

Rural Housing Readiness Assessment



Disclaimer: The Rural Housing Readiness Assessment draws together best practices communities have used to manage housing quality, affordability and access. It is not a substitute for legal or professional advice. Every community's housing situation is unique and best practices should be weighed against the availability of resources, historic circumstance, and current local, state, and federal law. The Iowa Code and court cases mandate how local governments must conduct some activities relating to housing and planning and zoning (such as adopting ordinances, creating a TIF District, or creating a tax abatement program). On the other hand, communities are free to approach other aspects of planning for and managing housing stock in a way that works best for them (for example, developing the comprehensive plan, conducting housing studies, or the development review process). For these reasons it is necessary for you to consult legal counsel to make sure that the ideas you take from this publication are in accordance with current law and applicable to your particular situation.

The role of Extension Specialists at Iowa State University is to provide you with the information you need to be effective in your roles as housing decision makers, and to help you acquire the skills necessary to perform your complex responsibilities with confidence.

Housing Readiness Assessment

Part 1: Finding a Baseline

This housing readiness self-assessment guides communities in considering options that ensure existing and potential residents are able to find safe, secure, and quality housing that meets their needs and fits within their budgets. Many communities have existing housing-related plans and studies. These should be considered the source documents for finding the information on the strategies identified below. Familiarizing oneself with the relevant sections of city code and zoning ordinances governing housing will also be helpful. Your community's municipal code is a collection of ordinances grouped together by the activities they regulate. Common code sections which impact housing include: building code, zoning code, nuisance code, and rental code among others. Your community may have all or none of these and names vary by community. It is vital to gather these ordinances together before completing this handbook.

However, just because a study or a plan has been completed doesn't mean that community input was gathered in the process. Community input is important for three key reasons: 1) Plans that did not engage in a public participation process will not reflect the needs and desires of residents; 2) Ongoing public participation throughout the planning and assessment process increases support for the adoption of policies and strategies; and, 3) Public participation can reveal community champions who can help with public implementation and acceptance of strategies to address housing issues.

Existing Housing Plans or Studies

Housing studies or plans are crucial in identifying housing conditions and areas of concern. They should be conducted with public input and their recommendations implemented. What housing studies have been completed in your community? Are they currently being implemented?

Planning documents related to housing exist for our community (check all that apply):	Yes	No	Don't know	Year Completed	Year Approved by City Council or Board
<ul style="list-style-type: none">• Housing Needs Assessment• Detailed housing section of Comprehensive Plan OR• Brief housing section of Comprehensive Plan• Vacant lots inventory• Upper-story downtown housing assessment or inventory• Rental unit inventory• Other housing study (specify):					
Public participation was part of the needs assessment process.					
A Housing Commission or Committee, which includes resident participation, exists to implement housing policy.					

Existing Code and Ordinances

Having clear codes that are well adapted to your community is vital for affordable, quality housing. Homeowners, landlords, and potential developers should be able to easily understand the expectations and restrictions that your community has put into place. Your code should also reflect the needs and desires of your community. If you find that projects often need multiple variances, if desired housing simply cannot be built, or codes make it unattractive to reinvest in older homes, consider amending your ordinance.

	Yes	No	Don't know	Date Adopted	Last Updated
We have adopted a building code.					
We have adopted a zoning code. <ul style="list-style-type: none"> • We do not have zoning but use "Restricted Residential Zones" (for cities) • We do not have zoning but use "Agricultural Land Preservation Areas" (for counties) 					
We have adopted a nuisance code.					
We have adopted a rental code.					
Ordinances are codified.					
Ordinances are searchable on-line.					

Definitions

Restricted Residential Zones: Iowa Code Section 414.24 provides a means for small municipalities to prepare and adopt a version of zoning that is easier to administer than conventional zoning. Under this approach, the city council establishes "restricted residence districts." The council, by ordinance, establishes rules for land uses that are allowed in such districts. In general, only houses, schools, churches, and similar structures are authorized.

Agricultural Land Preservation Areas: Iowa Code Chapter 352 provides a means for counties with or without zoning to restrict certain land uses in dedicated "agricultural land preservation areas." A county board is created to oversee the administration of the county's land preservation ordinance. Land may be withdrawn from the preservation area by the landowner.

Worksheet

Municipal Officials

Personnel	Contact Information	Received Training
Zoning Administrator:		
Code Enforcement Agent:		
Building Inspector:		
Rental Inspector:		

Board of Adjustment

Member Name	Contact Information	Received Training

Planning Commission

Member Name	Contact Information	Received Training

Housing Commission

Member Name	Contact Information

Housing Readiness Assessment

Part 2: Strategies

Existing housing plans, code sections and programs should be identified and reviewed. Are existing programs and policies in alignment with recent studies? Are there other strategies and tools not currently in use that could be applied? The assessment is divided into eight sections: 1) Vacant lots & buildings, 2) New construction, 3) Housing rehab programs, 4) Code enforcement, 5) Homeownership support, 6) Infrastructure, 7) Community engagement & civic participation, and, 8) Programs designated to support specific demographics. Each section identifies multiple strategies a community can use to improve access, affordability and quality of the housing stock. Strategies address particular housing issues; a strategy may not be relevant to your community because the underlying problem it addresses is not prevalent. Each section directs the reader to seek out the existing resources in their community. If you are uncertain as to whether such a program or priority exists in your community, we urge you to contact city and county government officials or consult the relevant sections of municipal code to find out.

Vacant Lots & Buildings			
<i>Vacant lots and buildings are not only an eyesore for a community, they can bring down the assessed value and lower property tax revenue, constraining a community's ability to improve quality of life. On the other hand, they also provide the opportunity for infill redevelopment. What tools does your community use to address vacant lots and buildings?</i>			
	Yes	No	Don't know
There are existing ordinances that govern vacant and non-conforming lots. The relevant code sections and zoning ordinances are:			
There are existing ordinances that govern vacant buildings. The relevant code sections or zoning ordinances are:			
City or county programs exist to collect delinquent property tax and/or relieve owners who owe delinquent taxes of their properties.			
Programs exist to work with property owners to maintain upkeep on vacant lots and buildings.			
There is (at least) annual outreach from the city to property owners of vacant lots and buildings.			
Programs/incentives exist that promote the re-use of lots.			
Programs/incentives exist promoting the adaptive re-use of vacant buildings for housing (e.g. schools, hospitals, warehouses).			
The city has used Iowa Code 657A.10 to take title of abandoned buildings.			
There exists a land-bank program to help consolidate vacant parcels into buildable lots.			

Worksheet

Ordinances Governing Vacant Lots	
Ordinance	Brief Description

Ordinances Governing Buildings	
Ordinance	Brief Description

Program Name and Contact	Description

Definitions

Land bank: a public or community-owned organization or agency that buys, manages, maintains, and refurbishes vacant, abandoned and foreclosed properties including lots, houses, and other kinds of buildings. The purpose can be to aggregate lots for redevelopment and/or prevent the spread of blight throughout a neighborhood or block.

Legal non-confirming: the legal term for what are commonly referred to as “grandfathered” uses. Legal non-conforming lots and buildings are those that were built legally at the time, but do not conform to the standards of today’s ordinance. New ordinances must allow these uses to continue, but local governments have some discretion in how permissive to be with additions or updates.

New Construction

New construction is a necessary component to having an adequate mix of housing options (single-family, duplex, manufactured, and multi-family dwellings), tenure (owner-occupied or rental properties) and at multiple price points (high-end, middle-income, and workforce housing). The U.S. Department of Housing and Urban Development (HUD) defines affordable housing as a monthly payment (be it rent or mortgage) that is 30% or less than the total monthly income of the household. The cost of housing options in your community should reflect the average household income level. Does your community offer incentives to developers, contractors, and occupants in order to spur new construction?

	Yes	No	Don't know
Promotes building market-rate, single-family homes			
<ul style="list-style-type: none"> • Infrastructure incentives for developers 			
<ul style="list-style-type: none"> • Tax incentives for homeowner 			
<ul style="list-style-type: none"> • New subdivisions meet zoning requirements as surveyed and are ready for developers 			
<ul style="list-style-type: none"> • Zoning is conducive to infill construction in residential zones 			
Promotes building market-rate multi-family units			
<ul style="list-style-type: none"> • Infrastructure incentive for developers 			
<ul style="list-style-type: none"> • Tax incentives for owner 			
<ul style="list-style-type: none"> • New subdivisions meet zoning requirements as surveyed and are developer-ready for building 			
<ul style="list-style-type: none"> • Zoning is conducive to infill construction in residential zones 			
Promotes building affordable, single-family owner-occupied homes			
<ul style="list-style-type: none"> • Programs are in place to promote the construction of low-to-moderate income (LMI) and workforce housing units 			
Promotion of building affordable multi-family units			
<ul style="list-style-type: none"> • Programs are in place to promote the construction of low-to-moderate income (LMI) and workforce housing units 			
Prioritizes partnering with nonprofit housing developers to build new affordable housing options			
Manufactured housing is treated the same as site-built housing as required by state code 414.28			

Definitions

Workforce Housing: housing that is affordable for the average salaries of workers employed by major industries in a community and within close proximity to the workplace.

Low-to-Moderate Income (LMI) Housing: income limits that determine eligibility for HUD housing programs, such as rental and mortgage assistance and housing assistance for the elderly and people with disabilities. LMI guidelines vary depending upon the median family income per county. Specific county guidelines can be found at: <https://www.huduser.gov/portal/datasets/il.html>

Worksheet

Programs Supporting Single-family Home Construction	Description of Incentive

Programs Supporting Multi-family Home Construction	Description of Incentive

Nonprofit Developers in your community	Focus

Definitions

Urban Renewal: The creation of Urban Renewal Areas is enabled by Iowa Code Chapter 403 to give cities additional powers to deal with slum and blight and to promote economic development. The most important tool authorized by Urban Renewal is the use of Tax Increment Financing (TIF). To create an Urban Renewal Area the city must first have in place a comprehensive plan.

Tax Increment Financing (TIF): a program designed to counter blight and spur investment and revitalization in which a designated area's allocation of tax revenue to taxing bodies is frozen for a prolonged period of time. Any increases in tax revenue within the designated area is used to fund community improvement within that same defined area.

Urban Revitalization The creation of Urban Revitalization Areas is enabled by Iowa Code Chapter 404. The most important tool authorized by Urban Revitalization is the use of tax abatement on new construction or improvements. To create an Urban Revitalization Area the city must first have in place a comprehensive plan.

Property Tax Abatement: a reduction or elimination of property tax paid on new construction, or property improvements. Property tax is still paid on the existing (pre-improvement or pre-construction) value, but the tax on the new structure or improvement value is not assessed at the full rate for a set number of years.

Housing Rehab Programs

Housing rehabilitation is an effective alternative to new construction to meet housing demand. Housing rehabilitation programs can transform aging housing stock into desirable, safe homes with modern conveniences. What kind of rehabilitation programs exist to assist homeowners to refurbish their older home?

	Yes	No	Don't know
There exist city and/or utility company rebate programs for energy-efficiency remodeling.			
City or county low- or no-interest loans for home repair are available for low-to-moderate income homeowners.			
Active partnerships with nonprofit agencies doing home repair.			
City or county participation in USDA and HUD single-family housing repair loans and grants.			
City or county participation in HUD lead-abatement program.			
Programs that support manufactured and mobile-home repair.			
Area housing trust fund provides housing rehabilitation and repair programs.			

Worksheet

Rehab Program Name and Contact	Description	Nonprofit agencies doing home repair	Contact Information

Code Enforcement

Code enforcement is the primary way in which cities are able to regulate the quality and safety of the living environment, including existing homes and homes in construction. Active code enforcement maintains property values and the community tax base. What is the extent of code enforcement in your community?

	Yes	No	Don't know
Our code matches our needs as a community.			
There is at least one individual designated as the building inspector for the city.			
Our staff take part in regular training.			
Our staff are part of relevant professional networks.			
A rental inspections program exists and is implemented.			
Building permits are issued and records kept for new construction and home modification.			
Variances are given only rarely and when an unnecessary hardship is presented to the Board of Adjustment.			
Provisions exist to modify dimensional requirements through special use permits or "minor modifications."			
We allow accessory dwelling units in some zones.			
Code enforcement is active, ongoing, and strategic. Enforcement is not on a complaint-only basis.			
Community code-enforcement partnerships with the city are welcomed and implemented.			
A mechanism exists to investigate housing discrimination.			

Definitions

Strategic Code Enforcement: a means of organizing code enforcement efficiently to maximize limited resources. Involves combining technology, organizational skills, staff capacity, clear priorities, community partnerships. See more at: <https://www.communityprogress.net/tool-1--maximizing-capacity-pages-266.php>

Community Code Enforcement: programs that work with neighborhood residents and community partners to help city officials identify and address code violations. See more at: <https://www.communityprogress.net/tool-3--community-code-enforcement-partnerships-pages-269.php>

Homeownership Support Programs

Buying a home, especially one's first home, can be a daunting experience, representing a large investment for oneself and the community. Homeownership is not always in reach, because of financial and knowledge barriers. How is homeownership encouraged?

	Yes	No	Don't know
Down payment assistance programs are available for qualified buyers.			
Special home-ownership assistance programs are available for veterans.			
Special home-ownership assistance programs are available for public servants and/or professionals (e.g. teachers, municipal employees).			
Local employers offer housing assistance programs for employees.			
Home-ownership counseling programs are available from agencies other than banks			
Active partnerships with nonprofit agencies promoting home ownership.			

Worksheet

Program Name and Contact	Description

Infrastructure Related to Housing Needs

Communities must have adequate infrastructure in place in order to sustain a high quality of life for residents. Existing infrastructure and potential updates also need to be taken into consideration when considering options in supporting housing growth and improvements. What is the condition of the infrastructure in your community?

	Yes	No	Don't know
City water infrastructure has the capacity for existing and projected housing.			
City storm sewer infrastructure has the capacity for existing and projected housing.			
City sanitary sewer infrastructure has the capacity for existing and projected housing.			
Road maintenance and upkeep are included in the annual city budget,			
A walkability assessment has been completed for neighborhoods targeted for re-investment. Date of completion:			

Definitions

Walkability Assessment: a study that examines the access, safety, and ease of use for pedestrian walking routes. See for example: <http://www.i-walk.org>

Community Engagement & Civic Participation

Public input and ongoing engagement is critical to the success of implementing housing programming. Without active civic engagement programs, incentives will be under-utilized and not likely to reflect the needs of residents. What is the degree of civic involvement in directing housing policy?

	Yes	No	Don't know
Existing housing programs and incentives are well marketed and widely known by residents.			
Communication occurs with residents and/or neighborhood associations for feedback on housing issues.			

Housing Programs for Special Populations

Certain demographics have unique housing and community needs. Most often these are individuals whose social vulnerability makes finding quality, affordable, and safe housing more difficult. How does your community support housing options for a variety of demographics?

	Yes	No	Don't know
Housing assistance programs (grants, loans, counseling, etc.) are available for these populations:			
• Veterans			
• Senior Citizens			
• Individuals with disabilities			
• Immigrants and refugees			
• Native Americans (HUD Section 184)			
• Households living below the poverty line			

Worksheet

Program Name and Contact	Description

Definitions

Age-friendly or Elder-friendly City Initiative: planning initiative that takes into consideration housing, transportation and service needs across the human life span, with special emphasis on aging populations. See more at: <https://www.aarp.org/livable-communities/network-age-friendly-communities/>

Welcoming City Initiative: planning or policy initiative that works toward making the city a safe and vibrant community for all, especially immigrants and refugees. See more at: <https://www.welcomingamerica.org/programs/member-municipalities>

Additional Information for Page 7.

Question 3. The city does participate with Southern Iowa COG Housing Trust Fund. There are programs that can assist low income individuals with repairs, lead reduction, and other activities. In addition, SICOG-HTF does partner with other Creston agencies to make improvements to low income housing. Examples would be working with CAP Agency on weatherization and home improvements, local housing authorities like /Regency Park to replace or improve existing bathrooms or other needed repairs. Agencies that provide Independent Living for the mentally or physically handicapped, providing grants to local organizations like UCDA to assist in building new housing and providing fund to Habitat for Humanity to assist in their building projects.

Question 5. SICOG – HTF makes weekly referrals to USDA regarding Section 504 rehabilitation programs for seniors and low income.

Question 6. SICOG is the official representative of the Home for Iowa Program. They are the reseller and work with developers if they want to acquire a lot and place a house on it from Iowa Prison Industries program or locate on a vacant or cleared lot in Creston. There are no SICOG programs that address repairs to mobile homes or manufactured homes.

Additional Information for Page 8.

Ref. Architectural Barriers – Installation of an exterior ramp or portable porch lift, installation of a no step entrance, installation of hand rails and grab bars, installation of door hardware, widening of doors and hallways, modifying bathrooms and kitchens to be accessible and functional, modifying bedrooms or moving bedrooms or moving bathrooms to the main floor, installing a tracking system and replacing soft floor coverings with hard surface covering.

Ref. Exterior Improvements – Hard cost of construction up to \$24,999 may include roofing, gutter installation and replacement, ventilation installation, soffit and fascia replacement, exterior doors and window replacement, siding replacement, foundation repairs and outside stair case replacement. Note- new siding must be insulated.

Additional Information for Page 10.

Question 3. SICOG does have a program called "PATH" – Providing Assistance for Teacher Housing. This program provides up to \$25,000 forgivable loan to a individual teacher moving to Creston or purchasing a house. The program has been suspended by the SICOG Board, but is still active and could be used if the right project comes along.

This document shows the process ISUEO staff followed to categorize, condense, and clarify public input data extracted from the public input data gathered by SICOG during the drafting of the Creston 2040 Comprehensive Plan. SICOG used 3 different strategies to gathered public input (described below 1 – 3). The end of this process yielded the 9 Action Statements and 10 Vision Statements that were used in the Action and Vision Planning Workshops during the Rural Housing Readiness Assessment process. To view the full data set included in the Comprehensive Plan contact the City of Creston.

Creston Comp Plan – Public Participation (August 2018)

1. Public Meeting (30 + participants)

Visions:

Good quality physical appearance of Creston – infrastructure, streets, housing, etc.
Sufficient (good condition) housing available under \$100,000
Housing needs are met locally from cradle to grave

Actions:

Ordinances and nuisance codes clearly understood by residents, including consequences of failure to comply
Overall, increased availability of quality housing for purchase and rent
Dilapidated homes in existing neighborhoods repaired or rehabbed

2. August 27, 2018 – The Wallace Centers of Iowa Smart Communities Scorecard

Total completed Scorecards: 20

Visions:

Community where zoning and nuisance code are diligently enforced
Community that honors the past by preserving and restoring historic homes and buildings
W. Adams Street structure was mentioned 14 times

Actions:

Creation of a residential development and infrastructure plan

3. Creston Public Survey Result Data

From August through October, a paper and online survey was conducted to gain feedback about Creston and on many topics. The following outlines those results.

Statistics:

Online survey respondents: 219

Paper survey respondents: 7

Total: 226

Almost ¾ of respondents were Creston residents, Almost ¾ of respondents have lived in town over 10 years

Housing was the 3rd most important local issue (as indicated by a weighted average out of 6 responses - Economic Development was 1st and Taxes and Fiscal Policy Adjustment. Only 1.3% of respondents indicated that housing stock in Creston is good or excellent. Nearly 60% of respondents indicated that housing stock in Creston is in Fair or Poor condition. Almost 66% of survey respondents feel that the greatest housing issue in Creston is the condition or quality of the current housing stock.

164/221 respondents indicate that they are somewhat or very unsatisfied with housing quality, variety, and price/cost

113/221 respondents indicated that they are somewhat or very unsatisfied with the availability of affordable, quality rental, senior, and special needs housing

158/221 respondents indicated that availability of quality, affordable housing is very important

Actions:

Street conditions in general need to be improved - excessive potholes (30)

Improve housing and business situation before focusing on trails (1)

Clean up the porches and houses as people come into town on Highway 25 & Adams Street.

Historic home restoration/preservation

Get rid of junk and vehicles on properties

Make Creston less attractive to drug activity

81/208 respondents indicated that Housing conditions and home/yard maintenance was the worst attribute of Creston.

We need a plan to tear down or fix up 10 houses per year.

114/215 survey respondents indicated that the zoning code should be used to protect property values and to limit undesirable development.

91/215 survey respondents indicated that zoning should be aggressive to promote Creston as a community poised to grow.

69/215 survey respondents indicated that development incentives such as tax abatement and TIF should be utilized to promote private development in Creston.

Poor housing conditions was listed as one “weakness about your neighborhood” by residents of each of the 5 defined neighborhoods in Creston. – Properties need to be maintained/upkept/rehabbed/demolished

Visions:

Creston becomes a community that attracts “Specialized, technical, even smaller businesses that can offer higher wages, recruit and or retain skilled, educated, workforce that will stay and build homes, raise families and pay taxes.”

7 individuals indicated that they would welcome a Creston where dilapidated houses and buildings were repaired, especially in the Uptown portion of town.

Increase/Restore community pride

31 people requested higher-quality and more diverse housing stock with cleaner residential neighborhoods

26 individuals envisioned a future Creston with quality, affordable housing with a variety of styles and living options

Regarding Uptown specifically – over 85% of respondents indicated interest now or in the future for housing in this area of town if, “units are provided that are modern, have two or more bedrooms, have two bathrooms, are fully rehabilitated, have on-site parking, and have good security, even if rent or lease alone was \$600. 14 answered.”

More off street parking was a big requirement for living Uptown.

Creston staff and Elected leaders recognized housing a most important item to be tackled by comp plan and future planning.

Creston Housing Public Input condensed ideas below: Bolded entries come from the larger public survey (226 respondents). Non-bolded ideas come from 2 in-person public feedback gathering exercise (20 & 30 participants)

Actions: Statements need to have action words in them and be more specific

1. Build more quality housing for purchase and rent
2. Target dilapidated homes for repair or rehab
3. Create a residential development and infrastructure plan
- 4. Zoning Code should be enforced diligently**
- 5. Zoning Code should be clearly understood by the community**
- 6. Create an exterior maintenance code**
- 7. Create and implement a proactive nuisance abatement program**
- 8. Utilize development incentives such as tax abatement and TIF to promote private development in Creston**
- 9. Tear down or fix up 10 houses per year**

Visions: Creston is a community where ...

1. The condition of existing housing is Creston's best attribute
2. Public infrastructure - streets, lighting, public parks, are well maintained
3. Housing (in good condition) is available under \$100,000
4. Housing needs are met locally "from cradle to grave"
5. Building and nuisance codes are diligently enforced
6. The past is honored by restoring historic homes and buildings
- 7. Well-compensated individuals want to live, build homes, raise families and pay taxes**
- 8. People have pride in their community**
- 9. There is sufficient quality, affordable, and varied living options (homes, apartments, condos)**
- 10. Community and economic growth is happening and will continue to happen**

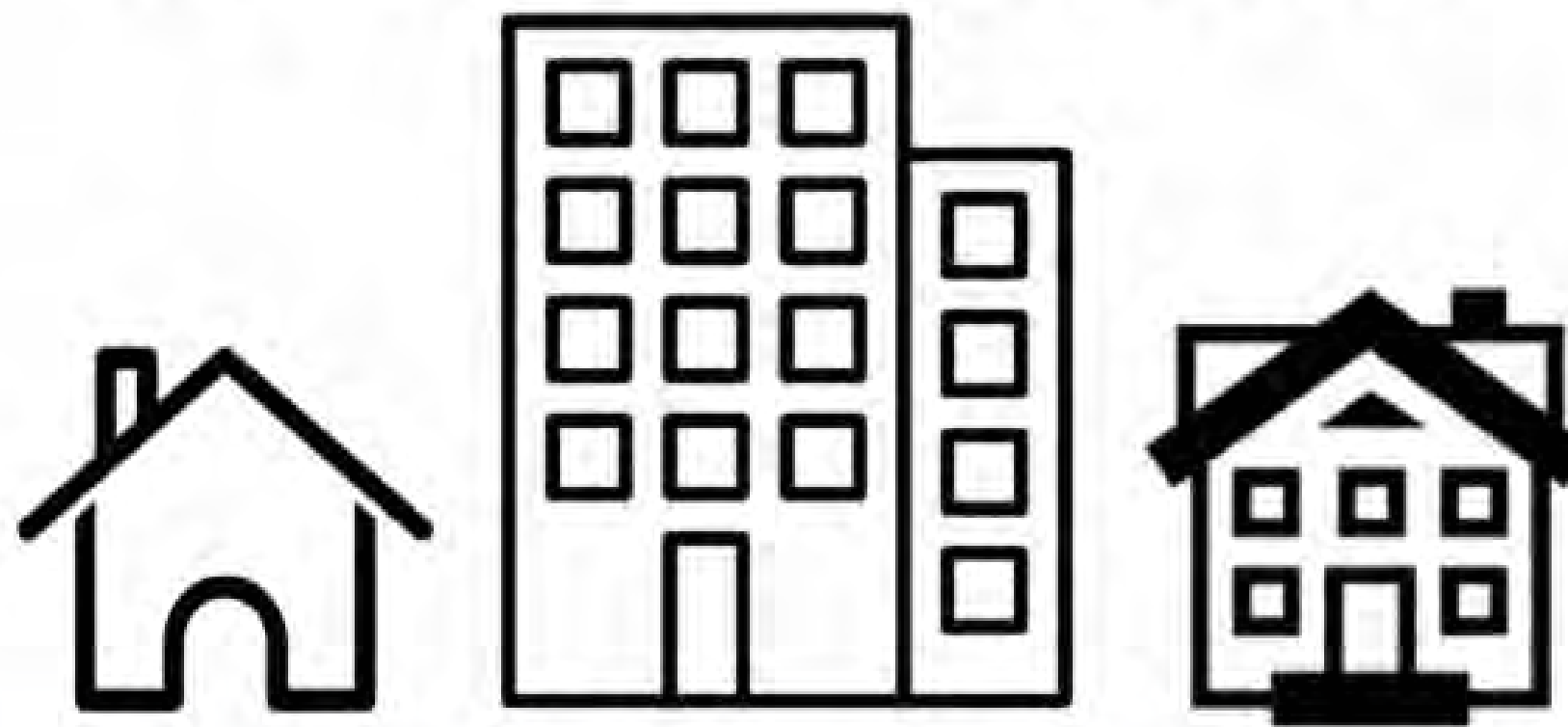
AGENDA

- Onboarding
- Agreements for the day
- Workshop 1A
- Workshop 1B
- Next steps

**WHAT ARE THE
KEY ELEMENTS OF
A LOCAL HOUSING
STRATEGY?**



Rural Housing Readiness Assessment Workshop



Preparing the ground for local housing strategy

Agenda



Introductions



Overview



Housing
Decisions

New
Construction



Housing
Rehab



Next Steps





Please introduce yourself.

