



# \$100 Million Housing Investments Program Details



#### **ELIGIBILITY**

- 2021 9% Projects that did not receive an award of tax credits and can demonstrate "shovel-readiness".
- Developer must not have declined a 2021 9% tax credit award.
- The 2021 9% Project must not have a pending appeal filed in accordance with the 1<sup>st</sup> Amended 2020-2021 Qualified Allocation Plan ("QAP").
- The Project Owner must waive the right to request a qualified contract (30-year compliance/extended use period).
- Developer and/or General Partner must commit to providing a financial contribution to the Project.
- 4% ARP Projects may not apply in the 2022 9% funding round.

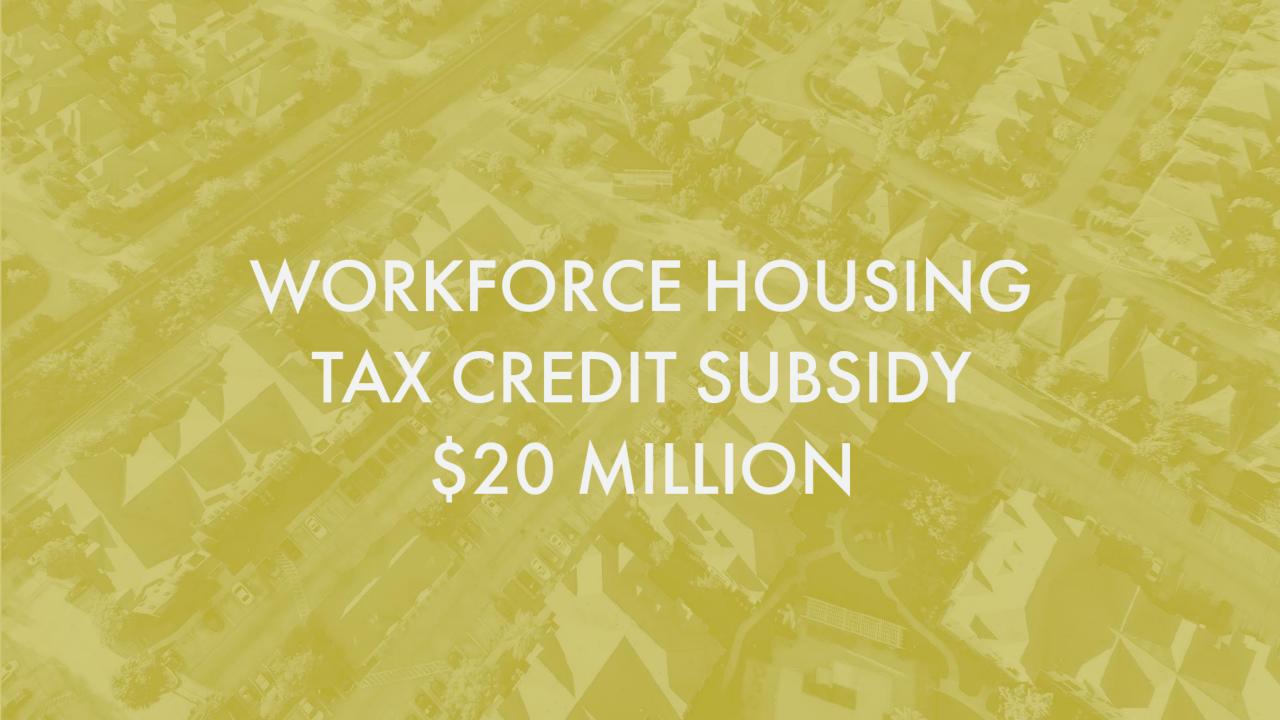
#### AWARD PROCESS

#### **Prioritization**

- 2021 9% Projects that met threshold and also applied in the 2020 funding round without a tax credit award. (1 Project per Developer)
- 2) 2021 9% Projects that met threshold that had an IFA-approved qualified Nonprofit. (1 Project per Developer)
- 3) 2021 9% Projects that met threshold located in cities that did not receive an award in the 2021 9% funding round. (1 Project per Developer)
- 4) All remaining 2021 9% Projects that met threshold.
- 5) 2021 9% Projects that did not meet threshold
- 6) Other 4% Applicants, if funds are available

#### **TIMELINE**

- IFA will contact Developers after September 13, 2021.
- Developer must obtain the Bond Inducement Resolution for the Project and submit the 4% 2022 Application (available 10-18-21)
- Investor closing within 6-8 months following issuance of the Section 42M letter (award).



