



Workforce Housing Tax Incentive Workshop

Nick Sorensen | Tax Credit Program Manager
Iowa Economic Development Authority



Workforce Housing Tax Incentive Program

- State tax credit program provides tax benefits to developers to provide affordable housing to Iowa's workforce.
- \$35 million allocation for FY26. \$17.5 million is reserved for Small communities only. The remaining \$17.5 million is for Small and Large communities.
- Maximum cumulative award for a project is \$1 million.



Large Community Definition

- A community in the 11 most populated counties in Iowa:

Black Hawk

Dallas

Dubuque

Johnson

Linn

Polk

Pottawattamie

Scott

Story

Warren

Woodbury



Small Community Definition

- A community in the 88 least populated counties

OR

- A community in the 11 most populated counties that meet both of the following criteria:
 - Population of 2,500 or less, based on 2020 census data
 - Population growth of less than 30% as determined by comparing census data from 2010 to 2020



Towns considered Small Community in large counties

Alburnett	Coggon	Elkhart	Lisbon	New Vienna	Sandyville	Walnut
Alleman	Collins	Epworth	Lone Tree	New Virginia	Shelby	West Branch
Anthon	Colo	Farley	Long Grove	Oakland	Sheldahl	Woodward
Avoca	Correctionville	Gilbert	Luxemburg	Oto	Sherrill	Worthington
Balltown	Crescent	Gilbertville	Macedonia	Oxford	Shueyville	Zearing
Bankston	Cumming	Graf	Martensdale	Panorama	Slater	Zwingle
Bernard	Cushing	Granger	Maxwell	Park	Sloan	
Bertram	Dallas Center	Hancock	Maysville	Pierson	Smithland	
Bevington	Danbury	Hartford	McCallsburg	Prairieburg	Spring Hill	
Blue Grass	Dawson	Hills	McCausland	Princeton	Springville	
Bouton	De Soto	Holy Cross	McClelland	Raymond	St. Mary's	
Bronson	Dexter	Hornick	Milo	Redfield	Swisher	
Buffalo	Dixon	Janesville	Minburn	Rickardsville	Treynor	
Cambridge	Donahue	Kelley	Minden	Riverdale	Underwood	
Carson	Dunkerton	La Porte City	Mitchellville	Roland	University Heights	
Cascade	Durango	Lacona	Moville	Runnells	Walcott	
Central City	Durant	Lawton	Neola	Sageville	Walford	
Centralia	Elk Run Heights	Linden	New Liberty	Salix	Walker	



Eligible Project Sites

- Housing development located on a brownfield, grayfield, or greenfield site
 - Note: greenfield sites are eligible for all project sites
- Repair or rehabilitation of dilapidated housing stock
- Upper story housing development (existing multi-use building)



Minimum Units for Eligibility

- Developer must construct or rehabilitate a minimum of:
 - Four single-family units if located in a Large Community
 - Two single-family units if located in a Small Community
 - One multi-family building containing at least three units
 - Units in a building with shared entry or access to the unit
 - Two upper story units in an existing multi-use building
 - Existing building with commercial on the street level and housing on the upper stories



Project Cost Caps

○ Project Costs

- Per unit cost caps
 - \$325,000 per single-family unit in a small community
 - \$310,000 per single-family unit in a large community
 - \$250,000 per multi-family unit in a small community
 - \$230,000 per multi-family unit in a large community
 - Cost cap is based on the year of close out
- Per unit cost is determined by taking “costs directly related to” the project divided by the total number of units in the project



Costs Directly Related vs. Costs Not Directly Related

- “Costs directly related to” includes:

- Expenditures for site preparation work
- Surveying
- Construction materials
- Construction labor
- Architectural services
- Engineering services

- Costs not directly related include:

- Land acquisition
- Building permits
- Building inspection fees
- Furnishings/appliances
- Accounting services
- Legal services
- Loan origination financing costs
- Developer fees
- Costs associated with selling or renting dwelling units



Tax Incentive Award Amounts

Maximum Award of \$1,000,000/project

- Projects located in a Large Community:
 - State income tax credit of up to 10% of the first \$150k per unit with a maximum of \$15,000 tax credit per unit
 - Additional refund of sales and use taxes on project construction materials
- Projects located in a Small Community:
 - State income tax credit of up to 20% of the first \$150k per unit with a maximum of \$30,000 tax credit per unit
 - Additional refund of sales and use taxes on project construction materials



Tax Incentive Award Calculation Example

Large Community

- \$3,500,000 Total project costs directly related for 24 units
 - $\$3,500,000 / 24$ \$145,833 per unit
 - $\$145,833 * 10\%$ \$14,583 per unit (10% max for Large Community)
 - $\$14,583 * 24$ \$349,992 in Workforce Housing Tax Credits
- \$1,000,000 Construction Materials Total (Iowa)
 - $\$1,000,000 * .06$ \$60,000 Sales and Use Tax Refund
- **$\$349,992 + \$60,000 = \$409,992$ total award amount**



