City of Carroll

112 E. 5th Street Carroll, Iowa 51401-2799 (712) 792-1000 FAX: (712) 792-0139

MEMO TO: Honorable Mayor and City Council Members

FROM: Mike Pogge-Weaver, City Manager MSP-W

DATE: June 21, 2018

SUBJECT: Discussion: Carroll Park Apartments Development Incentives

Earlier this year City of Carroll was approached by Dave Walters of Green Stream Homes of Iowa who was considering constructing new apartments in the City of Carroll. Ultimately the project will be owned by Kenyon Hill Ridge LLC (owners are Dean Quirk and Paul Stender). Green Stream Homes of Iowa has been working on plans for a number of months and has recently submitted a rezoning request and preliminary plat that will be considered by the Planning and Zoning Commission in July.

The proposed development calls for the construction of two, 30-unit, three story, market rate apartment buildings on the southside of the property and 8 owner occupied, duplex buildings, for a total of 16 units on the north side of the property. The apartments will all be two-bedroom units with a higher level of interior finishes including a washer and dryer in each unit, granite countertops, oak cabinets, etc. Rents for the units in the 30-unit building is targeted at $950 to $1,000 per month. The duplexes will be marketed in the range of $240,000 per unit.

Initially the developer plans to construct the public street and public utilities; plat the duplex units; and build one of the two apartment buildings, likely the western most building. Once the first apartment building is sufficiently rented the developer will begin construction on the second building.

Requested Incentives

The developer is requesting that the City establish an urban renewal district for the development and provide a TIF rebate for the public infrastructure that would be installed to serve the development. Staff has worked with Carroll County Assessor Cindy Heuton to get an estimated value of the proposed apartments. Based on the limited plans that were submitted the estimated assessed value of the two 30-unit apartment building would be $5,058,910. Final values will change based on the actual structures that are constructed. For the duplex units, staff simply assumed an assessed value of $200,000 per unit for a total of $3,200,000 for all 16 units.

Based on the above estimated assessed values staff has estimated the maximum TIF rebate that would be generated with this project. Staff did use the current FY 2019 tax rate and projected rollbacks based on calculations from PFM. The following are simply estimates and will differ from actual tax collections based on a number of factors including, but not limited to, final assessed values, rollback, and final tax rates. With that in mind, City staff has estimated a total of $1,140,421 would be generated in TIF funds from the development over 10 years.

Through a TIF rebate to the developer, the City may only rebate the total cost of public infrastructure. JEO has completed an engineer's conceptual opinion of probable cost on the public utilities and has estimated that the public utilities will cost $493,060. This estimate is subject to change since the plans are still under review and could be modified.

Since this is a market rate development without any low to moderate income (LMI) housing units, an amount equal to the percentage of LMI households in Carroll County is required to be set aside in a fund that will benefit housing for LMI households in the City. For Carroll County the percentage of LMI households is 38.9%. In order to generate a total TIF rebate of $493,060 a total of $806,972 in TIF funds would need to be collected with $313,912 being set aside for LMI housing needs.

Considerations

There is a number of due diligence items that City staff needs to complete before Council would move forward with this request.

If the Council would entertain providing this type of incentive to a developer, staff would suggest, in order to protect the City, that the Developer first construct the public utilities and then dedicate them to the City as a condition of the TIF rebate. Any TIF rebates would be made only after taxes are paid, LMI set aside subtracted and then limited to 10 years or until the total cost of the public utilities is rebated back to the developer.

With that said, staff would like direction from the Council if this is a type of incentive they would like to extend before staff spends substantial time and effort on it and before we incur legal expenses in setting up the Urban Renewal district.

RECOMMENDATION: Mayor and City Council discuss the requested incentive and provide direction to staff on how to proceed on the Carroll Park Apartments Development Project.

