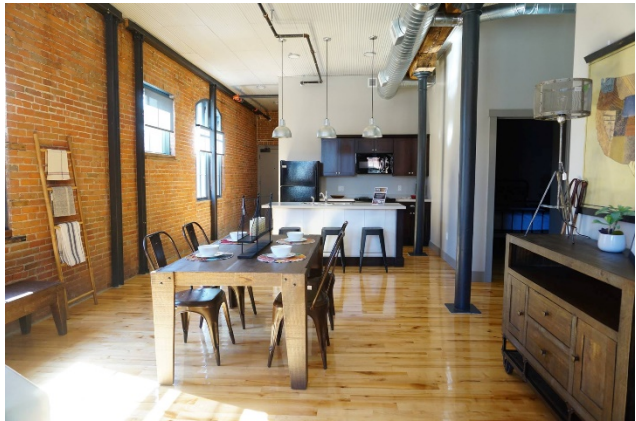


# Downtown Housing Grant



Nick Sorensen | Downtown Economic Development Specialist  
Iowa Economic Development Authority

# American Rescue Plan



# Downtown Housing Grant

- Part One
  - Program, Eligibility, Funding Decisions & Scoring
- Part Two
  - Appropriate Design
- Part Three
  - Wrap Up

# Downtown Housing Grant

The authority was directed to establish a downtown housing grant to provide funding to cities under 30,000 to create new downtown housing units.

# Downtown Housing Grant

- Eligibility
  - Applicant must be a city
  - Applicant must be under 30,000 population
  - Space must be vacant
  - Focus of project must be creation of new downtown units in existing buildings
  - One building per community
  - Eligible expenses include any building improvement necessary to create housing units
  - Residential units will be subject to amenity requirements including laundry
  - 25% match

# Downtown Housing Grant

- Use of funds
  - Applicant shall use funds only for reimbursement of costs directly related to the residential project. The authority will require documentation establishing actual costs incurred for a project. Failure to use funds for reimbursement of costs directly related to a project shall be grounds for default under the agreement.
  - Use of funds should be consistent with scope of work stated in application

# Downtown Housing Grant

- Provides financial assistance to cities for the creation of new downtown housing units
  - Amount of assistance awarded determined by the authority
  - Each applicant shall receive no more than one grant per project
  - 2 years to complete project
  - Grant awards
    - \$100,000-\$300,000 for projects creating less than 10 housing units
    - \$100,-\$600,000 for projects creating 10+ housing units

# Downtown Housing Grant

- Funding decisions
  - Staff review
    - Each application will be reviewed and scored.
    - Scores assigned will be referred to the director with a recommendation for funding, including the amount.
  - Director's decision



# Downtown Housing Grant

- Contract required
  - The authority shall enter into an agreement with each city for the receipt of a grant and must state the terms.
  - Agreement may require applicants to submit information reasonably required by the authority.
  - Applicant shall execute the agreement before funds are disbursed.
  - Development agreement required between city and private owner

# Downtown Housing Grant

- Focus of grant is upper story housing
- Potential for rear 50% of ground floor, but absolutely no storefront housing
- Opportunity for large buildings within vicinity of downtown, for example vacant school buildings

# FY 2021 Application Cycle

- All pre-applications and applications submitted through Iowa Grants @ [iowagrants.gov](http://iowagrants.gov)
- Applications opened September 8, 2021
- Application Deadline: January 31, 2022
- Announcement: mid April, 2022
  - Project Completion: 24 months after award

# Application Cycle

- One application per Iowa Community
  - Total Fund: \$20,000,000
  - Grant Maximum: \$100,000-\$600,000
  - Grants: Reimbursement basis
  - Two grant draws/requests for funds allowed. Mid-progress draw **CANNOT** exceed 60% of total award
  - Costs incurred before project commencement cannot be included as part of the grant reimbursement

# Downtown Housing Grant

- Project Appropriateness (0-25 points)
- Project Impact on Housing (0-25 points)
- Project Funding/Partnerships (0-25 points)
- Project Impact on District (0-20 points)
- Population Size (0-5 Points)

Under 1500	5 points
1501-5000	4 points
5001-10,000	3 points
10,001-20,000	2 points
20,000-30,000	1 points
- Main Street Iowa District (5 Points)
  
- Total Score (0-100)

