigned mentee development needs. Potential dates: January 3, 4, 14, 15, 16.	Preparation and facilitation: $500
Hold quarterly Mentor and Mentee meetings to check progress, applied learning, value, etc. a. Meet with Mentees for 30 minutes. b. Meet with Mentors for 30 minutes. c. NOTE: prefer to hold these back-to-back.	Jan Frazier will facilitate the meetings. Follow up will only occur if issues arise. Meetings will be held in the 3rd or 4th week of each quarter: Q1 = March Q2 = June Q3 = September Q4 = December	Preparation and facilitation: 1.5 hours per session x 4 = $750. NOTE: the original intention was that the Professional Development Team would do this but under current circumstances should be done by outside facilitator.

Total outside costs for consultation, facilitation of meetings, etc., will be approximately $2,700.

LEADERSHIP AND MANAGEMENT DEVELOPMENT

The following sessions are designed in a building-block format with each session built upon knowledge and skills of the previous session. Some of these sessions are more focused on leadership development and some are more focused on management development. *Those candidates selected for the Professional Development Process will attend all sessions. All Executive Leadership should be welcome to attend as well.*

LEADERSHIP DEVELOPMENT

Leadership vs. Management: February, 2013
- An examination of the differences between "leaders" and "managers."
- Necessary skills needed by leaders and achievement-oriented managers of the future.
- Leadership role in managing change in an organization.

Outcome: participants will examine their own tendencies in both leadership and management as well as develop their skills in helping the organization cope with impending (and ongoing) change. This should be scheduled first as new Executive Leadership may be in place or at least identified.

Culture of the Organization: May, 2013
- What it is, where it comes from, who sets it.
- The ideal culture for IHCDA based on its mission, goals and strategies vs. the current perceived culture, with a gap analysis and action plans for closing the gap.
- The impact of managerial behavior on the culture.

Outcome: participants will gain a clear understanding of how their individual performance contributes to an effective and healthy culture (or not). This should be held after new Executive Leadership is established to consider any cultural changes that may be necessary.

Understanding Effective Boards: August, 2013
- Ten Key Responsibilities of Non-Profit Boards.
- Board Governance vs. Board Management.
- The Appropriate Relationship between Board and Staff.
- The Roles of Committees and the Committee Structure.

Outcome: participants will gain knowledge as to how effective and functional boards operate to help them better understand challenges of their partner agencies.

Developing your Business Skills: November, 2013
- Organizational structure and design.
- Strategy selection and implementation.
- Making strategic business decisions.

Outcome: participants will develop their analytical skills in making significant and strategic decisions that impact the success of the organization.

MANAGEMENT DEVELOPMENT

My Skills as a Manager: July, 2013

- Relationship between the organization's mission, strategies and goals, department goals and individual employee performance expectations (managers will be asked to bring the department goals they are working on).
- Skills needed by managers throughout the organization at various stages of management (Katz model).
- Inherent managerial styles of the IHCDA managers (DISC Personal Concept).

Outcome: managers will begin their individual development plans.

Building the Team: October, 2013

- Employee motivation: what it is, what it is not, how it can work for IHCDA managers.
- Characteristics of effective teams.

Outcome: managers will develop their skills in these areas and close the loop on their individual development plans.

LOGISTICS AND FEES

As stated previously, all consultation and support by Jan Frazier will be billed at $125/professional hour, including preparation, facilitation, and necessary follow up.

All formal training sessions are scheduled in half-day increments (8:30-12:00).   The fee for each session is $1,650, which includes design, facilitation, and participant handout materials.   We rely on our clients to make all facility and refreshment arrangements.

Specific dates will be established during the first Mentor/Mentee meeting in January, 2013.

Fees:

Consultation during the Leadership Development process:	$ 2,700
Leadership Development sessions:	$ 6,600
Management Development sessions:	$ 3,300
Total IHCDA investment	$12,600

CALENDAR OF EVENTS

Month	Organizational Meetings	Leadership Development	Mentor/Mentee Meetings	Outside Agency Tours	Management Training
December	Confirming the Process				
January			Initial Training		
February		Leadership vs. Management			
March			Quarterly Update		
April				Tour 1	
May		Culture of the Organization			
June			Quarterly Update		
July					My Skills as a Manager
August		Effective Boards			
September			Quarterly Update		
October				Tour 2	Building the Team
November		Developing Business Skills			
December			Quarterly Update		

Exhibit C

Indiana Housing and Community Development Authority – An Overview

November 6, 2012

J. Jacob Sipe, *Interim Executive Director*,
jsipe@ihcda.in.gov
Mark J. Wuellner, *Interim Deputy E.D. &*
General Counsel, mwuellner@ihcda.in.gov
Blake Blanch, *Chief Financial Officer*,
bblanch@ihcda.in.gov

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THE PURPOSE OF THIS DOCUMENT IS TO ANSWER 3 FUNDAMENTAL QUESTIONS:

- Who are you and what do you do?