Annual Taxable Value Increase --> 2.0%

TIF Scenario for two 30-unit apartment buildings

	Assessment Year	Fiscal Year	Incremental Value	Rollback %	Taxable Value	TIF Rate	TIF Taxes Paid	Cumulative TIF Taxes Pd	LMI Set Aside	Cumulative Available TIF Rebate
1	2019	FY 20/21	5,058,910	71.25%	3,604,473	23.41427	84,396	84,396	38.90%	51,566
2	2020	FY 21/22	5,160,088	67.50%	3,483,060	23.41427	81,553	165,949	38.90%	101,395
3	2021	FY 22/23	5,263,290	63.75%	3,355,347	23.41427	78,563	244,512	38.90%	149,397
4	2022	FY 23/24	5,368,556	53.4149%	2,867,609	23.41427	67,143	311,655	38.90%	190,421
5	2023	FY 24/25	5,475,927	50.2999%	2,754,386	23.41427	64,492	376,147	38.90%	229,826
6	2024	FY 25/26	5,585,445	49.8019%	2,781,658	23.41427	65,130	441,278	38.90%	269,621
7	2025	FY 26/27	5,697,154	49.8019%	2,837,291	23.41427	66,433	507,711	38.90%	310,211
8	2026	FY 27/28	5,811,097	49.8019%	2,894,037	23.41427	67,762	575,473	38.90%	351,614
9	2027	FY 28/29	5,927,319	49.8019%	2,951,918	23.41427	69,117	644,590	38.90%	393,844
10	2028	FY 29/30	6,045,866	49.8019%	3,010,956	23.41427	70,499	715,089	38.90%	436,919

TIF Scenario for 8 duplex buildings (16 units total - $200,000 value per unit)

	Assessment Year	Fiscal Year	Incremental Value	Rollback %	Taxable Value	TIF Rate	TIF Taxes Paid	Cumulative TIF Taxes Pd	LMI Set Aside	Cumulative Available TIF Rebate
1	2019	FY 20/21	3,200,000	55.9645%	1,790,864	23.41427	41,932	41,932	38.90%	25,620
2	2020	FY 21/22	3,264,000	57.1589%	1,865,666	23.41427	43,683	85,615	38.90%	52,311
3	2021	FY 22/23	3,329,280	53.9490%	1,796,113	23.41427	42,055	127,670	38.90%	78,006
4	2022	FY 23/24	3,395,866	53.4149%	1,813,898	23.41427	42,471	170,141	38.90%	103,956
5	2023	FY 24/25	3,463,783	50.2999%	1,742,279	23.41427	40,794	210,935	38.90%	128,881
6	2024	FY 25/26	3,533,059	49.8019%	1,759,530	23.41427	41,198	252,133	38.90%	154,053
7	2025	FY 26/27	3,603,720	49.8019%	1,794,721	23.41427	42,022	294,155	38.90%	179,729
8	2026	FY 27/28	3,675,794	49.8019%	1,830,615	23.41427	42,863	337,018	38.90%	205,918
9	2027	FY 28/29	3,749,310	49.8019%	1,867,228	23.41427	43,720	380,737	38.90%	232,631
10	2028	FY 29/30	3,824,296	49.8019%	1,904,572	23.41427	44,594	425,332	38.90%	259,878

Projected Maximum Total TIF Taxed Paid	**1,140,421**
Projected Maximum LMI set aside	**443,624**
Projected Maximum Total Available TIF Rebate	**696,797**

Index Legend	
Location:	Part of the Southeast Quarter
	Section 19, T84N, R34W
Requestor:	Green Stream Homes of Iowa
Proprietor:	Green Stream Homes of Iowa
Surveyor:	Matt Fouts, PLS
Surveyor Company:	JEO Consulting Group, Inc.
Return To:	Cody Forch 724 Simon Avenue Carroll, Iowa 51401

FOR RECORDER'S USE ONLY

PRELIMINARY PLAT
CARROLL PARK APARTMENTS SUBDIVISION
CITY OF CARROLL
CARROLL COUNTY, IOWA

INDEX OF SHEETS
SHEET 1 - BOUNDARY INFORMATION
SHEET 2 - BOUNDARY DESCRIPTION AND DEDICATION

NOTE:
ALL BEARINGS ARE ASSUMED, ALL MONUMENTS SET ARE 5/8" X 24" REBAR WITH YELLOW CAP "FOUTS LS 23586". MONUMENTS TO BE SET UPON COMPLETION OF CONSTRUCTION.