Tax Incentive Award Calculation Example

Small Community

- \$6,000,000 Total project costs directly related for 30 units
 - $\$6,000,000/30$ \$200,000 per unit (can go up to the first \$150k per unit)
 - $\$150,000*20\%$ \$30,000 per unit (20% max for Small Community)
 - $\$30,000*30$ \$900,000 Workforce Housing Tax Credits
- \$2,000,000 Construction Materials Total (Iowa)
 - $\$2,000,000*.06$ \$120,000 Sales and Use Tax Refund
- **$\$900,000 + \$120,000 = \$1,000,000$ max award amount**
 - \$1,020,000 eligible, but over max award



Local Match and Resolution

- Resolution of support from city dated within 6 months of application submission is required
- Local match of at least \$1,000 per unit is required
- Allowable match shall include cash or cash equivalent, tax abatements or exemptions, rebates, refunds, or reimbursements
- The value of the match must be included in the documentation from the city or a summary must be provided



Example of Resolution

RESOLUTION NO. 2024 - 0602
with attachments

RESOLUTION SUPPORTING THE SUBMISSION OF AN IOWA ECONOMIC DEVELOPMENT AUTHORITY (IEDA) APPLICATION TO THE WORKFORCE HOUSING TAX CREDIT PROGRAM BY (COMPANY NAME AND ADDRESS)

WHEREAS, (COMPANY NAME) proposes to construct twenty-four multi-family residential units and invest \$3,500,000; and

WHEREAS, the proposed project will support the City's efforts to create new housing opportunities for a growing workforce within the community; and

WHEREAS, (COMPANY NAME) has committed a significant amount of private financing to the project; and

WHEREAS, the City of (CITY NAME) created the "City of (CITY NAME) Urban Revitalization Area Plan" on October 1, 2007, pursuant to Ordinance No. 2007-0861, and subsequent amendments to the same on December 17, 2007, pursuant to Ordinance No. 2007-1125, June 7, 2010, pursuant to Ordinance No. 2010-0413, November 24, 2014, pursuant to Ordinance No. 2014-0862, and September 14, 2020, pursuant to Ordinance No. 2020-0698, which will provide assistance to the project in the form of residential property tax abatements; and

WHEREAS, (COMPANY NAME) application to the Workforce Housing Tax Credit Program, a copy of which is attached hereto and by this reference made a part hereof, will provide necessary tax credits and other benefits which will directly contribute to the success of the development; and

WHEREAS, the City supports said application to the Workforce Housing Tax Credit Program by (COMPANY NAME).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF (CITY NAME), IOWA, that the City Council of the City of (CITY NAME) hereby supports the submission of an Iowa Economic Development Authority Application to the Workforce Housing Tax Credit Program by (COMPANY NAME), as referred to in the preamble hereof, for necessary tax credits and other benefits directly contributing to the success of the development at (PROJECT ADDRESS)

(MAYOR NAME/TITLE)



Ineligible Projects

- Projects located in a 100-year flood plain unless a Letter of Map Revision (LOMAR) from FEMA is included in the application
- Projects receiving 4% or 9% Low Income Housing Tax Credits
- AirBnB, VRBO, or any short-term rentals
- Projects that are in use and not dilapidated



Threshold Items

The following items must be in the application, or it is not eligible to be reviewed.

- Resolution of support from the city
 - Must be from the calendar year of application
 - Must be executed
 - Must be for the developer and project listed in application
 - Must reference the Workforce Housing Tax Incentive Program
- Community Input Form
 - Community to explain why the specific type of housing is needed
 - Must reference the specific project
 - Must explain this housing project's priority to the city
- \$1,000 per unit financial match per residential unit from the City
 - May be included in Resolution of Support, a Developer Agreement, or letter signed by Mayor stating project sits in tax abatement district



Threshold Items

The following items must be in the application, or it is not eligible to be reviewed.

- Per unit cost does not exceed per unit cost cap
- Project has minimum number of units
- Project is not in 100-year floodplain
 - Screenshot from FEMA website
 - Must clearly identify project parcel in relation to floodplains
 - No portion of the parcel the project is to be built on may be in the 100-year floodplain
 - A letter of Map Revision from FEMA will be accepted



Workforce Housing Application

- General Information
 - Entity completing the application
- Contact Information
 - Legal Entity applying for the award, Parent Company, and Consultant information
- Project Information
 - Project Site (14 pts)
 - Units (4 pts)
 - Financing and Project Readiness (15 pts)
 - Project Impact (13 pts)
- Financing Sources & Budget
 - Supporting documentation for all funding sources
- Attachments



