Council Communication

Department: Community Development Case/Project No.: N/A	Ordinance No.: Resolution No.: 21-	City Council: 6-14-2021 Public Hearing: 6-28-2021

Subject/Title

Resolution approving and authorizing execution of a Development Agreement by and between the City of Council Bluffs and Robert McCarthy.

Location

Generally located along College Road: south of Iowa Western Community College and east of St. Patrick's Catholic Church

Background/Discussion

Background

In 2020, the City began working with Bob McCarthy interested in constructing a 40-unit townhouse development along College Road. The project is primarily undeveloped land (greenspace) with an option to acquire one single-family house. City Council approved the preliminary plan known as New Horizon Subdivision, Replat 3 (Resolution 21-65) on February 22, 2021.

Discussion

Mr. McCarthy now requests the City form an urban renewal area for this development to assist in the payment of public improvements (extensions of road, water, stormwater, sanitary sewer). The estimated cost of these improvements is approximately $600,000. Staff believes that the project will not proceed without assistance. Therefore, an agreement for private development has been prepared which commits a ten year tax increment financing rebate for the development in the amount of 54.85% of the attributable property taxes. The remaining 46.15% shall be deposited into an account to assist with further housing opportunities for persons of low and moderate income as required by Chapter 403 of the Iowa Code. Mr. McCarthy will have five years to complete 36 of the 40 units. Debt shall be certified by the City after five units are completed.

Staff Recommendation

The Community Development Department recommends approval of resolution authorizing the Mayor to execute an agreement for private development with Robert McCarthy providing tax increment financing assistance for the construction of a 36-unit townhouse development.

Attachments

1. Development Agreement
2. Notice of Public Hearing

Submitted by: Courtney Harter, Housing & Economic Development Manager, Community Development Department