LAND SURVEYOR
MATT FOUTS, PLS
724 SIMON AVENUE
CARROLL, IOWA 51401
712-792-9711

DESIGN ENGINEER
CODY FORCH, PE
724 SIMON AVENUE
CARROLL, IOWA 51401
712-792-9711

OWNER, SUBDIVIDER
GREEN STREAM HOMES OF IOWA, LLC
15602 WILDEN DRIVE
URBANDALE, IOWA 50323

ACREAGE TABLE

TOTAL ACREAGE	5.42 ACRES
NUMBER OF LOTS	9
MIN. LOT AREA	0.18 ACRES
AVG. LOT AREA	0.60 ACRES
MAX. LOT AREA	2.97 ACRES
PUBLIC LAND AREA	0.00 ACRES
ROW LAND AREA	0.95 ACRES

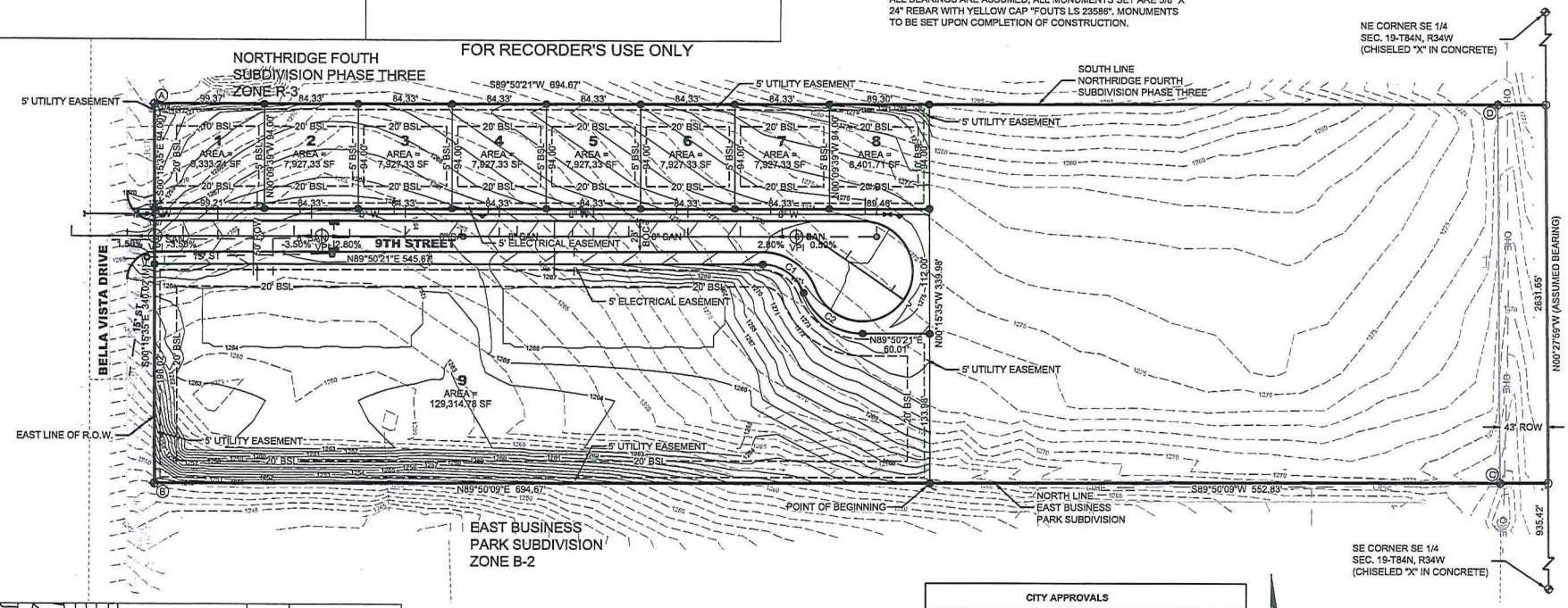
ZONING:

