Application

Application Details Go to Application Forms

314704 - Workforce Housing Tax Incentive Program - Disaster Recovery

331452 - 530 W Broadway
Workforce Housing Tax Credits

Status: Editing
Submitted Date:

Applicant Information

Project Officer

AnA User Id LDITTMER@IOWAID
First Name* Lynn (First Name) Dittmer (Last Name)
Title:
Email:* ldittmer@the712initiative.org
Address:* 1228 South Main Street
City* Council Bluffs (City) Iowa (State/Province) 51503 (Postal Code/Zip)
Phone:* 712-396-2471 (Phone) (Ext.)
Program Area of Interest* Workforce Housing Tax Credits
Fax:

Organization Information

Organization Name:* Pottawattamie County Development Corporation
Organization Type:* Non-Profit Organization
DUNS:
Organization Website:
Address: 149 West Broadway
Council Bluff (City) Iowa (State/Province) 51503 (Postal Code/Zip)
Phone: 712-325-1000 (Ext.)
Fax: 712-322-5698

Cover Sheet-General Information

Authorized Official

Name* Sheryl Garst
Title* CEO
Organization* Pottawattamie County Development Corporation dba The 712 Initiative
If you are an individual, please provide your First and Last Name.
Address* 1228 S Main Street
City/State/Zip* Council Bluffs (City) Iowa (State) 51503 (Zip)
Telephone Number* 712-396-2464
E-Mail* sgarst@the712initiative.org

Fiscal Officer/Agent

Please enter the "Fiscal Officer' for your Organization.

If you are an individual, please provide your First and Last Name.

Name* Josh Randall
Title Fiscal Officer
Organization Hamilton Associates, P.C.
Address 20 Pearl Street

City/State/Zip	Council Bluffs	Iowa	51503
	City	State	Zip

Telephone Number 712-322-0277

E-Mail jrandall@hamiltonassociatescpa.com

County(ies) Participating, Involved, or Affected by this Proposal* Pottawattamie County

Congressional District(s) Involved or Affected by this Proposal* 3rd - Rep Cindy Axne (D)
Congressional Map

Iowa Senate District(s) Involved or Affected by this Proposal* 8
District Map

Iowa House District(s) Involved or Affected by this Proposal* 15, 16
District Map

Applicant Information

Applicant Name: (legal entity applying for award)* Pottawattamie County Development Corporation

Mrs.	Sheryl	Garst
Salutation	Contact First Name	Contact Last Name

CEO
Contact Title

1228 S Main
Address

Council Bluffs	Iowa	51503
City	State	Zip Code

712-396-2464	sgarst@the712initiative.org
Phone	E-mail

Non-Profit Organization
Entity Type

	42-1459560
Iowa Secretary of State business number	Federal Taxpayer ID number

Contact Information

Elected Official

City or County

Salutation	First Name	Last Name	Suffix

Title

Address

Address 2

	Iowa	
City	State	Zip +4

Phone	Fax	E-mail

Local Sponsor/Contact

Salutation	First Name	Last Name	Suffix

Title

Address

Address 2

City	State	Zip +4

Phone	Fax	E-mail

Project Information

As of today, only projects located in the counties of Fremont, Harrison, Louisa, Mills, Monona, Muscatine, Pottawattamie, Scott, Shelby, and Woodbury which were included in the Presidential Disaster Declaration, are eligible for Workforce Housing Tax Credit - Disaster Funding assistance.

Project name or alias: 530 W Broadway

Project Address 530 W Broadway
Address

Council Bluffs	Iowa	Pottawattamie County	51503
City	State	County*	Zip Code

Has the project started? No

Is the project located in a 100-year flood plain? Yes

Is the project seeking Low Income Housing Tax Credits (LIHTC)? No

Eligible projects under the Workforce Housing Tax Incentive Program must fall into one of four categories.

Category of proposed project: Rehabilitation, repair, or redevelopment of dwelling units located inthe upper story of an existing multi-use building

**Please provide a brief description of the proposed housing development project:
(500 character limit)**

712 will redevelop 530 W Broadway, a currently underutilized mostly vacant building, into mixed-use with 15 residential units located on the 2nd and 3rd floors. Units would be mixed income and include: 10 studio (500-620 SF), 1-1 bed (700 SF), and 4-2 bed (720-770 SF) units. The site was chosen because of its strategic and desirable location within a 5 minute walk of downtown employment and amenities: Public Library, Bayliss Park, Bloomer Elementary, City Hall, and Omni Center Business Park.

