

Feb. 3, 2025

# *Iowa Thriving Communities*

**2026 Iowa  
Thriving  
Communities  
Webinar**



**Economic  
Development**

**Finance  
Authority**

**IT'S GOING TO TAKE A STRATEGIC,  
THOUGHTFUL AND CONCERTED PUBLIC  
AND PRIVATE EFFORT, INCLUDING  
FROM IOWA COMMUNITIES AND  
EMPLOYERS TO ENSURE THAT ALL  
IOWANS CAN AFFORD AND HAVE THE  
OPPORTUNITY TO LIVE IN THE  
COMMUNITIES WHERE THEY WORK.**



**INTRODUCING...**



# ABOUT

THE INITIATIVE WILL PROVIDE COMMUNITIES THAT ARE LEVERAGING INNOVATIVE METHODS TO ATTRACT HOUSING OPPORTUNITIES FOR THEIR WORKFORCE WITH A CHANCE TO BE RECOGNIZED FOR THEIR EFFORTS.

# ABOUT

- A limited number of communities will be awarded the prestigious designation, which comes with highly sought after and scoring points for the:
  - Federal Housing Tax Credit and/or Workforce Housing Tax Credit programs
  - HOME Program
  - Downtown Community Catalyst Program
- The scoring points will be available through the end of the calendar year following the community's designation as an Iowa Thriving Community.

# WHAT DOES THIS MEAN?

- Developers will be highly incentivized to select a community that has been designated as an Iowa Thriving Community for a proposed development through the 2026 Federal Housing Tax Credit or Workforce Housing Tax Credit programs.
- Both programs accept applications from developers for specific housing development proposals through an intensive and competitive scoring process.
- The extra points awarded to a development through the Iowa Thriving Communities designation increase the likelihood that a project may be awarded credits.

## IOWA THRIVING COMMUNITIES ELIGIBILITY

- ALL cities in Iowa are eligible to apply for Iowa Thriving Community designation.
- IFA intends to award the designation to both rural and urban community applicants, so there is no minimum or maximum population limit.
- Because IFA intends to award more designations to rural communities than urban, we are providing the following definition of “rural” for informational purposes only: communities with a population of 20,000 or fewer and not contiguous to a city with a population of 40,000 or greater shall be considered “rural.”
- **Both rural and urban cities are encouraged to apply!**



# FEDERAL LOW-INCOME HOUSING TAX CREDIT PROGRAM

- The LIHTC program provides tax incentives to developers for the construction and rehabilitation of income-restricted rental properties.
- The tax credits are sold to investors who provide up front equity to develop the affordable properties.
- IFA's Qualified Allocation Plan (QAP) details the program requirements and selection criteria, and housing priorities.
- Awards are made annually through a highly competitive application process.



Thomas Place, Bettendorf





# WORKFORCE HOUSING TAX CREDITS

- State tax incentive program for developers to build or rehabilitate housing in Iowa communities.
- \$35 million allocation split equally for Large and Small cities.
- Eligible sites include grayfield/brownfield, upper story, rehabilitation of dilapidated housing, and greenfield.
- Cost Caps are \$298,021 per single family unit or \$241,643 per multifamily unit.
- Large community – Up to \$15,000 per unit tax credit plus sales tax rebate, \$1 million maximum incentive
- Small community – Up to \$30,000 per unit tax credit plus sales tax rebate, \$1 million maximum incentive



Briar Grove Apartments, Decorah



Contact: Nick Sorensen at [nick.sorensen@iowaeda.com](mailto:nick.sorensen@iowaeda.com) or 515.348.6212

- **Community Catalyst Building Remediation grants help communities redevelop or rehabilitate buildings to **stimulate economic growth and reinvestment in the community.****

- § All 940 Iowa Cities are eligible

- § City must be the applicant

- § City/Property Owner must provide \$\$\$

- § Nearly \$25,000,000 grants invested

- § Approaching 250 funded projects

- § 40% of funds must be allocated to cities under 1,500 pop.