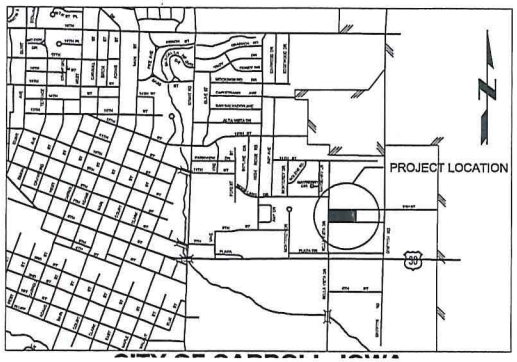
EXISTING ZONING	R-3
PROPOSED ZONING	R-5

BUILDING SETBACKS:

FRONT YARD	20'
REAR YARD MIN.	10'
SIDE YARD MIN.	5'

JEO CONSULTING GROUP INC
800.723.8567





FOUND MONUMENTS
- (A) 5/8" REBAR WITH CAP - RIGHT-OF-WAY CORNER OF NORTHRIDGE FOURTH SUBDIVISION PHASE 3.
- (B) 5/8" REBAR WITH CAP - RIGHT-OF-WAY CORNER OF EAST BUSINESS PARK SUBDIVISION.
- (C) 5/8" REBAR WITH CAP - RIGHT-OF-WAY CORNER OF EAST BUSINESS PARK SUBDIVISION.
- (D) 5/8" REBAR WITH CAP - RIGHT-OF-WAY CORNER OF NORTHRIDGE FOURTH SUBDIVISION PHASE 3.

CURVE	RADIUS	LENGTH	DELTA	CHORD BEARING	CHORD LENGTH
C1	39.00'	47.43'	69°40'24" RT	S 55°19'27" E	44.56'
C2	56.00'	68.10'	69°40'40" RT	S 55°19'27" E	63.98'

LEGEND

UTILITY EASEMENT		MEASURED DISTANCE	M
BUILDING SET BACK LINE	30' BSL	PLATTED DISTANCE	P
		RECORDED DISTANCE	R
MONUMENT FOUND		RIGHT-OF-WAY	ROW
FOUND MONUMENT LABEL	(A)	EASEMENT	EASE.
MONUMENT SET 5/8" X 24" REBAR WITH YELLOW CAP "FOUTS LS 23586"		UTILITY	UTIL.
		PROPOSED	PROP.
		ELECTRICAL	ELEC.

CITY APPROVALS

RECOMMEND TENTATIVE PLAT APPROVAL - PLANNING & ZONING COMMISSION

CHAIRMAN DATE

TENTATIVE PLAT ACCEPTED - CITY OF CARROLL, IOWA

CLERK DATE

PRELIMINARY PLAT APPROVED GREEN STREAM HOMES OF IOWA

NAME DATE

GRAPHIC SCALE
0 25 50 100
UNIT OF MEASURE IS FEET

LICENSED PROFESSIONAL ENGINEER CODY F. FORCH 22843 IOWA

I HEREBY CERTIFY THAT THIS ENGINEERING DOCUMENT WAS PREPARED BY ME OR UNDER MY DIRECT PERSONAL SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF IOWA

FINAL

SIGNATURE DATE
CODY F. FORCH, PE
PRINTED OR TYPED NAME
22843
MY LICENSE RENEWAL DATE IS: DECEMBER 31, 2018
PAGES OR SHEETS COVERED BY THIS SEAL:
SHEET 1 - 2

PROJECT NO.	180482.00
DATE	5/24/2018
DRAWN BY	choffmann
FILE NAME	S-180482.00-PREPLAT-1.dgn
FIELD BOOK	FIELDBOOK
FIELD CREW	FC INI
SURVEY FILE NO.	SURVEY FILE NO
PLAN IN HAND INITIALS / DATE	PIH INI / PIH DATE
70 PERCENT REVIEW INITIALS / DATE	70% INI / 70% DATE
95 PERCENT REVIEW INITIALS / DATE	95% INI / 95%DATE
REVISIONS	

2018
CARROLL PARK
APARTMENTS SUBDIVISION
CARROLL, IOWA

PRELIMINARY PLAT

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PRELIMINARY PLAT
CARROLL PARK APARTMENTS SUBDIVISION
CITY OF CARROLL
CARROLL COUNTY, IOWA