What is your role in housing?

Why are you here with us today?

Mike Taylor, with the City.
Coordinating the RHRA . Working with several groups to improve housing stock

Mayor Gabe.
Works closely with UCBA on their projects

Tim Ostroski, SICOG,
Director of housing trust fund in Southern Iowa

Monty N. Chair of Housing development committee for Union County

Stu Burzette, Planner with SICOG

Gay Lynn Owens, realty and housing committee

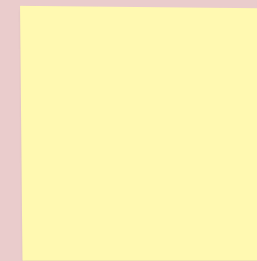
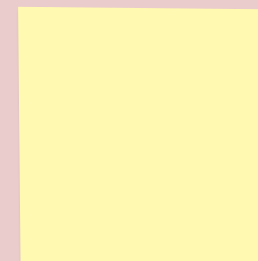
Ben Adamson, UCDA and housing committee

Kevin Kruse, City of Creston Zoning Administrator and works with inspections

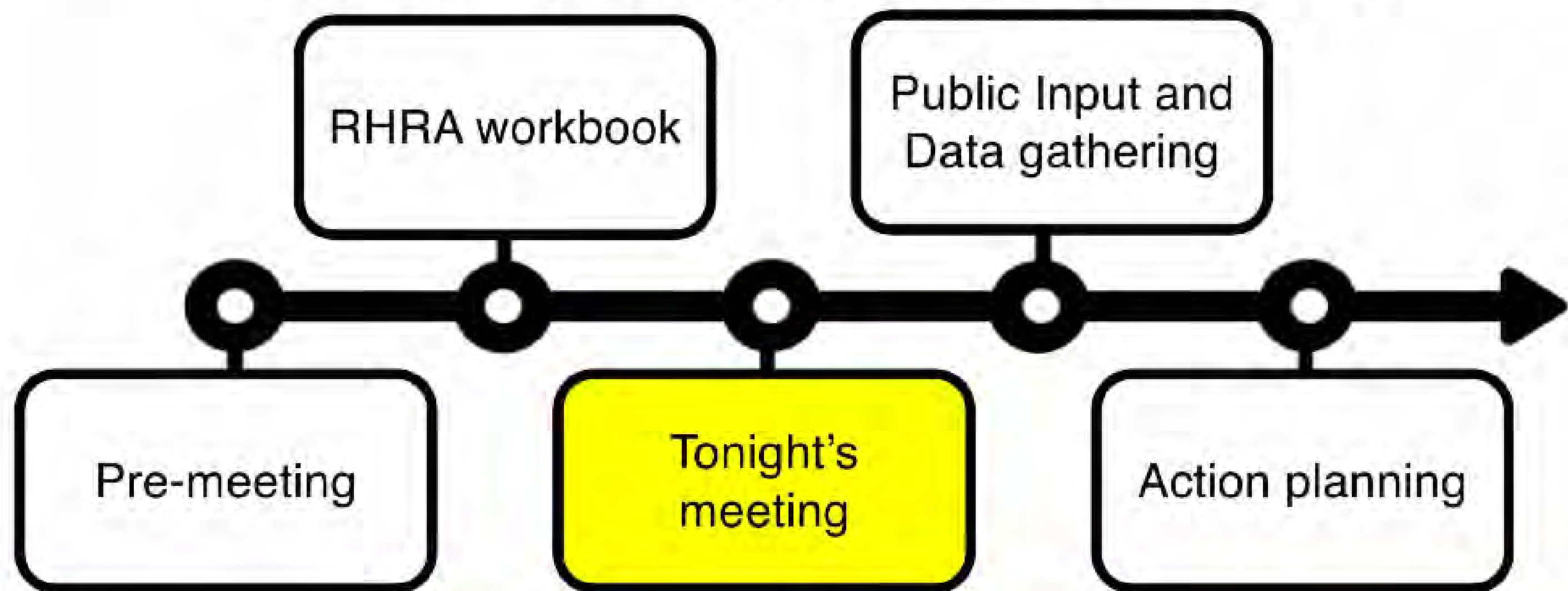
Shari Parrot, city county of Afton and rep of Afton on UCDA board

A. Smith, civil engineer and infrastructure expert to help rebuild city of Creston!

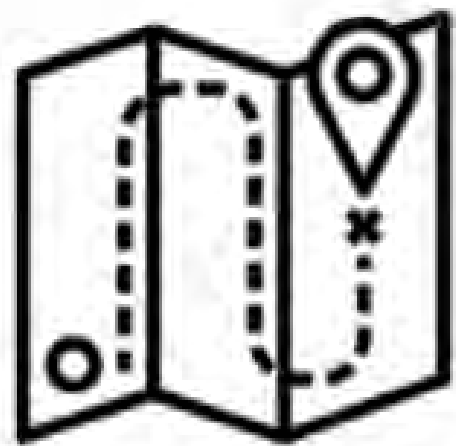
Melissa Driskell



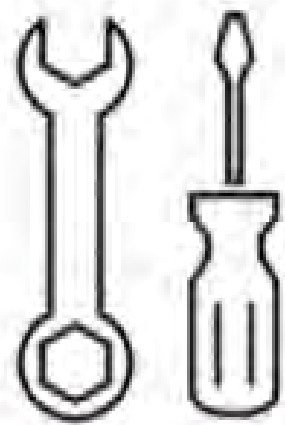
Overview of the Rural Housing Readiness Assessment Process



Why are we here?



To map out
directions to
improving access,
quality, and
affordability of
housing



Develop a
coherent,
realistic, and
well-reasoned
housing strategy
for our
community



5

Reflection on the RHRA Workbook

What did you learn in filling it out?

Any surprises?

A lot of programs in place already

Lot of other items -- building codes in place for instance

A lot of folks may not have realized all the programs there and how to get with the right people to learn about them

of programs already in place to help

A lot of data on hand already

If a builder would come to town and stop by city hall they could answer most of their questions or point them in the right direction

Had to go back and look for building code adoption, but it was all there

Several groups involved in Creston -- SICOOG has a lot of knowledge about the programs, involved because of Mike and the trust fund

With all the programs available, how to we (the Development Agency) connect developers with the right program -- where is the one-stop shop for us?

Impressed me the number of programs and opportunities for builders, enforcers, developers

City utilizes the resources available to them -- I think there is good cooperation with in the city

City has done a good job in overall efforts for housing development

Incentives for builders on infill lots, you need to go through two entities -- Water Department and City of Creston. This could create some difficulties, but the two entities work well together

Pretty much knew in advanced what the tool would show because very familiar with the programs available in Creston. Boxes checked yes is an opportunity to say, yes, but how can we make it even better.

Sources of information on housing



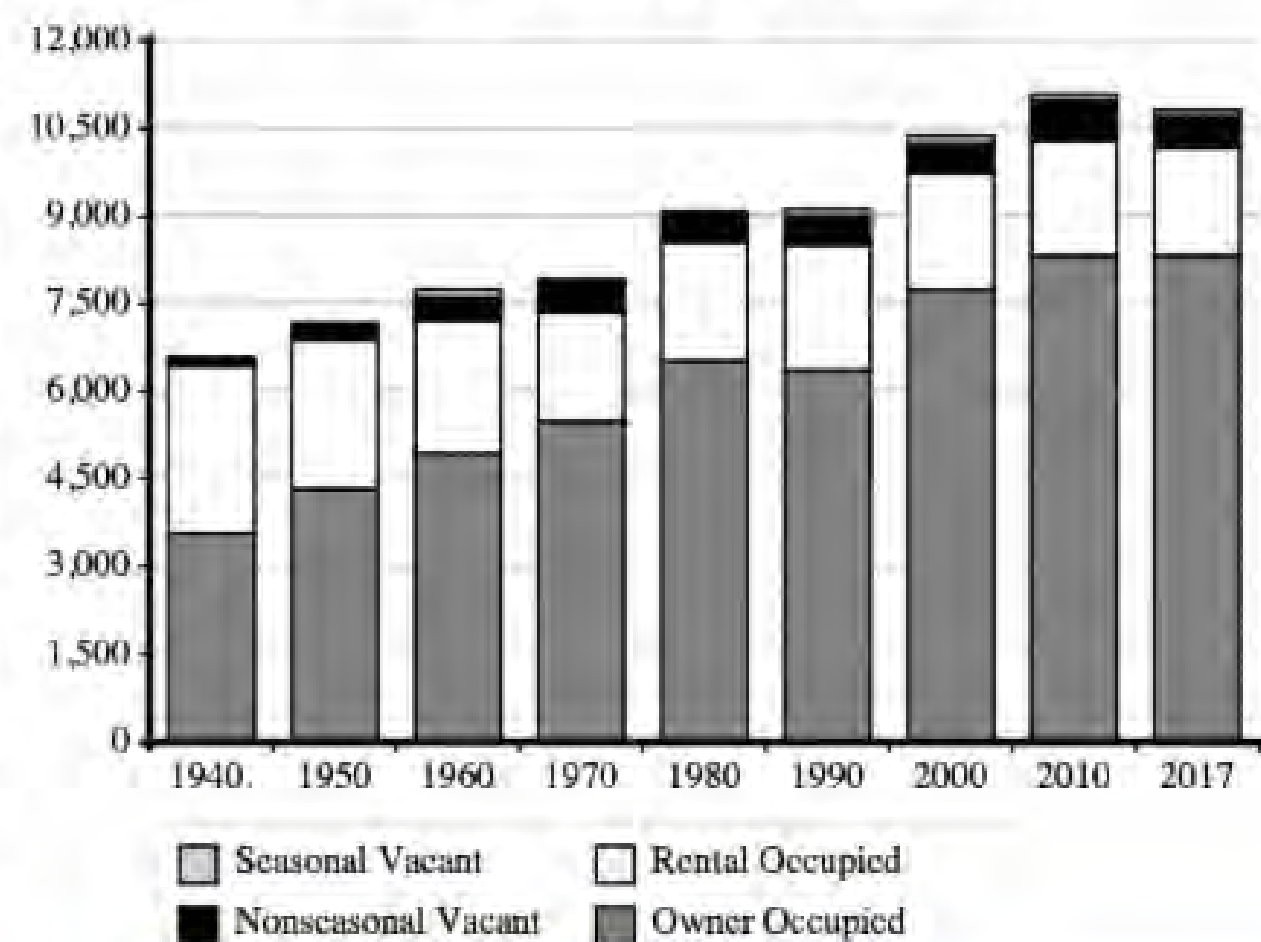
- County level data
- 4 page report
- Wide range of information on housing access, characteristics, affordability and demographics
- <https://indicators.extension.iastate.edu>

Housing Characteristics, 2013-2017¹

	Estimate	MOE
Total Housing Units	11,132	+/- 46
Vacant Units	945 (8.5%)	+/- 177 (1.6%)
Occupied Units	10,187 (91.5%)	+/- 186 (1.6%)
Owner-Occupied Units	8,322 (81.7%)	+/- 230 (1.8%)
Renter-Occupied Units	1,865 (18.3%)	+/- 186 (1.8%)
Median Value ^a	\$147,800	+/- \$6,899
Median Rent ^b	\$608	+/- \$45
Avg Household Size - Owner ^c	2.57	+/-0.05
Avg Household Size - Renter ^d	2.12	+/-0.16

^aMedian value of owner-occupied units, ^bMedian gross rent of renter-occupied units, ^cOwner-occupied units, ^dRenter-occupied units

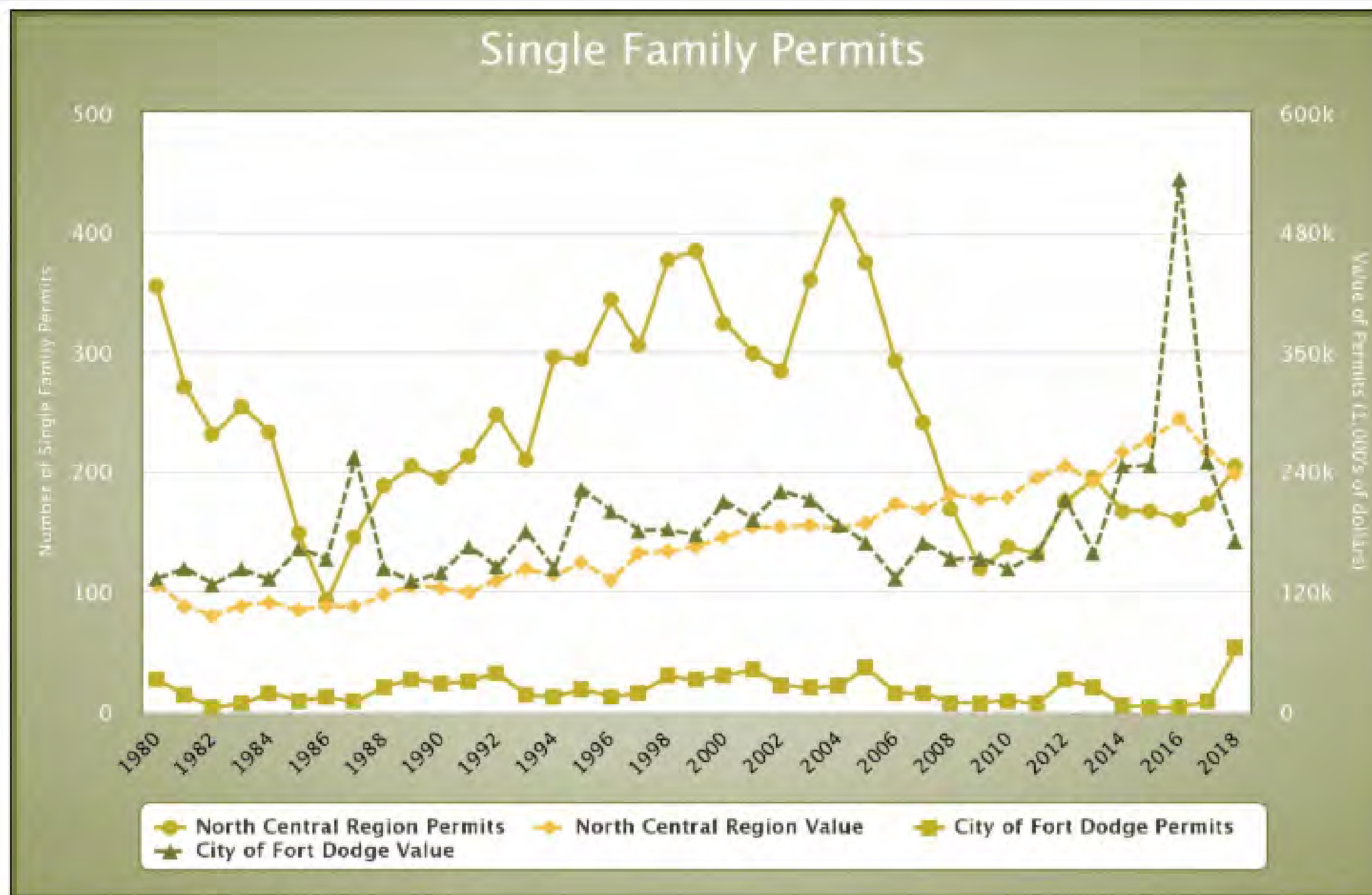
Number of Housing Units, 1940-2017^{1,2}



Sources of information on housing

- Data available for regions, counties and large cities
- Interactive web page
- Wide range of information on housing access, characteristics, affordability and demographics
- www.westernes.com/iowa



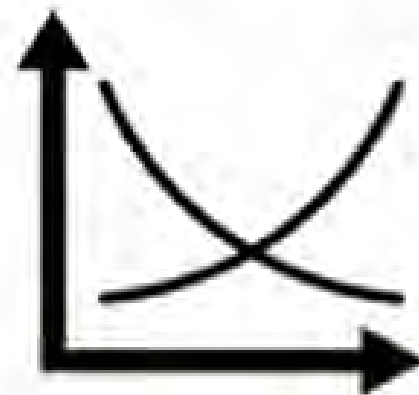


Defining: Housing Access



Residents are able to find housing fairly easily.

The available units roughly match the existing demand.



- Single-family, duplex, multi-family
- Owner occupied and rental units
- A variety of price points



Housing Access: Union County

Number of Units by Structure Type (2014-2018):	
1 Unit Structures	4,095
2 to 4 Unit Structures	389
5 or More Unit Structures	429
Mobile Homes	281
Total Number of Occupied Structures	5,194

Housing Units By Tenure (2014-2018)	
Owner Occupied	3,676
Renter Occupied	1,518



Do you feel there is an adequate mix of single-family, duplex, and multi-family units in your county?

I know that we have a lot of homes, single family homes that are unoccupied -- owners don't even live in town. Doesn't mean that they aren't able to be occupied, they just aren't on the market

UCDA Has tried to acquire vacant housing, but there seems to be issues with people not wanting to sell, legal issues, etc.

Lots of homes owned by folks who don't live in Creston and maybe not even in Iowa

City has used Iowa Code provision to acquire abandoned houses

North Elm Street home sat vacant for decades and literally falling apart

It appears that the empty houses are paying their property taxes

How many of the 4k single family structures in the county are suitable for habitation? How many are new?
I feel like there are many structures that are uninhabitable

Should be checking if empty houses are paying their property taxes

Housing Access: Union County

Number of Units by Structure Type (2014-2018):	
1 Unit Structures	4,095
2 to 4 Unit Structures	389
5 or More Unit Structures	429
Mobile Homes	281
Total Number of Occupied Structures	5,194

Housing Units By Tenure (2014-2018)	
Owner Occupied	3,676
Renter Occupied	1,518

110

What do you think about the balance of owner-occupied and renter-occupied units in your county?

When looking at 2-5 unit structures, we are looking at rentals, but what about number of single family homes that are rentals?

I've had 5 calls for rentals just this week -- there are no apartment complexes to direct folks to

Price of land plus infrastructure is too costly to build apartment complexes

What is the role of the college students in rental market? Dorms are full, even as the college has tried to build new -- can't keep up with demand

Multifamily rentals may not be a pool to buy homes, since we know Union County has a lower income level

I know folks who have personal rental homes that do not list them publicly -- the list is really small though

College plays a role in rental units around town. County numbers are pretty consistent with many other counties in the region though

If owner occupied, they are better taken care of than rentals. Landlords buy places and don't keep them up. Seems like there are a lot of slum landlords.

I don't feel like the college kids take away from a lot of the rental units -- if they don't go into the dorm, I don't feel we are battling them for rental units

There is never any vacancies in the multifamily units. Always a struggle for people to find a place to live

We've tried to build apartment complexes in town, but there just really is no place to build. It's a challenge to find a big enough piece of land to build on.

Had a parent buy a home as a rental property for their college age kid

When the college built the extra down we had a bit of breather but now we have come to needing more

Rentals have always been a difficulty to help people find places to live

Housing Access: Uni

Number of Units by Structure Type (2014-2018):

1 Unit Structures	4,095
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5 or More Unit Structures	429
Mobile Homes	281
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Housing Units By Tenure (2014-2018)

Owner Occupied	3,676
Renter Occupied	1,518

Defining: Housing Affordability



US Department of Housing and Urban Development: No more than 30% of household income should be spent on housing costs.

A household spending more than 30% is considered cost-burdened.



Defining: Housing Affordability

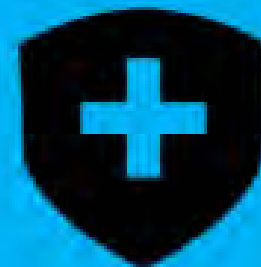
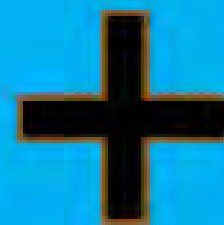
Median household income*: **\$47,518**

*after taxes

Cost of an affordable unit per month: **\$1,188**



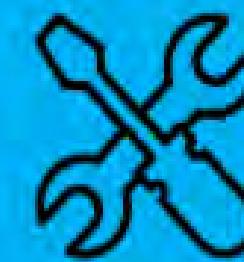
Mortgage or Rent



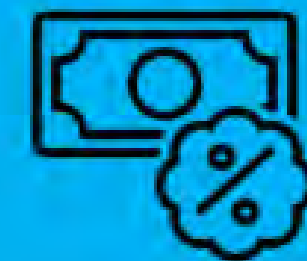
Insurance



Utilities



Maintenance



Taxes

Household Income & Housing Affordability

Percent Median Household Income	Annual Median Household Income*	30% Monthly Income Spent on Housing Costs
30% MHI	\$14,255	\$356
50% MHI	\$23,759	\$594
80% MHI	\$38,014	\$950
95% MHI	\$45,142	\$1,129
115% MHI	\$54,646	\$1,366

* After taxes

13a

Given the average household income in your county, does the maximum cost of an affordable unit strike you as attainable?

Percent Median Household Income	Annual Median Household Income*	30% Monthly Income Spent on Housing Costs
30% MHI	\$14,255	\$356
50% MHI	\$23,759	\$594
80% MHI	\$38,014	\$950
95% MHI	\$45,142	\$1,129
115% MHI	\$54,646	\$1,366

* After taxes

80% MHI would not be able to find a unit to rent

Most of our housing available at the 80% MHI would be more than a fixer-upper -- it would be a rehab situation

Fixer-upper versus extensive renovation really limits the amount -- 90K-to 120K, 130K, I don't see it, I don't see it as a possible

7 houses on my app on my phone that is between 90K-130K right now

all of these would take at least 50K to renovate the home

Banks are now doing home renovation loans on the secondary market -- might originate the loan locally but then sending it on to be bought up by secondary party

Banks are willing to have discussion but you may not have the income to qualify but exceeds the current programs being offered

CDBG program is income guidelines, but our urban revitalization program doesn't have any income guidelines

Do we have a list of those revitalization areas? (The entire city of Creston is included -- posted on the website) -- included in development agreement for project on Adams street

Reflecting on the major employers in your community, can someone earning the average monthly wage afford housing costs without being cost-burdened?

Percent Median Household Income	Annual Median Household Income*	30% Monthly Income Spent on Housing Costs
30% MHI	\$14,255	\$356
50% MHI	\$23,759	\$594
80% MHI	\$38,014	\$950
95% MHI	\$45,142	\$1,129
115% MHI	\$54,646	\$1,366

* After taxes

Teachers/School district

Probably some employers that could pay their employees a more livable wage but don't -- probably why employees don't live in Cresotn but same employers who want City to do something about housing

Bunn had quite a few employees that applied for the CDBG funds -- not sure if qualified but did apply, enough that it was noticeable

The \$20/hr wage is a great starting pointt for \$800-900 per month for housing

past Housing Trust Fund program was \$25K for new teachers coming into town for a principle buy down, paid back over 10 years. Experience showed us that teachers buying houses but a year or two later they had experience and moved out of the area to get paid more. Essentially subsidizing thieir first two years in Creston instead of a lifetime in Creston. Suspended program 2 years ago. Not gone away, just suspended -- trying to figure out how to keep them in the area, and use money effectively Board had long discussion working with hospital to apply that program -- we don't have enough money to serve that many people

Starting wage at \$12/hour -- should try to raise. Averag4e non-management position is \$22/hr.

Recent Construction

Authorized Housing Construction Permits in Ida County, 1995-2018

Permit Year	Single-Family and Duplex Units Building Permits	Per Unit Valuation
1995-1999	24	\$78,430
2000-2004	42	\$113,155
2005-2009	29	\$180,048
2010-2015	41	\$128,939
2016	24	\$139,605
2017	3	\$119,003
2018	4	\$122,617

Looking at the per unit valuations of new construction in your county, who are purchasing these homes?