General Information Section

- Applicant
 - Legal Entity applying for award (make sure spelling and punctuation are accurate – LLC vs. L.L.C., etc.
 - Entity Authorized Signor
 - Legal representative to sign contracts
 - Certificates will be issued to the Legal Entity and the legal representative will be the legal signor on certificates when issued
- Parent Company Contact Information
 - If the applicant entity was created for the project this would be the majority shareholder/partner.
- Consultant Contact Information, if applicable



Project Site/Location

14 points total

- Adaptive Reuse (1 pts)
 - Reusing/redevelopment of a building for a purpose other than which it was originally built or designed for
- Historic (1 pts)
 - State Historic Tax Credit project with an approved Part 2 by State Historic Preservation Office
- Infill (1 pts)
 - New Construction
 - Existing build out neighborhood or area with infrastructure in place
- Rehabilitation of Existing Residential Building (1 pts)
 - Dilapidated property (explanation/verification required)



Project Site/Location

14 points total

- Project Name (what your project will be referred to in press releases)
 - Project Address
 - If also a greenfield site, list the street name and block number
 - City, State, County, and Zip Code **are required**
- Description of project
 - This information will be used for media, legislative reporting, and press releases



Project Site/Location

14 points total

○ Site Appeal (0 – 5 pts)

- Consider access to grocery, shopping, services, employment, schools, parks or other attributes that will make this location desirable and marketable
- Consider features like garage, parking, laundry in units, common space, appliances, storage on-site, walk-in closets, yards, etc.
- Does the project fit the community?
- Does the project increase the value of surrounding areas?
- Is the project an upper story project that will bring increased foot traffic downtown?



Proposed Project

14 points total

- Project Readiness (0 – 5 points)
 - Project start date
 - Project End date
 - Project is zoned correctly
 - Must be documented with a letter from the local authority stating the project is zoned correctly for the specific project at time of application. Should state location of project, type of project and developer
 - Architectural drawings with floor plans and dimensions are available
 - Shows project is ready to proceed and will not need to address this step
 - Other factors that allow the project to proceed quickly after potential award
 - General Contractor is under contract, financing is secured, etc.



Unit Information

4 points total

- Rents or Asking Price
- Number of Units
 - Square footage per unit
 - Number of bedrooms per unit
 - Number of bathrooms per unit
- Project Building Type
 - Single Family, Townhome, Duplex (2 pts)
 - Upper Story Housing, Multifamily, Mixed Use
- Occupancy Type
 - Rental
 - Owner Occupied (2 pts)



Financing and Readiness to Proceed

15 points total

○ Financing (5 pts)

- Funding must be secured with documentation uploaded to be included in scoring. Written documentation must include amount of financial commitment, terms of financing, and date funds would be available to be consider secured
- Assessment based on including Requested Workforce Housing Tax Incentive amount and/or Requested Sales Tax Refund amount.
- Personal or developer equity verified by a 3rd party
 - CPA or bank letter verifying amount is available and unencumbered
- Loans documented by a bank letter including developer, project, address, amount, term and rate on letterhead with signature or contract



Financing and Readiness to Proceed

15 points total

- Financing (5 pts)

- Scoring will be based on percent of financing committed and secured
 - 5 points – 100% (Funding secured minus Workforce/Sales tax award)
 - 4 points – 90% - 99% (Funding secured minus Workforce/Sales tax award)
 - 3 points – 80% - 89% (Funding secured minus Workforce/Sales tax award)
 - 2 points – 70% - 79% (Funding secured minus Workforce/Sales tax award)
 - 1 points – less than 70% (Funding secured minus Workforce/Sales tax award)

- Under Served Points (2 pts)


- City has not received a WHTIP award in the past 3 application rounds

- Financial and Development factors (0-3 pts)

- Consider purchase cost, ease of development, access to infrastructure or other factors that led to site selection



Example of private lender letters of interest

**CorTrust Bank**

300 Cherapa Place, Suite 101
Sioux Falls, South Dakota 57103
605.444.4000

May 23, 2023

Mr. or Mrs.,

Please let this letter serve as an outline for CorTrust Bank's financing proposal for a 64-unit apartment in City, IA, consisting of 1, 2, and 3-bedroom units. Please give us a call if you have any questions concerning this offer. Thank you for giving CorTrust Bank an opportunity on this loan request. We appreciate your business!


Construction Loan

Borrower:	City Developers, LLC
Loan Amount:	\$7,162,250.00
Equity Amount:	\$1,850,000.00
Loan Type:	Multiple Advance Closed End Interest only through construction plus a 3-month ramp-up period, then P&I payments until maturity
Amortization:	Up to 25 Years
Loan Maturity:	Up to 10 Years
Interest Rate:	7.25% - Fixed 5 Years, then 5-Year CMT + 275 bps
Penalty:	The loan will have a prepayment penalty equal to 1% for the first three years. The prepayment penalty will be waived if collateral is sold to an unrelated 3rd party or paid off from business cashflows.
Loan Fee:	50 bps at origination
Costs:	Appraisal, Title Work, All Other Third-Party Costs
Guarantees:	125% Pro-rata guarantees from both <u>investors</u>

It should be noted that equity investors, Bob Smith and Susan Smith, have current financials on file at CorTrust Bank, and their capacity to contribute the required capital for the project is verified.

