

Iowa Thriving Communities is a transformative initiative created by the Iowa Finance Authority (IFA) and Iowa Economic Development Authority (IEDA) to accelerate housing development by recognizing communities that openly support housing for all, welcome new development, and actively partner to advance affordable housing.

The program flips the traditional model. Instead of leaving developers to guess which communities will support housing, Iowa Thriving Communities sends a clear signal: these places are ready to champion it. Through **statewide recognition** and **incentive points** in competitive housing programs, the initiative **gives developers a compelling reason to look again, look deeper, and invest.**

In its first two years, the initiative designated **17 communities** and directly generated **1,100 housing units** and **\$123.25 million** in total impact. Just as importantly, it strengthened the local visibility, alignment and momentum needed to support continued housing growth.

Innovation

Iowa Thriving Communities is innovative because it redefined how a housing finance agency can influence housing production.

Housing tax credit programs are typically developer-driven. Communities may need housing, but without visibility, credibility or a competitive edge, they can be overlooked. Iowa Thriving Communities changed that by creating a new signal for the market: these communities are not only open to housing but prepared to advocate for it.

The initiative was designed to:

- **Connect developers with communities that actively support housing**
- **Reward local leadership that welcomes housing growth across income levels**
- **Target competitive housing resources more strategically**
- **Surface local approaches other communities can replicate**

This was a first for IFA. What began as an internal idea became a practical, scalable strategy that is already producing measurable statewide results.

What also set the initiative apart was the pride it inspired. Communities showed up coordinated, prepared, and eager to make the case that housing mattered in their hometowns.

Respond to an Important State Need

Like many states, Iowa faces a housing challenge that affects workforce attraction, economic competitiveness and quality of life. Communities need more housing. Developers need stronger signals about where local leadership is aligned and where projects are most likely to succeed.

IFA and IEDA created Iowa Thriving Communities to close that gap. The initiative elevates communities that are not resisting housing but embracing it. It highlights places advocating for affordable housing, building local support, and partnering to make development possible.

In doing so, it gives those communities a stronger platform to compete for development while helping developers identify places with real momentum. It also reinforces a simple but powerful idea: housing growth is more likely to succeed in communities that openly welcome it.

Timeline | Process

The process is rigorous, visible, and intentionally designed to identify authentic community commitment.

Communities across Iowa apply and are scored on planning, financial support, strategic leadership, partnerships, and workforce attraction and retention. Finalists are then invited to make an in-person pitch to the Iowa Thriving Communities team.

That pitch process became one of the initiative's most memorable features. Communities did not send just one representative. They brought mayors, school leaders, hospital CEOs, employers, community college leaders, housing professionals and other civic partners to demonstrate that housing was a shared local priority. Those presentations revealed not only alignment, but energy, pride, and creativity.

Some teams arrived in matching shirts. Others delivered highly polished, carefully timed pitches. Some brought cupcakes and other items from local small businesses, small but powerful signals of community pride and partnership. What could have been a routine application process became a visible demonstration of local commitment to housing.

The substance behind that energy was just as strong. Examples included a hospital CEO whose job description included advancing housing opportunities, an employer helping develop a subdivision for its workforce, a business owner stepping into townhome development to meet local need, and a farmer offering land for housing development.

After selection, designated communities are promoted statewide and to Iowa's development community. They also participate in a featured spotlight session at the HousingIowa Conference, where they present their opportunities to developers ahead of key housing deadlines. Communities that are not selected receive feedback to strengthen future applications, extending the value of the initiative beyond the final designations.

Achieve Intended Results

Iowa Thriving Communities produced clear, measurable statewide results.

First two years, by the numbers:

The following results reflect the 2024 and 2025 designated communities, where full funding cycle data is now available.

- **48 communities applied**
- **17 communities were designated**

1. Direct impact of incentive points

- **\$107 million** in housing awards and leveraged funds
- **760 affordable rental homes developed**
- **22 housing projects awarded**
- **14 of 17 eligible designated communities** were awarded at least one project
- **90% success rate** among eligible designated communities

2. Impact beyond incentive-supported projects

- **\$16.25 million** in additional investment
- **340 additional housing units influenced**
- **42 additional employers, developers, or partners engaged**
- **Median of 6 housing-related developer inquiries per community** influenced by the program

These results show the initiative did more than support projects already underway. It generated new interest, opened new relationships, and expanded development opportunity.

3. Combined statewide impact

- **1,100 total housing units**
 - **760 units** from incentive-supported projects
 - **340 additional units** influenced beyond those projects
- **\$123.25 million total impact**
 - **\$107 million** in housing awards and leveraged funds
 - **\$14.25 million** in additional investment

Provide Benefits That Outweigh Costs

The return on investment has been substantial. Iowa Thriving Communities did not require a major standalone funding structure. Instead, it paired a competitive designation, a high-visibility selection process, and targeted incentive points with existing housing tools.

That modest framework produced outsized results: increased development interest, more competitive communities, greater housing activity, stronger local collaboration, improved visibility, and replicable strategies other communities can adopt.

In just two years, the initiative designated **17 communities**, helped generate at least **1,100 housing units**, and produced **\$123.25 million** in total impact. More importantly, it turned local commitment into a competitive advantage, giving developers a clearer signal and giving Iowa a smarter tool to move housing forward.

This is what special achievement looks like: an innovative, replicable, cost-effective idea that did more than recognize communities ready for housing. It helped them compete for it and bring it to life.

IOWA THRIVING COMMUNITIES

From Community wins...



Urbandale Chamber of Commerce is with Pat Boddy for Urbandale and 2 others.