Banks have changed over the past 5 years -- we had a spec home available every year but the banks have become so restrictive in their lending that it is no longer feasible

I think we have our pump stations in place on the south of town -- we've spoken to the owners (out of state owners) on the south of town and they just don't want to sell

infill lots are not amenable to build a nice single family home on

I believe we have enough land south of town for development to take place but there is no infrastructure -- no sewer or water (you've got to pump it up hill!)

no new subdivision

We'd like to take 1 to 2 miles west of Mckinley lake and annex in but don't thin that would be taken kindly

Authorized Housing Construction Permits in Ida County, 1995-2018

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Defining: Housing Quality

- Housing quality refers to the physical condition of the residential building and its surrounding lot.
- This encompasses both cosmetic and structural



Real Estate Listings

Union County

Single-Family Detached Homes	Jan.-Jun. 2019	Jan.- Jun. 2020
New Listings	204	184
Pending Sales	168	140
Closed Sales	151	111
Days on Market Until Sales	98	93
Median Sales Price	\$150,000	\$190,000
Average Sales Price	\$206,845	\$233,889
Percent of List Price Received	%96.0	%96.3

Iowa Association of Realtors, January 15, 2020

17a

Looking at the number of available listings for the county, what might this number indicate?

maybe start off in a nice apartment (1000 per month)

This shows we don't need the low income homes -- people are wanting to move here and live in nice homes

If we increase the stock of the 120K-150K properties for sale, that will create a shift in the market

Union County

Single-Family Detached Homes	Jan.-Jun. 2019	Jan.- Jun. 2020
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Percent of List Price Received	96.0	96.3

17b

Is the average sales price in the county comparable to what folks expect to pay for a home in your community?

We sold the 150k UCDA homes on infill lots but they didn't sell because people wanted larger yards (and willing to pay more)

Family of 4, three bedroom, two bathroom ?

UCDA put 170K in a house in the infill lots and sold at a loss

If you let families establish themselves in the community for a while, they might be willing to spend 200K on a home

Cottonwood addition and infill lots are having the same problem -- it's costing too much to build than people are looking to pay.

30-40K per lot to build on a new lot/new development -- making it site ready upfront -- grading, streets, sewer, water

If our 3500 houses in our community, if the majority is low income, it's going to bring down our median household income -- this is what we are bringing to town. You have to provide the jobs that have the higher incomes

2 bedroom 2 bath are 180-200K in newer addition, in nature and parks near by..

Prices have gone up because higher priced homes have sold

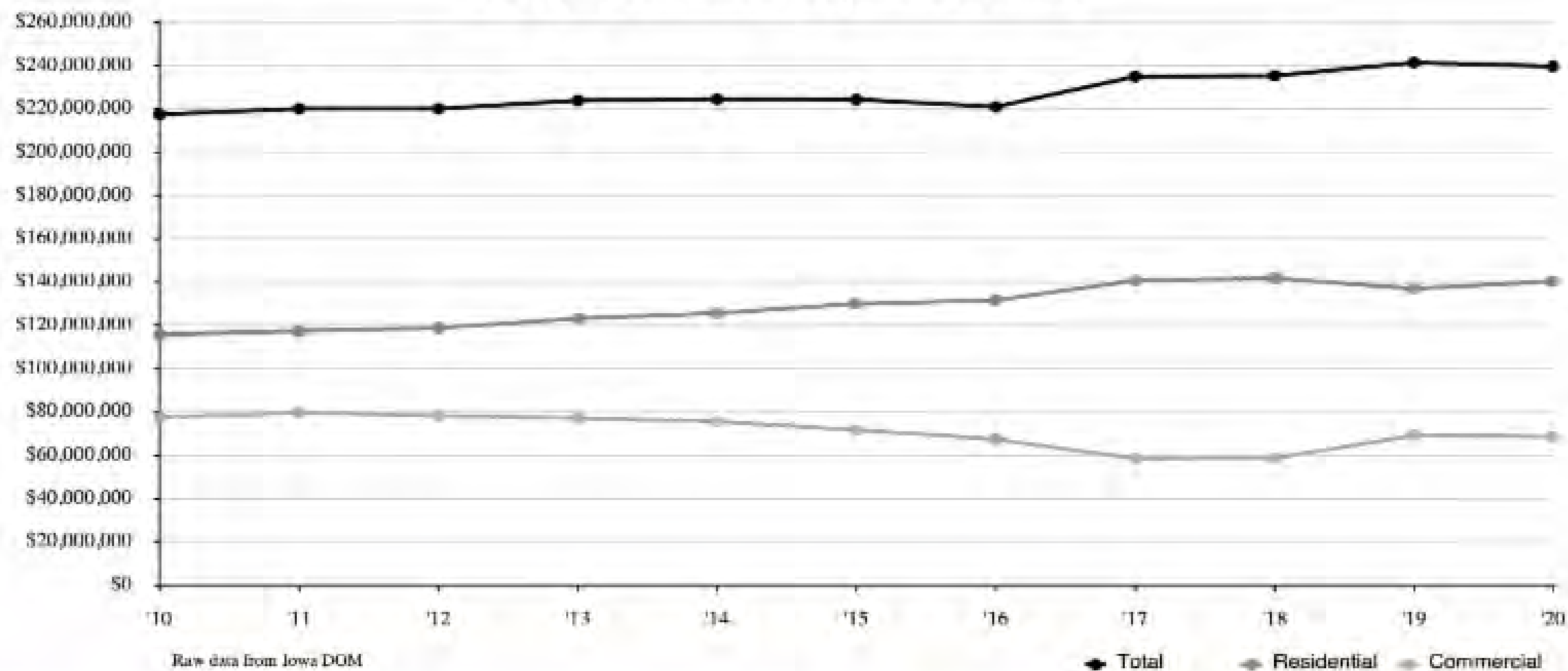
if median income is 47K, they will probably never buy a 200K home

The housing market price doesn't match the income

So buyers are looking for amenities

Property Values

Creston Taxable Valuation (incl TIF) 2010-2020 in 2020 Inflation Adjusted Dollars



Mixed

Exceptional with the James addition being totally full and the Cottonwood being built out

It's been in the area of new construction and higher priced units have been good

James addition is 20 plus years old -- 60-70 lots?

Market mix-match with living in a townhome or condo

B1

Please complete this sentence in the Zoom Chat Box: Our community's progress on housing in the past ten years has been_____.

of people can to accept the s, it's popular er places but not here in Creston

forward thinking/progressive but slow to pick up steam

stalled

Even with all those positives, it's been a struggle

a struggle

new build is very slow

Directions



New construction



Improving existing
housing

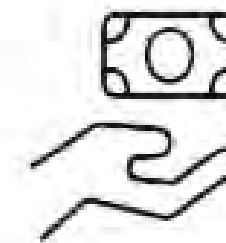
Resources



Realtors



Local Government



Financial
Institutions



Nonprofits and
churches



Developers



Local
Businesses

20b

Who else should be here
with us engaged in this
conversation?

SWICC should be
a stakeholder--
they have been a
partner in
building in the
past

industry
(Bunn and
others)

Community
College

School
District

Hospital

Staffing
agency

Landlord?

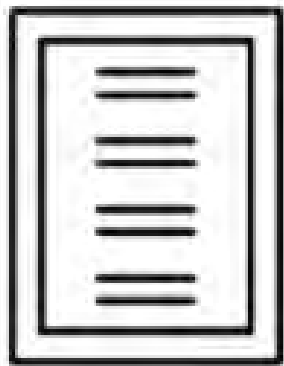
Construction
company
and/or
contractors

Banker

Who's responsible for improving housing in your community?



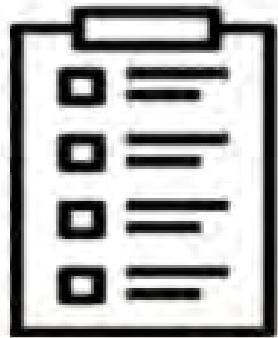
Documents that Make Up Housing “Strategy”



Comprehensive Plan,
Zoning, and
Subdivision Ordinance

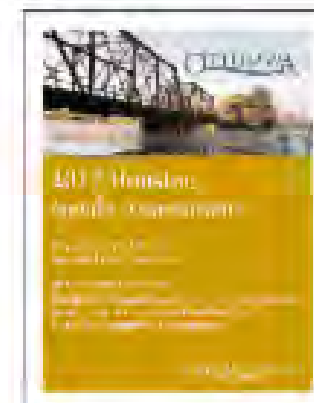


Urban Renewal, Urban
Revitalization and other
Incentive Programs

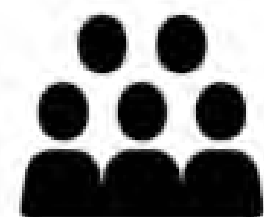


Inventories:

- Vacant lot
- Downtown upper-story
- Rental unit



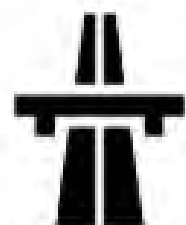
Housing Needs
Assessments and other
studies



**Public
Participation**



**Existing
Housing Stock**



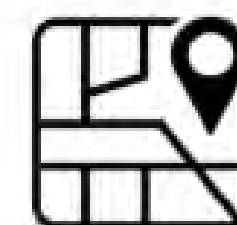
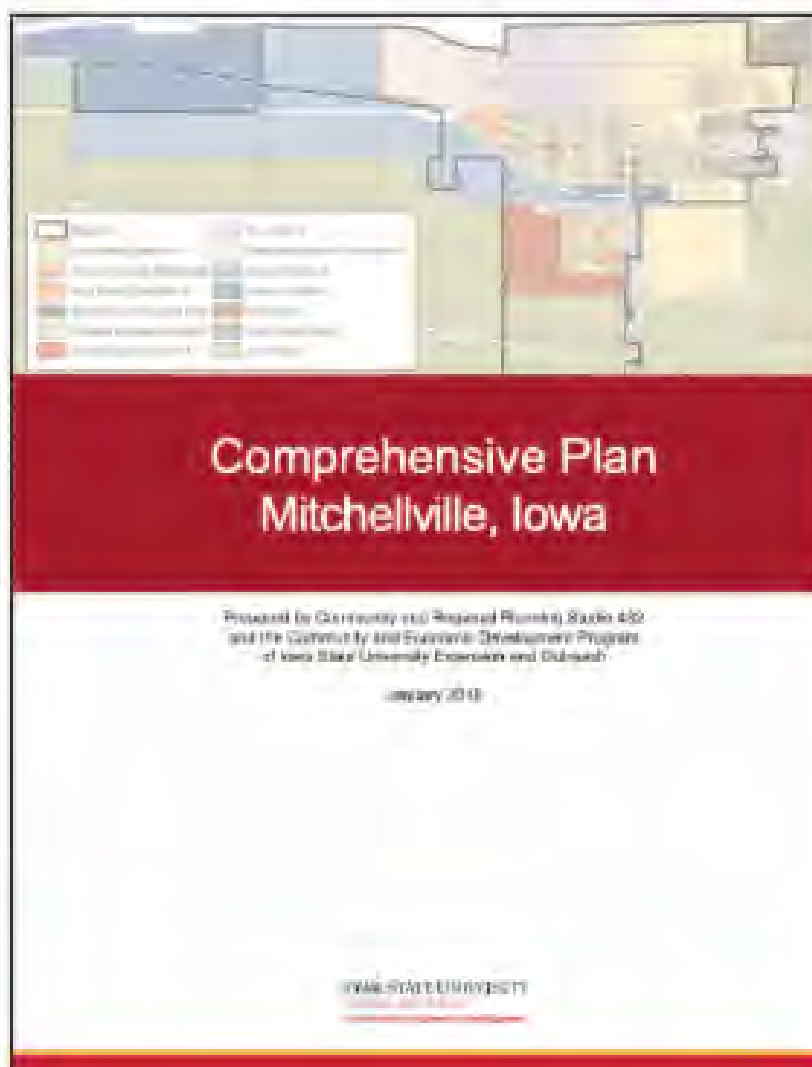
**Transportation
& Infrastructure**



Demographics



Flood Plains



**Future Land
Use Map**



**Zoning
Laws**



**Public
Services**



Incentives

Creston Comprehensive Plan (2021)

Housing recommendations from your last comprehensive plan:

1. Residential development should be encouraged within municipal boundaries, within existing areas which have been zoned residential, and within existing platted subdivisions and areas containing public utilities.
2. Under special circumstances, residential development may be supported outside the city limits: areas of stable environmental condition, areas sufficiently buffered from other less intensive land uses, areas with a recognized need for such development, areas that will support energy conservation, and areas where minimum standards have been established.
3. Residential development should not be permitted in areas of moderate density experiencing water and wastewater disposal problems or any other problem until those issues have been resolved.

DRAFT Creston Comprehensive Plan (2040)

- Housing Goal 1: Focus on an abundance of quality housing throughout Creston.
- Housing Goal 2: Improve the attractiveness of Creston's neighborhoods.
- Housing Goal 3: Invest in making quality housing affordable to key markets.
- Housing Goal 4: Engage in unique and creative housing concepts that might attract young people to Creston.
- Housing Goal 5: Continue housing planning and improve developer capacity that enables the City and partners to take advantage of opportunities.
- Housing Goal 6: Aggressively market Creston as a real option for housing, even while working in other places.

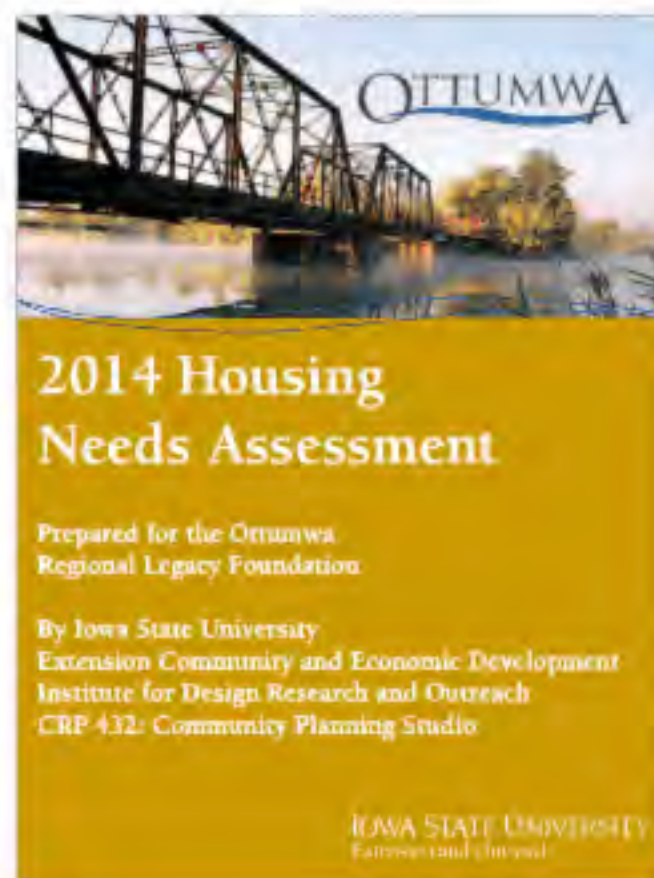
Housing Needs Assessment



**Existing
Housing Stock**



Demographics



**Unmet Housing
Needs**



**Target Locations
& Price Range**



**Other
Recommendations**

Creston Housing Needs Assessment (2017)

Housing recommendations from your last housing needs assessment:

- Goal 1: To provide a housing option for a broad range of needs.
- Goal 2: Development of new subdivision for construction of new \$175,000 - \$275,000 single family homes.
- Goal 3: New construction in the core of the community.
- Goal 4: Remove blight and revitalize neighborhoods with the renovation of existing homes within the community for both owner occupied and rental units.
- Potential Goal 5: Pursue Workforce Housing Tax Incentive Program

Local Ordinances

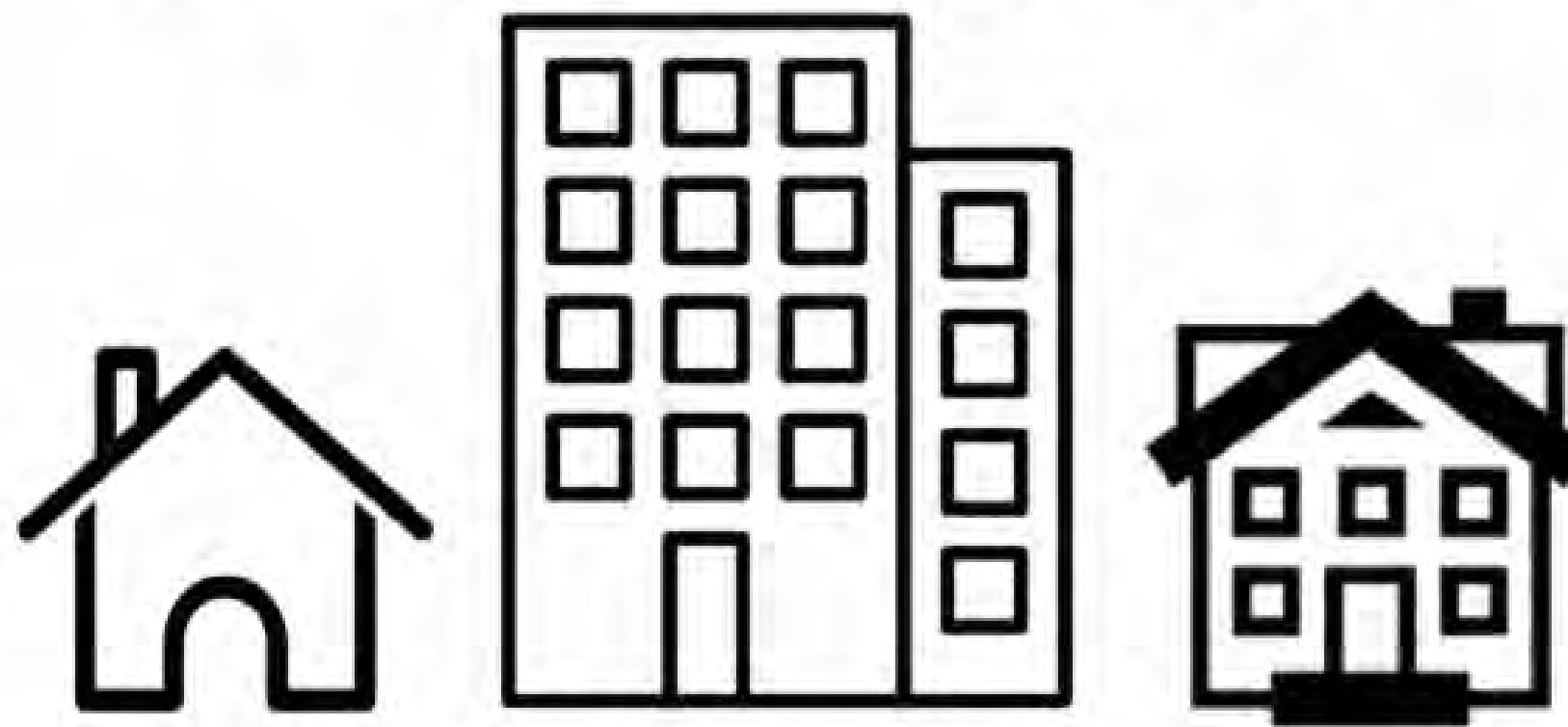


- Zoning Ordinance
- Subdivision Ordinance
- Building Code
- Energy Code
- Rental Ordinance
- Nuisance Ordinance
- Property Maintenance Code

Questions?



Rural Housing Readiness Assessment Workshop



Preparing the ground for local housing strategy

New Housing Development



Why Build New?



Increase overall supply



Higher impact to tax base



Responds to current market

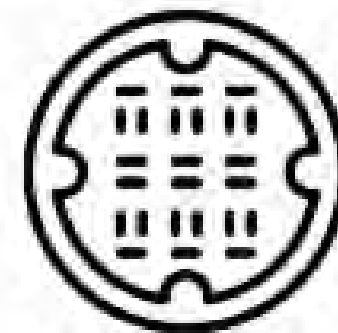


Code compliant

Difficulties of New Construction



Contractors may not be interested at the needed price range



Infrastructure may not be in place



Markets may be affected by national or international trends

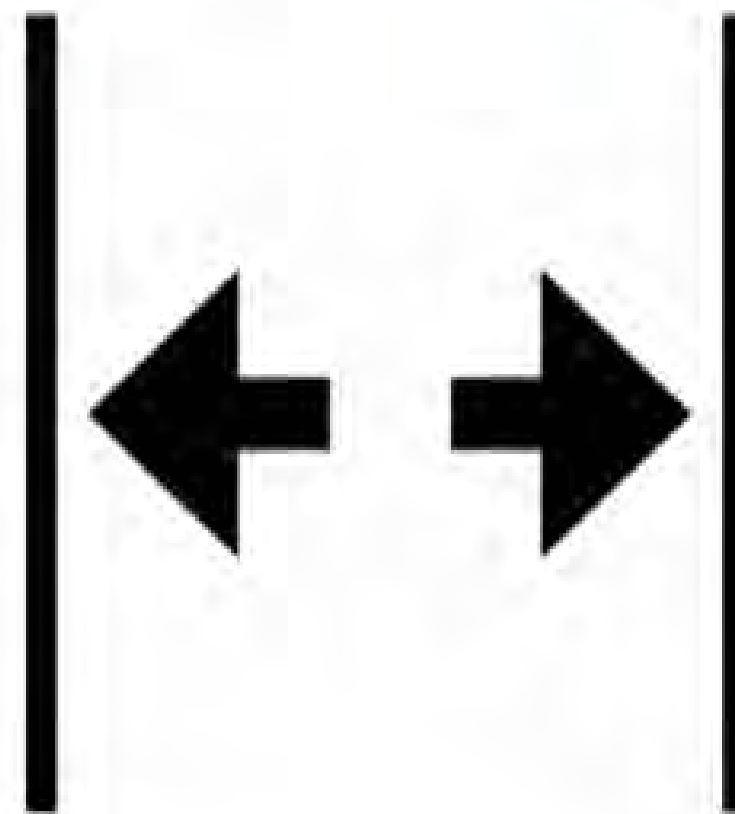


Contractors may need to build lots of homes quickly, cutting back on quality

Value Gap



Cost to build:
\$200,000



Market value:
\$180,000

Who takes on
this risk?

New Housing Development



Where you going to put it?

What do you need in place to make it work?

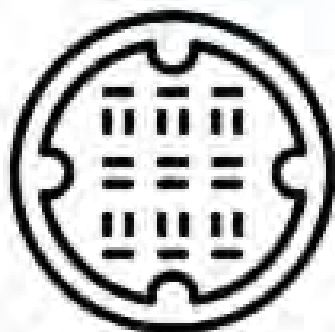


How do you pay for it?

Infrastructure for New Housing



Broadband



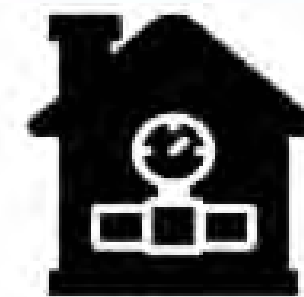
Sanitary
Sewer



Storm
Water



Roads, sidewalks
and transportation



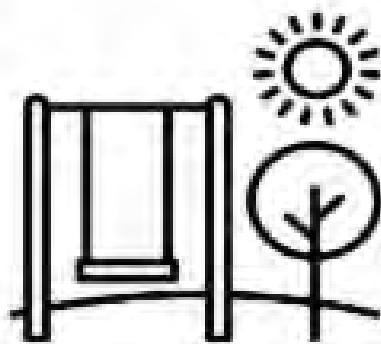
Gas



Water



Electricity



Public Services
and Parks



- Where does it exist already in your community?
- What you provide or require the developer to build?



Grading

Where does infrastructure for new construction already exist in your community?

Existing inventory of vacant lots (always changing)

Adams street lot owned by city and working with developer to build multifamily unit

Another lot owned by hospital where they are working with developer to build another multifamily unit

6 Lots left in the new housing subdivision (Jameson?)

Cottonwood subdivision has newer infrastructure to tie on to but needs new housing to put in there

Vacant Infill Lots

- Generally have infrastructure in place and can be developed without the need for much financial support .
- Laws may make it difficult or impossible to build on smaller lots.
- Irregular lots can be combined to make buildable lots.



36

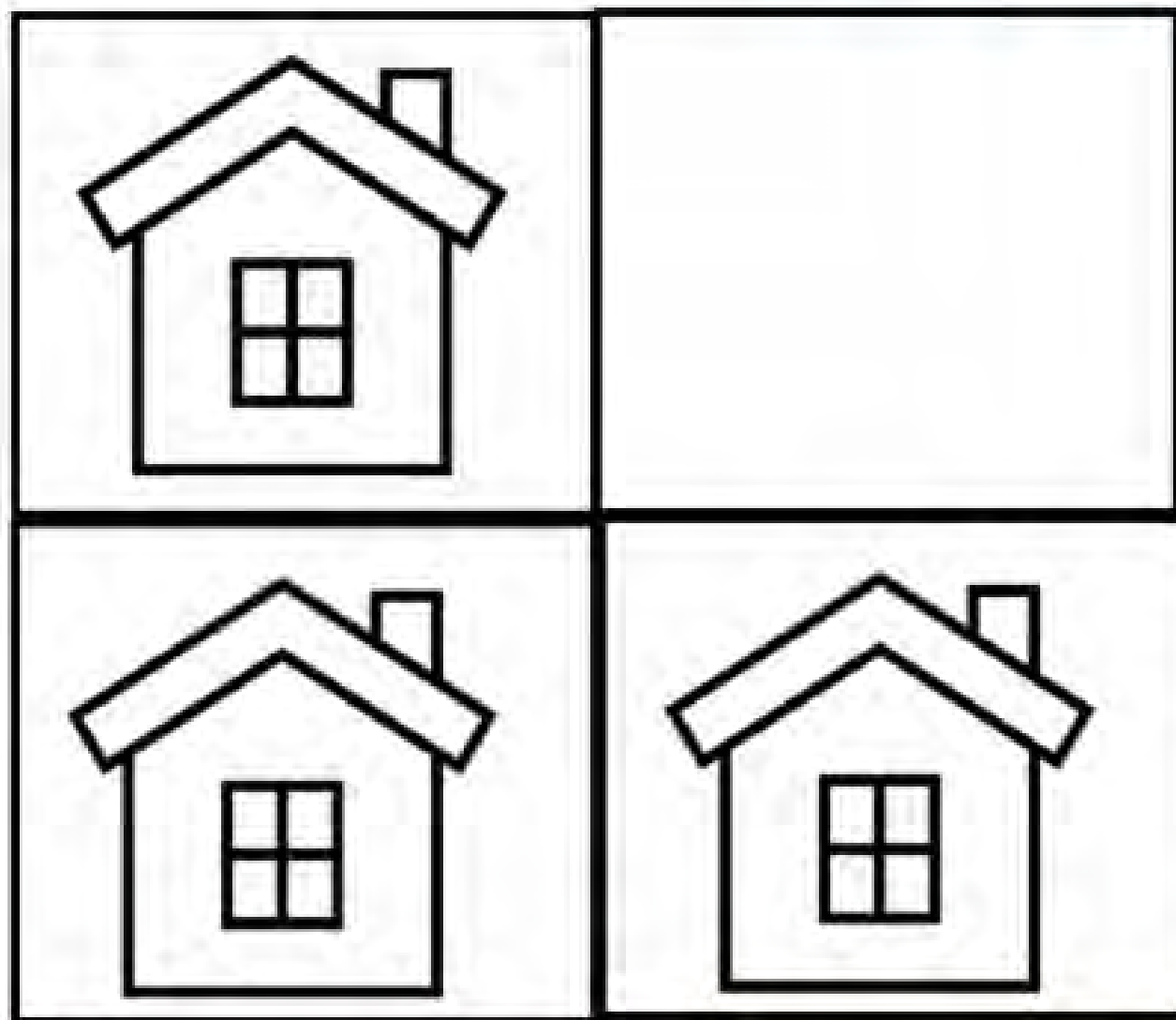
Do you feel there are vacant lots available in your community? Are they buildable?