Member FDIC

CortrustBank.com

**CorTrust Bank**

300 Cherapa Place, Suite 101
Sioux Falls, South Dakota 57103
605.444.4000

Covenants:

Borrower agrees to provide the following financial information:

- Reviewed financial statement within 120 days of fiscal year-end
- Complete tax return within 120 days of fiscal year-end
- Occupancy reporting quarterly once lease-up begins
- Guarantor personal financial statements, tax returns, and related K-1s annually

Borrower agrees to maintain a minimum Debt Service Coverage Ratio of 1.15:1.00 prior to distributions to investors, and 1.00:1.00 after distributions to investors. Debt Service Coverage Ratio will be calculated using Net Operating Income divided by Debt Service. Net Operating Income will be defined as Operating Income prior to Interest, Depreciation, and Amortization expense. Debt Service will be defined as all Principal and Interest expense.


Borrower agrees to establish and maintain a Building Maintenance Reserve account at CorTrust Bank, funded with 2% of gross revenues.

Borrower agrees to make no distributions to investors during the construction period.

Borrower agrees to use all member equity for construction expense prior to any use of loan proceeds.

Upon completion of the apartment, borrower agrees to maintain insurance in amounts and coverages acceptable to the bank. The policy will have a mortgage clause naming the bank as loss payee.

Sincerely,



Market President

Member FDIC

CortrustBank.com



Financing and Readiness to Proceed

15 points total

- Iowa Thriving Communities (5 points)
 - Project must be in a current Thriving Community/District as approved by IEDA/IFA
 - This initiative provides communities that are leveraging innovative methods to attract housing opportunities for their workforce with a chance to be recognized for their efforts
 - A limited number of communities are awarded the designation, which comes with highly sought after scoring points for the Federal Housing Tax Credit and/or Workforce Housing Tax Credit programs
 - The scoring points will be available through the end of the calendar year following the community's designation as an Iowa Thriving Community



Iowa Thriving Communities - 2025



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**



2024 EXTENSIONS (2025 Incentives):

- Charles City – WHTC • Creston – WHTC**
- Knoxville – WHTC • Manning – WHTC**
- Muscatine – WHTC • Stanton – WHTC**
- West Des Moines – LIHTC & WHTC**

IOWA Economic Development | Finance Authority



Project Impact

13 points total

- Developer Experience and capacity (0 – 3 points)
 - Developer possesses the necessary experience to successfully complete the proposed project.
 - Developer has completed similar projects
 - Success of previously awarded Workforce Housing Tax Incentive Program awards
 - Other active projects and level of completion. Resources available to the developer to successfully complete its projects within the requirement of the program



Project Impact


13 points

- Economic Impact (0 – 5 points)
 - Describe recent business expansions that created a need for additional housing in the community and the number/types of jobs to be created as a result of these expansions
 - Describe planned business expansion that may create a need for additional housing in the community and the anticipated number/types of jobs to be created as a result of these expansions
 - Describe how housing is a barrier to job growth in the neighborhood or community, and how this project will make an impact
 - City will provide Community Input form to provide information about new jobs, housing need, how they identified the need for this specific type of housing



Community Input Form

WORKFORCE HOUSING
TAX INCENTIVE PROGRAM
COMMUNITY INPUT FORM



Communities supporting a Workforce Housing Tax Incentive Program application are to complete this form. This is to be filled out by the city where the project is being proposed and signed by a city official.

Community Name:

Project Name:

Developer Name:

Printed Name of City Official Completing the Form:

Is the type of housing proposed in this project a priority for the community? ☐ Yes ☐ No
If so, explain why:

Describe recent or planned business expansions that created a need for additional housing in the community and the number and types of jobs to be created because of these expansions.

How will the project impact the local economy?

VISIT US ONLINE AT iowaeda.com

WORKFORCE HOUSING TAX INCENTIVE PROGRAM | COMMUNITY INPUT FORM

Describe how housing is a barrier to job growth in the neighborhood or community.

Describe how this project addresses the needs of the local housing market.

Describe the impact of this project on the neighborhood and how it meets the needs of the community.

City Official Signature

Date

FOLLOW US

[!\[\]\(c17a4ad420c346a13a379ec2c2f3d057_img.jpg\)](#) [!\[\]\(41f056cec2ea9da453f2d4b9c95284fa_img.jpg\)](#) [!\[\]\(12a79dbbf604ba7c31ab212ea78f3d62_img.jpg\)](#)



Project Impact

13 points

- Project Innovation (0 – 5 points)
 - Consider building materials, building standards, sustainability, durability, energy standards
 - Consider partnerships with local employers
 - Consider unique financing mechanisms
 - What sets this project apart from others in the area?