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May 28, 2025 · 49

Congratulations to Calia Capital on the grand opening of The View on Hickman. This property was an old motel Calia Capital has beautifully renovated into affordable housing. We are excited Calia Capital is providing housing options in Urbandale, while contributing to the curb appeal of the city! City of Urbandale, Iowa



Local News

Clear Lake's mayor says housing developers already showing interest after "Thriving Communities" designation for 2026

North Iowa News - October 15, 2025 Last Updated: October 15, 2025

1 minute read

CLEAR LAKE — Clear Lake's mayor says developers are starting to take a look at potential projects in the community after the city was chosen to receive the "Thriving Communities" designation for 2026 from the Iowa Finance Authority and the Iowa Economic Development Authority. The designation allows developers seeking funding for housing projects in designated communities priority scoring for things such as tax credits for workforce, market-rate, and affordable housing.

Mayor Nelson Crabb says a number of contractors have already been in town. "There are several areas around town that we have possibly contractors being interested in. We probably have had ten contractors, not locally but shall we say arewide, that have expressed great interest in that."

Crabb says the city is partnering with the North Iowa Corridor Economic Development Corporation and the Clear Lake Area Chamber of Commerce is helping developers explore the possibilities. "A very, very good partnership to get another level of homes that will be built, that will come into Clear Lake and be affordable for a lot of different people with a newer home."

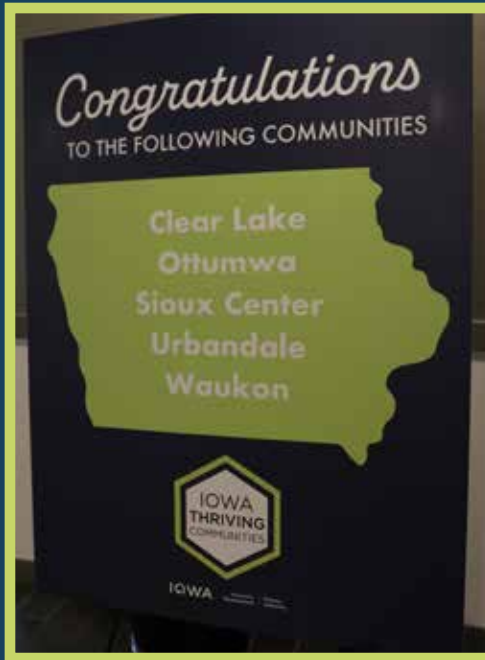


Ottumwa Named a 2026 Iowa Thriving Community, Set to Boost Local Development

By Thomas Grady - July 17, 2024



...to Statewide Momentum



IOWA
THRIVING
COMMUNITIES

Congratulations!

City of Urbandale named an Iowa Thriving Community

by the Iowa Finance Authority

- City will receive an advantage in seeking federal housing funds



Lumber Lofts will help 'Muscatine momentum' thrive

Construction begins on \$7.1M apartment, commercial space

By Dave Probstner / August 6, 2021 / 4 min read



DAVID PROBSTNER, the mayor of Muscatine, Iowa, and the CEO and president of the Greater Muscatine Chamber of Commerce and Industry, is standing at ground-breaking ceremony for the new \$7.1 million Lumber Lofts mixed-use building in Muscatine, CHSOP State 100.



MUSCATINE, Iowa—There's a sign near the new \$7.1 million Lumber Lofts project that states "We Muscatine."



Urbandale seeks proposals for affordable housing site

Urbandale

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EconoLodge Urbandale has nearly 50 hotel rooms and was operating until recently. Photo: Courtesy of Polk County Assessor.

Urbandale is accepting proposals from developers to purchase and build affordable apartments at the former EconoLodge at 10841 Douglas Ave.

Why it matters: A recent state designation recognizing cities that are improving workforce housing will make Urbandale's project more likely to find developers, says Matt Hauge, spokesperson for Polk County Housing Trust Fund.



Economic
Development

Finance
Authority

Voices from Iowa Thriving Communities

“Before participating in the Iowa Thriving Communities initiative, our small town had seen virtually no movement in the housing sector. Iowa Thriving Communities proved to be one of the most impactful opportunities our community has pursued, it opened doors for us we could not have reached alone.

— **Charles City**

“The designation put Knoxville on the map statewide. As developers heard that Knoxville was one of the communities selected, it prompted them to take a much closer look at our community. This designation came at the right time for Knoxville. Since the designation, our housing growth has skyrocketed.”

— **Knoxville**

“The largest multi-family development in Jefferson’s history is happening because of our designation as a Thriving Community. In a community of just 4,100 residents, 50 new apartments is a transformational win.”

— **Jefferson**

“The Iowa Thriving Communities designation has established broader collaboration between the City, developers, and community partners who all share a common interest in growing housing in Council Bluffs. It has also increased interest from developers looking to bring a wider range of housing types at different price points to our community, while providing access to tax credits that otherwise would not have been available.”

— **Council Bluffs**

“The Iowa Thriving Communities designation highlighted Fort Dodge’s commitment to growth and innovation while positioning the community for the future, unlocking stronger partnerships, boosting developer confidence and driving meaningful housing investment.”

— **Fort Dodge**

“Both the visibility and the additional points gained through the designation put us on the map for many developers. We were able to attract quality projects as a result.”

— **Mason City**

“The added value of the designation on workforce housing tax credit applications made a real difference in the awards received and in the redevelopment of a key area of our downtown.”

— **Dubuque**



17

designated
communities

1,100

total housing
units developed

\$123.25

million

in total investments