Definitely are, but there are some challenges around ownership, property owners not wanting to sell, liens, etc.

Have worked to build infill over time with replacing dilapidated homes, but not a profit making venture -- taken a loss every time

Tried to focus on corridors of the community for visual impact

XXX Vacant Infill Lots



Accessed vacant lots from county assessor's office.

Unsure of how many are buildable?

No existing mechanism to guide in-fill development or establish relationships with lot owners.

Maquoketa Pocket Neighborhood

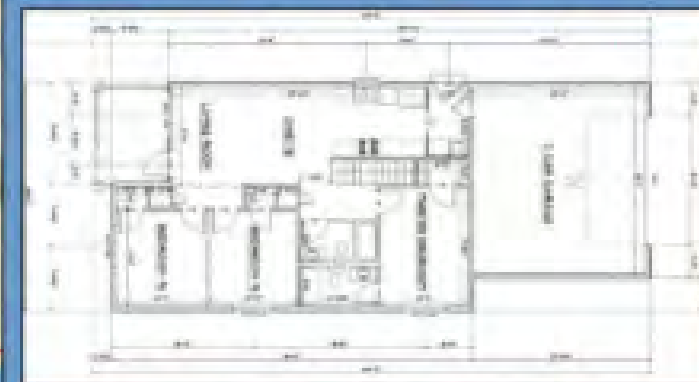


- HNA: Need for at least 344 new houses by 2020
- Employer demand for more housing
- Only 16 housing starts over the past 6 years

- Developed by ECIA COG.
- Shared amenities.
- Approximately \$135,000 per house for purchasers.
- Appeals to a wide range of potential buyers.



Welcome Home



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



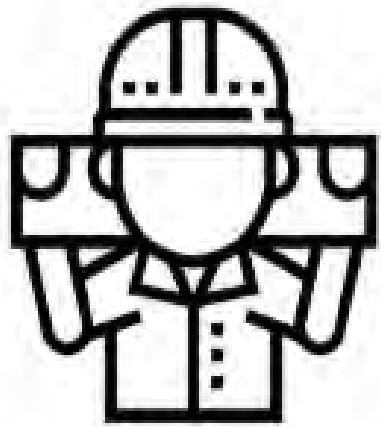
Carl Reimer or Dylan Michels
563-690-5732 or 563-690-5751

New Single-Family Construction

- Stick built
- Modular/Manufactured
- Market Rate
- Income Qualified
- One or two-unit dwellings



Why promote site-built housing?



Support local contractors

Higher local income levels



Ability to provide incentives in case of a mismatch

Why promote manufactured housing?

- Might make sense when you look at income thresholds
- Infill housing is less of a stress on an existing community
- Crucial need for immediate workforce housing



New Multi-Family Construction

- Apartments
- Mixed-Use
- Market rate
- Income qualified
- Adaptive Re-use



Senior Housing



Why target senior housing?



- Aging demographics
- Stable source of income
- Opens up other housing stock
- Want to keep your parents close to home – and their wealth in the community
- The easiest starter multi-family, with less community controversy

Why consider income qualified?

- Consider what is affordable to your current population and the workforce you are trying to attract.
- You may be eligible for additional funding sources.



Household Income & Housing Affordability

Percent Median Household Income	Annual Median Household Income*	30% Monthly Income Spent on Housing Costs
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80% MHI	\$38,014	\$950
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* After taxes

city needs to
find a partner
to develop
housing

restrictions from
banks -- especially
lending practices
by banks for
building spec
homes

available lots
that meet
market
demand

have a
t land
oment
allenges
cost of
cation

B2

The biggest barriers to building new homes
in our community are_____.

zo
restr

Cost of new
construction

availability
of builder



Improving Existing Housing Stock



Why Focus on Existing Housing Stock?



Why Focus on Existing Housing Stock?

- Supports local contractors
- Strengthen neighborhoods
- Maintains historic values and significance
- Improves valuations of surrounding properties
- Reduces landfill use
- Conserves resources
- Most sustainable option



Why Focus on Existing Housing Stock?



- 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 of focusing on existing housing

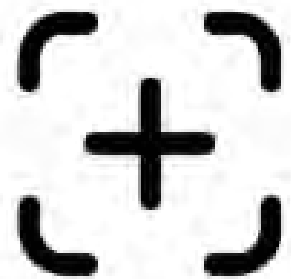
- May invest more than property is worth
- May not add to existing housing stock
- Landlords may not be motivated to invest in rental properties
- May push out existing residents as property is improved and rents raised



What to Consider in a Rehab Program?

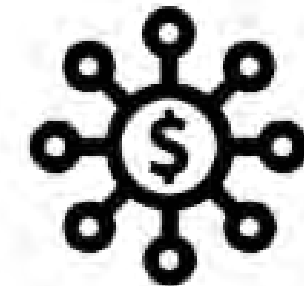


Historic preservation



Target neighborhoods

Funding source(s)



Interior v. exterior focus



54

What housing rehab programs and incentives exist in your community?

Creston
Area Little
Stuff

Housing
Trust Fund
rehab
programs

Tax abatement program
through the Urban
Revitalization/Renewal,
provides for tax abatement
on the invested
improvements over a
certain number of years

Tax abatement
program is kind of
a cherry on top --
probably doesn't
really incentivize
rehab to happen

Union
County
Habitat for
Humanity

Challenge with the
revitalization program
is that you need to add
value to the home (like
a new room) , not just
general maintenance

CDBG programs
city is active in
applying for.
Currently workin
with SICOG

Painting grant
through SICOG
for qualified
residents.

How does rehab happen?

- Individual homeowners
- Local government investment programs
- Non-profit efforts
- Investment properties (flippers)
- Community Action programs
- Regional Housing Trust Funds

55

What are the barriers for homeowners to invest in housing rehab in your community?

Affordable
contractors
to do the
rehabs

Neighborhood
buy-in

Houses too
far gone to
be
rehabbed

Risk -- some of the
houses have
become so much
work to repair that
buyers don't know
what they are
getting into

Finding
qualified
contractors

Too few
contractors
in general

The view that
general
maintenance will
increase their
(property) taxes.

Individuals that are living in
the older housing stock
may not have the
supplemental income to
make the housing
improvements because of
their household income

Case Study: Burlington, Iowa

- Healthy Neighborhoods
- At least five neighbors in a one or two block area must participate.
- 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.



Healthy Neighborhoods

- Almost \$30,000 was fundraised locally from:
 - Chamber of Commerce
 - Local foundation
 - A real estate organization.
- Five neighborhoods applied

Ordinances Governing Existing Structures

Some zoning practices can stifle rehabilitation:

- lot set-backs,
- placement of accessory structures,
- non-conforming use restrictions,
- historic preservation,
- conversion from single family to multifamily.

Better Living through Code Enforcement

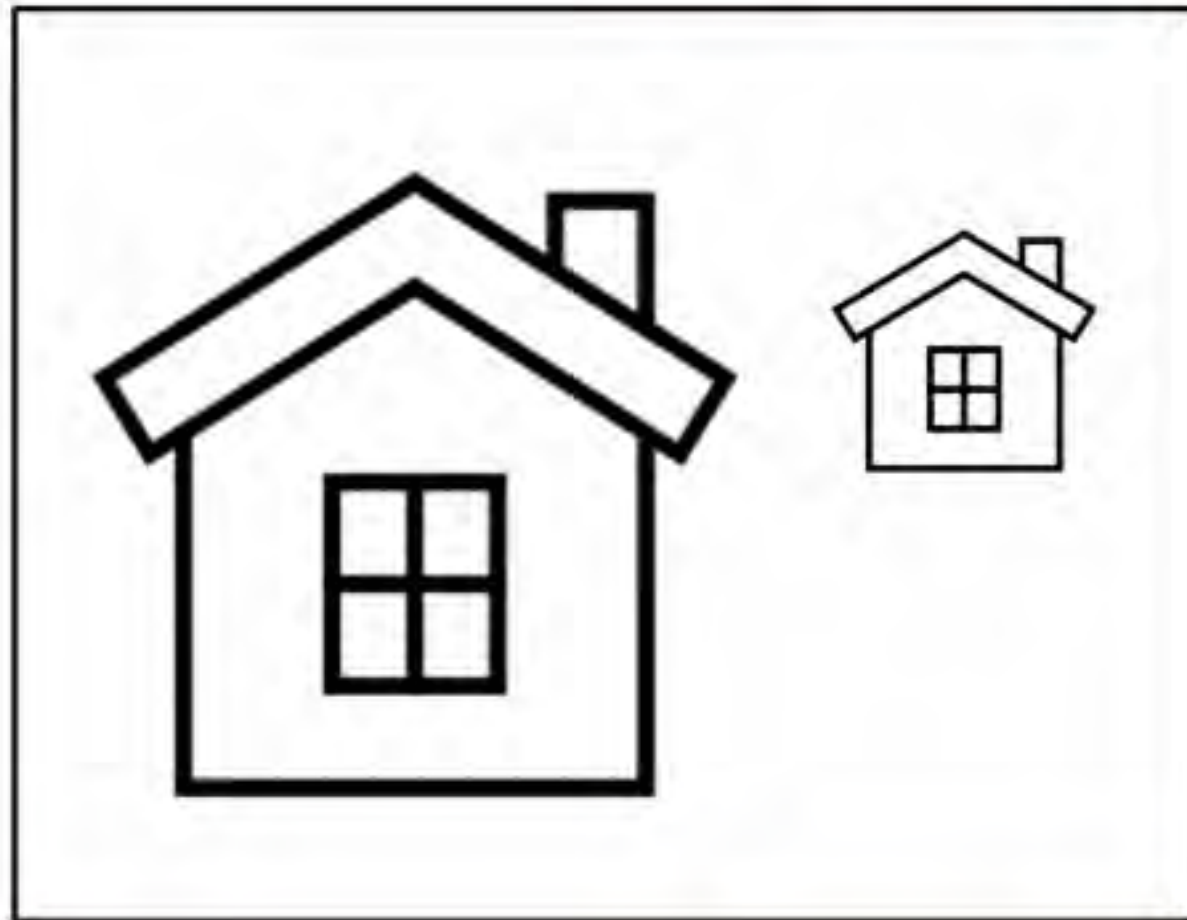
- Rental registry and inspection program can help maintain minimum safety standards for a community
- Who enforces?
- Who inspects?
- Who pays?
- Can there be a cooperative agreement for sharing enforcement personnel across jurisdictions?

Better Living through Code Enforcement

- Nuisance abatement programs can maintain a higher level of community satisfaction and improve curb appeal
- 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...



City Betterment Programs

- City cleanup days
- Recycle/swap/garage sale events
- Amnesty days
- Property recognition programs
- Weatherization
- A Brush of Kindness



63

We have these city betterment programs in our community:

Waste Management contract allows for one extra item that homes can set out per week

city ordinances in place to address junk in yards but relies on enforcement

Chamber of Commerce have a couple of Clean Sweep Days through out the year

Chamber of Commerce has a paint program (about 6-8 houses a year)

Wrap-Up



Where do you put your energy?

- What are the issues driving your needs?
- What are your priorities?
- What are your goals?
- How do you know your goals are the goals of your community?
- What do you want to know from your community?

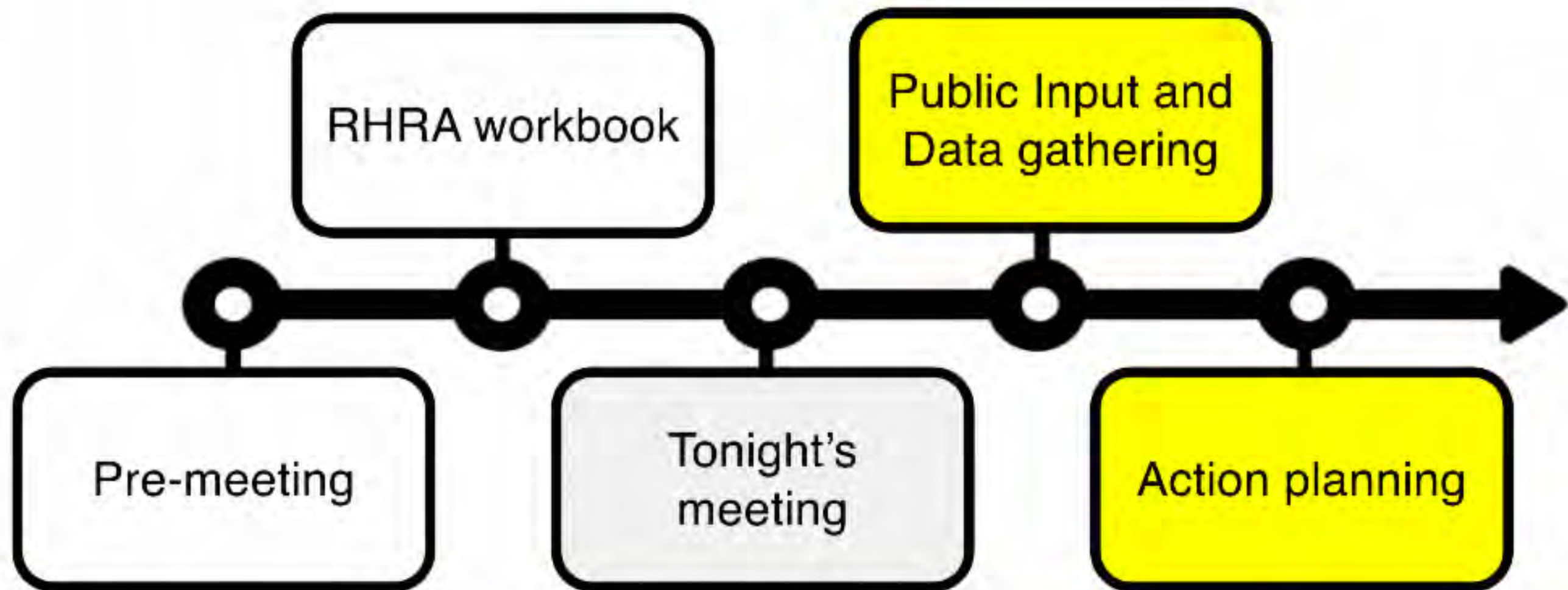


Public Input



- What are the goals?
- Identify unique housing opportunities in the community
- Develop a greater understanding of residents' housing desires

Next Steps

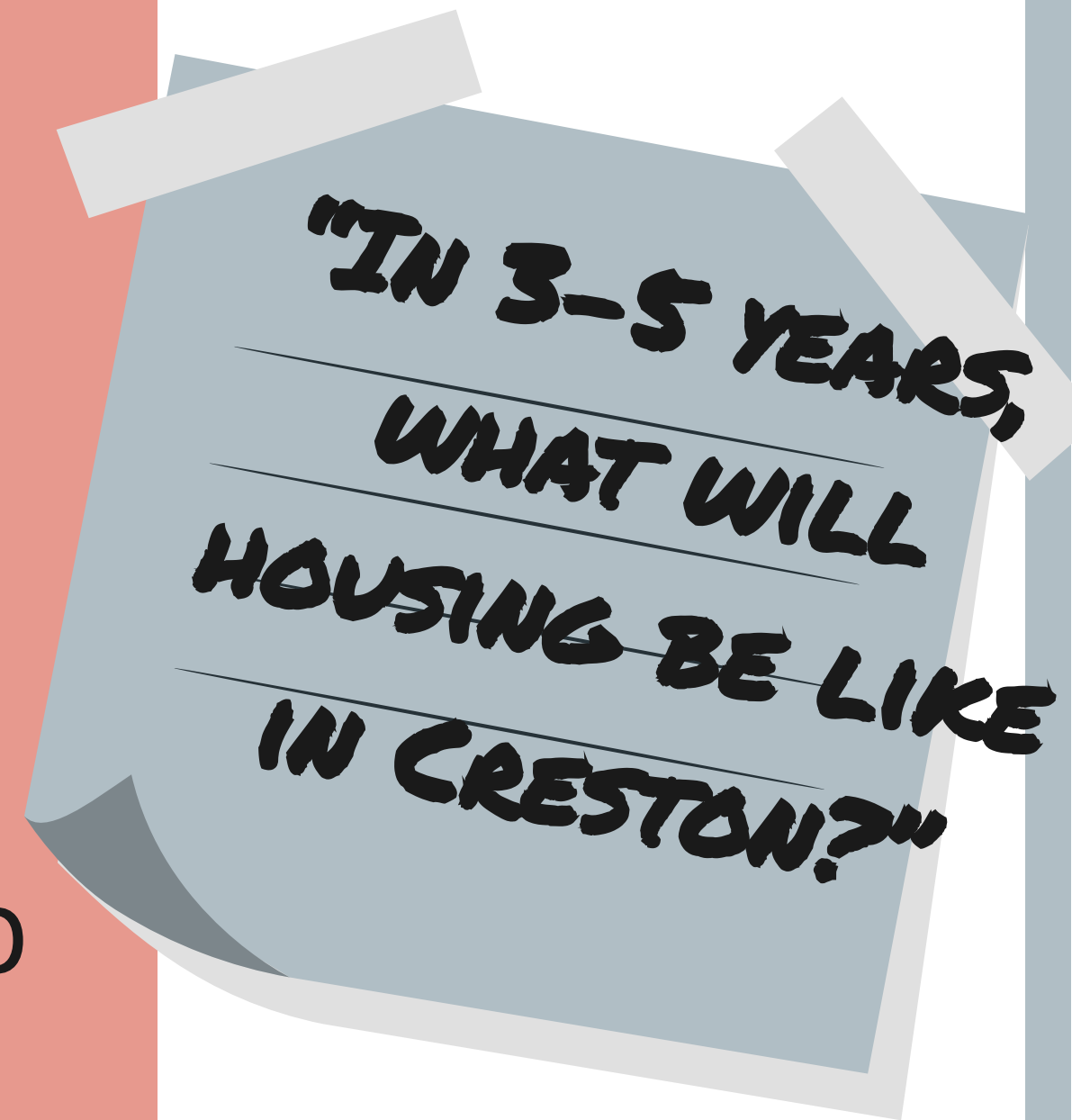


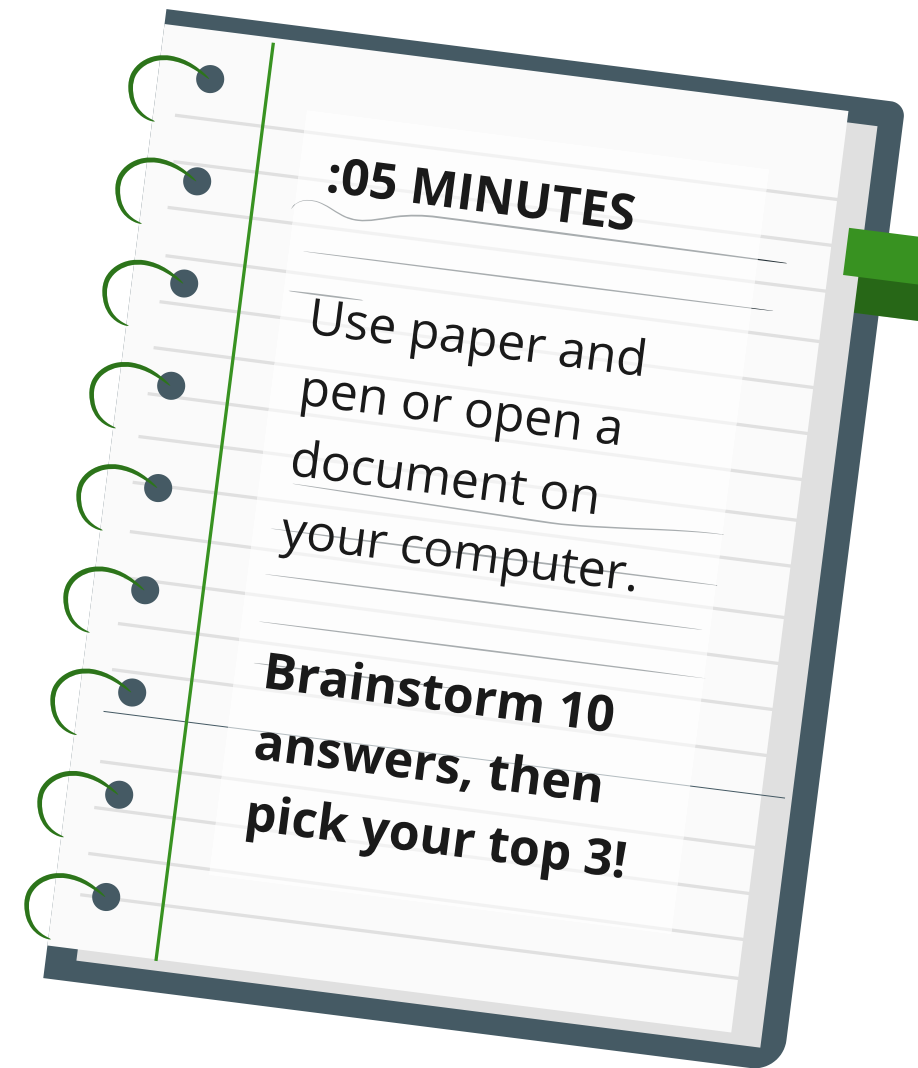
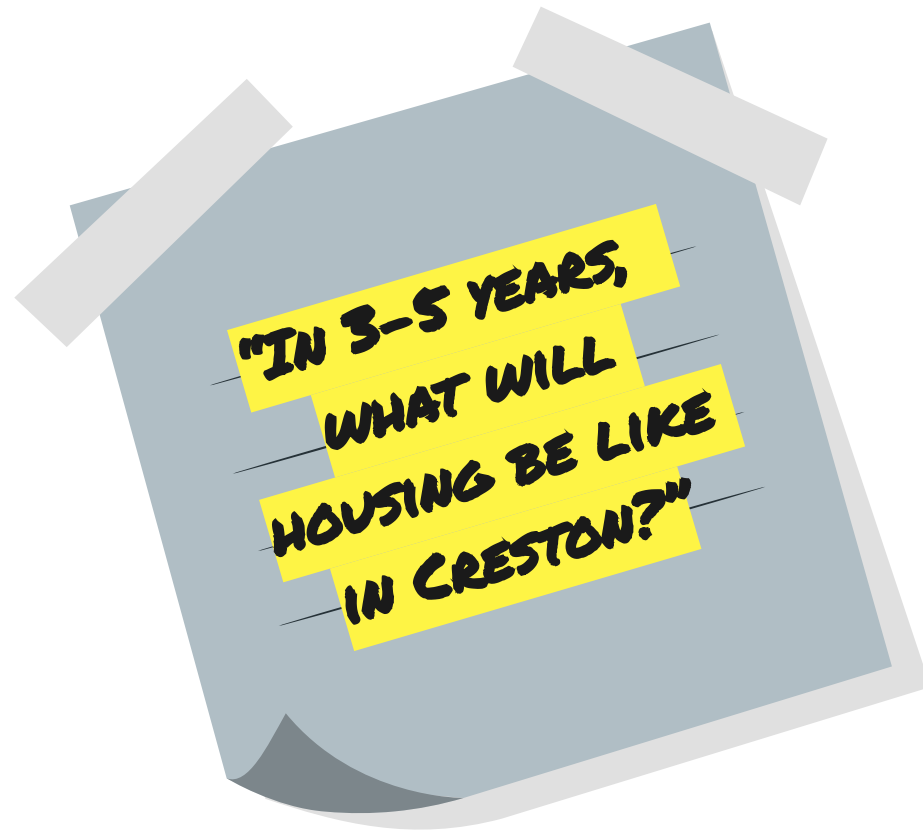
Questions?



AGENDA

- Onboarding
- Agreements for the day
- Public Input
- Vision Workshop
- Next steps





IN 2023...