**Describe how the impact of the disaster created a need for the proposed housing project:
(2,500 character limit)**

An existing housing shortage was enhanced with the flood disaster. More than 441 residential properties were affected in rural Mills Co alone. Approximately 225 of these impacted homes are slated for acquisition/demo. Nearly 300 property owners (242 in Council Bluffs, 50 in Pottawattamie Co) expressed interest in participating in a FEMA Buyout Program. This is a tremendous number of households for any market or region to absorb. Within the region, we want to be able to retain as many citizens as possible (or risk losing them to a neighbor state). Many look to remain close to employment and other established connections. Given the number of units affected in Mills and Pottawattamie, development in Council Bluffs is likely necessary to address need. Glenwood does not have the capacity to build and absorb all residents.

Homes in the buyout area that didn't meet the federal buyout benchmark are still experiencing sewer backups and compromised foundations. 31% of housing units in Playland Park (adjacent to Missouri River levee and west of I-29) are rental properties. The I-80 project will take ~47 homes. Housing options are important for those affected by the flood. CB market rates are depressed, putting rental rates in-line with programs such as HOME.

This flood disaster reminds our region of how important it is to have good safe housing. While our project site is located within a floodplain, the building and surrounding area have never been affected even during the 1999, 2011, and 2019 flood events. Furthermore, the residential units will be on the 2nd and 3rd floors. Understanding that the State is not interested in funding projects in a floodplain, we want to note we are currently working with the City of CB and Pottawattamie Co on a floodplain review for Indian Creek. A review of FEMA Flood Insurance Rate Maps revealed mapping anomalies in the Indian Creek Special Flood Hazard Area. Based on the FYRA Engineering Tech Memo for Indian Creek Hydrologic and Hydraulic Study (10/23/19), we believe that this property, and many others in CB, will be removed from the floodplain. The report concludes that based on 3D hydrology study and historical data, flood water will remain in the cement conduit. The result is that 1,100 properties along Indian Creek that are mismapped (including the project site) would be removed from the flood zone (LOMA submitted to FEMA). This will be a huge victory for the community.

Iowa Code states " The housing business must also submit documentation that provides evidence that the qualified housing project is needed due to impact of the disaster that is the subject of the presidential major disaster declaration."

Projects must demonstrate the project is necessary due to the disaster resulting in a declaration on or after March 12, 2019. Projects merely located in an eligible county may not qualify for these tax credits.

Describe why assistance through the Workforce Housing Tax Credit program

The Council Bluffs market is not able to attract rents to adequately cover renovation and remediation needed. The project net operating income is only able to leverage $800,000 from private financial institutions based on traditional

is needed for the project to proceed. (500 character limit)	underwriting procedures. Private sources (bank, dev equity & private foundations) of $3.6M represent 67% of the proposed project budget. WHTC moves that to 73%. WHTC would fill the gap and move the project forward.
Describe why the current housing market is not meeting the community's housing needs? (500 character limit)	Council Bluffs has not been able to keep up with demand for housing for several years. There just is not enough available, especially in the $250,000 or less. A second need is more diverse housing options, units other than SF housing. According to the American Community Survey, 3+ unit buildings are 22.5% of all housing in Council Bluffs. 530 W Broadway would provide housing for those displaced by flooding as well as those looking to downsize which opens up single family homes to flood victims.

When completed and available for occupancy, will the units meet the United States Department of Housing and Urban Development's housing quality standards and all applicable

safety standards?	Yes

Does the project include local matching funds for the project in an amount equal to at least $1,000 per dwelling

unit to be developed?	Yes
Type of local match:	Property Tax Exemption
Does the project involve rehabilitation, repair, redevelopment or preservation of a historic property as defined in Iowa Code Section 404A.1(2)?	No
Proposed end date of project:	12/31/2022 The proposed project MUST be completed within three (3) years from date the project is registered by IEDA.