# Downtown Housing Grant

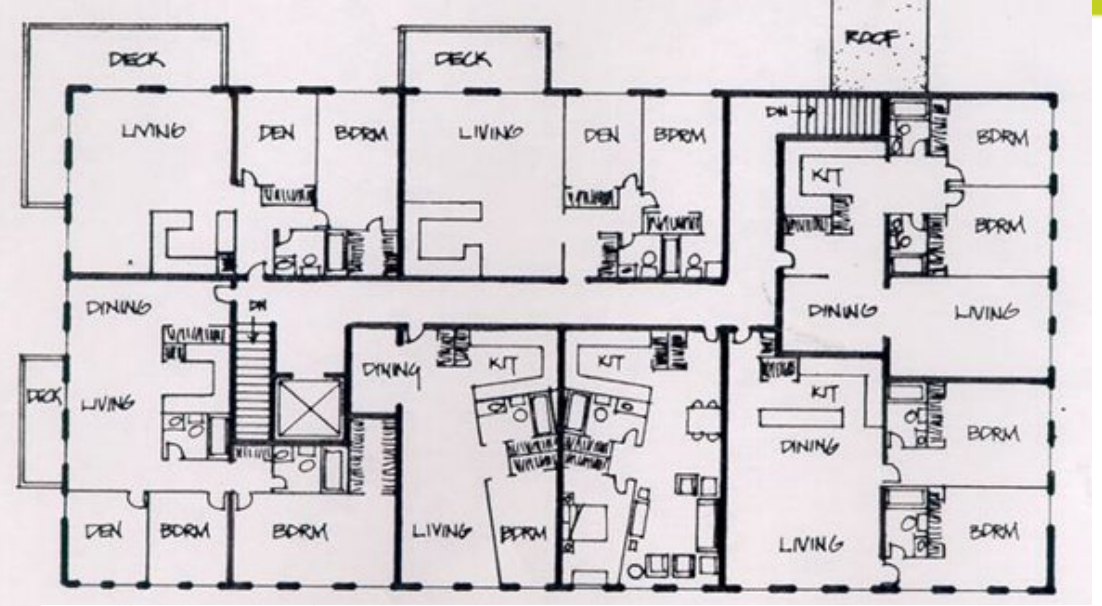
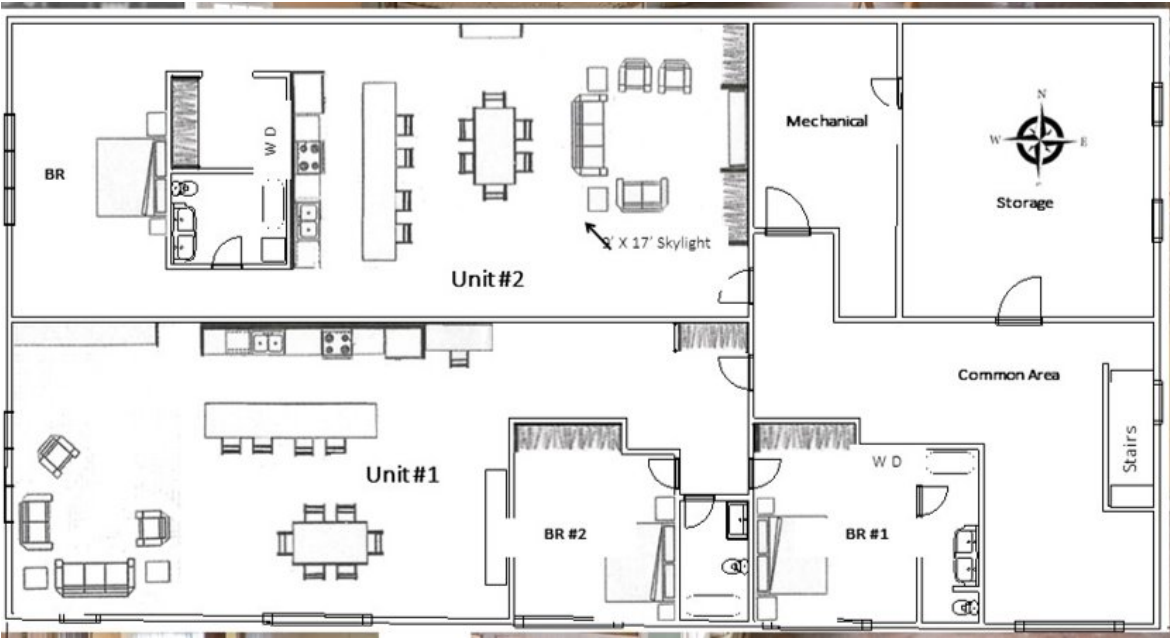
## Required Documents

- Map of Downtown and Existing Photos/Historic Photos
- List and description of any additional contractual liabilities
- Financing/Loan Commitment Letters/Pro Formas
- Grant Award Letters
- Project Plans/Drawings
- Cost estimates

# Appropriate Design

# Rehab Basics

- Have a good plan





# Rehab Basics

- Take Care of the Building Envelope
  - Roofs/Drainage



# Rehab Basics

- Take Care of the Building Envelope
  - Treat Masonry Properly





# Rehab Basics

- Take Care of the Building Envelope
  - Windows





Existing elements enhance your space





*Utilize original window opening size*





Possible amenities

# Wrap-up



# Downtown Housing Grant

What doesn't work:

1. An application without plans/rendering
2. No or lousy photos
3. Location: Building is not in downtown area or in the vicinity of the downtown if project is rehab of vacant school
4. Surprisingly low-cost estimates
5. Less than required 25% match. Applicant with little or no personal investment.
6. Blah. Blah. Blah. Too much repetitive information. Just tell us what we need to know.
7. Poor quality of apartments. Using poor materials to cut corners cuts the longevity of the project.
8. Trying to fit too many units into too small of a space.
9. Air BnB's.





Nick Sorensen  
Iowa Economic Development Authority  
515.348.6182  
[nick.sorensen@iowaeda.com](mailto:nick.sorensen@iowaeda.com)