- What is different in your community?
- How are decisions being made?
- What achievements are you most proud of?
- What has the city done?
- What have individual homeowners done?

In 3-5 years, what will housing be like in Creston?



In 3-5 years, what will housing be like in Creston?

Community and economic growth is happening and will continue to happen

Well-compensated individuals want to live, build homes, raise families and pay taxes

Building and nuisance codes are diligently enforced

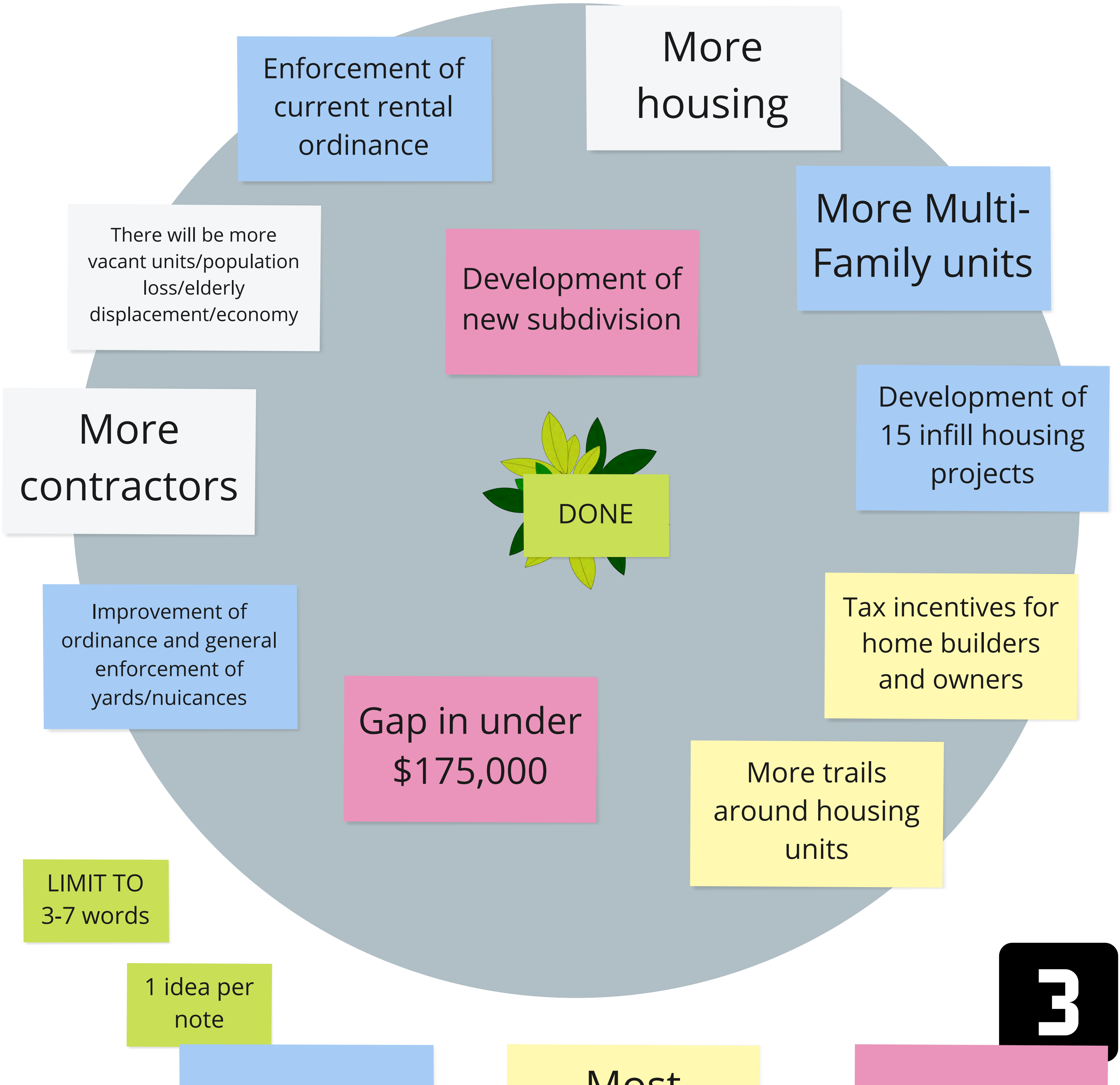
LIMIT TO
3-7 words

1 idea per
note

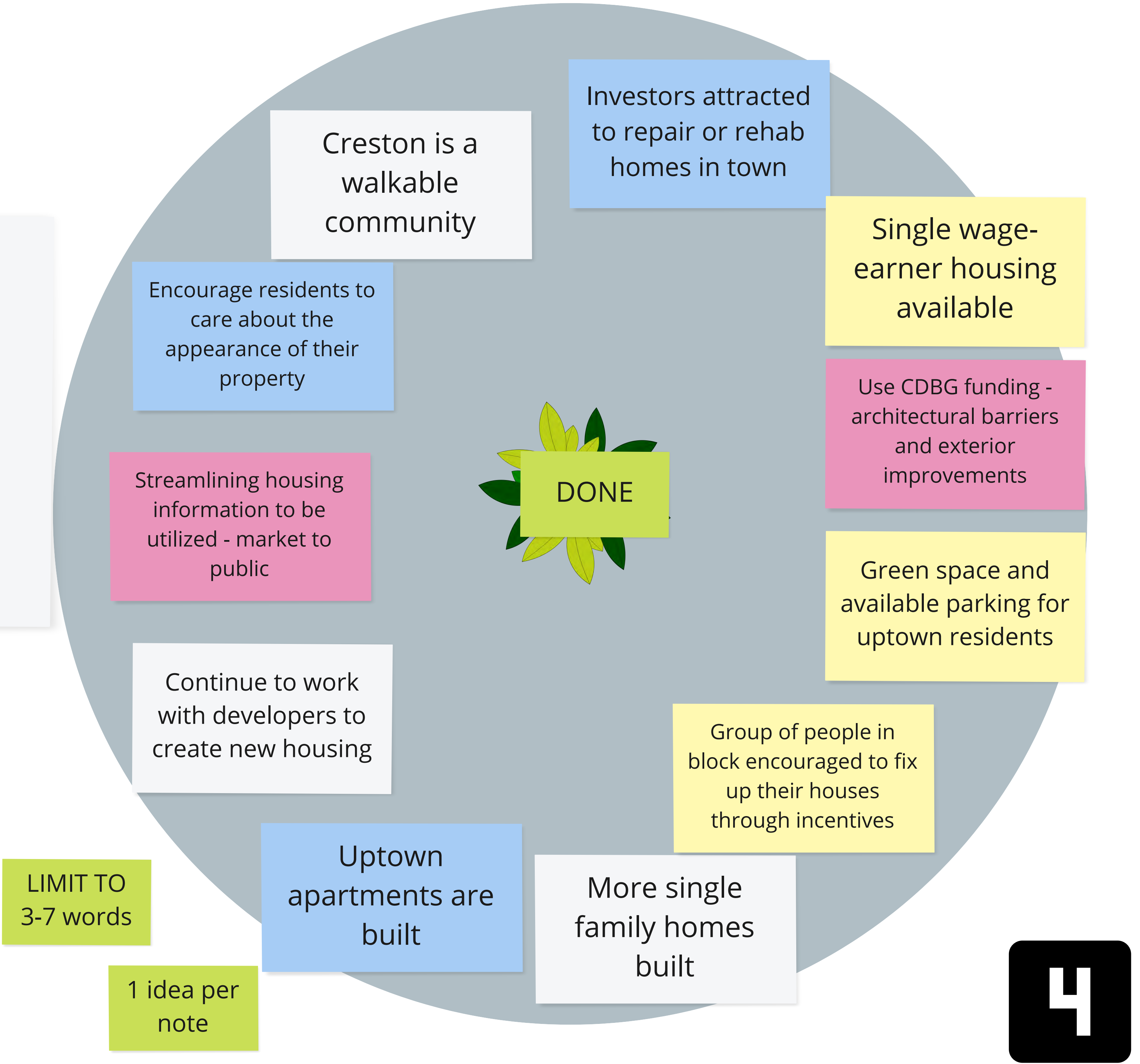
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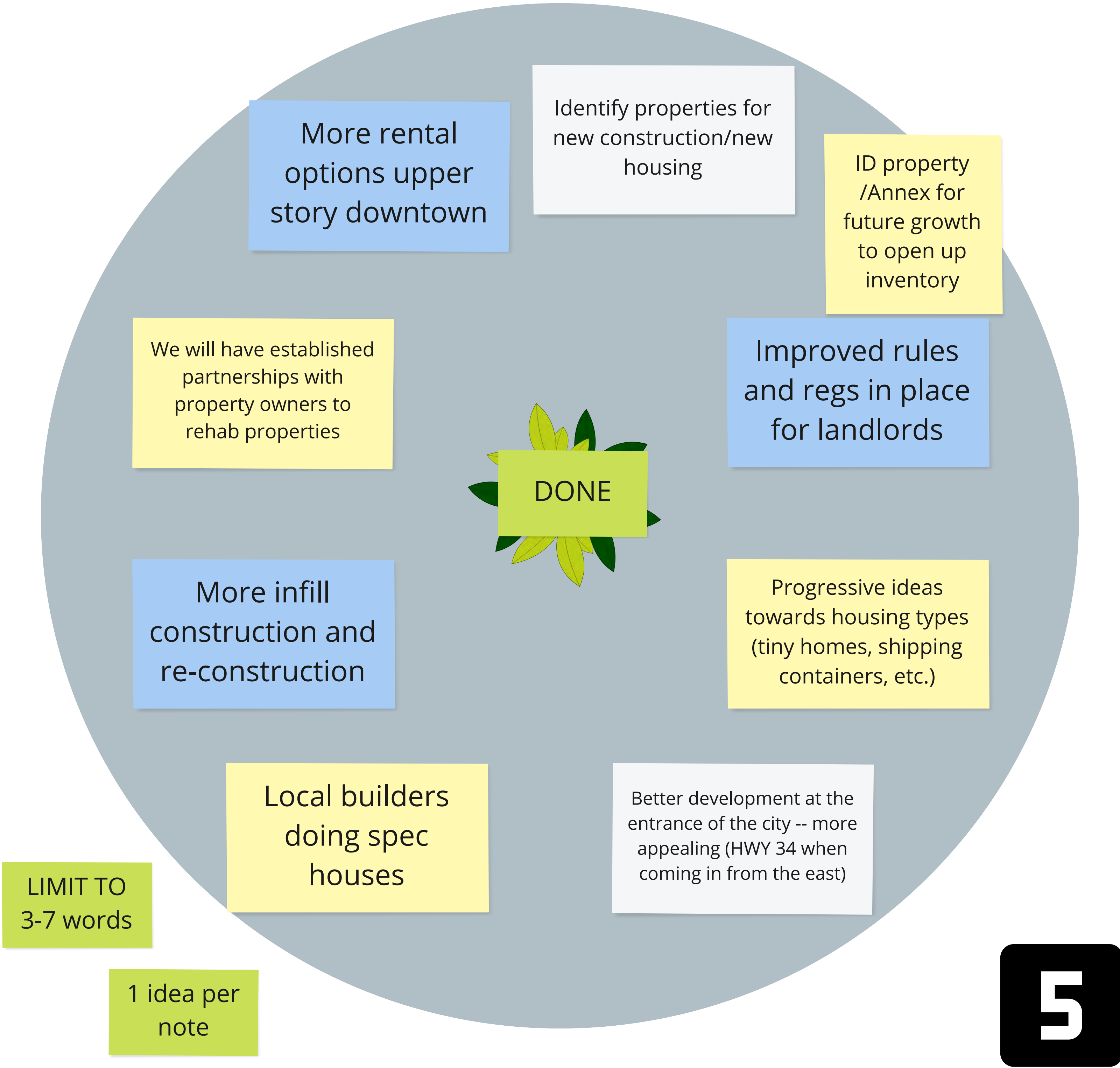
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In 3-5 years, what will housing be like in Creston?



In 3-5 years, what will housing be like in Creston?



**IN 3-5 YEARS
IN CRESTON, WE
WILL SEE...**

Policy and enforcement is prioritized and supported by community to improve housing conditions

Improved rules and regs in place for landlords

Enforcement of current rental ordinance

Building and nuisance codes are diligently enforced

Improvement of ordinance and general enforcement of yards/nuisances

Encourage residents to care about the appearance of their property

The condition of existing housing is Creston's best attribute

Additional options for housing/multi-family units are available

Uptown apartments are built

More rental options upper story downtown

More Multi-Family units

Maximizes existing infrastructure with infill housing and restoration

The past is honored by restoring historic homes and buildings

Investors attracted to repair or rehab homes in town

More infill construction and re-construction

Development of 15 infill housing projects

Progressive ideas towards housing types (tiny homes, shipping containers, etc.)

Housing (in good condition) is available under \$100,000

Property owners utilize revitalization tools

Use CDBG funding - architectural barriers and exterior improvements for single family housing

We will have established partnerships with property owners to rehab properties

Group of people in block encouraged to fix up their houses through incentives

Existing Tax incentives for home builders and owners are taken advantaged of

Further incentives exist for homeowners and builders

Streamlining housing information to be utilized - market to public

People have pride in their community

People will say "Pardon our progress, our community continues to grow"

Housing needs are met locally "from cradle to grave" (rentals to starter homes to retirement options)

Single wage-earner housing available -- housing available for a single-wage earner household

Development of new subdivision

There is sufficient quality, affordable, and varied living options (homes, apartments, condos)

Well-compensated individuals want to live, build homes, raise families and pay taxes

Local builders doing spec houses

Community and economic growth is happening and will continue to happen

Filled the gap in housing options under \$175,000

Public Infrastructure is maintained and expanded

Public infrastructure - streets, lighting, public parks, are well maintained

More trails around housing units

Green space and available parking for uptown residents

ID property or Annex for future growth to open up inventory



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CLOSING + NEXT STEPS

- Wednesday, October 7th (9:00 - 11:30am)
- Ideas for actions to reach our vision
- Barriers to watch out for
- People/organizations who need to be involved beyond those that are here

Maximizes existing infrastructure with infill housing and restoration

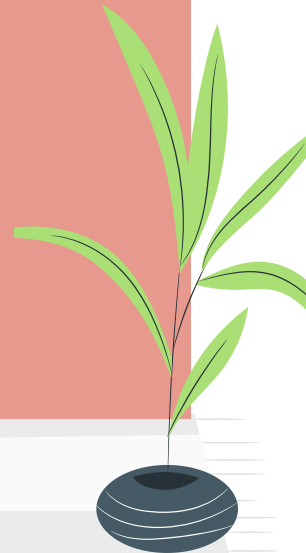
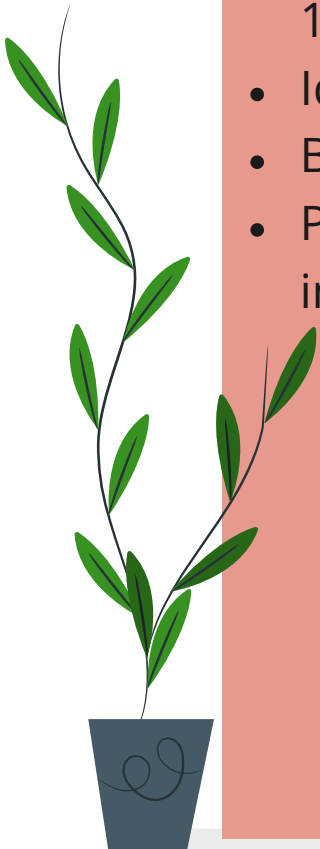
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Policy and enforcement is prioritized and supported by community to improve housing conditions

Property owners utilize revitalization tools

People will say "Pardon our progress, our community continues to grow"

Public Infrastructure is maintained and expanded





AGENDA

- What to Expect Today
- Examine Strengths and Weaknesses
- Brainstorm Actions
- Create working groups
- Develop action timeline



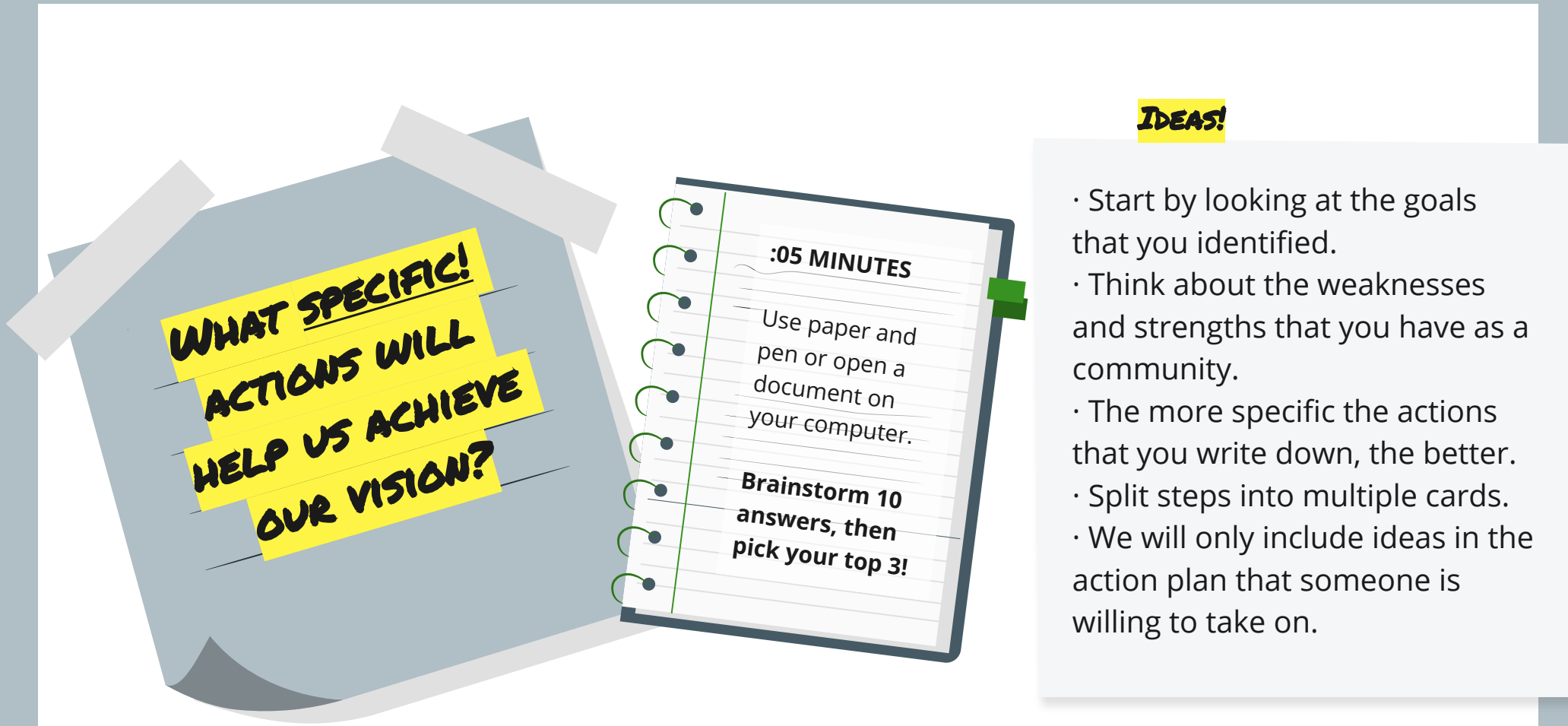
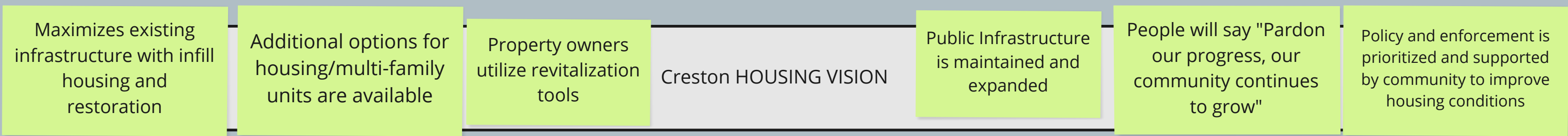


- Type something
- We are more organized than ever before
 - City has a couple of proven strategies for rehab and development
 - Have done some of this before
 - Good inventory of available lots and ample housing stock that can be rehabbed
 - Builder in community with spec house experience
 - People that care, good core group
 -
 -
 -
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- Strengths**

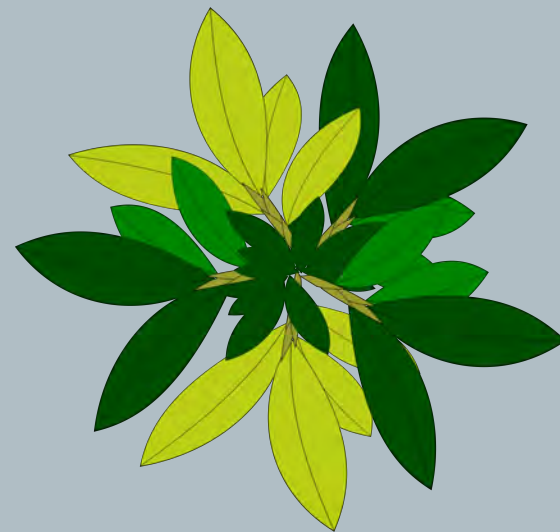
- Need more incentives for builders
 - Need more incentives for property upkeep
 - city codes and ordinances need to be enforced
 - Need to find ways to make spec housing successful and increase
 - Overall tax burden in county
 - Need cooperation from City to extend utilities/improve infrastructure
 - Need for more information on what builders need
 -
 -
 -
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- Weaknesses**

- -
 - Maximizing tax base
 - Improve general appearance of the city
 - More attractive place for people to want to come and live
 - Attract talent and people who want to raise a family, make a difference
 - Increase in quality housing units
 -
 -
 -
 -
 -
 -
 -
 -
- Benefits**

- Dangers of Success**
- Housing boom or developer build inexpensive housing, need to make sure we don't build potential future slum
 - Bad developer
 - People will see value of dilapidated housing increase, value of poor housing will go up
 - Long term liabilities of infrastructure and development must be considered - ongoing maintenance needs
 - Jealousy of success; we need those people to come here and create what we need
 -
 -
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What specific actions will help us achieve our vision?



