Housing Renewal Program

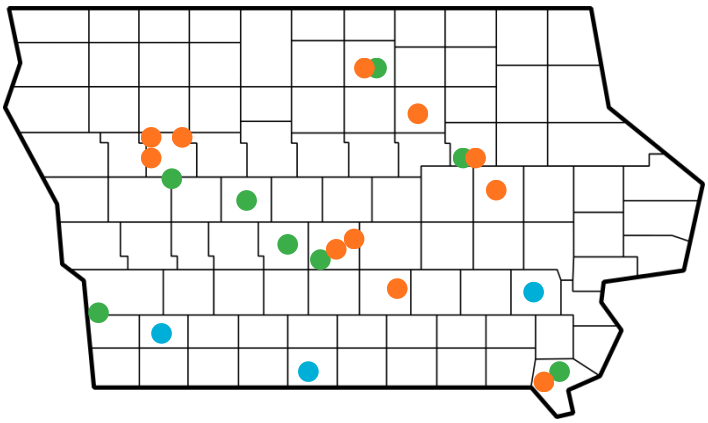
Iowa's solution to tackle problem properties

The Housing Renewal Program (HRP) is a tool to acquire properties in need of significant rehabilitation. The properties receive a minimum of $25,000 in health and safety improvements. Finished houses are sold to families under 120% of the area median income. This includes hard working families with low and moderate incomes. These are teachers, home health care workers, bus drivers, and more.

The Problem it Solves:
Developers pass over certain properties because the project has too much risk. Even after repairs, the property value remains lower than the cost of improvements. The developer loses money. No financial institution will loan money for this type of project. Therefore, these properties are left untouched for many years.

Key Features:
HRP lowers the risk for developers and lenders with two key features:

- HRP provides up to $100,000 of capital for the project on day one. This helps developers secure additional financing for the project.
- HRP guarantees the developer loss. The loss is forgiven and the remaining capital is returned to the Housing Renewal Fund for future projects.



Current Projects:

- Bondurant
- Carroll
- Des Moines
- Fort Madison
- Lake View
- Mason City
- Parkersburg
- Pella
- Waterloo
- Wall Lake

Completed Projects:

- Fort Madison
- Perry
- Churdan
- Waterloo
- Council Bluffs (closed)
- Mason City
- Mount Auburn

Prospective Projects:

- Washington
- Red Oak
- Lamoni

HRP has allowed communities to:

- Purchase problem properties from landlords.
- Pay for back taxes and title issues to be cleared.
- Create unique partnerships, especially in rural areas.

Action Needed in 2026:

1) Continue level program funding at $550,000.
2) Repeal sunset date to make program permanent.
3) Administrative updates to streamline and improve the administrative process for IFA and program administration.

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Featured Properties: Mason City

Habitat for Humanity of North Central Iowa

Project Overview:
Two properties in Mason City's historic Downtown West were acquired from a landlord along a main corridor connecting downtown and outer business districts. Both homes had been divided into multiple rental units in a struggling neighborhood. Research revealed that one property dates to the 1800s and is among the original farmsteads in Mason City.

Rehabilitation Progress:

- **325 1st St. NW**: Extensive repairs, including complex sewer and water work, are complete, and a potential buyer has been identified.
- **403 1st St. NW**: Following a near-total interior renovation, this home is expected to be available for sale in late 2026.

Community Impact:
This neighborhood faces declining conditions, low homeownership rates, and higher-than-average crime. Renovating these homes strengthens neighborhood stability, reduces blight, and creates affordable homeownership opportunities for the local workforce. The City of Mason City provided funding and served as a key partner in these efforts. The community hopes these investments will spark further revitalization in the area.

325 1st St. NW:

403 1st St. NW:

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