- Are you any good at doing it?

- What is your vision for 2013-2014?

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"NOW WHO EXACTLY IS IHCDA?"

That question could really be asking 1 of 4 questions:

- A Technical Question *(How, when and why was IHCDA created?)*
- A Purpose Question *(What is IHCDA's mission?)*
- An Operational Question *(What does IHCDA do? What products and services does IHCDA provide?)*
- A "So What?" Question *(Why is IHCDA important for Hoosiers?)*

Each question speaks to a different aspect of IHCDA. Allow us to address each in turn.

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WHO IS IHCDA? (AS IN "HOW, WHEN AND WHY WERE YOU CREATED?")

- A member of the Lt. Governor's "family of business"

- A financially self-sufficient public body corporate and politic

- Authorizing statute: I.C. 5-20-1 et seq.

- Legislature recognized "*need for safe and sanitary residential housing within the financial means of low and moderate income persons and families, a need which unmet is a threat to the health, safety, morals and welfare of Indiana residents and which will require an excessive expenditure of public funds for the social problems thus created*"

- Quasi-agency status due to authority to issue revenue bonds (which do not create a debt, liability or obligation on the State)

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WHO IS IHCDA? (AS IN "HOW, WHEN AND WHY WERE YOU CREATED?")

- Governed by a 7 member Board of Directors (I.C. 5-20-1-3)
  - 3 Statutorily Required Members:
    - Lt. Governor (Chairperson)
    - Public Finance Director of Indiana Finance Authority
    - Treasurer of State
  - 4 members appointed by the Gov., no 3 of which can be of same political party:
    - Tom McGowan, President/COO, Kite Realty Group (R)
    - David Miller, Chief Executive Officer, Hoosier Uplands Development Corp. (R)
    - Pat Gamble-Moore, Community Representative (D)
    - Lula Porter, Executive Director, Evansville African American Museum (D)
  - Additional information about the Board of Directors provided on a separate sheet

- Financially self-sufficient – have received between $0 and $1 million annually from State General Fund historically ($1million is a required State match of federal funds for the Individual Development Account program (I.C. 4-4-28)).

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WHO IS IHCDA? (AS IN "WHAT IS YOUR MISSION?")

- Name change in 2005 from "Indiana Housing Finance Agency" to reflect additional community development focus, skills, and ability

- Mission Statement:
    The Indiana Housing and Community Development Authority creates housing opportunity, generates and preserves assets, and revitalizes neighborhoods by investing financial and technical resources in the development efforts of qualified partners throughout Indiana.

- Strategic Priorities:
    - Aging in Place
    - Ending Homelessness
    - Comprehensive Community Development
    - Asset Preservation
    - High Performance Building

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WHO IS IHCDA? (AS IN "WHAT PRODUCTS AND SERVICES DO YOU PROVIDE?")

- Separately, IHCDA has provided "Fact Sheets" on every program and funding source administered

- We think in terms of initiatives, and not silos of funding sources, such as:
    - Rural Preservation Loan Fund
    - Indiana Foreclosure Prevention Network
    - Emergency Shelter Weatherization Initiative
    - Stellar Communities Initiative
    - Indiana Permanent Supportive Housing Institute
    - Communities for a Lifetime
    - Weatherization Deferral Program
    - Home Again
    - Business Enterprise and Entrepreneurship Development

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WHO IS IHCDA? (AS IN "WHAT PRODUCTS AND SERVICES DO YOU PROVIDE?")

- Demonstrated willingness and ability to not only adopt, but turn around unwanted and/or poor-performing programs from other State agencies:
    - Neighborhood Assistance Program (from Dep't of Commerce)
    - Individual Development Accounts (from Dep't of Commerce)
    - Section 8 (from FSSA)
    - Housing for Persons with Aids (from FSSA)
    - Emergency Shelter Grant (from FSSA)
    - Shelter Plus Care (from FSSA)
    - Energy Assistance Program (from FSSA)
    - Weatherization (from FSSA)
    - Community Services Block Grant (from FSSA)

- Builders of capacity for partners through low-cost/no-cost training and technical assistance

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WHO IS IHCDA? (AS IN "WHY ARE YOU IMPORTANT FOR HOOSIERS?")