BOUNDARY DESCRIPTION

A PARCEL OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 19, TOWNSHIP 84 NORTH, RANGE 34 WEST OF THE FIFTH P.M., CARROLL COUNTY, IOWA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

REFERRING TO THE SOUTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 19; THENCE N00°27'59"W, ON THE EAST LINE OF SAID SOUTHEAST QUARTER, 935.42 FEET; THENCE S89°50'09"W ON THE NORTH LINE OF EAST BUSINESS PARK SUBDIVISION 552.83 FEET TO THE POINT OF BEGINNING; THENCE N00°15'35"W, 339.98 FEET TO THE SOUTH LINE OF NORTHRIDGE FOURTH SUBDIVISION, PHASE THREE; THENCE S89°50'21"W, ON SAID SOUTH LINE, 694.67 FEET TO THE EAST RIGHT OF WAY LINE OF BELLA VISTA DRIVE; THENCE S00°15'35"E, ON SAID EAST LINE, 340.02 FEET TO THE NORTH LINE OF EAST BUSINESS PARK; THENCE N89°50'09"E, ON SAID NORTH LINE, 694.67 FEET TO THE POINT OF BEGINNING, CONTAINING 5.42 ACRES, MORE OR LESS.

NATIONAL FLOOD INSURANCE PROGRAM FLOOD INSURANCE RATE MAP:
COMMUNITY-PANEL NUMBER: 190041 0005 B
MARCH 19, 1990
ZONE X (NON-FLOOD PLAIN)

BENCH MARKS:
1) 1276.42(Ft) NAD 1983,
POINT NUMBER 10120
MONUMENT TYPE: ARROWHEAD ON FIRE HYDRANT
LOCATION: SOUTHWEST CORNER OF EAST
9TH STREET AND GRIFFITH ROAD INTERSECTION

DEDICATION:

KNOW ALL MEN BY THESE PRESENT: THAT GREEN STREAM HOMES OF IOWA, LLC IS THE OWNER OF THE LAND DESCRIBED WITHIN THE PERIMETER DESCRIPTION AND EMBRACED WITHIN THIS PLAT AND HAVE CAUSED SAID LAND TO BE SUBDIVIDED INTO LOTS TO BE NAMED AND NUMBERED AS SHOWN, SAID SUBDIVISION TO BE HEREAFTER KNOWN AS GREEN STREAM HOMES OF IOWA SUBDIVISION. SAID OWNER HEREBY RATIFIES AND APPROVES OF THE DISPOSITION OF ITS PROPERTY AS SHOWN ON THIS PLAT. SAID OWNER FURTHER GRANTS PERPETUAL UTILITY EASEMENTS AND PUBLIC DRAINAGE EASEMENTS TO THE CITY OF CARROLL AND ANY PUBLIC OR PRIVATE UTILITY FOR RECIPROCAL USE BY THE LICENSEES OF SAID SUBDIVISION TO BUILD, ERECT, MAINTAIN AND OR REPAIR THE FOLLOWING: WATERLINES, DRAINAGE FACILITIES, NATURAL GAS LINES, WIRES AND CABLES FOR CARRYING TRANSMISSION OF ELECTRICAL CURRENT FOR LIGHT, HEAT, POWER AND FOR THE TRANSMISSION AND RECEPTION OF SIGNALS AND SOUNDS OF ALL KINDS ON, OVER, THROUGH, UNDER AND ACROSS ALL STRIPS OF LAND LABELED AS UTILITY EASEMENTS ON THIS PLAT. THE GRADE, ELEVATION OR CONTOUR OF ANY PART OF THE EASEMENT AREA SHALL NOT BE CHANGED WITHOUT OBTAINING THE PRIOR WRITTEN CONSENT OF THE CITY OF CARROLL. NO LANDSCAPING OR STRUCTURE SHALL BE ERECTED OVER OR WITHIN THE EASEMENT AREA WITHOUT OBTAINING THE PRIOR WRITTEN APPROVAL OF THE CITY OF CARROLL.

