



IOWA FINANCE
AUTHORITY

NEWS RELEASE

For immediate release:
February 7, 2018

Contact:
Ashley Jared: 515.725.4934

**Iowa Finance Authority Awards City of Newton \$450,000
Workforce Housing Loan for Historic Hotel Maytag Renovation**

City of Newton to Benefit from Workforce Housing Loan Program

Des Moines – The Iowa Finance Authority Board of Directors today approved a \$450,000 low-interest loan to the City of Newton for the development of new workforce rental housing as a part of the renovation of the historic Hotel Maytag. The award was made through the Workforce Housing Loan program, which provides financial assistance in the form of low-cost repayable loans to cities and counties.

“An important characteristic necessary for Iowa communities to thrive is having adequate housing for their workforce within a short commuting distance to their place of employment,” said Iowa Finance Authority Executive Director Dave Jamison. “The Iowa Finance Authority is pleased to partner with the City of Newton to expand the opportunities for their workforce to both live and work in their community.”

The City of Newton will use the Workforce Housing Loan assistance to construct nine workforce rental homes as a part of the renovation of the Hotel Maytag. The project will include a total of 45 rental homes, the rest of which will be financed with other sources.

The development will include apartments ranging from 488 to 943 square feet. The workforce apartment rents are anticipated to be \$600 per month for studios, \$745 for one-bedrooms and \$835 for two-bedrooms.

“The Hotel Maytag was initially constructed by the founder of the Maytag and it serves as an important part of our history,” said Newton Mayor Michael Hansen. “The Iowa Finance Authority’s Workforce Housing Loan will provide a vital piece of financing to allow us to redevelop it into apartments, which will help us to attract and retain a qualified workforce for our growing commercial and industrial base.”

The Iowa Finance Authority created the Workforce Housing Loan program to provide financial assistance in the form of a repayable loan to cities and counties that demonstrate a need for additional workforce housing rental housing for lowans as a result of local employment growth. The loans have a one percent interest rate with a maximum term of twenty years. Applications are accepted on an ongoing basis until available funds have been exhausted.

The Iowa Legislature created the Iowa Finance Authority, the state’s housing finance agency, in 1975 to undertake programs to assist in the attainment of housing for low-and moderate-income lowans.

###