Workforce Housing Application

Required Attachments

- Release of Tax Information
- City resolution of support for the project
- Photos of project/site
- Pictures of exterior/interior showing condition for dilapidated properties
- Financial match from city (it not covered in city resolution)
- Map of proposed project location
- Documentation of site control
- Completed Community Input Form
- Screenshot of [FEMA Map](#)
 - FEMA LOMAR letter (if site is depicted in 100-year flood plain)



Application Reminders

- Please ensure applications are correct and complete before submitting
- Once submitted, applications may not be corrected
- Please make sure all contact information is correct as we will use information provided to communicate with applicants



Application Reminders

- Best way to reach out with questions is via email:
nick.sorensen@iowaeda.com
- Expect this application round to be highly competitive with requests exceeding the amount of available credits
- In the FY25 round, IEDA received twice the amount of applications than were able to be funded



Application Review Timeline

- Applications are due June 10, 2025 at 4:30 pm Central Time
- Awards are expected to be announced mid-August




IowaGrants System

- Awarded projects will be managed through lowagrants.gov.
- Maintenance in Dec. 2022 now requires a password reset
- IEDA close out documentation and other project related documents will be submitted through this account.
- Application, award letter, contract, annual compliance reports and correspondence maintained in this system.





Application Preview




IOWA GRANTS

Welcome to
iowaGrants.gov


 Login

 IowaGrants Users Click Here To Login

Click Here to Access Single Sign On Tool

 Interested in the current posted Opportunities?


View Current Funding Opportunities

 **DISABLED (IOWA USERS DO NOT USE)**

User ID

Password

SIGN IN

 Announcements

***** SYSTEM LOGIN PROCESS FOR ALL USERS *****
All IowaGrants Users must login using the Single Sign On Tool via the blue button titled
Click Here to Access Single Sign On Tool
**You will not use the 'Disabled' section on this page.*

Login & Registration Instructions
If you are registering for the first time, please follow the instructions below:
Text: <https://dom.iowa.gov/media/149/download?inline>
Video: <https://youtu.be/OHE2ijDwQ2c>

Program Information
If you have questions specific to the program or grant you are applying for, please contact the program manager should you have questions.

Additional Support
If you are having difficulty registering or logging into IowaGrants, please contact the State of Iowa Service Desk by calling 515-281-5703 or 1-800-532-1174.

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WebGrants 7.5.2



Click on lines to access section

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548662 - Test

Status: Editing

Stage: Final Application

Application Due Date: Jun 10, 2024 4:30 PM

Program Area: Workforce Housing Tax Credits

Funding Opportunity: 95226-Workforce Housing Tax Incentive Program

Organization: Iowa Economic Development Authority

Requested Total: \$0.00

Application PreviewAttachmentsAlert HistoryMapVersions

Application Details

Preview ApplicationWithdrawNotes (0)Feedback

Application cannot be Submitted Currently

- Opportunity not in proper status
- Application Deadline has past
- Application components are not complete

Component	Complete?	Last Edited
General Information	✓	Jan 30, 2024 3:19 PM - Don Dursky
Contact Information		Jan 6, 2025 11:05 AM - Nick Sorensen
Project Information		Jan 6, 2025 11:06 AM - Nick Sorensen
Unit Information		Mar 15, 2024 2:30 PM - Nick Sorensen
Budget		Feb 25, 2025 1:14 PM - Nick Sorensen
Required Attachments		Mar 14, 2024 2:59 PM - Nick Sorensen
Other Attachments		Apr 10, 2024 10:53 AM - Nick Sorensen
Offline Correspondence		Apr 10, 2024 10:53 AM - Nick Sorensen

Click on green “Edit Form” button to edit

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App List

Genera

Contac

Projec

Unit I

Budget

Requir

Other

Offlin

Contact Information - Current Version

Create New Version

View Versions

Applicant Information

Mark as Complete

Edit Form

Applicant Name*: Legal entity applying for award

Entity Type

Iowa Secretary of Federal Taxpayer ID number

State business number

Salutation Contract Signer First Name Contract Signer Last Name

Contact Title

Address

City State Zip Code


Phone E-mail


Parent Company Contact Information

Provide Parent company contact information.



Enter information and when complete click green “Save Form”

 Applicant Information



Applicant Name*:

Legal entity applying for award

Entity Type

Iowa Secretary of State business number

Federal Taxpayer ID number

Salutation

Contract Signer First Name

Contract Signer Last Name

Contact Title

Address


City

State

Zip Code

Phone

Email



Click green Add Row for each unit type/address

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Unit I

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Other

Offlin

Unit Information - Current Version

Create New Version

View Versions

IEDA has provided a webinar on the Workforce Housing Tax Credit program to the Workforce Housing Tax Credit web site. Applicants are encouraged to watch the webinar under the Application Process and review the accompanying slides under Resources to understand eligibility and how to correctly complete the application.