Build more quality
housing for
purchase and rent

Create a residential
development and
infrastructure plan

Target dilapidated
homes for repair
or rehab

Create an exterior
maintenance
code

Create and implement
a proactive nuisance
abatement program

Tear down or fix
up 10 houses
per year

Utilize development
incentives such as tax
abatement and TIF to
promote private
development in Creston

Zoning Code should
be clearly understood
by the community

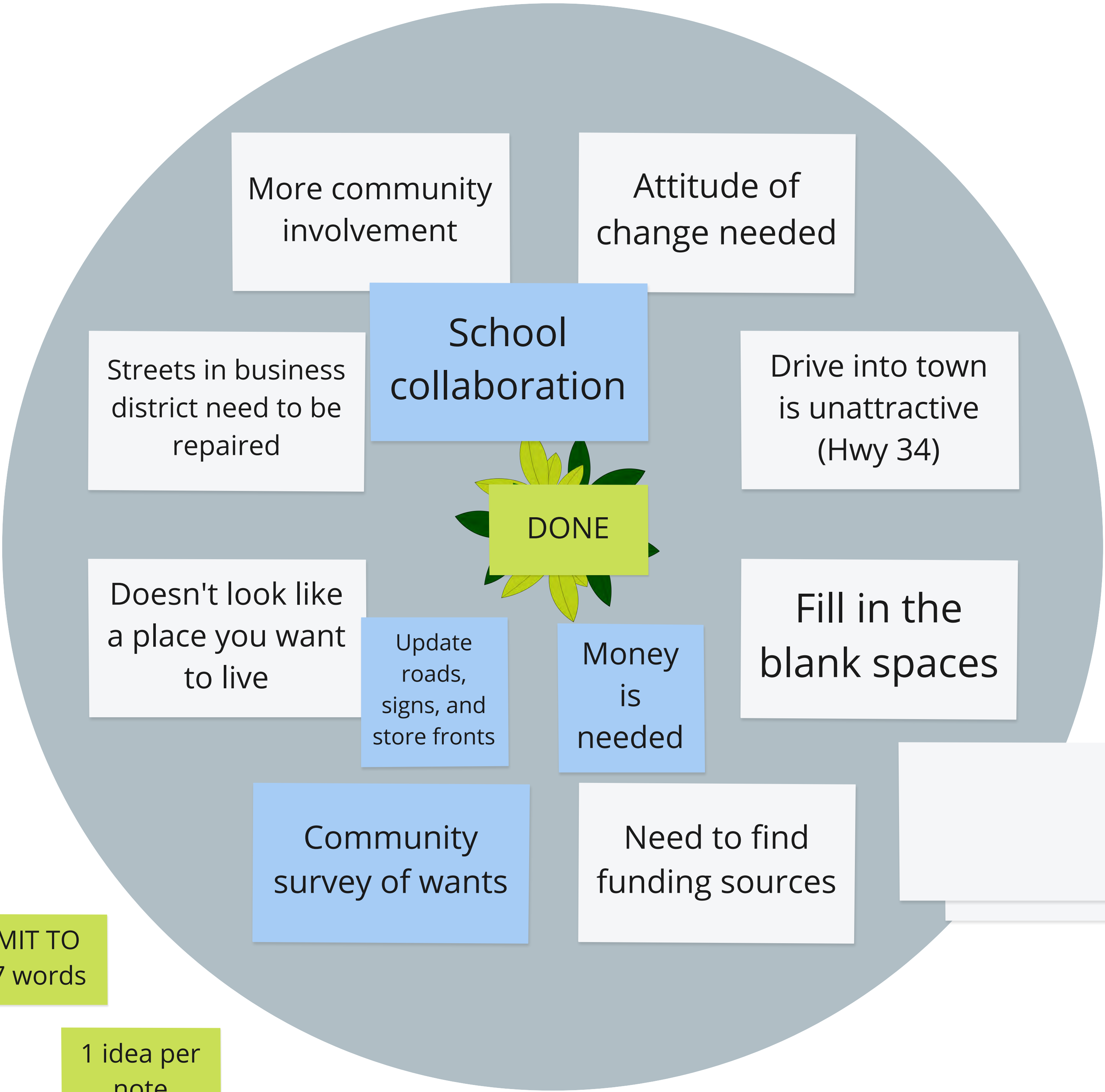
Zoning Code
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LIMIT TO
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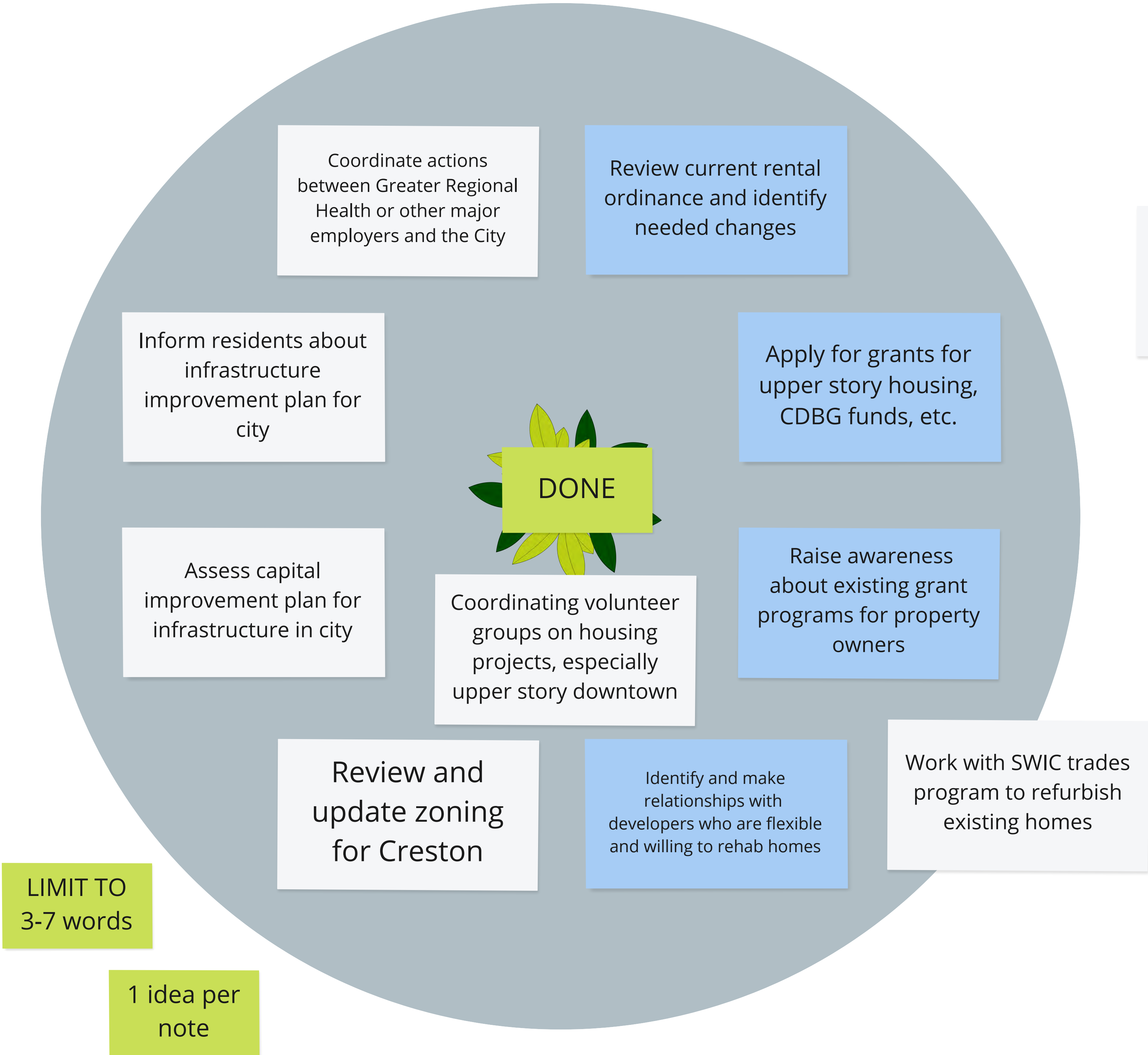
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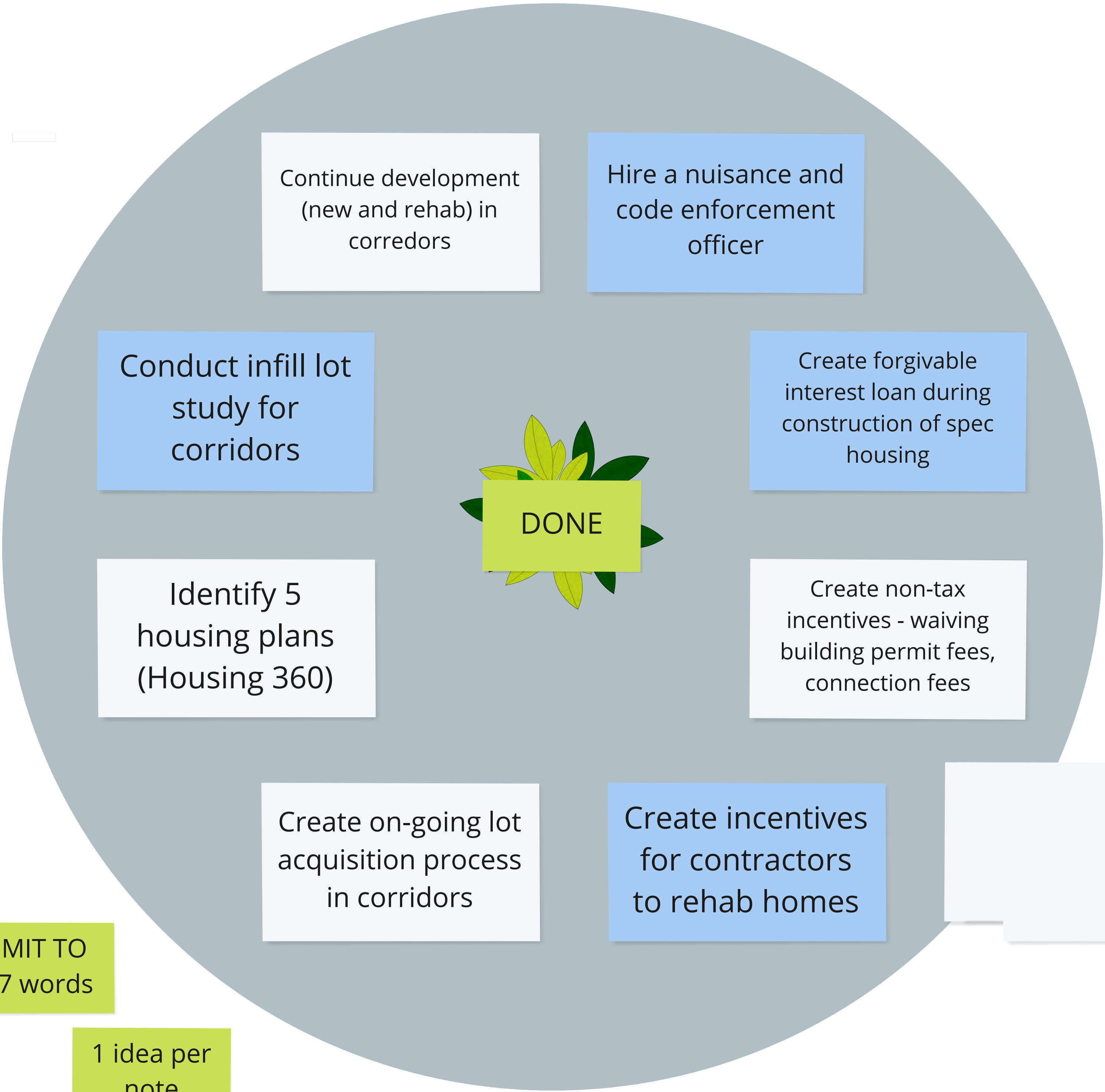
Use the sticky notes to record the top answers from your small group.



Use the sticky notes to record the top answers from your small group.



Use the sticky notes to record the top answers from your small group.



Educate

Abbie
Funding

Apply for grants for upper story housing, CDBG funds, etc.

Money is needed

Create incentives for contractors to rehab homes

Create forgivable interest loan during construction of spec housing

Need to find funding sources

Coordinate actions between Greater Regional Health or other major employers and the City

Jon
Regulations

Review and update zoning for Creston

Zoning Code should be enforced diligently

Review current rental ordinance and identify needed changes

Hire a nuisance and code enforcement officer

Create and implement a proactive nuisance abatement program

Scott
Rehabilitation and Beautification

Tear down or fix up 10 houses per year

Target dilapidated homes for repair or rehab

Identify and make relationships with developers who are flexible and willing to rehab homes

Continue development (new and rehab) in corridors

Make Creston look like a place you want to live

Educate and Communicate

Community survey of wants

Work with schools to get vision from students about Creston's future

More community involvement

Change community attitudes

Coordinating volunteer groups on housing projects, especially upper story downtown

Utilize development incentives such as tax abatement and TIF to promote private development in Creston

Zoning Code should be clearly understood by the community

Raise awareness about existing grant programs for property owners

Sara
New Development

Build more quality housing for purchase and rent

Create a residential development and infrastructure plan

Conduct infill lot study for corridors

Identify 5 housing plans (styles) (Housing 360)

Create non-tax incentives - waiving building permit fees, connection fees

Create on-going lot acquisition process in corridors

Inform residents about infrastructure improvement plan for city

Assess capital improvement plan for infrastructure in city

Fill in the blank spaces

Update roads, signs, and store fronts

Streets in business district need to be repaired

Work with SWIC trades program to refurbish existing homes

Coordinate with County to make Drive into town more attractive (Hwy 34)

Group name

Funding

Coordinator:

Tim
Ostroski

Team Members:

Leslie
Wurster

Representative
from each bank

Mike Bruce - City
Permit person

Monte, someone
from Bunn,
Wellman's Dynamics

Union County
Foundation

Contractor
buying lots with
the hospital

Which actions are we going
to do? When?

~~Money
is
needed~~

~~Coordinate actions
between Greater Regional
Health and other major
employers and the City~~

Group name

New
Development
Group

Coordinator:

Austin
Smith

Team Members:

Paul Larin

Monty
Nitzel

Jeremy

Dan
Platt

Which actions are we going
to do? When?

DONE

Which actions are we going to do? When?

Zoning and Code

Coordinator:

Kevin

Team Members:

Stu

Mike

P & Z

Board of Adjustments

City Council

Prioritize working on zoning or code (one at a time)

Work with SICOG on reviewing Zoning and Ordinances relevant to housing

Hire a nuisance and code enforcement officer

Identify process to begin zoning and ordinance review

Open conversations with P & Z, BofA, and/or Council on zoning and code

Budget conversation about enforcement officer, legal assistance, proactive abatement

Create and implement a proactive nuisance abatement program

Review current rental ordinance and identify needed changes

Review and update zoning for Creston

Group name

Corridor
development

Coordinator:

Wayne

Team Members:

Wayne

Melissa

Mike Bruce

Justin Davis

Kellie
Wipperman

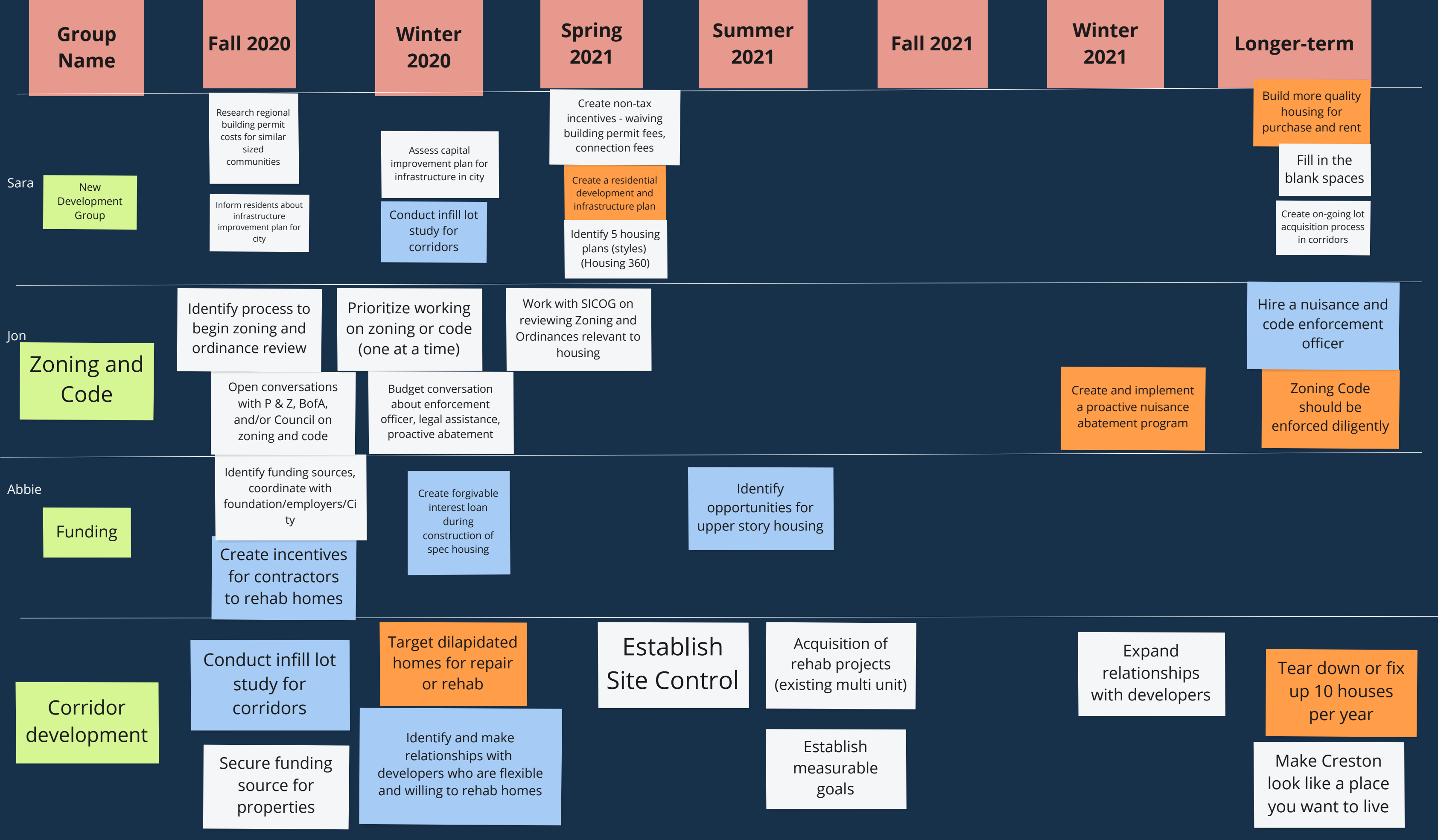
Joe Bartlett

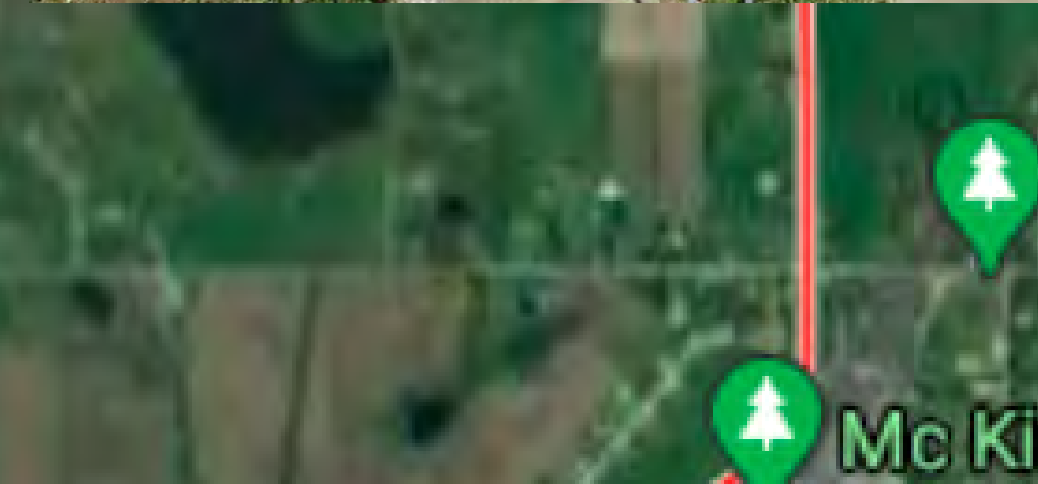
Shawn
Fenton

Roger
Saxton

Which actions are we going
to do? When?

Continue development
(new and rehab) in
corredors





Implementation Commitments

When will the plan be taken to council for consideration?

Next council meeting after final report

Who will be the overall coordinator of this ongoing effort?

Wayne Pantini

How often will the whole housing committee meet?

Monthly (regularly scheduled)

Next meeting:

How and how often will working groups meet?

Monthly touch base as needed

How will you share this plan with the public and partners?

Share final report in a presentation with City Council. Put in format that can be shared with Newspaper, radio station and social media



October 18, 2019

City of Colfax
19 E. Howard Street
Colfax IA 50054
Phone: 515-674-4096
Cell: 515-360-7269
<http://cityofcolfax.org/>

United States Of America Acting Through Rural Housing Service
4300 Goodfellow Blvd.
Bldg 105 Fc-213
St Louis MO 63120

RE: Housing Endeavor at 627 S. Hastings Avenue

Dear Property owner:

You are being contacted because you own a vacant/dilapidated house in Colfax at the above address that could potentially have a new home built upon it if the old one were torn down. The City is interested in your property and if you are willing to sell/give us the property. We would subsequently give it to a homebuilder who would sell it to a future owner.

The City is embarking on this effort to revitalize our neighborhoods, increase our population and school enrollment, and to increase our and the school's tax revenue with very little in the way of additional infrastructure expense.

If you are interested in helping, please contact Mayor David Mast or me at the numbers above.

Respectfully,

A handwritten signature in blue ink that reads "David Mast".

David Mast
Mayor

Respectfully,

A handwritten signature in blue ink that reads "Wade R. Wagoner".

Wade R. Wagoner, AICP, LEED GA
City Administrator

Cc: Economic Development sub committee
Eric Anderson, School Superintendant
Nancy Earles, City Clerk
Stuart Patterson, Colfax Main Street

Appendix G

Address	Owner	Phone number	assessed value of land	Willing seller?	Desirability	Concerns
27 & 29 S. Kelley	City of Colfax	515-674-4096		Yes	Low	Flooding, but the big advantage here is that the property is city owned and can be transacted on immediately
423 W. State Street	City of Colfax	515-674-4096		Yes	Low	Narrow, proximity to busy commercial, but city owned and can be transacted upon immediately
621 Boise	William Hopkins	no WA bill	\$14,180	?	Very Low	Small waterway, proximity to mobile homes, dilapidated structure
4 lots on Blake Street	Andrew Bell	no WA bill	\$7,460	No	High	None, seller has initially indicated he is not overly anxious to sell.
111 Cherry St	Colfax 66 Service	515-559-4452	\$7,890	?(Mayor to contact)	High	Extremely desirable. Clear lot, high and dry. Lot is having a large 30x40 accessory building being constructed upon it. The owner indicated that if there was enough land remaining after the accessory building is built that he would consider.
27 Cherry Street	Judy Lafferty	515-238-6326	\$6,500	Yes	Medium/High	Dilapidated accessory structure, shared driveway, but a very nice lot well out of harms way of flooding. Willing seller will get back to us on price. Judy called me and indicated that she is not willing to sell this lot at this time.
305 E. Division	Mary Ann Lawrence	515-505-0311/64	\$4,330	???	Medium/High	I like this lot. High and Dry, good candidate
700 Block of E. Division	Marcusson, Joseph Lynn	515-681-0681	\$65,000 is what the property owner wants. Land appraises at \$24,000	Yes	Low	Topography, existing structure, previous use. Aguy is currently talking to him about buying it.
118 W. Division	Howard St. Christain Church	Tom Burns ?	\$1,400	???	High	Church might sell
111 W. Division	Methodist Church	Tom Bowen 515-9	\$6,110	???	High	Church created a pocket park, unlikely to sell
224 W. Division	Mcneer, David Daniel	515-770-3831		???	Medium	Rumor has it that George already owns or is in the process of purchasing this.
411 W. Division	Koppin, CE Pete	no WA bill	\$7,170	???	Medium to Low	Owner has passed away. Daughters name is Barb Roesse can be reached at 641-521-0154. Barb indicated that the property is worth about 6g and there are 14g in back taxes and special accessments. Would consider giving to City in exchange for lien forgiveness. See Mike Heilman's Tuesday October 8, 2019 emails on the matter.
412 W. Division	Rodgers-Sayler, Betty L	no WA bill	\$17,160	???	Medium to Low	Will need to be built up a bit. Property in foreclosure, difficult to track ownership.
417 W. Division	Smith, James (Mike)	515-423-9289	\$7,170	???	Medium to Low	Will need to be built up a bit. Called Mike on 10/17. He's going to think it over
307 Fry Street	Russell, Michael Dale	515-975-0768	\$6,230	???	Low	Surrounding homes, street condition, terraine. Potential builders are not interested in these lots at this time at any price
402 Fry Street	Northway, Patrick	515-771-2525	\$7,640	???	Low	Surrounding homes, street condition, terraine. Potential builders are not interested in these lots at this time at any price
200 Block of S. Goodrich	Mark Marsh	515-238-0970	\$8,030	???	Low	Terrain issues, private and quiet area, nicely wooded. Called left message. 10/17
304 Block of S. Goodrich	Miles, Ronnie L	515-674-3635	\$4,710	???	Low	Terrain issues
400 Block of S. Goodrich	Steve Ueding	515-674-3147	\$6,000	???	Medium	Nice lots for sale, gravel street. Challenging run off. Steve indicated he is willing to sell for assessed value but not until the City does something with Goodrich.
103 S. Kelly	Michael Thompson	515-729-7860 or 515-208-2331.	\$620 for the land and another 4,900 for the building	???	Low	Has out building, needs torn down, flooded in 2010
133 S. League Road	David Cole	no WA bill	\$9,335	???		Highly wooded area, nice location by high school
103 N Oak Park Ave	Phil Webb	515-669-2433	\$7,212	No	High	Nice lots, but High priced
808 West State Street	David Abell	515-306-1409	\$16,830	???	Medium	Nice large lots, got wet in 2010, would need to be built up. Prone to flooding.
214 E. Washington	Linda Rigby	515-674-3421	\$1,377	???	Low	Would need to acquire lot to north for outlet onto Division. Not interested in selling it
212 E. Washington	Don LeGuillion	515-674-4034	\$4,130	???	Low	Would need to acquire lot to north for outlet onto Division. Has some private offers in on the land. Offers are at the \$8,000 level.
522 W. Washington	Thomas Owens	515-674-3109	\$9,500	???	Medium	Flat, good size, got some water in 2010. Needs built up but doable. Called, unable to leave message.
103 S. Madison	Justin Siebler	319-360-4395	\$14,690	???	Medium	Flat, good size, got some water in 2010. Needs built up but doable. Left message 10/18
117 N. Montgomery	Kevin D. Lewis	515-674-3955	\$15,270	???	Medium to Low	By Dickerson Mechanical, nice quiet dead end, very flat, got wet in 2010/ 10/18/2019 Left message
525 S West St	Suzanne K Quinn	Can't find contact number	\$2,897	???	Medium to Low	45' wide lot that has access of W. High Street
228 E. Spring Street	Peter Smith	Can't find contact number	\$8,700	???	Medium	Very nice sized lot, some drainage issues
2 & 6 North Elm	Right Start Outreach	no WA bill	\$6,073	???	Medium to Low	Very sloped. The County needs to hire me (at a fixed fee of \$615.00 per parcel) to pursue a tax sale certificate lien foreclosure on both parcels. The City can agree to reimburse the County. And the County can agree to deed both parcels to the City when the 90-day foreclosure proceedings are completed. Simple as that. Jim Nervig Brick Gentry P.C. 6701 Westown Parkway, Suite 100 West Des Moines, Iowa 50266 Phone: 515-274-1450 Fax: 515-274-1488 jim.nervig@brickgentrylaw.com

<div><div>IOWA STATE UNIVERSITY</div><div>Extension and Outreach</div></div>			
Action Name: Inventory all available vacant buildable lots.			
Team: The Beauty Queens		Start Date:	
Implementation steps:	Who	When	How?
1) Contact County Assessor’s office for spreadsheet of all vacant lots in city. If such a spreadsheet is unavailable, create one using a spreadsheet of all lots in city limits and sort by the lots with existing structures. All lots without an assessed structure are vacant. 2) Use the County Assessor website GIS feature to search for the identified vacant lots by parcel numbers. Clicking on the parcel information on the map will confirm exact lot dimensions and shape. If vacant lots are contiguous, regardless of size, could they be combined? 3) Review current city code lot size requirements for new construction. Determine which of the identified lots meet these requirements. Verify current ownership and if the property tax has been paid. 4) This is your inventory of buildable lots. The spreadsheet should be updated annually for any changes. 5. Make a site visit to the most promising lots (because of size, ownership, cost). What can you envision being built there? Does the property have access to existing infrastructure? Is it graded so that it is			

ready to build? Add this information into your spreadsheet. Prioritize the lots based on the above characteristics. Think about how responding properties and neighborhood character may benefit from that lot being turned into useable space.

