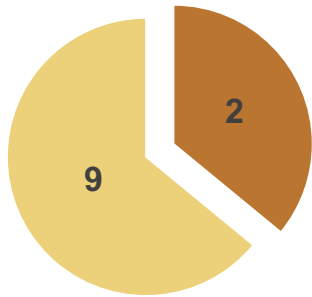


Vacant Infill Lots



According to your most recent vacant lot inventory:

You have 9 infill lots throughout town and 2 contiguous lots for larger development potential.

Vacant Lot Case Study: Maquoketa



- Maquoketa Pocket Neighborhood
- HNA: Need for at least 344 new houses by 2020
- Employer demand for more housing
- Only 16 housing starts over the past 6 years

- Developed by ECIA COG.
- Shared amenities.
- Approximately \$125,000 per house for purchasers.
- Appeals to a wide range of potential buyers.



Welcome Home

<https://ecia.org/pocketneighborhood/>

Heather Hafner
563-590-5139

IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

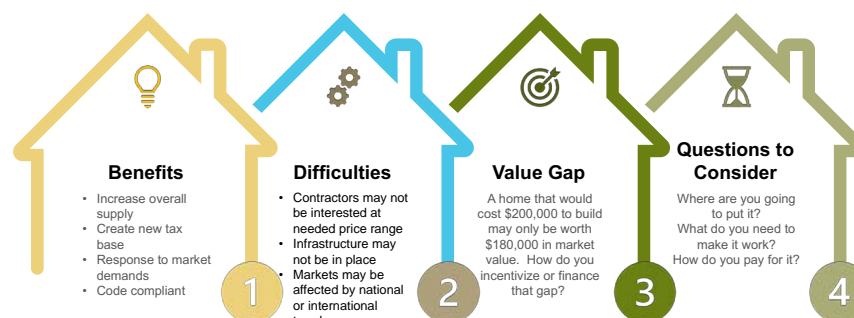
New Housing Development



IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

New Housing Construction



IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

Homes for Iowa Case Study: Jefferson

Homes are 3 BR, 2 BA homes
Lot, foundation, and interior items such as appliances are not included in the price of the home
Partnership between IEDA, Homes for Iowa, Iowa Prison Industries, and regional COGS



IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

Jefferson Home Funding

Price of the home is \$90,000
Down payment assistance was made available from different partnerships
Income limit of \$100,000 to qualify
Requires a \$1500 down payment



IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

New Construction Case Study: Mitchellville

Deer Run Development
4 plats, 100+ lots available for development
Homes range from 1300-1600 sq feet
2-3 bedroom, 2-3 bathroom
New construction homes that range from \$300,000-\$400,000



IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

Senior Housing

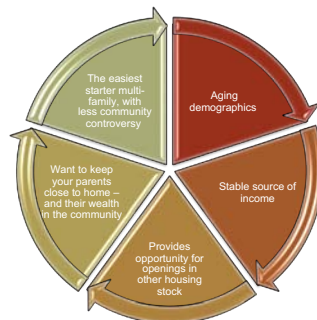


IOWA STATE UNIVERSITY
Extension and Outreach

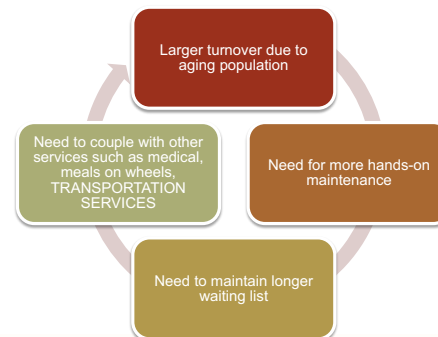
Community and Economic Development

Benefits & Difficulties

Benefits



Difficulties



IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

Senior Housing Case Study: Boone

The Villas at Fox Pointe

Groundbreaking took place in October 2022

Project consists of two phases

Second phase is new construction senior housing with 30 two-bedroom units for 55+



IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

The Villas at Fox Pointe Funding

- Total project cost is \$19 million for both phases
 - Senior housing phase will cost \$7.6 million
- Land for the project was sold from the city for \$5000.
- Tax credits were given in the amount of \$840,000/year for 10 years.