JEO CONSULTING GROUP INC
800.723.8567

2018
CARROLL PARK
APARTMENTS SUBDIVISION
CARROLL, IOWA

PRELIMINARY PLAT

PROJECT NO.	180482.00
DATE	5/24/2018
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FIELD CREW	FC INI
SURVEY FILE NO.	SURVEY FILE NO
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PLAN IN HAND DATE	PIH DATE
70 PERCENT REVIEW INITIALS	70% INI
70 PERCENT REVIEW DATE	70% DATE
95 PERCENT REVIEW INITIALS	95% INI
95 PERCENT REVIEW DATE	95%DATE
REVISIONS	

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By: choffmann
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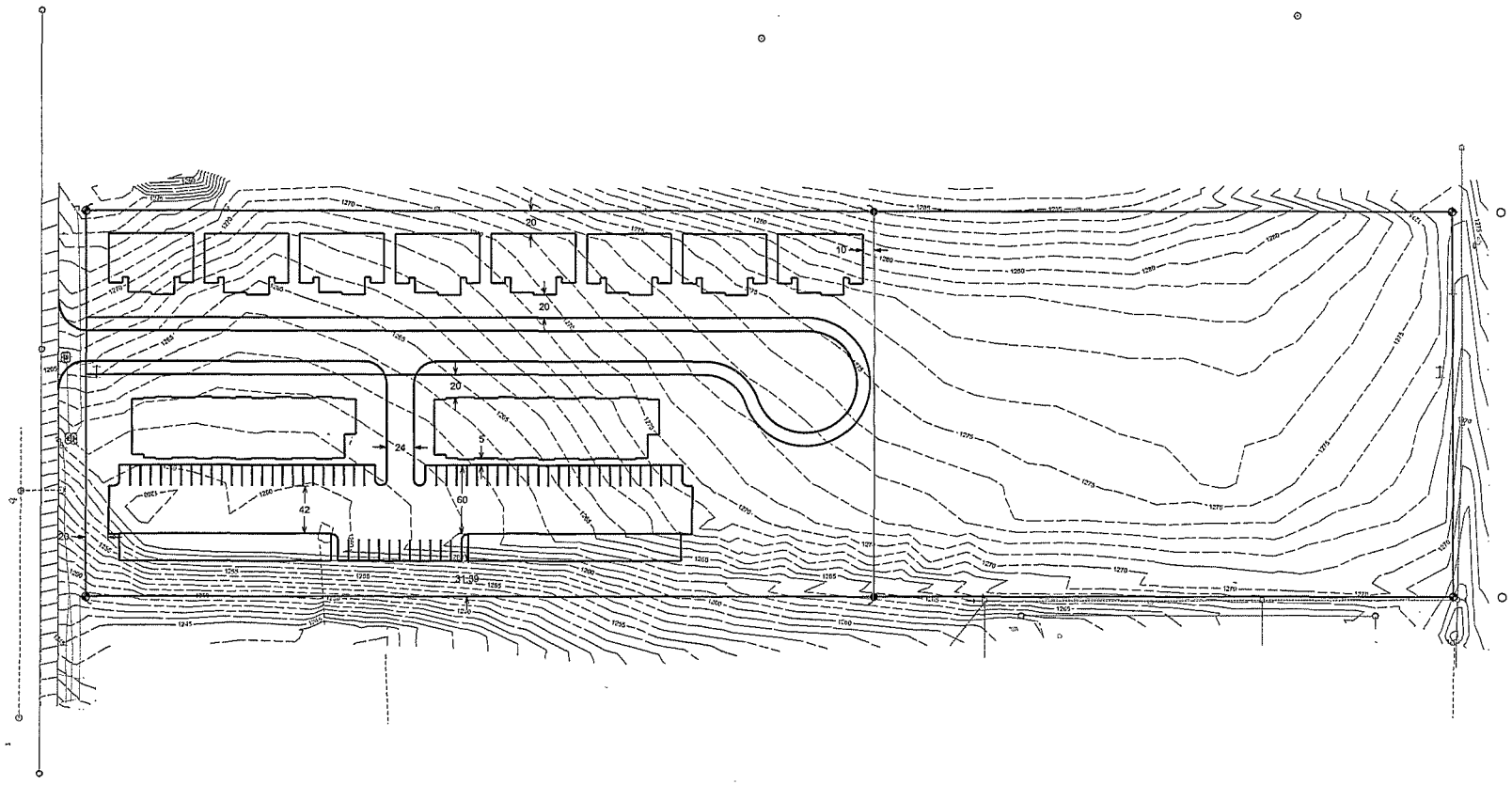