Coordinator:

Team members:

Collaborators or partners:

County Assessor

City staff

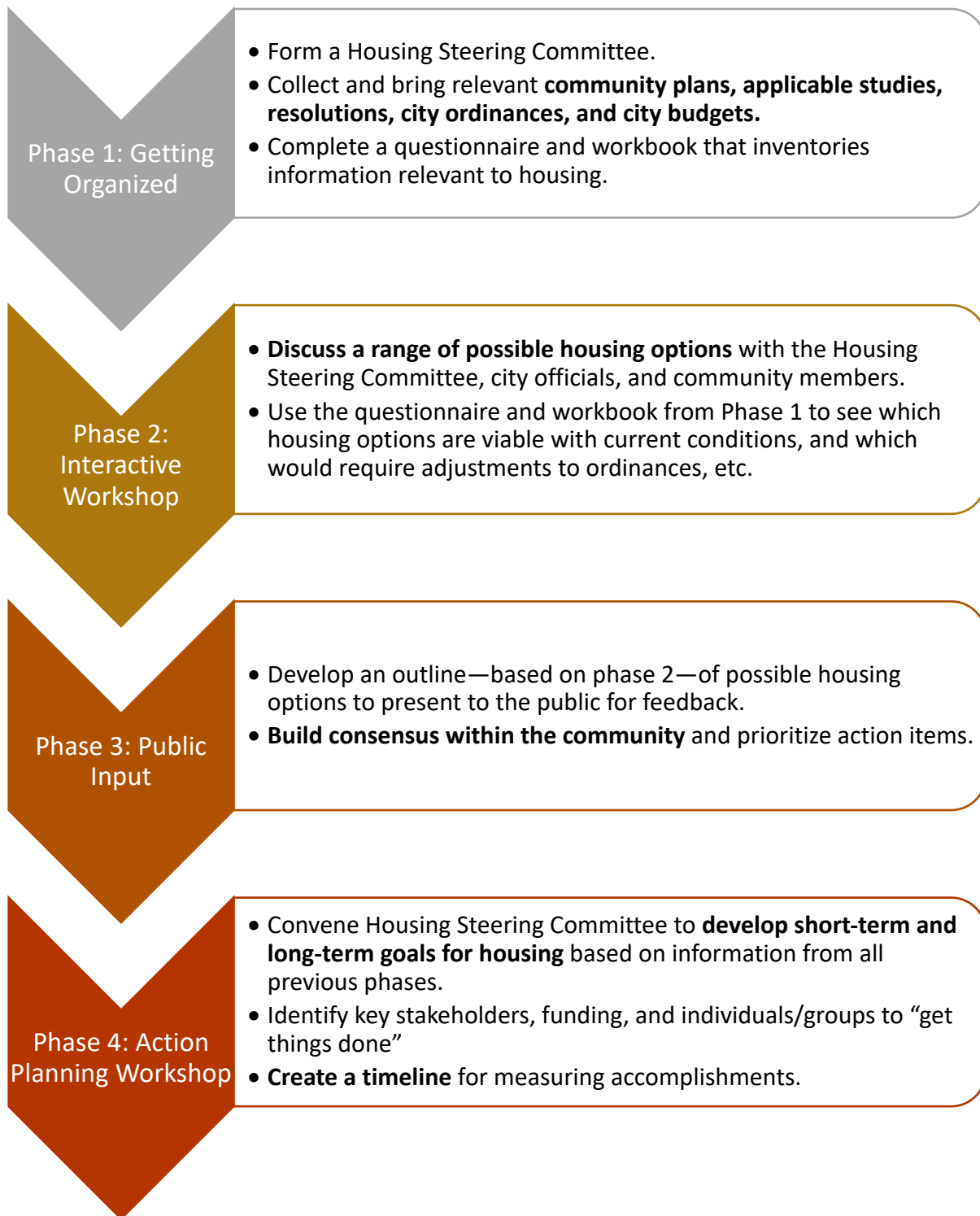
City Code working group

Resources Needed:

<div>IOWA STATE UNIVERSITY Extension and Outreach</div>			
Action Name:			
Team:			Start Date:
Implementation steps:	Who	When	How?
1)			
2)			
3)			
4)			
5.			
Coordinator:	Collaborators or partners:	Resources Needed:	
Team members:			

Housing Readiness Fact Sheet

Rural Housing Readiness Assessment Process



This institution is an equal opportunity provider. For the full non-discrimination statement or accommodation inquiries, go to www.extension.iastate.edu/diversity/ext.

Assembling a Housing Steering Committee

Background

In many communities housing policy is an ad hoc process, the accumulation of decisions made over time without reflection on longer-term impact. A local governing or advisory body charged with planning and implementing housing decisions can provide continuity, oversight, and direction. As a first step in the Rural Housing Readiness process, each participating community is asked to establish a Housing Steering Committee if such a committee does not currently exist. The Committee may be established by City Council Resolution (for an example, see fact sheet ***Sample Resolution to Create a Housing Steering Committee***). The Housing Steering Committee is charged with oversight of the preparation of the RHRA program and any other role and/or responsibility as determined. This fact sheet will serve as a road map for participating communities as they establish and assemble Housing Steering Committees.

Steering Committee Membership

The Committee will be made up of seven to ten individuals and include elected officials, city staff, representatives from real estate and finance, non-profits, major employers and concerned residents. It is recommended that the community advertise the opportunity to serve on the Housing Steering Committee and provide public notice. The governing body that establishes the Housing Steering Committee will invite expressions of interest to serve through the same process that would normally be employed when soliciting citizen board and commission members.

The composition of the Steering Committee may include 7-10 members reflective of the following mix:	
Elected Officials	<ul style="list-style-type: none"> City County
City/County Staff	With responsibilities in one of the following: <ul style="list-style-type: none"> Housing Planning Community development
Housing Industry Representatives	<ul style="list-style-type: none"> Realtors Bankers Construction companies or housing contractors Chamber of Commerce Housing or community development corporation staff
Nonprofit Organizations with a housing mission	<ul style="list-style-type: none"> Council of Governments Community Action Agency Churches with outreach or household assistance programs
Major employers	Representative of employers with ties to the community
Community members	Including representatives from populations with unique housing needs: <ul style="list-style-type: none"> Immigrant populations Senior citizens Low-to-moderate income households Potentially-impacted neighborhoods

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Role and Responsibilities of the Steering Committee

- **RHRA Phase 1:** This committee will begin by working with Iowa State University (ISU) Community and Economic Development (CED) specialists to conduct a community self-assessment by collecting relevant plans, studies, resolutions and ordinances. The committee will also complete a questionnaire and workbook that inventories plans, programs, funding sources, and other data for housing-relevant information to help the community “ground truth” their housing situation.
- **RHRA Phase 2:** Next, the housing committee, other interested city officials, and community members will walk through a three-hour interactive workshop with CED specialists. Participants will review and discuss the broad range of available housing options. This discussion will be designed around the information gathered in the first phase of the work, and will highlight how the community’s plans, ordinances, funding policies, and other current conditions support or inhibit the provision of various housing options.
- **RHRA Phase 3:** After the housing workshop, CED specialists will work with the committee to conduct a public input session to help build consensus around what the community would like to achieve in the area of housing. The committee members will attend this session and help organize and recruit other participants. CED specialists will facilitate the public input session.
- **RHRA Phase 4:** Finally, the housing committee will convene for an action planning workshop. Participants will develop housing-related short-and long-term goals, and action plans for implementing those goals, based on the information and input gathered during the first three phases. Additional key stakeholders, funding opportunities and responsibilities, and individuals/groups tasked with “getting things done” will be identified, along with timelines for measuring accomplishments.

Leadership

At the first meeting of the Housing Steering Committee, the group will select a Chair, who must be an elected official, and a Vice Chair, who must be a non-elected representative. The Chair’s responsibilities include: setting meeting agendas in consultation with the Vice Chair and CED Specialists, ensuring the goal setting and action planning is scheduled and conducted with the support of the CED Specialists, and upon full adoption of the committee, working with City and/or County staff to recommend and approve reports and recommendations. The Committee Chair will also be responsible for chairing and or convening meetings. The Vice Chair will serve in the Chair’s stead when the Chair is unable to perform the duties of the Chair.

Meetings

The Committee may be subject to the Open Meetings Law (Code of Iowa, Chapter 21). If so, all activities must follow open meetings requirements (see fact sheet *Open Meetings and Open Records* for more information). As a first step, members will agree on a regular meeting place and time. As the work of the committee is sequential, and each phase builds upon the last, it is recommended that all committee members attend each meeting. The committee shall determine if alternates are permitted and if it will be permitted to participate via telephone or other electronic means as technology allows. Meeting agendas will be distributed at least 72-hours in advance of meetings via email. Meeting materials will be posted in advance on the City/County website.

Decision Making

The Committee will strive to make decisions by consensus. If consensus is not possible, then decisions can be put to a vote and require the majority of the members present. Voting can only occur when a quorum (more than half of the members) is present.

Staffing

The Committee will be supported by the ISUEO-CED Specialists and the staff of the local governing body who has established the Housing Steering Committee. The Committee will receive support in fulfilling its role and responsibilities.

Updating City Ordinances

City ordinances govern many areas of interest that effect housing, such as lot sizes, accessory buildings, and nuisances, to name a few. It is important that a City Code, especially code that effects housing, reflect current needs and be up to date. Ordinances are a law of general and permanent nature in the city. Ordinances are a requirement of enacting certain regulations. As a legal record, it is crucial that city code and ordinances be current. City ordinances consist of all city ordinances in effect with the exception of grade ordinances, bond ordinances, zoning map ordinances, the vacation of streets and alleys, and legal descriptions of urban revitalization areas and urban renewal areas.

Updating city ordinances reflects a time when city leadership has determined that the existing code no longer serves the needs of the city and its operation.

Iowa Code Ch. 380 outlines the definition and process for city ordinances.

Updating Code

Iowa Code 380.8 (3) states that a code of ordinances should be compiled and maintained at least annually, or compiled at least once every five years. Every city is required to update their City Code at a minimum every five years.

A city may maintain a code of ordinances by annually compiling and adopting by resolution a supplement to the code of ordinances that consists of all the new ordinances and amendments to the ordinances that became effective during the previous year. A city may also choose to annually add new ordinances and amendments to ordinances to the code of ordinances rather than do a supplement. Cities who do not choose to update their ordinances annually with a supplement or addition are required to compile a code of ordinances at least once every five years.

Requirements for Updating or Amending Code

City Ordinances are updated and amended by adhering to the following process. First, all amendment or new ordinance subject matter must be described in the title of the ordinance. If an amendment to an ordinance is being made, which ordinance, section, subsection, or paragraph to be amended must be specifically identified. It must also be identified whether the amendment is a repeal of the previous ordinance, code, section, subsection, or paragraph that is being amended.

Once staff or consultants have identified and added or amended the Code of Ordinances or City Code, it must go to the City Council for a vote.

- The proposed ordinance or amendment will need to be considered and voted on for passage at two council meetings prior to the meeting where it is to be passed. This requirement can be suspended by a recorded vote of three-fourths or more of all of the council members. If the proposed ordinance, amendment, or resolution does not receive sufficient votes for passage at any point in consideration, the proposed ordinance, resolution, or amendment is considered defeated.
- Passing an ordinance, amendment, or resolution requires a majority vote of all of the council members. The mayor may break a tie vote in a city with an even number of council members per Iowa Code 372.4.
- To pass a motion requires a majority vote of a quorum of the council. All votes shall be recorded.
- The mayor may sign, veto, or take no action on a resolution, amendment, or ordinance that is passed by the council, unless the mayor was entitled to a vote on that measure at the time of its passage.

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Requirements for Publishing Code of Ordinances

If the proposed code of ordinances contains only existing ordinances that do not effect a change in substance, the council may adopt the code by ordinance. However, if a proposed code of ordinances contains a new ordinance or an amendment to existing ordinances, the council shall hold a public hearing on the proposed code before adoption.

The clerk shall publish notice of the hearing as provided in Iowa Code 362.3. Copies of the proposed code of ordinances must be available at the city clerk's office. Within thirty days after the hearing, the council may adopt the proposed code of ordinances. A new ordinance or an amendment to an existing ordinance becomes effective upon publication of the ordinance adopting the code of ordinances unless a subsequent effective date is provided within an ordinance. If the council substantially amends the proposed code of ordinances after the hearing, notice and hearing must be repeated before the code may be adopted.

SAMPLE RESOLUTION TO ESTABLISH A HOUSING STEERING COMMITTEE

RESOLUTION NO. _____

RESOLUTION ESTABLISHING A HOUSING STEERING COMMITTEE (PERMANENT OR TEMPORARY) TO SUPPORT THE RURAL HOUSING READINESS ASSESSMENT INITIATIVE

WHEREAS, the City Council recognizes that the availability of housing is a central community concern and aims to demonstrate municipal support for creating new housing opportunities to address long-term community needs; and

WHEREAS, the City Council has entered into a Participating Community Agreement as part of the Rural Housing Readiness Assessment (RHRA) Program funded by the Iowa Economic Development Authority (IEDA) and supported by Iowa State University Extension and Outreach – Community and Economic Development (CED); and

WHEREAS, the City Council desires to engage the community and involve a diverse group of community members and formally establish an advisory committee of volunteer community members to assist in assessing community housing needs, developing recommendations and providing advice, now therefore;

The City Council hereby establishes a committee, referred to hereinafter as the Housing Steering Committee, to guide the work of the Rural Housing Readiness Assessment (RHRA) program and to participate in the assessment phase and the development of recommendations to be made to the City Council. The committee shall be voluntary, consist of members of the community who either live or work within the boundary or near boundary and include Elected Officials (City/County), Staff (City/County), Housing Industry Representatives, Nonprofit Organization Representatives with a housing mission, Major Employer Representatives, and Community Members with interest in housing.

The Housing Steering Committee shall work with Iowa State University Extension and Outreach – Community and Economic Development (CED) Specialists over a period of 6-9 months; and complete their work and report their recommendations to City Council no later than XXX, XX, 202X.

This resolution is effective immediately upon enactment by City Council.

PRESENTED AND PASSED this Xth day of XXX, 202X by a vote of _____.

APPROVED by the Mayor this Xth day of XXX, 202X

ATTEST/AUTHENTICATE by the City Clerk

Sample Ordinance to Establish a Housing Steering Committee

Ordinance No. XXXXX

An ORDINANCE of the City Council of City XXXXX, Iowa establishing the role, composition and duties of the Housing Steering Committee.

WHEREAS, the City Council recognizes that the availability of housing is a central community concern and aims to demonstrate municipal support for creating new housing opportunities to address long-term community needs; and

WHEREAS, the City Council has entered into a Participating Community Agreement as part of the Rural Housing Readiness Assessment (RHRA) Program funded by the Iowa Economic Development Authority (IEDA) and supported by Iowa State University Extension and Outreach – Community and Economic Development (CED); and

WHEREAS, the City Council desires to engage the community and involve a diverse group of community members and formally establish an advisory committee of volunteer community members to assist in assessing community housing needs, developing recommendations and providing advice to the City, now therefore;

THE CITY COUNCIL OF THE CITY OF XX, IOWA DOES ORDAIN AS FOLLOWS:

Section 1. A new Chapter 0.00 of the XX Municipal Code is hereby adopted in its entirety to read as follows:

Housing Steering/Advisory Committee

Sections:

0.00.0	Membership, Appointment, Term and Compensation
0.01.0	Vacancies
0.02.0	Duties and Responsibilities
0.03.0	Meetings, Officers, Records and Quorum

0.00.0 Created – Membership, Appointment, Term and Compensation

- A. There is created a Housing Steering/Advisory Committee for the City, hereinafter referred to as the committee. The committee shall consist of seven (7) to ten (10) members who shall be appointed and confirmed by a vote of the city council.
- B. The committee shall consist of members of the community who either live or work within the boundary or near boundary. The committee members should include Elected Officials (City/County), Staff (City/County), Housing Industry Representatives, Nonprofit Organization Representatives with a housing mission, Major Employer Representatives, and Community Members with Interest in Housing.
- C. Members shall serve for a period of XX years with terms (*insert the City's standard term length and any other term-related factors*).
- D. Members shall serve without compensation.

0.01.0 Vacancies- Replacement/Removal

Members may be replaced if a vacancy occurs either due to resignation or excessive consecutive unexcused absences.

0.02.0 Duties and Responsibilities

The Committee is established for the following purposes:

- A. To serve as a planning and advisory committee
- B. Provide advice and/or recommendations to the City Council, City Staff or other appropriate groups.
- C. As directed by the City Council, assist with advising on housing.
- D. Provide a report to the city council on the committee's work annually.

0.03.0 Meetings, Officers, Records and Quorum

- A. The committee shall meet as necessary and generally shall establish a regular meeting schedule and announce the specific day and time the committee will conduct its regular meetings in compliance with the Open Meetings Law.
- B. A majority of the members servicing on the committee shall constitute a quorum.
- C. At the first regular meeting, the committee shall select from its members a chair and vice chair for a term of one year (*or other number per usual practice*).
- D. The committee shall provide public notice of the meeting and shall keep record of its meeting minutes. Minutes shall include a record of attendance and any formal actions taken by the committee, and be made available to the public per Open Records Law.

Section 2. This ordinance shall take effect and be in force as of its passage and publication.

PASSED BY THE CITY COUNCIL THIS XTH DAY OR X, 202X.

APPROVED BY THE MAYOR THIS XTH DAY OF X, 202X

Signed by Mayor_____

Attest/Authenticate:

Signed by City Clerk_____

Open Meetings and Open Records Laws: Fact Sheet for Housing Steering Committees

Work on behalf of the government must be done transparently and in compliance with the Open Meetings and Open Records Laws. In this Fact Sheet, we will provide information to help Housing Steering Committees understand the requirements and operate accordingly if required.

Do open meetings and records laws apply to Housing Steering Committees?

It depends. Iowa Code Chapter 21 states that the Open Meetings law applies to governmental bodies. A city council is clearly a governmental body, but the law also applies to committees “created by statute or executive order [...] to develop and make recommendations on public policy issues.” If a Housing Steering Committee meets this definition, for example if the committee was created by a city ordinance or order, it must comply with Open Meetings Law.

What constitutes a meeting?

Iowa Code Chapter 21, Section 21.2 (2) notes that a meeting is a gathering in person or by electronic means of a majority of members of a governmental body. It may be formal or informal and where there is deliberation or action occurring. If a social gathering occurs with a majority of the Housing Steering Committee present and there is no discussion of the policy and no intent to avoid the purposes of Chapter 21, then such a gathering is excluded. The safest thing to do is avoid discussion of the work of the Housing Steering Committee when members are gathered for social events.

What do we need to do to comply with Iowa’s Open Meetings Law?

There are three basic elements in complying with Open Meetings Laws: 1) post a public notice 2) conduct the meeting in an open session, and 3) keep minutes.

1) Public Notice

Firstly, the Housing Steering Committee meetings must be preceded by a public notice which is posted in a prominent place at least 24 hours in advance and provided to media who have requested notice. The time, date and place with a tentative agenda should be posted. Examples of “prominent placement” include the bulletin board at city hall or county building designated for that purpose.

2) Open Session

The location and time of the meeting must be held in a place that is reasonably accessible to the public. Decisions should be taken only for items which have been placed on the advance agenda.

3) Minutes

A public meeting must be recorded in minutes, which are considered public record and open to public inspection. Minutes must show the date, time and place of the meeting; record the members present; any action taken and show the results of each vote taken. For more information, consult Iowa Code Chapter 21, Sections 21.3 and 372.13.

Are there any consequences if the Open Meetings laws are violated?

According to Iowa Code Chapter 21, Section 21.6, any aggrieved person, taxpayer or citizen may seek judicial enforcement. A court, upon finding a violation, shall assess each member of the body who participated in the violation damages from \$100 to \$500; if a member knowingly commits a violation, the damages could be from \$1,000 to \$2,500. If the practices noted above are carefully followed, Steering Committee Members will be able to avoid concerns about violating the Open Meetings law.

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What about the Open Records law? Does that apply to a Housing Steering Committee's work?

Yes, the Open Records law, which is covered in Iowa Code Chapter 22, may also apply to a Housing Steering Committee because, as noted above, if it is considered a governmental body. Additionally, the records of certain members of the steering committee may be public documents if they are serving in some kind of public capacity as an elected or appointed official or staff person.

What is required to meet the requirements of the Open Records law?

The Housing Steering Committee must designate a "lawful custodian" for its public records and publicly announce who holds that responsibility. Most often, this responsibility lies with the City Clerk. This individual is responsible for maintaining records, handling public record requests, and record retention.

What is considered a "public record?"

All documents, presentations, tapes or any other information stored or preserved is considered a public record. This also includes email, websites, or social media shared or posted by members. It does not matter if the communication has taken place using a personally owned device. It is important to know that members of the public may request copies of such records.

How can a member of a Housing Steering Committee make sure to comply with Open Records requirements?

Firstly, be prepared to provide copies of any email correspondence or social media posts you may have on the work of the Committee if requested. An individual best practice is to avoid use of email or social media for any Committee "discussion" or "deliberation" among members. The consequences of violating the Open Records law are the same as violating the Open Meetings law, as noted above.

In summary...

A Housing Steering Committee and its members are subject to Open Meetings and Open Records law. Members can readily comply by ensuring the Committee provides proper public notice with detailed agendas, discusses and deliberates in open session, and maintains proper meeting records. When in doubt, always ask either your city or county attorney for clarifications.

Basic Checklist: Open Meetings	Basic Checklist: Open Records
✓ Post agenda 24 hours in advance of meeting in prominent place and to media who have requested notice.	✓ Designate a records custodian (usually the City Clerk) and maintain proper records.
✓ Provide a detailed agenda with the date, time and place. Any decisions that will take place should be included as an agenda item.	✓ Be prepared to provide any document, email or social media post if requested as public record even if on personal device.
✓ Deliberate and decision-make only in scheduled, open meetings.	✓ Avoid discussion or deliberation via email or social media.
✓ Record decisions and votes through minutes.	

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Previous Recommendations Worksheet

Looking over past assessments and plans, please list previous recommendations and any work that has been accomplished. If an assessment or plan does not exist, leave blank.

Type of Plan	Year	Recommendation, or Work Completed as a result of plan	Completed Y/N	Still Valid? Y/N
Housing needs assessment				
Comp Plan re:Housing				
Vacant Lot Study				
Other Housing Study?				

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Low Income Housing Tax Credits

Background

The federally funded Low-Income Housing Tax Credits (LIHTC) are one of the most important resources for creating affordable housing in the United States today. Created by the Tax Reform Act of 1986, the LIHTC program gives [state and local LIHTC-allocating agencies](#) funding to issue tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households.

These housing credits assist in investment in affordable housing in underserved rural and urban communities across the country. Many of these housing developments are home to working families, young professionals, or seniors or persons with disabilities that would be unable to maintain a home but prefer to live independently.

How LIHTC Works

- Federal tax credits are allocated to state housing finance agencies by a formula that is based on the state population. In Iowa this agency is the Iowa Finance Authority (IFA).
- The state agency, IFA, establishes the housing priorities for the state. Housing developers then compete for an award of tax credits based upon how well the applied project satisfies the state housing needs.
- Developers who are awarded the tax credits use them to raise capital from investors in their development.
- The tax credits can be claimed for up to 10 years, however, the property must be maintained as affordable housing for a minimum of 30 years. The tax credit provides a dollar for dollar tax reduction to offset the property owner's federal tax liability on ordinary income for those 10 years.
- There are two types of LIHTC: the 9% program and the 4% program. Each program has its own requirements.
- The actual tax credit rate varies based upon the Applicable Federal Rate (AFR). The 4% tax credit rate is adjusted monthly; however, the 9% is currently at a fixed rate making the 9% even more competitive.

Eligibility

Tax Credits are available for the acquisition and rehabilitation, substantial rehabilitation, or new construction of residential rental properties in the state. If the development meets those guidelines, the property must also meet one of the following requirements:

- 20/50 Test: A minimum of 20 percent of the residential units must be both rent restricted and occupied by individuals or families whose income is at or below 50% of area median gross income (AMI) limits (as established for different geographical areas and published by HUD).
- 40/60 Test: A minimum 40 percent of the residential units must be both rent restricted and occupied by individuals or families whose income is at or below 60% of AMI limits.
- 40/80 Test: A minimum of 40 percent of the residential units must be rent restricted and occupied by individuals or families whose income is at or below 80% of AMI, provided that the average income or rent limit in the project is at or below 60% of AMI.
- Both 9% and 4% credits are subject to a Qualified Allocation Plan (QAP) that states the specific criteria and eligibility, as well as the scoring systems to evaluate projects and priorities.
- Applicants for LIHTC can be individuals, non-profit organizations, for-profit organizations, LLCs, and partnerships.