- Sole source, private or public, for certain products and services in the State:
    - Tax-exempt bonds to finance below-market interest rates for 1st time homebuyers (loans are fully underwritten and insured).
    - Down payment assistance for homebuyers
    - Mortgage credit certificate for homebuyers
    - Free foreclosure prevention counseling
    - IHCDA University (online homebuyer education)
    - Indianahousingnow.com (website listing affordable rental housing options)
    - Rental housing tax credits leveraging private equity for multi-family rental development
    - Multi-family bonds issuances
    - Client management system for statewide non-profits to track homeless and others utilizing services as they move through systems

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IHCDA SAYS IT IS GOOD AT WHAT IT DOES - WHY?

- As demonstrated in the previous slides and the Fact Sheets, IHCDA manages a robust portfolio of complex initiatives.
- Is IHCDA successful at doing so? Yes. Here's why:
    - We Are Financially Self-Sufficient and Fiscally Responsible.
    - We Create Jobs And Revenue.
    - We Leverage Private Dollars into the Indiana Economy.
    - We Look for Ways to Save Taxpayer Money.
    - We Respond When Called Upon.
    - We Innovate.
    - We Play Well with Other State Agencies.
    - We Play Well with State and National Partners.
    - We Go Above and Beyond.

- We want to do more than tell – the next slides will provide specific examples of our accomplishments in each of these areas.

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IHCDA SAYS IT IS GOOD AT WHAT IT DOES - WHY?

- **WE ARE FINANCIALLY SELF-SUFFICIENT AND FISCALLY RESPONSIBLE:**
  - **Don't Touch the State General Fund**: As stated earlier, receive between $0 and $1 million from State General Funds annually.

  - **Rated as "Investment Grade" by National Credit Rating Agencies**: Bond indentures rated as Aaa by Moodys & AAA by Fitch. IHCDA itself as an issuer is rated as Aa3 by Moodys:
    - "The Aa3 rating reflects Moody's evaluation [of] IHCDA's solid financial position... Highly rated, low risk bond programs and able management were also incorporated in the rating affirmation." – Moodys Investor Services, September 8, 2006 (the last time Moodys reviewed IHCDA's issuer credit rating).

  - **Support Programs with No Administrative Resources:** Provide full-service staffing and operations on 3 dedicated revenue sources from State that provide $0 in administrative funds:
    - Affordable Housing & Community Development Fund under I.C. 5-20-4
    - Individual Development Accounts under I.C. 4-4-28
    - Indiana Foreclosure Prevention Network under I.C. 5-20-6

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IHCDA SAYS IT IS GOOD AT WHAT IT DOES - WHY?

- **WE CREATE JOBS AND REVENUE**:
  - From 2009-2011, IHCDA trained 281 previously unemployed or underemployed individuals as weatherization contractors, providing them a marketable skillset and experience in a growing industry.
  - As a result of deploying federal stimulus funds in a strategic manner, IHCDA created 1,427 full-time jobs over three years.
  - IHCDA, by investment in The Community Investment Fund of Indiana, Inc., preserved 5 jobs through CIFI's first loan to provide operating support to a grocery cooperative.
  - A 2010 study* shows the estimated 1-year local impact of building 100 apartments in a typical rental housing tax credit development includes:
    - $827,000 in taxes and other revenue for local governments.
    - 122 local jobs.
    - $7.9 million in local income.
  - The same study shows the additional, annual recurring benefits of operating these apartments include:
    - $441,000 in taxes and other revenue for local governments.
    - 30 local jobs.
    - $2.4 million in local income.

*"The Local Economic Impact of Typical Housing Tax Credit Developments," National Association of Home Builders, March 2010.

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IHCDA SAYS IT IS GOOD AT WHAT IT DOES - WHY?