Improving Existing Housing Stock



Benefits & Difficulties

Benefits

- Supports local contractors
- Strengthen neighborhoods
- Maintains historic values and significance
- Improves valuations of surrounding properties
- Improve health of residents i.e. lead, asbestos, mold, radon, pests...
- Helps homeowners stay in their own property
- Asbestos and heavy metals require special disposal

Difficulties

- May invest more than property is worth
- May not add to existing housing stock
- Landlords may not be motivated to invest in rental properties
- May push out existing residents as property is improved and rents raised

Adaptive Reuse



IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

Difficulties and Benefits

Difficulties



Structural integrity of historic buildings must be addressed



Sentimental value of original use by the community



Rules involved with historic preservation



Not every contractor can work with adaptive reuse

Benefits



Sustainability through the reduction of demolition debris



Repurposing for additional housing or development



Existing infrastructure is already available



Creativity in revitalization including housing & business development



Preservation of history and existing architecture



Revitalization of abandoned or disintegrating structures in the heart of a community

IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

Adaptive Reuse Case Study: Clinton

- Roosevelt School
 - Built in 1888 and used by the school district until 2012
- Strong architecture and building placement made it prime for adaptive reuse
- Partnership between CHI, the City of Clinton, IEDA, Clinton CSD, ECIA, and the Iowa State Historic Preservation Office



IOWA STATE UNIVERSITY
Extension and Outreach

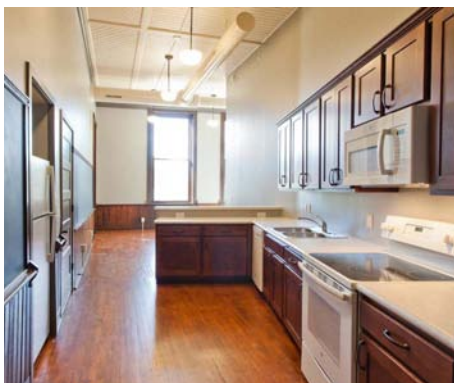
Community and Economic Development

Roosevelt School Funding

- Total Project cost was \$4.8 million
- Funding included \$3 million in CDBG funds
- Additional funding came from developer equity, conventional financing, & state historic tax credits



Roosevelt School



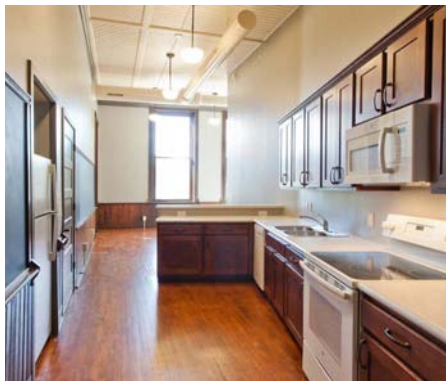
- Reopened in 2016
- 16 units with a mix of 1 & 2-bedroom apartments with historic features intact
- Mixed use apartments with some being income restricted
- Still owned & managed by CHI

Housing Improvement Case Studies



Upper Story Case Study

- Reopened in 2016
- Mix of 1, 2, & 3 bedroom apartments with historic features intact
- Mixed use apartments with some being income restricted
- Still owned & managed by CHI



What to Consider in a Rehab Program?



**Downtowns &
Corridors**



Target neighborhoods

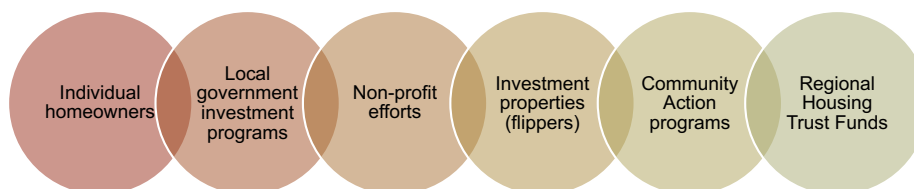
Funding source(s)



Interior v. exterior focus

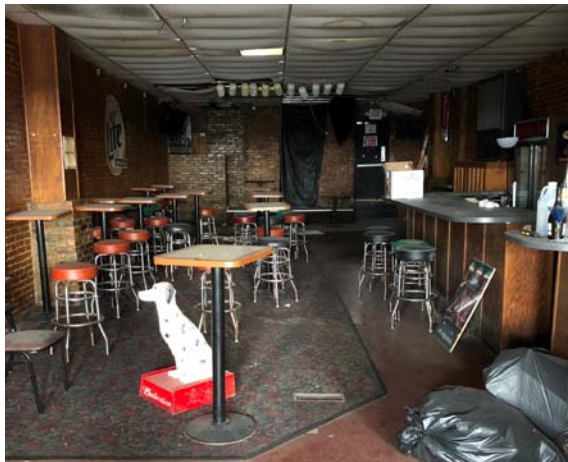


How does rehab happen?