#### **PURPOSE**

- Workforce Housing Tax Incentive program was created to incent housing development across Iowa.
- Many projects are facing substantial cost increases in labor and material driven by COVID-19
- To ensure that projects are completed to address lowa's housing needs, IEDA will offer a subsidy to projects under contract that begin the project closeout process after September 8,2021.
- Subsidy will be available to those projects with documented cost overruns.

## **AWARD PROCESS**

- Recipients must complete the project close out process and provide all required close out materials. Must document project completion, project costs and compliance with all program and contractual requirements.
- Recipients must provide a CPA examination of the project to document project cost. Exam must provide a statement of final costs and qualifying investment as described in the program rules.
- CPA examination must be done in accordance with the American Institute of CPA's statements on standards for attestation engagements. The attestation applicable to this examination is SSAE No. 10 (as amended by SSAE Nos. 11, 12, 14).

## **AWARD PROCESS**

- IEDA will review all close out materials and CPA exam. IEDA will
  review the original project budget with the final total project costs.
- Projects with documented cost overruns are eligible for a subsidy.
- Maximum project subsidy is \$10,000 per unit OR \$250,000, whichever is less. Subsidy will be based on amount of cost overruns. Subsidies may be less than the maximums.
- IEDA will provide subsidy to the developer at the end of the project, upon project close out, and after tax credit certificates are issued.



#### **PURPOSE**

Financial assistance for projects that support local downtown revitalization through new housing opportunities in communities under 30,000

- Upper floor housing units
- Larger buildings in vicinity of downtown, for example, vacant school buildings
- Quality design and preservation strategies

#### PROGRAM DETAILS

- Grant awards:
  - \$100,000-\$300,000 for projects creating less than 10 housing units
  - \$100,000-\$600,000 for projects creating 10+ housing units
- No more than one application accepted per incorporated City
- Minimum of 25% local match requirement
- 2 years to complete project

## PRIMARY SCORING CRITERION

- Project Appropriateness
- Project Funding/Partnerships
- Project impact on housing in the community/ downtown district
- Project impact on community/downtown district as a stimulant for economic development

# **ELIGIBILITY REQUIREMENTS**

- Application must be filed by the city
- Project must be located in a community under 30,000 in population
- Focus of project must be the creation of new downtown housing units in the downtown area
- One building per community
- Eligible expenses include any building improvement necessary to create housing opportunities
- Residential units will be subject to amenity requirements including laundry

#### **APPLICATION DETAILS**

#### **KEY DATES:**

September 8, 2021 Applications released

November 10, 2021 Applications due at IEDA

December 31, 2021 Announcement of awarded projects





#### **RESULTS TO DATE**



Building homes and training offenders since May, 2019



Total of 28 homes moved to 20 different counties by year-end 2021



Over 70 offenders received training



Curriculum: Three+ certificates and five DOL apprenticeships

### HOMES FOR IOWA NEW RESOURCES



Increased job training, employer pipeline/placement and wrap-around services



Three years of building materials



Moving equipment setup #2



Shop space and material storage

#### HOMES FOR IOWA GROWTH



Place 45 offender crew members annually with Iowa employers in building trades by 2023



Five homes monthly production by 2023



Second moving crew by 2023



Stabilize home price to benefit Iowa buyers

#### WORK WITH HOMES FOR IOWA



Iowa employers: Recruit, visit, hire our trained offender crew

Contact: Dan Clark, Iowa Prison Industries, 515-822-8920, dan.clark@iowa.gov



Purchase or develop a home

Contact: www.homesforia.com, 319-572-5499

Mike Norris, HFI president: mnorris@seirpc.com

# HOME REHABILITATION BLOCK GRANT PILOT PROGRAM \$4 MILLION

#### **PURPOSE**

- lowa's housing stock is comparatively older than that in the rest of the country
  - Average median home age of approximately 50 years
  - 65% of lowa's housing units were built prior to 1980
  - 25% of Iowa's housing units were built prior to 1940
- Working with community partners, this investment will provide income qualified homeowners with financial assistance for eligible repair expenses to help preserve their homes.