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9% Tax Credits

With 9% tax credits, the amount of credit that a developer can receive is limited to no more than the amount necessary to make the project financially feasible. The credit amount is a percentage of the “qualified” cost of development. New construction and rehabilitation are encompassed in the 9% tax credits. 9% tax credits are highly competitive. The application process takes place annually. In previous years, applications were due in early spring. 9% tax credits can also be used for historic preservation projects.

4% Tax Credits

4% tax credits, similar to 9% tax credits, limit the amount the project can receive to no more than the amount necessary to make the project financially feasible. The amount is determined by the percentage of the “qualified” cost of development. The maximum percentage for acquisition and projects subsidized by the federal government is 4%. 4% tax credits are also subject to a non-refundable reservation fee equal to 1% of the total 10-year tax credit amount. 4% tax credits can be applied for throughout the year as opposed to the 9% credits that have a set application period every year.

Conclusion

Low Income Housing Tax Credits are a competitive and highly sought-after funding source. The impact that they can make on the acquisition, substantial rehabilitation, and new construction of developments cannot be understated. When applying for LIHTC, be sure to work with organizations that understand what it takes to be a viable application and the requirements needed as a qualified applicant. There are an abundance of rules and regulations to using LIHTC as a funding source, especially when combining the tax credits with additional funding sources like HOME or tax-exempt bonds.

Manufactured, Modular, and Mobile Homes

Factory-built homes – homes that are manufactured off-site and then transported to a final lot placement – can represent a significant cost savings for new construction, lowering the entry point for homeownership. Factory-built homes can also address a lack of interest in home developers to build in rural communities because the risk is assumed too great or the market is deemed too small. Despite these benefits, some communities are reluctant to embrace manufactured housing as part of their new construction solution because of the hold-over stigma of “mobile” or “trailer” homes. It is important to recognize that **Iowa Code 414.28(2) forbids cities from passing ordinances that prohibit factory-built housing.**

Iowa Code distinguishes between modular, manufactured, and mobile homes.

Modular Homes

Modular homes are very much akin to site-built structures, blending in well with traditional construction. These residential structures are often assembled of pre-built components and are placed on a concrete slab or basement foundation. The structure is constructed to comply with Iowa State Building Code and is inspected the same as site-built construction. Modular homes appraise the same as site-built homes and they do not depreciate in value. They are financed through traditional mortgages. Modular homeowners generally purchase both the structure and the lot it sits on.

Manufactured Homes

Both modular homes and manufactured homes are built in factory settings, but while modular homes are assembled later, manufactured homes are structures that are typically delivered in one piece, already assembled, to a lot or site, and placed on a slab, basement, or metal piers. They are not designed to be moved once they arrive, with no wheels or axels permanently affixed to the structure. Unlike modular homes, however, these structures are regulated by a designated HUD code for manufactured homes. Local building or design codes, including minimum widths or roof pitch, cannot be applied to manufactured homes. Zoning standards like minimum lot sizes or parking, however, can be applied to manufactured homes. Because they are delivered already assembled, they are typically fairly uniform in size and shape. There are fewer home mortgage financing options for manufactured homes, but the federal government does provide backing for some financing institutions to provide mortgages to qualified home buyers. Some manufactured homeowners may own the dwelling where they live but lease the lot or land upon which the structure sits, also known as being part of a land lease community.

Mobile Homes

Mobile homes are trailer units that were built prior to 1976, the year that federal regulation for manufactured homes was established. Mobile homes were not built to any mandatory code standard. Like manufactured homes, they were not designed to be moved once they arrived at the site of installation. Thus, they are not registered as motor vehicles and are distinct from campers or trailers with hitches. According to Iowa Code 435.26, “mobile homes can be either considered personal property or real property. A mobile home is considered real property if it is located on a permanent foundation outside of a manufactured home community.” For many mobile homeowners, there is a separation of ownership between the dwelling and the site the structure sits on, meaning the dweller owns the structure, but not the land it sits on. Owners thus pay rent to be part of land lease communities.

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Land Lease Communities

Manufactured homes and mobile homes are often located on “land lease communities” in which the dwelling is owned by the inhabitant but the site is rented. Manufactured homes and mobile homes are among the lowest cost point of entry available for homeownership, with inhabitants being able to pay a low monthly fee to own the structure or are sometimes able to purchase the structure outright. Once the structure is on site, it is costly, and sometimes structurally impossible, to move the home. Thus, homeowners remain vulnerable to the fluctuations of the rent for the lot or pad that the home is settled on. A recent phenomenon where private investor firms purchase land-lease communities and substantially raise the monthly lease payments exploit this vulnerability, knowing that residents must pay or risk losing a home that is not truly mobile. Another vulnerability of homeowners who live in land lease communities is when the land is purchased by a developer who is interested in rezoning the property. This is especially a concern in cities that have grown to encompass a land lease community that had previously been outside of city limits.

Land lease communities must be a permitted use within municipal boundaries according to Iowa Code 414.28A (cities) and 335.30A (counties). Local governments may not “disallow or make infeasible the plans and specifications of land lease communities because the housing within the community will be manufactured housing.”

Regulating Existing Land Lease Communities

Recent changes to state law guarantee the replacement of nonconforming mobile homes with a similar (nonconforming) structure within a land-lease community. This means that cities must permit a mobile home owner to replace his or her mobile home unless any of the following conditions are true:

- 1). Replacing the structure would cause injury to life or property;
- 2). The nonconforming use has been discontinued for the period of time established by ordinance (at least a year);
- 3). The replacement structure is significantly different from the original use; or,
- 4). The replacement structure obstructs a shared driveway or sidewalk.

Iowa Code 414.1(c)

Cities can help improve the quality of housing in land lease communities, benefiting residents' quality of life and assuring that the land lease community fits in with the overall appearance of the city. On the one hand, city and county residential weatherization programs can permit assistance to mobile and manufactured homes. Typically, these structures have been excluded from such programs. On the other hand, cities can implement and enforce nuisance and exterior maintenance ordinances community-wide to assure that structures are safe and sanitary and that lots conform with minimum standards. Equal implementation across the city will improve quality of life for all residents, including those living in land lease communities.

Rental Inspection Programs

Rental inspection programs are a key component in helping a community maintain a minimum quality standard for the existing housing stock. Investment and rental properties are exposed to additional wear and tear because the number and frequency of tenants who reside in a property. Rental property is an critical part of the housing mix in any community. It is important to create a rental inspection program that maintains quality housing without being overly burdensome for tenants or landlords.

Registering Rental Units

One of the first steps to addressing rental housing quality is to require that landlords register their units for rent with the city. Requiring rental registration allows the city to have a more adequate count of the number of rental units within their jurisdiction. It also allows for the city to determine what structures – and characteristics of structures – are able to be rented for human occupancy. For instance, this could help eliminate situations in which individuals are living in unheated, windowless garages, below grade and unfinished basements, structures without a physical address such as sheds or outbuildings, or buildings that have been condemned. Rental registration delineates what is a habitable, leasable structure.

Complaint-based Rental Inspection Programs

Historically, many communities have utilized a complaint-based code enforcement program to govern housing quality. Under a complaint-based program, a tenant will petition the city to send a code enforcement officer to respond to substandard housing. Unfortunately, tenants are often unwilling to report a violation for fear of retaliation or losing their housing if the structure is discovered to be uninhabitable. A complaint-based program, while perhaps being the most affordable administrative option, may miss deteriorating rental stock and substandard conditions. Thus, the long-term cost of complaint-based code enforcement is the decline of property values and potential damage to resident health.

Proactive Rental Inspection Programs

Proactive rental inspection programs establish a minimum threshold of quality that a landlord must maintain in order to earn and keep a certificate of compliance. The minimum threshold is typically based on basic health and safety protections such as proper egress, electrical and plumbing that match state building code requirements, working utilities, and a secure building envelop. Programs require landlords to register their properties with the city and submit to an on-site inspection on a regular schedule, and/or when there has been a change in tenants.

There are several benefits to a proactive rental inspection program. First, routine inspection preserves safe and healthy rental housing and slows the deterioration of the rental housing stock. Because of the minimum quality requirements, landlords are prompted to invest in their properties at least once during the inspection cycle. When a proactive program is implemented, some landlords may make a substantial investment in their property for the first time in years. Second, proactive programs reach all renters, especially the most vulnerable (the very poor, the elderly, non-native English speakers), taking away the burden of calling to make a complaint when the inhabitants may live in fear of losing their home. Finally, proactive programs have the potential to deter further neighborhood decline and preserve neighborhood property values, securing the city's property tax base.

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Funding Proactive Rental Inspection Programs

Limited resources and staff capacity are primary reasons why a municipality may choose not to adopt a proactive rental inspection program. Most programs are designed to offset some costs through landlord licensing and registration fees, inspection fees and fines for violations and non-compliance. However, fees alone are rarely sufficient to fund an inspection program. The city has to decide that it is in its long-term interest to invest in improving and maintaining its rental housing stock.

In smaller communities, the number of rental units may not be enough to fund the staff time required to hire a full-time building inspector to implement and coordinate the program. In some cases, it may be feasible to designate an existing position or department as rental inspectors, such as fire marshal, fire or police department, or public works. In other cases, it may be an opportunity for a number of communities to pool their resources in order to hire one inspector for multiple jurisdictions. Likewise, there may be some county or regional organization such as a Council of Governments, Public Health Department, or Economic Development Corporation that would be willing to oversee and administer the inspections program on behalf of multiple communities.

Restricted Residence Districts

Not every community will have the capabilities for robust and complex planning and zoning. Cities need resources to hire staff or consultants to assist in preparing the comprehensive plan and the zoning ordinance. There is also a need to fund staff to oversee and enforce the planning and zoning effort. It may even be difficult to find the ten to twelve volunteers needed to staff the planning and zoning commission and the zoning board of adjustment.

Iowa Code 414.24 provides a means for small municipalities to prepare and adopt a version of zoning that is less complex and easier to administer than a conventional zoning plan. Under this approach, the city council establishes areas of the community called “restricted residence districts,” known also as “restricted residential districts.” The council, by ordinance, establishes rules for land uses that are allowed in such districts, but, in general, only houses, schools, churches, and similar structures are authorized.

Establishment

There are two ways that such an ordinance may come about. The city council may take the initiative in passing such a local law after holding a hearing and completing the other procedures outlined in code. Iowa Code also provides a means for residents to act directly. It states that, if the council receives a petition signed by at least 60 percent of the real estate owners in a restricted residence district, it shall create the district.

Advantages

Relative simplicity is the primary advantage of establishing restricted residence districts. Small communities that have never had any type of land use regulation may see a need to provide some sort of consistency and orderliness within the residence areas of the city. They also may wish to prevent incompatible uses from becoming established too close to existing residence properties. Restricted residence districts can help them achieve this goal by ensuring that only appropriate structures are placed in residence neighborhoods.

Restricted residence districts are also relatively easy to administer. The city council is invested with the sole power to administer the districts. There are no other boards and commissions. Adoption, amendments, permitting, and enforcement are all handled by the council. In this way, both cost and complexity are kept to a minimum. It may also be a good intermediate step in a community that might be considering full zoning.

Disadvantages

One clear disadvantage is that only residence areas of the city may be regulated through restricted residence districts. Communities that have issues in commercial and industrial areas of the city and wish to influence the land uses in those areas must have a complete land use program including a comprehensive plan and zoning ordinance. A restricted residence district simply cannot be used to regulate commercial and industrial areas.

Not having a planning and zoning commission and a zoning board of adjustment may also be seen as a disadvantage in some communities. The city council may want these other appointed bodies to assist in handling land use administration and enforcement in the community. Land use issues can become time consuming and to administer and contentious. Splitting the work with other boards distributes the time burden and may provide some buffer from local politics in making these decisions.

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Best Practices in Restricted Residence Districts

When drafting a new ordinance, it is paramount to make sure that the restricted residence regulations are reasonable and clear. Can the average resident of the community read the regulations and have a good understanding of what they mean for his or her property? Is there clarity with respect to what is and is not permitted?

City councils should also try to avoid drafting regulations that are subjective or that call for a great deal of judgement on the part of those who are administering the ordinance. The regulations should be clear and should be equally applied to all property. The city council should, of course, also carefully adhere to Iowa's open meetings laws in all of their dealings regarding land use regulation.

If the restricted residence regulations deal with signs, only criteria such as the size, placement, construction, and lighting of signs should be regulated. Cities should not try to regulate the content of signs, even if some in the community may find the content of certain types of signs objectionable. In other words, residents have free speech rights to express their views in the form of signage if they so desire.

Cities should keep careful records of their deliberations, their decisions, and the reasons for those decisions. In any land use regulation matter, it is always possible that there may be an appeal of a decision to district court. In that case, it is important that the city's records be accurate, complete, and up to date. Finally, cities should make timely decisions on land use matters. Unless there is a good reason to delay a decision, a resident who makes a request for a permit or other action, should not have to wait six months or a year for an answer.

Conclusion

Local officials in smaller cities who have been reluctant to embark upon a planning and zoning effort should consider carefully whether restricted residence districts might be an approach that would work in their situation. Assistance is available from Iowa State University Extension and Outreach, local councils of governments (COGs), or regional planning commissions. As always, make sure to consult with your city attorney before making any ordinance or procedural changes.

Allowing Flexibility in Dimensional Requirements

In many communities in Iowa, dimensional variances granted by the Board of Adjustment are widely used to allow exceptions to minimum setback requirements. The problem with this approach is twofold. First, variances in Iowa are only legally allowed to be granted under very specific conditions when regulations are presenting an “unnecessary hardship” (See our fact sheet on variances for more information). The vast majority of setback adjustments do not meet these requirements. If challenged, it is likely the majority of setback variances would not survive in court. Another issue is that beyond state law there are no criteria stating when a variance should be given. This leads to discrepancies among property owners in the way that the law is applied. Some property owners may have rights granted to them that other property owners do not receive.

Fortunately for communities, there are creative ways to allow flexibility under certain circumstances in the local zoning ordinance. If used properly, these may facilitate construction on unusually shaped or historic lots and ultimately make it easier to build new and rehabilitate existing housing.

Reducing Set Back Requirements

If homeowners or developers are consistently having issues complying with the minimum setbacks or other requirements it may be that the dimensional requirements in your ordinances are too strict. It is important to remember that your zoning ordinance is a local law and can and should be modified to reflect local goals. Elected officials should consider if loosening dimensional requirements would be beneficial for housing. This could be in all zones or a new zone could be created for certain “problem” areas like a historic downtown.

Special Exceptions

An important tool available to communities if they wish to allow some flexibility in dimensional requirements in certain circumstances is to allow the Board of Adjustment to grant a ‘special exception’ to adjust setback or other dimensional requirements. Terminology may vary based on the community. Many communities use terms like ‘conditional use’ or ‘special use’ permits; legally these are the same process which allows the Board of Adjustment to consider slightly out-of-character uses on an individual basis. These tools are commonly used for things like allowing a home-based business to operate in an area zoned residential. They can also be used to grant a setback adjustment.

For instance, Iowa City’s zoning code allows the board of adjustment to grant ‘Conditional Use Permits’ to adjust setbacks under the following conditions.

- (1) The situation is peculiar to the property in question;
- (2) There is practical difficulty in complying with the setback requirements;
- (3) Granting the exception will not be contrary to the purpose of the setback regulations; and
- (4) Any potential negative effects resulting from the setback exception are mitigated to the extent practical.
- (5) The subject building will be located no closer than three feet (3') to a side or rear property line, unless the side or rear property line abuts a public right of way or permanent open space.

If the board finds these conditions are met, then it may grant an exception to the minimum requirements in the ordinance.

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Exceptions based on Surrounding Properties

In some communities, new dimensional requirements may not match with existing construction, especially in historic neighborhoods. To remedy this, the zoning ordinance in Bremer County allows front yard setbacks on new construction by right to match **“the average depth of two (2) or more existing front yards on lots within five hundred (500) feet of the lot in question”** provided that **“The depth of the front yard on such lot shall not be less than the average depth of said existing front yards or the average depth of the two (2) lots immediately adjoining [...]”** This is a relatively simple way to allow neighborhoods to develop uniformly without the need for the public hearings required for a special exception required by the Board of Adjustment.

Whether or not to allow flexibility in dimensional requirements is a local policy decision that may not make sense for all communities. Some communities have very strict requirements and enforce them as a routine matter while in others local governments may value flexibility. Whatever decisions a local government makes, it is important to clarify policies in ordinance and enforce the law fairly.

Acquisition of Property through Tax Sales

In some circumstances, a local government may need to acquire a property to abate a particularly difficult nuisance. Governments do this often as a last resort when previous abatement methods have failed. Once the government owns the property, it may demolish the structure or rehabilitate it. The government may do rehab work itself or convey the property to a third party. But, the first step is gaining possession of the property. One of the tools that Iowa Code provides for cities to accomplish this is through tax sales.

Tax Sales in Iowa

When a property is abandoned or becomes a nuisance it is also common that that property may have delinquent taxes or liens from other sources such as unpaid fines or utility bills. In Iowa any unpaid liens on a property are sold at a tax sale auction held by the county, usually in the spring.

The sold tax certificate becomes a lien against the property. The owner of the tax certificate pays the outstanding debts on the property and in exchange may acquire the property if not reimbursed by the property owner.

If the original debt plus interest has not been paid to the tax sale certificate holder 18 months after the tax sale, the certificate holders may provide written notice to property owners of their right to redeem the property. Then a 90-day redemption period begins. If the fees are not paid by the end of that period, the owner of the tax certificate may become the owner of the property.

Often, tax sale certificates are sold to individuals who hope to gain a return on investment when they are reimbursed by the property owner, but may have no interest in taking control of the property itself. Sometimes these new owners who acquire a property through a tax sale fail to pay property taxes as well and the lengthy process begins again.

Tax Sales and City Governments

Although cities are not always able to bid on tax certificates at a tax sale, Iowa Code Section 446.31 allows for a city to negotiate with a tax sale certificate holder to purchase their certificate. The city may be able to acquire a certificate for less than the total principal and interest owed to the certificate holder if the property is in poor condition with little chance the owner will redeem the property through paying the full amount of taxes and interest owed.

Traditional tax sales are not the most efficient ways of obtaining properties to address neighborhood nuisance issues or provide additional housing. They can be lengthy and expensive legal processes. Still, they are an important tool in a city's toolbox. Negotiations with certificate holders may allow for a city to halt a cycle of neglect and control the process of abatement and restoration.

Direct City Purchase of Tax Certificates

In addition to negotiation for the purchase of tax sale certificates, there are additional ways that tax sales may be used if the county agrees. For example, Iowa Code 446.19A allows the county to adopt an ordinance authorizing cities to acquire certificates for abandoned residential or commercial multifamily housing property. Prior to the purchase, a city must file with the county treasurer a verified statement that a parcel to be purchased is abandoned property and the parcel is suitable for use as housing following rehabilitation or that a parcel to be purchased is a vacant lot.

A city may then purchase the property and receive the tax sale certificate. The tax sale certificate may be assigned (sold) to a person who demonstrates “the intent to rehabilitate the abandoned property for habitation or build a residential structure on the vacant lot if the property is not redeemed.” One major benefit of this is that the redemption period for the tax certificate is three months after tax sale rather than the 18 months of a traditional tax sale, allowing for the process to move much more quickly. Additionally, the city incurs no cost in acquiring the property as taxes owed on the property are charged off to the city and all other taxing bodies

Compulsory assignment to cities of tax sale certificate for abandoned housing

Iowa Code Section 446.19A allows counties to pass an ordinance authorizing cities to purchase tax sale certificates of abandoned housing property or vacant lots. After a tax sale is done, the city may file a verified statement with the county treasurer identifying a parcel sold at tax sale as abandoned residential or commercial multifamily housing property. The city may *require* the purchaser of the tax sale certificate to assign the certificate to the city by paying the holder the total amount of principal and interest.

Acquiring properties this way is time consuming and may be expensive as the city would have to pay the holder the full value of the certificate. Still it is an important tool for cities to control key properties that might otherwise remain a nuisance or undeveloped for a long period of time.

Redeveloper purchase of tax sale certificate at “public nuisance” tax sale

Iowa Code Section 446.19B allows counties to adopt an ordinance authorizing the county treasurer to separately offer and sell at the annual tax sale parcels that are abandoned property. These properties must meet a few specific requirements: 1) they must be assessed as residential property or as commercial multifamily housing property; 2) they must currently be, or be likely to become, a public nuisance; and, 3) they will be suitable for use as housing following rehabilitation.

On the day of the tax sale the county treasurer will separately sell these properties at the “public nuisance tax sale” and only persons who have entered into an agreement with the city to rehabilitate the property as housing are eligible to bid at the public nuisance tax sale. After a tax sale deed has been issued to the holder of a certificate of purchase at the public nuisance tax sale and the holder determines that a building, structure or other improvement located on the parcel cannot be rehabilitated for habitation, the holder may request approval from the city council to remove, dismantle or demolish the building, structure or other improvement. The city incurs no cost as the redeveloper who bids at the tax sale pays all amounts due.

The process of acquiring properties through tax sales is much more complicated than can be covered in this fact sheet. You should work closely with your city or county attorney throughout the process of acquiring properties or tax certificates.

Tax Increment Financing

Tax Increment Financing (TIF) is a tool that allows cities or counties to issue bonds or borrow money to pay for infrastructure improvements in Urban Renewal Areas using future tax revenues. Extending streets, utilities, storm and sanitary sewers can open up previously undeveloped or under-utilized property for new industrial, commercial and residential uses. As the new private developments are added to the tax rolls, the city or county sets aside the new tax revenue generated by the increased value of the property to pay off what they borrowed.

TIF in Iowa

According to a 2018 Iowa Department of Revenue study, 95 of Iowa's 99 counties have Tax Increment Financing districts. In Fiscal Year 2019, 5.9% of property tax revenue was generated in TIF districts. While economic development is the primary motivation for creating a TIF district, other land uses are also included in TIF areas. The Department of Revenue study showed that 53% of the land in TIF districts was classified as commercial, 19% was zoned industrial and 25% was residential.

Creating a Tax Increment Financing district can be controversial because multiple entities rely on property tax revenues. For instance, TIF freezes the property tax revenue for all taxing entities other than the city or county managing the TIF district. While property tax amounts equal to those paid on the first year of the TIF will continue to be paid to all taxing entities, most new taxes are diverted to reimburse specific projects. New tax revenues diverted from Iowa's school districts, for example, impacted 258 of Iowa's 330 school districts, effectively removing \$130.6 million of valuation growth from school budgets, some of which was backfilled from other taxpayer revenue. Likewise, the type of projects receiving TIF benefits can be controversial. For example, new businesses would receive benefits that existing community businesses do not receive or new businesses are brought in which compete with existing companies.

How TIF Funds Can Be Used

TIF provides a flexible source of funding for a wide variety of community projects that are designed to encourage economic growth and jobs. Here are some of the types of projects Iowa law allows in TIF-funded districts:

- Repair, rehabilitation, demolition, or removal of buildings.
- Furnish, repair, or construct public improvements including streets, roads, utilities, parks and playground.
- Close, vacate, plan or re-plan streets, roads, and sidewalks.
- Relocate businesses and persons displaced by Urban Renewal projects including paying moving expenses and even paying rent for displaced persons for up to five years.
- Condemnation of real estate. This is eminent domain. The law allows condemnation of properties for wholly public purposes such as adding streets and utilities, but also to do site assembly and clearance of properties prior to the properties being sold for redevelopment purposes.

Creating a TIF District

Iowa Code 403 sets out the steps necessary to create an Urban Renewal area and a TIF district.
<https://www.legis.iowa.gov/DOCS/ACO/IC/LINC/Chapter.403.pdf>

Step 1: Designate an Urban Renewal Area

The City or County must pass a Resolution of Necessity that specifies the purpose for the designation and specifies the boundaries of the area. The Resolution must identify that the area is “a slum area, a blighted area, or an economic development area.” The Resolution must state that the health, safety, and welfare of the community is dependent upon the “rehabilitation, conservation, redevelopment or development of the area.”

The law allows communities to determine their own methods for determining whether an area is slum, blighted, or in need of redevelopment. Some factors to consider could be the quality of any existing buildings, the number of vacant buildings, higher than usual numbers of police or fire calls, the number of nuisance abatement citations issued, the quality or age of any existing surface or underground infrastructure, or increased maintenance emergencies such as broken water mains, potholed streets, or flooding. The designation of an area does affect the specific powers that a local government will have including the amount of years that TIF revenue can be collected.

Once the boundaries of the geographic area are designated, the city or county should compile a list of the properties affected and their current valuation in order to establish the “base” revenue from which the incremental increase in value will be measured. The city or county is not required to use all of the increased value for debt retirement. If there is unused increment, it can be redistributed back to the other taxing entities.

Step 2: Preparing and Approving an Urban Renewal Plan

An Urban Renewal Plan must be prepared and then approved by the local planning commission. The plan must identify how the TIF funds will be spent. The plan also must include a list of all current general obligation debt, the current constitutional debt limit for the city or county, and the proposed amount of indebtedness that is expected from loans, bonds, or advances that will be paid off from the TIF increment. Before approval of the plan, all the local taxing entities that will be impacted must be notified in writing by regular mail and a consultation meeting set with each entity. Each entity then has a week to respond in writing to request any changes or modifications. All consultation meetings must be concluded one week before planning commission approval. A public hearing is also required prior to approval, which may be held at the same meeting at which the plan is scheduled for approval to receive public comments.

The creation of an Urban Renewal Area is a complex process. Iowa State Extension and Outreach has additional workshops with more detail. When preparing an Urban Renewal Plan it is very important to work with your attorney to ensure that everything is done correctly. It may also be advisable to reach out to attorneys who specialize in the creation of Urban Renewal projects.