Upper Story Case Study: Ottumwa

- 300 Block, E Main Street (303/305/315/320)
- 5 new rental units were created in previously unoccupiable upper-level units
- Partnership between IEDA, City of Ottumwa, Rippling Waters Property Development (Nonprofit owner) and Alliant Energy



Upper Story Case Study: Ottumwa



- Total Project Cost: \$1,071,855
- Funding included CDBG funds of \$470,000 and \$25,000 from the City of Ottumwa
- Additional funding came from the non-profit owner and Alliant Energy

Upper Story Case Study

- Reopened in 2019
- 5 rental units were created
 - 2 1-bedroom units
 - 1 2-bedroom units
 - 2 3-bedroom units
- Apartments range in size from 800-1400 square feet
- Still owned & managed by Rippling Waters (the nonprofit)



Rehab Program Case Study: SIMPCO

- Repair or replacement of heating, electrical, plumbing, roofs, windows, ADA, and other necessary repairs
- Primary source of funding for this rehab program is through the Iowa Finance Authority's Housing Trust Fund. Requirement of the program is that you must have matching funds from the counties served
- From 2019-2021, SIMPCO has received \$289,806 between HTF and matching funds.
- Program has helped 17 homeowners on average each year



IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

Rehab Program Case Study

- Owner receives a forgivable deed restriction for funding required with 0% interest and no money required provided the homeowner lives in the property
- Owner must have income under 80% of county income limit



IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

Neighborhood Revitalization Case Study

- Burlington Healthy Neighborhoods
- At least five neighbors in a one or two block area must participate.
 - Both homeowners & landlords can apply
- Will provide a cash match for each property owner up to \$1,000 for exterior projects.
- Examples of projects include: porch work, painting, siding, exterior lights, front doors, landscaping.



IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

Neighborhood Revitalization Case Study



Almost \$30,000 was fundraised locally from:

Chamber of Commerce
Local foundation
A real estate organization.



Five neighborhoods applied

IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

Better Living through Code Enforcement

- Some zoning practices can stifle rehabilitation; lot setbacks, placement of accessory structures, non-conforming use restrictions, historic preservation, conversion from single family to multifamily.

IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

Better Living through Code Enforcement

- Rental registry and inspection program can help maintain minimum safety standards for a community
- Who enforces?
- Who inspects?
- Who pays?



[This Photo](#) by Unknown Author is licensed under [CC BY-SA-NC](#)

IOWA STATE UNIVERSITY
Extension and Outreach

Community and Economic Development

Better Living through Code Enforcement

- Nuisance abatement programs can maintain a higher level of community satisfaction and improve the visual impact.
- Ensure what a “nuisance” is matches community values.
- Who enforces?
- Who inspects?
- Who pays?



Accessory Dwelling Units



A second, independent dwelling on the same parcel as a single-family house.

Enforcement of City Code

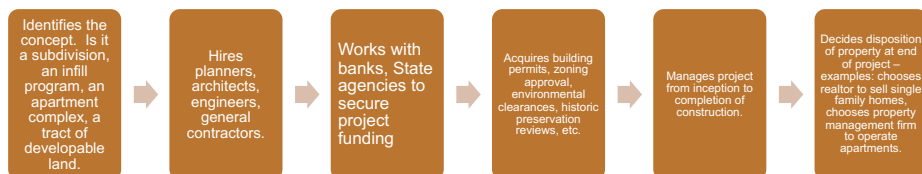
- Fair and consistent enforcement is necessary
- Consult your city attorney, especially with abandoned and derelict buildings
- Avoid issues that are not public nuisances or public safety issues
 - water flow, trees, neighbor disputes etc...



Starter Projects



What Does a Developer Actually DO?



Developer's Biggest Job? ***Determining Feasibility***

- Determining the cost of constructing and selling single family homes or constructing and operating multifamily housing.
- A **Pro Forma** is a tool to estimate all costs, available sources of funding, and expected profit or loss of the project.

When Would You Be Your Own Developer?

- You want to build out a single-family subdivision using a variety of small builders.
- You have a specific building you'd like to save for a new use – old school, something historic.
- Neighborhood revitalization, corridor redevelopment, targeted area with multiple kinds of housing needs that might be several kinds of housing projects.

More Reasons You Might Become Your Own Developer

- Post-disaster recovery from a flood or tornado that requires a lot of new housing fast.
- As part of a partnership with a nonprofit serving the housing needs of special populations such as seniors, developmentally disabled, group homes, or homeless shelters.

Hard Costs

- Hard costs are the same as direct costs.
- Hard costs are the actual construction costs of a building.
- Land, Labor, and Materials (LLM).
- Land can include the purchase price of land, demolition of structures on the land, grading, and site improvements to bring in utilities or to create streets in a subdivision.
- Materials includes final furnishings, fixtures, and appliances.

Soft Costs

- Soft costs are indirect costs. They are things you have to pay others to do for you.
- Professional services – Architectural and Engineering (A & E); surveyor, legal, accounting, marketing, realtor.
- Fees – building permits, inspection fees, environmental tests, tax credit application and compliance fees, tax credit syndication fees, market study, appraisal fee, and title recording and abstract fees.

Financing Costs

- Construction loan fees
- Construction loan interest
- Insurance during construction
- Property taxes during construction
- Contingency and reserves



Luke Seaberg

- seaberg@iastate.edu
- 712-223-9147



Mark Reinig

- mreinig@iastate.edu

QUESTIONS?