- **WE LEVERAGE PRIVATE DOLLARS INTO THE INDIANA ECONOMY:**
    - The Rental Housing Tax Credit stimulates Indiana's economy by leveraging private debt and equity into new construction and renovation of homes. Every $1 of RHTC which IHCDA commits leverages $9.81 in additional investment in the form of equity, debt and other support.
        - In 2012, for example, IHCDA allocated $12.05 million in RHTC to 14 developments in urban and rural areas throughout the state. Together with roughly $3 million in state and federal funding, this allocation of credits generated $117.3 million in private investment into local Indiana economies.
    - Every $1 loaned by The Community Investment Fund of Indiana, Inc. a community development financial institution created with support from IHCDA, has leveraged $10.37 in additional investment.
    - IHCDA's Affordable Housing & Community Development Fund consistently leverages in substantial resources; each $1 invested in non-tax credit projects in the last year has leveraged $8.77 in additional investment.

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IHCDA SAYS IT IS GOOD AT WHAT IT DOES - WHY?

- **WE LOOK FOR WAYS TO SAVE TAXPAYER MONEY – PART ONE:**
  - **Conduct Financial Underwriting on all Development Applications:** IHCDA analyzes all parties and project costs to ensure that costs are consistent with market transactions, and to ensure that funds are provided in the form of a loan when sustainable.

  - **Only State in Nation to Recycle Federal Tax Credit Stimulus Funding:** IHCDA received $38 million in federal stimulus funding to encourage private investment into the Rental Housing Tax Credit program. Unlike other states, IHCDA saw these funds as an opportunity to create a revolving loan fund that would be recycled on future developments many years after the stimulus programs expired.
    - IHCDA used the initial $38 million to leverage $45 million in private equity capital to produce 852 affordable rental units.
    - As of today, $12 million has been repaid to IHCDA, and IHCDA is now accepting applications to recycle these funds.
    - IHCDA expects $21 million will be repaid within the next 12 months.

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IHCDA SAYS IT IS GOOD AT WHAT IT DOES - WHY?

- **WE LOOK FOR WAYS TO SAVE TAXPAYER MONEY – PART TWO**:
  - **Competitive Tax Credit Allocation Process Generates Revenue for Local Governments:** IHCDA's competitive scoring process for Rental Housing Tax Credits emphasizes adaptive reuse and comprehensive development. The reason? Targeting vacant land and abandoned structures brings properties back on tax rolls. For example, in 2012, 100% of the awarded developments targeted vacancy and abandonment, resulting in a projected increase in tax liability of $4.2 million over the 10 year life of the credits. (Local gov'ts will see revenues increase by more than $4.2 million, as some properties have been paying $0 tax, regardless of their assessments.)

  - **Permanent Supportive Housing Initiative Relieves Stress on State Infrastructure:** Permanent supportive housing is a "Housing First" model of housing the chronically homeless by providing housing that has access to supportive services onsite. National research shows that the reduction on the burden of publicly-funded systems (emergency rooms, shelters, jails, prisons, etc.) under a "Housing First" model is nearly $30,000 per tenant per year, all while achieving better housing and health outcomes for the tenant.

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IHCDA SAYS IT IS GOOD AT WHAT IT DOES - WHY?

- **WE RESPOND WHEN CALLED UPON:**
  - **First on the Ground During '08 Floods and '12 Tornados**: IHCDA staff were on the ground immediately after the 2008 statewide floods and the 2012 tornados in the Henryville area.
    - Staff manned central triage center to provide temporary housing solutions to victims with immediate housing needs
    - IHCDA Dep. Director of Compliance & Asset Management serves as State's "Disaster Housing Manager"
    - Co-Chair the Indiana Disaster Housing and Emergency Services Advisory Committee (Other members include: DHS (co-chair), Red Cross, OCRA, OFBCI, DOE & SDH)

  - **Ramped Up To Account for 1,000% Increase in Weatherization Funds and Weatherized 20,000+ Homes:** IHCDA received $131 million for weatherization through the federal stimulus – 1,000% over IHCDA's standard allocation.
    - We created a centralized purchasing system, which allowed IHCDA to save $1.8 million. We redirected this saved overhead to services, resulting in 372 additional homes receiving weatherization
    - Weatherized over 20,000 homes, with federal monitorings and audits showing no material problems

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IHCDA SAYS IT IS GOOD AT WHAT IT DOES - WHY?

- **WE INNOVATE – PART ONE**:
  - **Co-created & co-manage the Stellar Communities Program:** Stellar leverages the resources of IHCDA, OCRA and INDOT to provide comprehensive solutions to community development needs.

  - **Incubating the first Indiana-Based, Statewide Community Development Financial Institution:** The Community Investment Fund of Indiana, Inc. provides capital to markets and borrowers underserved by traditional lenders.