Project Unit Information - Multi-List

Mark as Complete

Add Row

Each unit type must be added separately. This includes differences in square footage, number of bathrooms or bedrooms, rent or sale amounts, etc.

Building Address	Housing Activity	Project Building Type	Unit Ownership	# Units in Project	# of Bedrooms per unit	# Bathrooms per unit	Total Square Footage per unit	Rent or sales asking price
	New construction on greenfield	Single Family	Owner Occupied	4	2	2	1600	\$290,000.00

Last Edited By: Nick Sorensen - Mar 15, 2024 2:30 PM

Add Row

Enter information required and click green “Save Row”

Project Unit Information

Save Row

Each unit type must be added separately. This includes differences in square footage, number of bathrooms or bedrooms, rent or sale amounts, etc.

Building Address:

Housing Activity:

Select an Option

Project Building Type:

Select an Option

Unit Ownership:

Select an Option

Units in Project:

of Bedrooms per unit:

5

Bathrooms per unit:

Total Square Footage per unit:

Rent or sales asking price:

\$0

Save Row



Once all information has been entered in each section click orange “Mark as Complete”

548662 - Test

Status: Editing

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Organization: Iowa Economic Development Authority

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App List

General

Contact

Project

Unit I

Budget

Require

Other

Offline

Unit Information - Current Version

Create New Version

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Add Row

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	New construction on greenfield	Single Family	Owner Occupied	4	2	2	1600	\$290,000.00

Last Edited By: Nick Sorensen - Mar 15, 2024 2:30 PM

Add Row

Previous

Next

Click green “Add Row” for each Financing Source including Workforce Housing Tax Credit and Sales Tax Refund Requests

Workforce Housing TC and Sales Tax Refund must be listed as a source as this is your requested award amounts

Project Financing Sources - Multi-List

✓ Mark as Complete

+ Add Row

- Project expenditures shown in the below section **MUST EQUAL** Project Financing Sources shown in this section.
- A Workforce Housing Tax Incentive amount must be included as a source of funds
- If requesting a Workforce Sales Tax Refund Amount, it must be included as a source of funds.

Source	Amount	Status	Supporting Documentation	Comments
	\$0.00			
	\$0.00			

Last Edited By: Nick Sorensen - Feb 25, 2025 1:14 PM

+ Add Row

Project Expenditures (RESIDENTIAL ONLY)

✓ Mark as Complete

✕ Edit Form

PROJECT EXPENDITURES AND PROJECT FINANCING **MUST BALANCE**.

Building Acquisition: \$0.00

Sources of funds must equal Expenses. Make sure to save row after each entry. Upload supporting documentation of secured financing

Project Financing Sources

Save Row

- Project expenditures shown in the below section **MUST EQUAL** Project Financing Sources shown in this section.
- A Workforce Housing Tax Incentive amount must be included as a source of funds
- If requesting a Workforce Sales Tax Refund Amount, it must be included as a source of funds.

Source:	<div>Select an Option</div>	
Amount:	Requested Workforce Housing Tax Credit Amount	
Status:	Requested Workforce Sales Tax Refund Amount	
Supporting Documentation:	Historic Tax Credit Equity (State)	Select file
	Historic Tax Credit Equity (Federal)	
	Local Match	
Comments:	Developer (Cash or Equity)	
	Private Lender (Loan)	

Save Row



All expenses must be included in this section, eligible or not. If mixed use, only include residential portion

Project Expenditures (RESIDENTIAL ONLY)

Mark as Complete Edit Form

PROJECT EXPENDITURES AND PROJECT FINANCING *MUST BALANCE.*

Building Acquisition:	\$0.00
Land Acquisition:	\$0.00
Site Development (including demolition):	\$0.00
Construction (materials only)	\$400,000.00
Iowa Sales Tax Refund is 6% on this amount:	
Construction (labor and operations):	\$600,000.00
Architect/Engineer Fees:	\$0.00
Building Permits and Fees:	\$0.00
Construction Loan Interest:	\$0.00
All Other Soft Costs:	\$0.00
Reserves and Lease-up:	\$0.00
Total:	\$1,000,000.00

Last Edited By: Nick Sorensen - Feb 25, 2025 1:14 PM Edit Form



Estimated award auto calculates from eligible expenses in your Expenditures section.

Estimated Award

✓ Mark as Complete

Edit Form

Maximum award amounts are calculated, but lesser amounts maybe requested. Please confirm the amount of Sales Tax Refund and Workforce Housing Tax Incentive Program requested in this application.