- § Consider a local RFP process

# HOME Program

## Iowa Thriving Communities with HOME incentive:

- 2 points available to all Iowa Thriving Communities
- Rental and homebuyer projects



# HOW TO BECOME AN IOWA THRIVING COMMUNITY

**Applications will be scored on the following six categories:**

- Financial Support
- Planning and Assessment
- Targeted Locations
- Strategic Leadership and Partnerships
- Workforce Attraction and Retention
- Iowa Thriving Community Attributes

# FINANCIAL SUPPORT

## Required

- Financial commitment from community

## Additional Scoring Considerations

- Waived Fees or In-Kind Contributions
- TIF and/or Tax abatement
- Active use or willingness to use any TIF LMI set-aside funds held by the city to provide LMI housing assistance
- Local financial support
- Land, including from private sector landowners
- Nuisance property abatement process
- Property acquisition through voluntary assignment of tax sale certificate or purchase at tax sale
- Recognition by adopted resolution of the Local Housing Trust Fund (LHTF) serving the community, including documentation of any Local Match financial contributions the city has made to the LHTF
- Other

## Narrative

*IFA | IEDA are seeking communities that are using their resources to strategically invest in housing in their communities. This category is intentionally broad to allow for creative and innovative solutions to how communities are leveraging funds.*

# PLANNING & ASSESSMENT

## Required

- Evidence of purposeful planning and assessment to address the community's housing needs

## Additional Scoring Considerations | *Documentation Required*

- Comprehensive Plan that addresses the need for affordable housing that is no more than 5 years old (includes housing element, addresses current needs in the community and evidence of city following plan)
- Rural Housing Readiness Assessment – Iowa State University Extension and Outreach
- Housing Needs Assessment – Completed within the past 5 years
- Innovations in Zoning — The relevant local government unit must have made changes to applicable zoning ordinances, subdivision regulations, or other land development regulations to increase development density, expediate approval, reduce impact fees, or reduce parking, building or development costs.
- Housing Steering Committee with current and actionable strategic housing goals
- Rental housing registration and property inspection programs
- Locally adopted Building codes (building code, electrical code, mechanical code, and plumbing code) and performs inspections pursuant to such codes
- Other



# TARGET NEIGHBORHOOD

*(REQUIRED FOR URBAN COMMUNITIES – those not meeting the definition of “rural”)*

## Required | Documentation Required

- Type of project or needed target market
- Neighborhood or site(s) selected
- Infrastructure – in place or plan complete

## Additional Scoring Considerations | Documentation Required

- Development ready (Ready to proceed)
- Specific site(s)
- Thoughtful approach to site selection – how will residents and neighborhoods benefit
- Equitable and inclusive site selection
- Other

# STRATEGIC LEADERSHIP & PARTNERSHIPS

## Required | Documentation Required

- Mayor and City Council Support
- City Staff Support

*Letters of support will be unsatisfactory. Examples of successful documentation includes summaries of recent actions that support the community's commitment to diverse housing options, city policies, city resolutions, proactive efforts to connect residents with housing or other examples.*

## Additional Scoring Considerations | Documentation Required

- Other local government or quasi government (county, school district, COG, etc) support
- Other local nonprofit organizations, especially those serving low-income households
- Local Neighborhood Support
- Innovation
- Other

# WORKFORCE ATTRACTION & RETENTION

## Required | Documentation Required

- Local Employer engagement and partnerships

*Letters of support will be unsatisfactory. Examples of successful documentation includes summaries of recent actions that support the community's commitment to diverse housing options, proactive housing education or other efforts.*

## Additional Scoring Considerations | Documentation Required

- Employers with active employer-assisted housing initiatives, such as:
  - Down payment assistance
  - Partnerships to develop new housing for their workforce
  - Employer assisted rental or homeownership education
  - Employer sponsored inclusionary efforts
  - New or expanding workforce demands
  - Access to: Jobs, healthcare, schools, groceries and other essential services, broadband, childcare
  - High school or community college trade program
  - Employer sponsored childcare
  - IEDA High Quality Jobs Awards within the past 5 years
  - Other



# THRIVING COMMUNITY

## Scoring Considerations | Documentation Required

- Healthy and Culturally Vibrant Communities
- Access to: Jobs, healthcare, schools, groceries and other essential services, broadband, childcare
- High school or community college trade program

