Council Communication

Department: Community Development Case/Project No.:	Ordinance No.: N/A Resolution No.: 25-	City Council: 5-5-2025 Public Hearing: 5-19-2025

Subject/Title

Resolution setting a public hearing for May 19, 2025 at 7:00 p.m. on the proposal to enter into a purchase, sale and development agreement with WE Roost, LLC (Hoppe & Son, LLC)

Location

2800 Block between 1st and 2nd Avenue

Background/Discussion

Background

On September 9, 2024, the Council Bluffs City Council approved Resolution No. 24-239 which authorized the Community Development Department to release a Request for Proposals (RFP) for City-owned property in the 2800 block between 1st and 2nd Avenue. Hoppe Development of Lincoln, Nebraska proposed an 89-unit mixed-income multi-family rental housing project that will serve households at 50% MFI, 60% MFI and market rate to meet the required 51% affordable units as required for the Community Development Block Grant (CDBG) funds previously used on the site. The developer does not anticipate applying for LIHTC.

Discussion

The Staff wishes to enter into a development agreement with Hoppe Development's subsidiary WE Roost, LLC to proceed with the project. Having site control is required for the Workforce Housing Tax Credit (WHTC) program.

The proposed development agreement has the following terms:

- The Developer commits to 51% of the units being rented to persons at or below 80% MFI for a period of 10 years.
- The City agrees to provide the lot cost of $415,000 as a forgivable mortgage to be forgiven over a term of 10 years to match the required affordability period for CDBG.
- The City will establish an Urban Revitalization area to provide tax exemption of 100% on the new increment for a period of 10 years as outlined in the Consolidated Urban Revitalization Plan. Prior to the transfer of land, the Developer may approach the City requesting tax increment financing (TIF) instead of tax exemption but acknowledges they cannot receive both benefits and this change is subject to City Council approval.

Staff Recommendation

Staff recommends City Council set a public hearing for May 19, 2025 at 7:00 p.m. on the proposal to enter into a purchase, sale and development agreement with WE Roost, LLC (Hoppe Development)

Attachments

1) Resolution
2) Draft Development Agreement