Cost per Unit

NOTE: project costs may not exceed the following per unit cost caps:

- Single family unit in small city area - \$325,000 per unit
- Single family unit in an urban city area - \$310,000 per unit
- Multi family unit in a small city area - \$250,000 per unit
- Multi family unit in an urban city area - \$230,000 per unit

Historic preservation projects involving historic property as defined in Iowa Code Section 404A.1(2), may not exceed 125% of the maximum per unit cost established based on project type and location.

Sub-Total Residential Costs from above:	\$1,000,000.00
Excludes land acquisition, building permits and fees, loan fees and interest, project accounting and legal, developer fee, appliances and furnishings, and reserves and lease-up	
Number of Units:	4
Cost per Unit:	\$250,000.00

Estimated Amount of Assistance

Estimated amount Workforce Housing Tax Credit:	\$0.00
Estimated Iowa Sales Tax Refund (on materials only):	\$24,000.00

Acknowledgement

I understand amounts calculated are estimates based on initial application information provided to IEDA. Amounts of assistance estimated are maximum amounts and could be less depending on final project costs. Award amounts under the Workforce Housing Tax Incentive Program will not be increased should project costs increase.

The requested amount listed above will be used for award amounts if less than estimated amounts.

I understand*: No

I understand compliance fees imposed in Iowa code Section 15.330(12) shall apply to all Workforce Housing Tax Incentive Program agreements.


I Understand*: No



All Required Attachments must be completed and uploaded for project to be eligible


Forms are available for some documents by clicking “Here” on the line

[App List](#) [Genera](#) [Contac](#) [Projec](#) [Unit I](#) [Budget](#) [Requir](#) [Other](#) [Offlin](#)


 **Required Attachments** - Current Version

Create New VersionView Versions

Application includes each of the following attachments. DO NOT submit application without completing and uploading all required documents listed below. Incomplete applications will not be reviewed.

 - Named Attachments

Mark as Complete

Named Attachment	Required	Description	File Name 	Type	Size	Upload Date	Delete?
Release of Information Download form here							
Resolution in support of the housing project by the community where the housing project will be located: Download Resolution example here If \$1,000 per unit match is not included in resolution, please upload additional documentation in Other Attachments tab.							
Map of the proposed project within the community							
Documentation of site control of the property (deed, purchase agreement or option to purchase)							
Completed Community Input Form Download form to be completed here.							
Pictures of current project (outside, inside, etc.)							



Once you have a green checkmark in each, review your application and submit

548662 - Test

Status: Editing

Stage: Final Application

Application Due Date: Jun 10, 2024 4:30 PM

Program Area: Workforce Housing Tax Credits

Funding Opportunity: 95226-Workforce Housing Tax Incentive Program

Organization: Iowa Economic Development Authority

Requested Total: \$0.00

Application PreviewAttachmentsAlert HistoryMapVersions

Application Details

Preview ApplicationWithdrawNotes (0)Feedback

Application cannot be Submitted Currently

- Opportunity not in proper status
- Application Deadline has past
- Application components are not complete

Component	Complete	Last Edited
General Information	✓	Jan 30, 2024 3:19 PM - Don Dursky
Contact Information		Mar 4, 2025 10:00 AM - Nick Sorensen
Project Information		Jan 6, 2025 11:06 AM - Nick Sorensen
Unit Information		Mar 15, 2024 2:30 PM - Nick Sorensen
Budget		Feb 25, 2025 1:14 PM - Nick Sorensen
Required Attachments		Mar 14, 2024 2:59 PM - Nick Sorensen
Other Attachments		Apr 10, 2024 10:53 AM - Nick Sorensen
Offline Correspondence		Apr 10, 2024 10:53 AM - Nick Sorensen

Next Steps

- Projects that are awarded will receive an award letter from IEDA at award announcements
- Projects will receive a contract from IEDA
- Review, sign documents and return within 60 days or IEDA needs to be notified of return of award



Important Dates

- Annual Compliance Reporting
 - Annual Compliance Reports sent out May 1st
 - Due June 1st each year until project completion
- June 30, 2026 – construction has started
 - Break ground and making progress
 - Credits to be rescinded for reallocation
- Completion with 3 years of award date
 - Completion means that a certificate of occupancy has been issued



Project Close Out

- Schedule of Expenses
- Release of Confidential State Tax Information
- Articles of Incorporation (only required if an entity)
- Certificate of Existence (only required if an entity)
- Certification Statement
- Certificate of Occupancy (details on next slide)
- CPA Examination required
 - Must be signed by the individual completing the exam
 - Reach out to your CPA once awarded
 - Must have the Qualifying Expenses Amount in the exam
- Photographs (Minimum of 6 photos interior/exterior)



Certificate of Occupancy

- The tax certificate is based off the date on the Certificate of Occupancy showing that the project was placed in service and project is complete.
- The Certificate of Occupancy should include:
 - City/Company name
 - Owner
 - Parcel Number
 - Address
 - Zoning
 - Construction Type
 - If multifamily, number of units
 - Building Code it was constructed to
 - Date completed
 - Signature of authority certifying the property