## Narrative

*IFA | IEDA are seeking communities that are going above and beyond to promote housing, jobs, education and quality of life in their communities. This category provides an opportunity to describe other initiatives, programs and expansions in the community.*



# 2026 IOWA THRIVING COMMUNITIES APPLICATION TIMELINE

- February 10: Application Period Opens
- May 12: Application Deadline
- Week of July 7: In-person finalist pitches
- Week of July 14: Iowa Thriving Communities announced
- September 2-4: Iowa Thriving Community representatives attend HousingIowa Conference in Cedar Rapids

Additional information available at [iowafinance.com](http://iowafinance.com)

Application available at [iowagrants.gov](http://iowagrants.gov)

# 2026 PROGRAM TIMELINES

	FEDERAL HOUSING TAX CREDIT	IOWA WORKFORCE HOUSING TAX CREDIT	HOME PROGRAM	COMMUNITY CATALYST PROGRAM
<b>Housing Type</b>	Multifamily or Single Family	Multifamily, Single Family, Upper Story	Multifamily or Single Family	Multifamily, Single Family, Upper Story
<b>Project Type</b>	Rental	Rental or For Sale	Rental or Homebuyer	Rental or For Sale
<b>Occupancy</b>	Family or Senior	Family	Family or Senior	Family or Senior
<b>Income Limits</b>	Mixture of 20% to 80% area median income	None	60% at Initial Occupancy	None
<b>Property Size</b>	24 to 60 units	Minimum Units for Eligibility: <ul style="list-style-type: none"> <li>· 4 Single-family units in large community</li> <li>· 2 Single-family units in small community</li> <li>· 1 Multi-family building containing at least 3 units</li> <li>· 2 Upper story units in an existing multi-use building</li> </ul>	Up to 11 units	1 building or 2 if same ownership
<b>Award Amount</b>	Up to \$1.3 million Federal Tax Credit (13million 10-year credit)	Up to \$1 million State Tax Credit	Up to \$1,000,000 per project	Up to \$100,000
<b>Average Number of Annual Awards</b>	10	60	8 (includes Tax Credit Projects)	Minimum 10

2026 APPROXIMATE PROGRAM TIMELINES*				
<b>2026 Application deadline</b>	March 2026	June 2026	March 2025	April 2026
<b>2026 Awards announced</b>	June 2026	August 2026	July 2025	June 2026
<b>Estimate construction start</b>	Spring 2027	Fall 2026	Spring 2026	July 1, 2026
<b>Estimated completion</b>	Fall 2028	Summer 2029	Fall 2027	June 30, 2028
<b>Iowa Thriving Community Incentive Points</b>	2	5	2	5



# 2025

## IOWA THRIVING COMMUNITIES

The following Iowa Thriving Communities have incentive points available for the 2025 Federal Housing Tax Credit Program and/or the Workforce Housing Tax Credit Program:

**Council Bluffs – WHTC**

**Des Moines – LIHTC**

**Fort Dodge – LIHTC & WHTC**

**Mason City – LIHTC & WHTC**

**Newton – LIHTC & WHTC**

**Waterloo – WHTC**



**IOWA** Economic Development | Finance Authority

### **2024 EXTENSIONS (2025 Incentives):**

**Charles City – WHTC • Creston – WHTC**

**Knoxville – WHTC • Manning – WHTC**

**Muscatine – WHTC • Oskaloosa – WHTC**

**Stanton – WHTC • West Des Moines – LIHTC & WHTC**

\*WHTC - Workforce Housing Tax Credit

\*LIHTC - Low Income Housing Tax Credit





**Economic Development** | **Finance Authority**

**thriving@iowafinance.com**

**Robin Bostrom**  
robin.bostrom@iowaeda.com

**Ashley Jared**  
ashley.jared@iowafinance.com

**Terri Rosonke**  
terri.rosonke@iowafinance.com

**Amber Rodgers**  
amber.rodgers@iowaeda.com

**Jim Thompson**  
jim.thompson@iowaeda.com