Units

Housing Activity	Housing Activity	Unit Type	Unit Ownership	# of Units in Project
Activity #1	Rehabilitation, repair, or redevelopment of dwelling units located inthe upper story of an existing multi-use building	Multi-Family	Rental	15
Activity #2				
Activity #3				
Activity #4				
Totals				**15**

WHTC-Budget

Total Tax Credit Award Amount	$0.00

Project Expenditures (RESIDENTIAL ONLY)

Expense	Expense Amount
Building Acquisition	$277,500.00
Land Acquisition	$60,000.00
Site Development (including demolition)	$15,000.00
Construction (materials only)	$1,185,405.00
Construction (labor and operations)	$1,185,405.00
Architect/Engineer Fees	$149,650.00
Building Permits and Fees	$4,500.00
Construction Loan Interest	$77,879.00
Total	$2,955,339.00

Cash Sources (UP-FRONT FUNDS ONLY)

Source	Amount	Status
WHTC Equity (Tax Credit Equity Only)	$300,000.00	Pending
LIHTC Equity (Tax Credit Equity Only)	$0.00	
Historic Tax Credit Equity (State Tax Credit Equity Only)	$0.00	
Historic Tax Credit Equity (Federal Tax Credit Equity Only)	$0.00	
Brownfield/Grayfield Credit (Tax Credit Equity Only)	$600,000.00	Committed

HOME (Loan)	$0.00	
HOME (Grant or Forgivable Loan)	$250,000.00	Pending
FHLB Affordable Housing Program (Loan)	$0.00	
FHLB Affordable Housing Program (Grant or Forgivable Loan)	$0.00	
USDA-RD (Loan)	$0.00	
USDA-RD (Grant or Forgivable Loan)	$0.00	
Local Match (Loan)	$0.00	
Local Match (Grant or Forgivable Loan)	$0.00	
Local Match (Property Tax Abatement or Refund)	$0.00	
Local Match (In-kind)	$0.00	
Developer (Cash or Equity)	$750,000.00	Committed
Private Lender (Loan)	$900,000.00	Pending
All Other Public Sources (Loan)	$0.00	
All Other Public Sources (Grant or Forgivable Loan)	$155,339.00	Pending
Total	$2,955,339.00	

Estimated Amount of Assistance

Source	Option A	Option B
Workforce Housing Tax Credit*	$330,000.00	$450,000.00
Sales Tax Refund (on materials only)	$71,124.30	$71,124.30
Total Estimated Workforce Housing Incentives:	$401,124.30	$521,124.30

Requested Award

Cost per Unit

NOTE: per unit cost cannot exceed $200,000 per unit or $250,000 per unit if project involves historic property as defined in Iowa Code Section 404A.1(2).

Sub-Total Residential Costs (from above) $2,955,339.00

Number of Units: 15

Cost per Unit: $197,022.60

Is the applicant requesting a Sales Tax Refund for the project? Yes

Is the applicant requesting a Sales Tax Refund for the project in an amount less than what is shown above (Estimated amount)? No

What is revised amount requested: $0.00

Is the applicant requesting Workforce Housing Tax Incentive Credits for the project? Yes

Is the applicant requesting a Workforce Housing Tax Incentive for the project in an amount less than what is shown above (Estimated amount)? Yes

What is revised amount requested: $300,000.00

Acknowledgement

I understand amounts calculated are estimates based on initial application information provided to IEDA. Amounts of assistance estimated are maximum amounts and could be less depending on final project costs. Award amounts under the Workforce Housing Tax Incentive Program will not be increased should project costs increase.

I understand:* Yes

I understand compliance fees imposed in Iowa code Section 15.330(12) shall apply to all Workforce Housing Tax Incentive Program agreements.

I Understand:* Yes

Required Attachments

Attachment	Description	File Name	Type	File Size
Resolution in support of the housing project by the community where the housing project will be located:				
Documentation of local match to project:				
Documentation of all secured funding sources for the project:	Brownfields award is attached. All other funding is currently pending or being requested.	**Brownfields Award.pdf**	pdf	779 KB
Project map:	Project location map noting location within the downtown as well as surrounding amenities	**530 West Broadway Downtown Features Map.pdf**	pdf	2.5 MB
Affidavit stating the Business has not, within the last 5-years, violated state or federal environmental and worker safety statues, rules, and regulations: Download a sample affidavit **here**	Workforce Housing Tax Incentive Program Affidavit	**WHTC Affidavit.pdf**	pdf	434 KB
Documentation that the project is located in a county with a Presidential Disaster Declaration on or after March 12, 2019 AND is a county in which individuals are eligible for federal individual assistance. Visit **https://floods2019.iowa.gov** for more information.	Attached map was accessed at https://www.homelandsecurity.iowa.gov/disasters/current_disaster.html noting Iowa's open Presidential Disasters. Pottawattamie County was eligible for public and individual assistance as of March 12, 2019.	**DR4421 v2.pdf**	pdf	588 KB