#### PROGRAM DETAILS

- \$4 million pilot program targeted to stabilize neighborhoods and make transformative change in rural communities that have demonstrated active engagement in efforts to improve their housing stock
- Competitive funding round with application available coming soon.
  - Application submission deadline Friday, November 19, 2021
  - Funding awards to be announced by early 2022
  - Maximum grant award \$1 million per applicant
  - Minimum 25% Local Match requirement (scoring consideration for additional leverage)
  - Initial grant agreement performance period of two years from date of award approval

#### **ELIGIBLE APPLICANTS**

lowa communities with a population under 30,000 (2020 Census) meeting the following criteria:

- Community offers local financing incentives for housing development and/or preservation
- Community has a locally adopted building or housing code and a program for local enforcement of that code
- Community demonstrates public/private partnerships related to the proposed project
- Qualified administrative capacity through the city or a partner entity

#### Additional scoring consideration:

Communities that have completed ISU Extension's Rural Housing Readiness Assessment

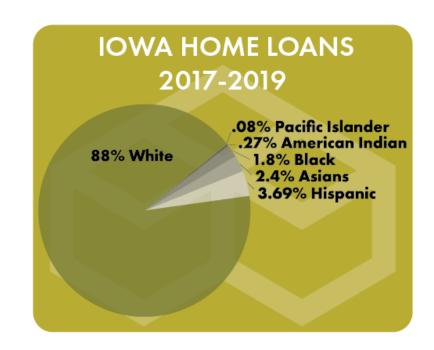
#### **ELIGIBLE ACTIVITIES**

- Rehabilitation and repair expenses of homes.
- Technical services (such as inspections, work write-ups, cost estimates, construction supervision, radon testing, etc.) subject to a maximum per unit cap of \$3,000 per unit
- Funding must benefit homeowner households with incomes at or below 80% of the area median income (a commitment to deeper income targeting will be a competitive scoring item)
  - Income limits are updated annually
- Rehabilitation activities must meet all applicable locally adopted and enforced building or housing codes, standards, or ordinances, as well as any applicable state and federal rules and regulations (such as may relate to Lead-Based Paint)
- No grant funding will be available for general administration



## **PURPOSE**

Homeownership is a leading driver of wealth creation, yet minority homeowners in lowa are far underrepresented.



#### **PROGRAM DETAILS**

\$1 million pilot program investment will provide 200 eligible lowa minority households with assistance purchasing a home.

Assistance: \$5,000 down payment and closing cost assistance grant

May combine with IFA's Plus grant of \$2,500 **or** \$5,000 2<sup>nd</sup> loan option.

#### **ELIGIBILITY**

- Must be used in conjunction with IFA FirstHome mortgage
- Income varies by county and household size
- Purchase Price \$311,000\*
- First-time Homebuyer\*\*
- Minority household
- Owner-occupied by borrower as their primary residence.

#### \*\$381,000 if purchasing in a Targeted census tract

\*\* A first-time homebuyer is defined as: Not owning your primary residence in the last three years. May be an experienced homebuyer if purchasing in a Targeted Area or as an Exempt military member determined by no prior use of tax-exempt financing.

# ELIGIBILITY CONTINUED FIRSTHOME PROGRAM REQUIREMENTS

- 640 Credit Score
- 45% Debt to Income ratio
- Use of Iowa Title Guaranty
- Primary residence
- Property in Iowa (1 Unit)
- Loan Products: FHA, VA, RD, Conventional
- Allowable Property Types: Single-Family attached/detached, Townhome, Condo, PUD or manufactured home (in accordance with agency guidelines
- Maximum of five acres unless approved by IFA (not beyond basic livability)
- Business use limited to 15% of total area

#### **APPLICATION PROCESS**

- 1. Apply for financing with an IFA participating lender
- 2. Lender submits borrower application and eligibility docs
- 3. If Military, IFA submits documentation to the VA for service date eligibility approval
- 4. IFA reviews docs for IFA program eligibility
- IFA issues "Conditional Commitment" REQUIRED prior to closing to be eligible for reimbursement
- 6. Borrower receives credit for Minority, Plus, Loan, and/or Military grant on Closing Disclosure (lender gets reimbursed at time of purchase by Master Servicer)
- 7. Lender must timely submit docs for post-closing review





Details about all recently announced programs available at: iowafinance.com/arphousingfunds