  - **Created a data management system serving the unique needs of IHCDA – and license it for a fee:** Recognizing that generic software did not serve the needs of the housing finance industry, IHCDA created a system called "AuthorityDMS". Other state housing authorities had similar needs, and 6 have licensed DMS for $85,000 each. Because states may develop upgrades to DMS as they need, IHCDA is able to share the cost of ongoing development. Also, because IHCDA owns all upgrades created by anyone and provides them to other states at no cost, states are encouraged to collaborate on upgrades.

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IHCDA SAYS IT IS GOOD AT WHAT IT DOES - WHY?

- **WE INNOVATE – PART TWO**:
  - **Responded to the slow single-family homebuyer market:** IHCDA created a refinancing product and a homebuyer product available to all qualified homebuyers – not just 1st time homebuyers.

  - **Identified that the declining quality of USDA Section 515 rural rental housing in the State created health and safety issues for residents:** IHCDA created the Rural Preservation Loan Fund, which provides applicants up to a $500,000 loan to rehabilitate a Section 515 property through a competitive application process.

  - **Weatherized emergency homeless shelters Statewide to allow them to spend more dollars on services and less on utility bills:** Contractors conducted structural improvements and installed energy saving measures on 42 shelters across 25 counties, accounting for 606 units and 73 buildings, some of which were built in the 19th century.

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IHCDA SAYS IT IS GOOD AT WHAT IT DOES - WHY?

- **WE INNOVATE – PART THREE**:
    - **Partnered with State Court Administration Division on facilitating settlement conferences for homeowners in foreclosure:** Of conferences that take place in counties with a Court facilitator, 46% result in a workout, and homeowners who receive a modification are 29.2% more likely to be current on the mortgage 6 months after the conference.

    - **Partner with private sector to avoid duplication of resources:** Under agreement with Federal Home Loan Bank of Indiana, monitoring that both IHCDA and FHBLI require is only done once, with results and costs shared.

    - **Created a microenterprise loan fund to help build low-income self-sufficiency:** The Business Enterprise and Entrepreneurship Development initiative provides micro-loans to start-up and existing small businesses.

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IHCDA SAYS IT IS GOOD AT WHAT IT DOES - WHY?

- **WE PLAY WELL WITH OTHER STATE AGENCIES**:
    - **Bonds**: Indiana Finance Authority
    - **Stellar Communities**: OCRA and INDOT
    - **Hardest Hit Fund**: OFBCI and DWD
    - **State Disaster Plan:** Dep't of Homeland Security and OFBCI
    - **Section 811 Grant**: Division of Mental Health & Addiction
    - **Home Again**: FSSA Division on Aging
    - **Neighborhood Assistance Program**: IDOR

- **WE PLAY WELL WITH STATE AND NATIONAL PARTNERS**:
    - 23 Indiana community action agencies & INCAA, their membership group
    - HHS, DOE, HUD, Treasury, IRS, USDA, FEMA, Federal Home Loan Bank
    - Local units of government & township trustee offices
    - Advocacy groups such as: Governor's Council for People with Disabilities, LISC, Back Home in Indiana Alliance, Indiana Association for Community Economic Development, Affordable Housing Association of Indiana
    - Real estate developers, both for-profit and non-profit
    - National banks and servicers
    - Non-profit agencies

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IHCDA SAYS IT IS GOOD AT WHAT IT DOES - WHY?

- **WE GO ABOVE AND BEYOND**:
    - IHCDA hosts a charity golf outing that raises approx. $20,000 each year for a different Indiana-based 501(c)(3)
    - Staff provided relocation assistance to Hurricane Katrina evacuees coming to Indiana
    - Staff returns to the communities affected by the 2008 and 2012 disasters to participate in Habitat for Humanity builds
    - IHCDA helped to incorporate and initially fund a 501(c)(3) to serve as the first Indiana-based community development financial institution, for the benefit of the entire State
    - In 2012, IHCDA proactively solicited the opinions of all IHCDA's partners on the topics of customer service, job knowledge and competencies of IHCDA as a whole and of specific departments (A summary of the survey results is included separately.)

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WHAT IS YOUR VISION FOR IHCDA FOR 2013-2014?

- **OUR VISION COALESCES AROUND 3 INITIATIVES**:
    - Continue to Provide the Highest Quality Customer Service
    - Continue to Improve IHCDA's Effectiveness and Standing in the Market
    - Continue to Promote and Improve Outcome-Driven Performance

- Again, we will do more than tell our Vision – the next slides will show specific examples and logic for each of the 3 initiatives.

