

265—1.8(16) Operational definitions.

1.8(1) Adjusted income. The gross annual income from all sources and before taxes or withholding of all members of a family living in a housing unit, after deducting the following:

- a. Ten percent of combined gross annual income.
- b. The income of any family member (other than the head of household or spouse) who is under 18 years of age.
- c. The first \$300 of the income of a secondary wage earner who is the spouse of the head of the household.
- d. Three hundred dollars for each dependent member of the family residing in the household (other than the head of the household or spouse) who is under 18 years of age or older but has no income.
- e. Unusual income, as determined by the authority.
- f. Extraordinary medical payments, as determined by the authority.
- g. Job related child care expenses.

1.8(2) Administrative agent. A business enterprise which has as one of its principal purposes the origination and servicing of loans secured by real estate mortgages. Such origination and servicing must be part of the administrative agent's normal course of business. Each administrative agent must demonstrate a capacity to originate and service loans as an approved mortgagee of the Federal Housing Administration (FHA) and Veterans Administration (VA).

1.8(3) Area. A county, group of counties or a standard metropolitan statistical area which is acceptable to the authority for the purpose of establishing median income.

1.8(4) Displaced family. A family who is displaced by governmental action or as a result of a disaster as proclaimed by the governor.

1.8(5) Elderly families means families of low or moderate income where the head of the household or spouse is at least 62 years of age or older, or the surviving member of any such tenant family.

1.8(6) Existing housing. A dwelling unit which has been occupied or available for occupancy for more than 18 months from the date of completion of construction.

1.8(7) Family.

- a. Any group related by birth, marriage or adoption and residing as a single family housekeeping unit.
- b. An individual person who is 62 years of age, or disabled or handicapped, or living with another person who is essential to such individual's care or well-being.
- c. A single individual.

1.8(8) Family with one or more persons handicapped or disabled. A family which includes or consists of one or more persons handicapped or disabled residing with such family.

1.8(9) Income adjustments necessary due to unusual prevailing conditions in the area. The authority may establish adjusted income ceilings higher or lower than the median for the area, on the basis of findings that such variations are reasonable and necessary because of prevailing levels of construction costs, unusually high or low family incomes, or other factors which, in the judgment of the authority, are relevant to income available for housing costs.

1.8(10) Iowa homesteading program. A housing rehabilitation program so designated by the authority.

1.8(11) Low or moderate income family.

- a. A family who cannot afford to pay enough to cause private enterprise in their locality to build an adequate supply of decent, safe, and sanitary dwellings for their use.
- b. The authority shall by rule which may be adopted without notice determine the maximum permissible adjusted income separately for each series or issue of bonds prior to or at the time the bonds are issued. The authority may by rule after notice revise maximums from time to time, and may revise the maximum for any one series or issue of bonds independently from the maximums for any other series or issue of bonds.

Pursuant to Iowa Code section 17A.4, subsection 2, the authority has determined that it would be impracticable or contrary to the public interest for the initial determinations to be made after giving notice of its intended action in accordance with section 17A.4, subsection 1, because in most cases the

authority will issue bonds in 30 to 45 days after making a determination. Giving notice of its intended action would slow down the issuance of bonds by from two to four weeks, and interest rates could rise in the period of delay necessitated by the rule-making procedures to the point that bonds could not be sold.

The result would be that Iowa residents would be unable to receive the benefits of mortgaging financing from the sale of tax-exempt bonds.

Furthermore, the notice is unnecessary as the determination by the authority will be based on standards that are widely known in the mortgage credit underwriting field. As the discretion of the authority in initially setting the maximum permissible adjusted income is quite restricted, notice is not necessary before adopting the initial limit.

c. Rescinded IAB 4/3/91, effective 5/8/91.

d. Notwithstanding anything in these rules to the contrary, “low or moderate income family” includes families purchasing or renting qualified residential housing as defined in Iowa Code chapter 16.

1.8(12) *Lower income family.* A family whose adjusted income does not exceed 80 percent of the median income for the area.

1.8(13) *Median income.* An estimate, acceptable to the authority, of the annual family income which occupies a level between the highest and lowest incomes for an area.

1.8(14) *Multifamily housing.* A residential structure which is designed to include greater than four single-family dwelling units.

1.8(15) *Newly built housing.* A dwelling unit which is under construction or has been occupied or available for occupancy for 18 months or less, from date of completion of construction.

1.8(16) *Single-family housing.* A residential structure which is designed to include one to four single-family dwelling units.

1.8(17) *Temporary loan.* A short-term financial obligation secured by collateral acceptable to the authority.

1.8(18) *Very low income family.* A family whose adjusted income does not exceed 50 percent of the median income for the area.

This rule is intended to implement Iowa Code sections 16.1, 16.5, 16.14 and 16.17.