Council Communication

Department: Community Development Case/Project No.: N/A	Ordinance No.: N/A Resolution No.: 21-	City Council: April 12, 2021

Subject/Title

A resolution authorizing the mayor to submit an application to the IA-003 FY2022 Community Project Funding Program for the South End Housing Development Program

Location

South End Neighborhood specifically:

- 21st Ave and South Expressway (behind Casey's)
- South 19th Street from 25th Ave to 26th Ave

Background/Discussion

Background

Council Bluffs has a significant need for both affordable and market rate housing. According to the "Comprehensive Housing Market Analysis: Omaha-Council Bluffs" completed in 2017 by the US Department of Housing and Urban Development (HUD), nearly 15,000 units will be needed metro-wide in the next three years to meet the demand for the market. With only an average of 2,000 units constructed each year, the need for housing continues to be a high demand for housing.

Currently the owner-occupied market has vacancy rate of 1.0% with only 43 houses for sale under $300,000 and 53 house for sale in any price point in Council Bluffs. The University of Nebraska at Omaha (UNO) recently published a research article stating the average price of single-family homes in the metro rose by over 10% in 2020. This is a substantial increase compared to the year over year increase in the past two decades, which averaged 2.9% previously. The rental market has maintained some resiliency but the increased housing demand has strained this market as well with a shortage of 3,000 units according to the HUD market analysis.

Discussion

In March, the Office of Congresswoman Cindy Axne released a grant application to the Community Project Funding Program through the congressional appropriations process. Funding is available for a variety of types of projects with a focus on infrastructure improvements.

The City wishes to submit an application to complete infrastructure improvements for its South End Housing Development Program. This program will focus on two key areas in the south end neighborhood to construct a mix of affordable and market rate housing:

1. 21st Avenue and the South Expressway: this city-owned property is was originally acquired utilizing Community Development Block Grant (CDBG) and Neighborhood Stabilization Program (NSP) funding in 2011. City Staff has attempted to create an affordable housing development; however, because the site needs substantial fill dirt no developers have been able to make the project financially viable.

   Staff wishes to request funding to reconstruct the unimproved 21st Avenue as an access point for the property and bring in the needed fill dirt to ready the site for redevelopment by the private sector. An estimated 75-100 units could be constructed on the site.

2. South 19th Street from 25th to 26th Avenues: in partnership with NeighborWorks Home Solutions, the City wishes to extend South 19th Street from 25th Avenue to 26th Avenue to allow for new 29-unit single family development behind Beacon Village Apartments. The proposed project will be a mix of affordable and market-rate units. This project has been in development for several years

but infrastructure funding has continued to cause delays.

Projects funded through this grant must be able to spend their award within federal fiscal year 2022 (October 1, 2021 to September 30, 2022). Staff believes the two proposed projects can meet this timeline for completion.

Staff Recommendation

The Community Development Department recommends City Council adopt a resolution authorizing the mayor to submit an application to the IA-003 FY2022 Community Project Funding Program for the South End Housing Development Program.

Attachments

Site Map

Submitted by: Courtney Harter, Housing & Economic Development Manager
Approved by: Courtney Harter, Housing & Economic Development Manager