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WHAT IS YOUR VISION FOR IHCDA FOR THE NEXT 18 MONTHS?

- **VISION ITEM #1: CONTINUE TO PROVIDE THE HIGHEST QUALITY CUSTOMER SERVICE**
    - Evaluate all IHCDA forms and applications to ensure data being collected is relevant, easy to understand, and is being used to make informed decisions
    - Ensure all departments and programs have current written procedures
    - Identify program policies and expectations to ensure they are clear and easy to understand by our partners
    - Develop a strategy to keep partners informed when policies or procedures change
    - Increase transparency of performance indicators that can help IHCDA partners improve their decisions for their communities
    - Ensure all IHCDA staff will be courteous and professional by being highly trained to provide technical assistance and help solve problems for our partners
- Logic: IHCDA not only administers programs, it is a leader in promoting private-public partnerships. Creating a positive environment will facilitate these partnerships and help maximize partners' ability to be successful in their communities. IHCDA can produce this environment by creating a culture focused on customer service by highly trained staff who are efficient and exhibit problem solving skills.

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WHAT IS YOUR VISION FOR IHCDA FOR THE NEXT 18 MONTHS?

- **VISION ITEM #2 (PART ONE): CONTINUE TO IMPROVE IHCDA'S EFFECTIVENESS AND STANDING IN THE MARKET**
  - Re-evaluate IHCDA's Strategic Plan
    - Review strategic priorities to ensure they continue to be relevant
  - Explore new funding sources and opportunities
    - Provide loan products addressing needs not being met or identify partnership opportunities with private sector financial institutions
    - Complete a cost-benefit analysis to determine whether to provide loan servicing of IHCDA single family products
    - Administer private-label energy reduction programs for energy companies
  - Promote opportunities that allow IHCDA to become more active in community and economic development activities
    - Help The Community Investment Fund of Indiana become self sufficient
    - Identify and support opportunities for the CDBG 108 rural loan guarantee program
    - Promote and link affordable housing with workforce training and education
    - Complement the Indiana Young Entrepreneur Program by targeting vacant commercial space located in mixed-use IHCDA tax credit properties

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WHAT IS YOUR VISION FOR IHCDA FOR THE NEXT 18 MONTHS?

- **VISION ITEM #2 (PART TWO): CONTINUE TO IMPROVE IHCDA'S EFFECTIVENESS AND STANDING IN THE MARKET**
  - Improve communication with IHCDA partners to ensure they are informed about programs, accomplishments, events, deadlines, and opportunities to provide public input
    - Publish an IHCDA e-magazine
    - Host roundtable discussions around the state
    - Create an event calendar where partners can notify IHCDA of their events (ground breakings, open houses, ribbon cuttings)
  - Promote a comprehensive training program for our partners that is affordable and accessible with an emphasis on building capacity in rural communities

- Logic: The only constant in the arena of housing and community development is change – the industry is changing on a near daily basis at the federal, state, and local levels. IHCDA views change as opportunity – opportunity to find innovative ways to better serve Hoosiers, opportunity to support and inform our partners, and opportunity to form new partnerships around innovative community development activities.

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WHAT IS YOUR VISION FOR IHCDA FOR THE NEXT 18 MONTHS?

- **VISION ITEM #3: CONTINUE TO PROMOTE AND IMPROVE OUTCOME-DRIVEN PERFORMANCE**
  - Review current metrics to determine if they are best ways to measure success
  - Measure the community impact of developments receiving 2009 & 2010 RHTC allocations; use results in honing the competitive application process
  - Analyze the leveraging effect of IHCDA resources on private sector resources
  - Identify and track outcome performance indicators on a manager-by-manager level, with quarterly internal updating at the Department Performance Manager meeting
  - Negotiate an acceptable internal rate of return with borrowers on existing 0% interest rate balloon loans that encourages early repayment of loans in full by the 2nd quarter of 2013, thus providing funds to recycle into future initiatives

- LOGIC: In a changing environment where innovation is a necessity, IHCDA must routinely evaluate its progress to ensure public resources are being used wisely. Continually monitoring and quantifying performance data will ensure IHCDA is promoting its mission through a consistent, working strategy.

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QUESTIONS?

Please feel free to contact any member of the Executive Team:

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Thank you,

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