Fees

- Origination Fee
 - \$500 for all projects
- Compliance Fee
 - .5% of Award amount for all awards over \$100,000
 - Example: \$1,000,000 award = \$5,000 Compliance Fee



Upper Story Example

Tipton Theater

2 Units
\$52,060 Award



Multifamily Building Example

Coralville “The Lundell”

80 Units

\$1,000,000 Award



Single Family Example

Glidden Duplexes

4 Units
\$88,537 Award

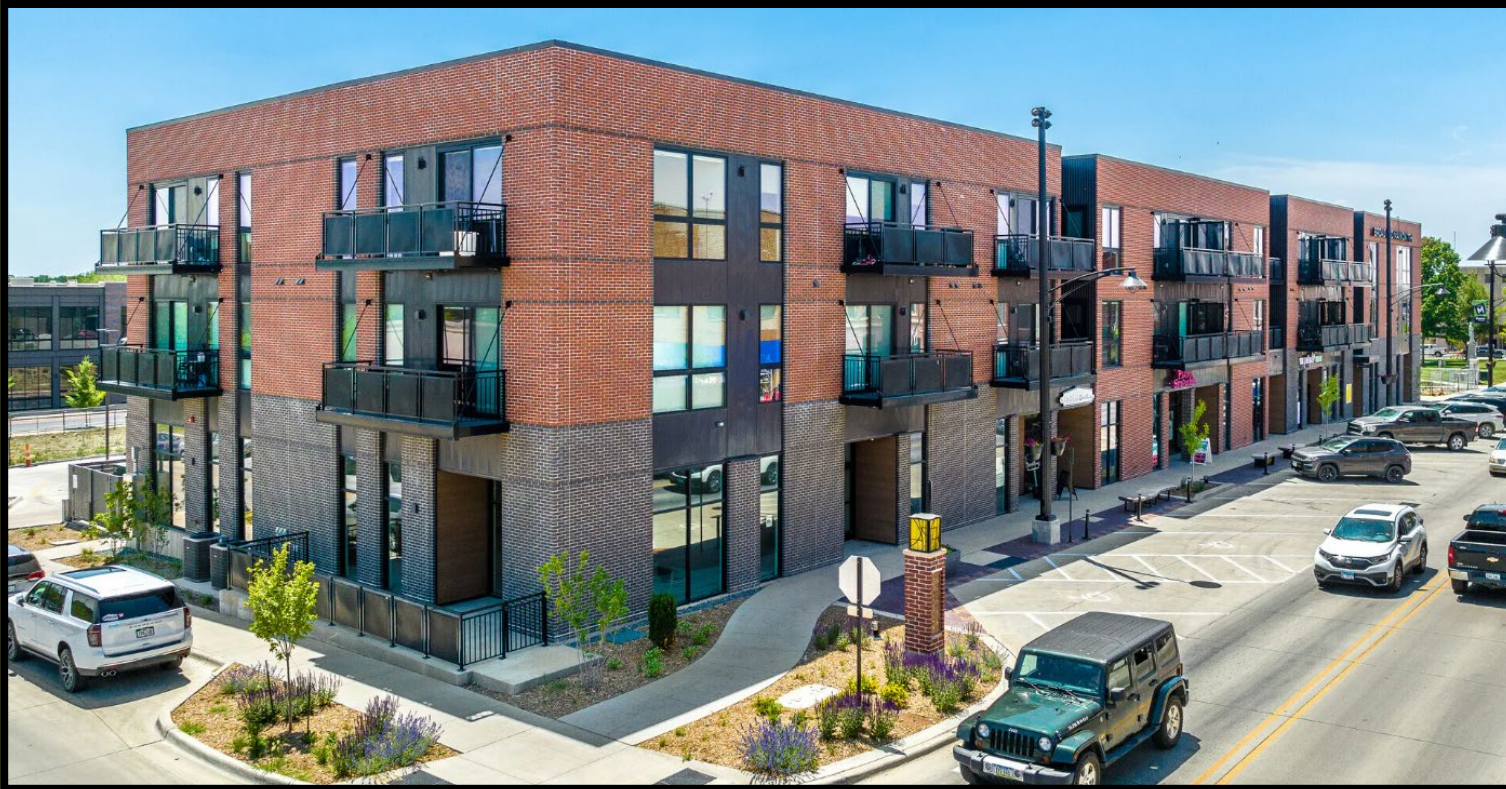


Mixed Use Example

Marion “Broad and Main”

74 Units

\$1,000,000 award



Adaptive Reuse Example

Sioux City “Blue Bird Flats”



78 Units
\$1,000,000 Award



Contact Information

- Nick Sorensen
 - 515-348-6212
 - Nick.Sorensen@iowaeda.com





THANK YOU

Nick Sorensen | Tax Credits Program Manager
Iowa Economic Development Authority