GRAPHIC SCALE

0 25 50 100

UNIT OF MEASURE IS FEET

JEO CONSULTING GROUP INC

800.723.8567

2018
GREEN STREAM
HOMES OF IOWA SUBDIVISION
CARROLL, IOWA

LAYOUT 1

PRELIMINARY
NOT FOR CONSTRUCTION
0%
DATE:
5/10/2018

PROJECT NO.	180482.00
DATE	5/10/2018
DRAWN BY	chollmann
FILE NAME	S-180482.00-LAYOUT1.dgn
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FIELD CREW	FC INI
SURVEY FILE NO.	SURVEY FILE NO
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70 PERCENT REVIEW INITIALS / DATE	70% INI / 70% DATE
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REVISIONS	

S-180482.00-LAYOUT1

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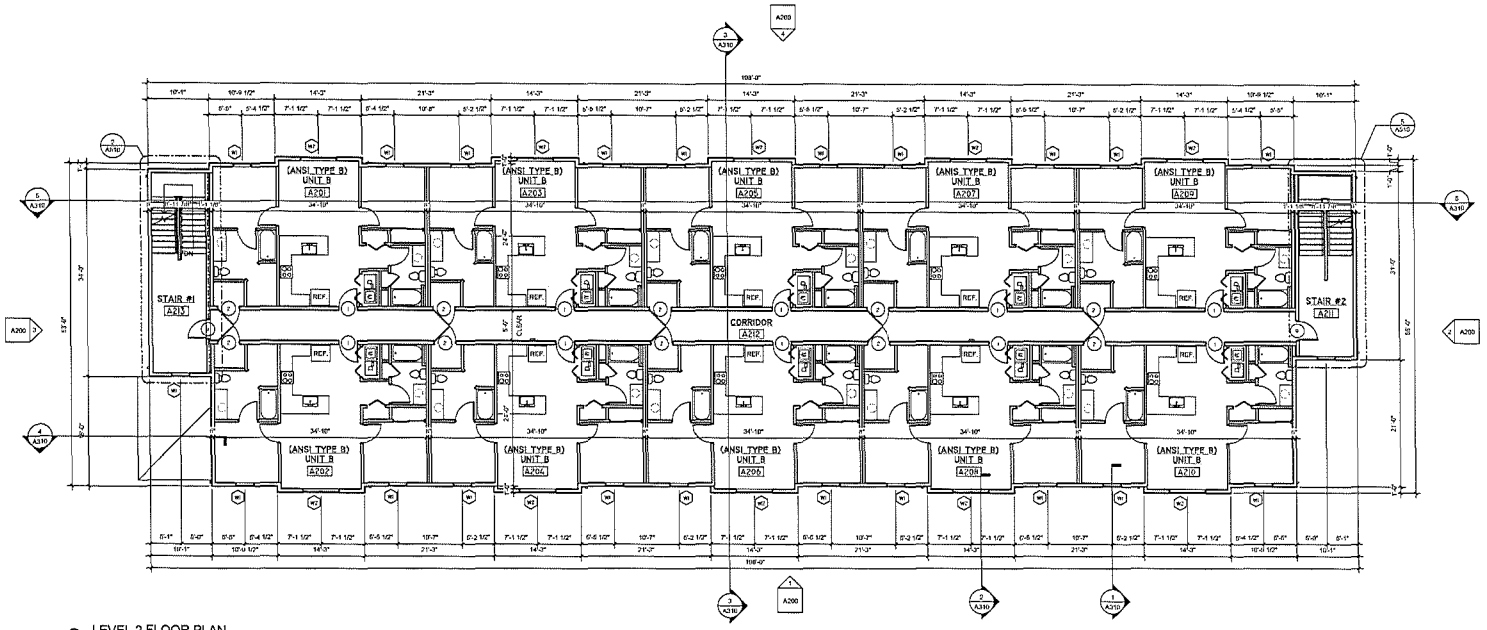
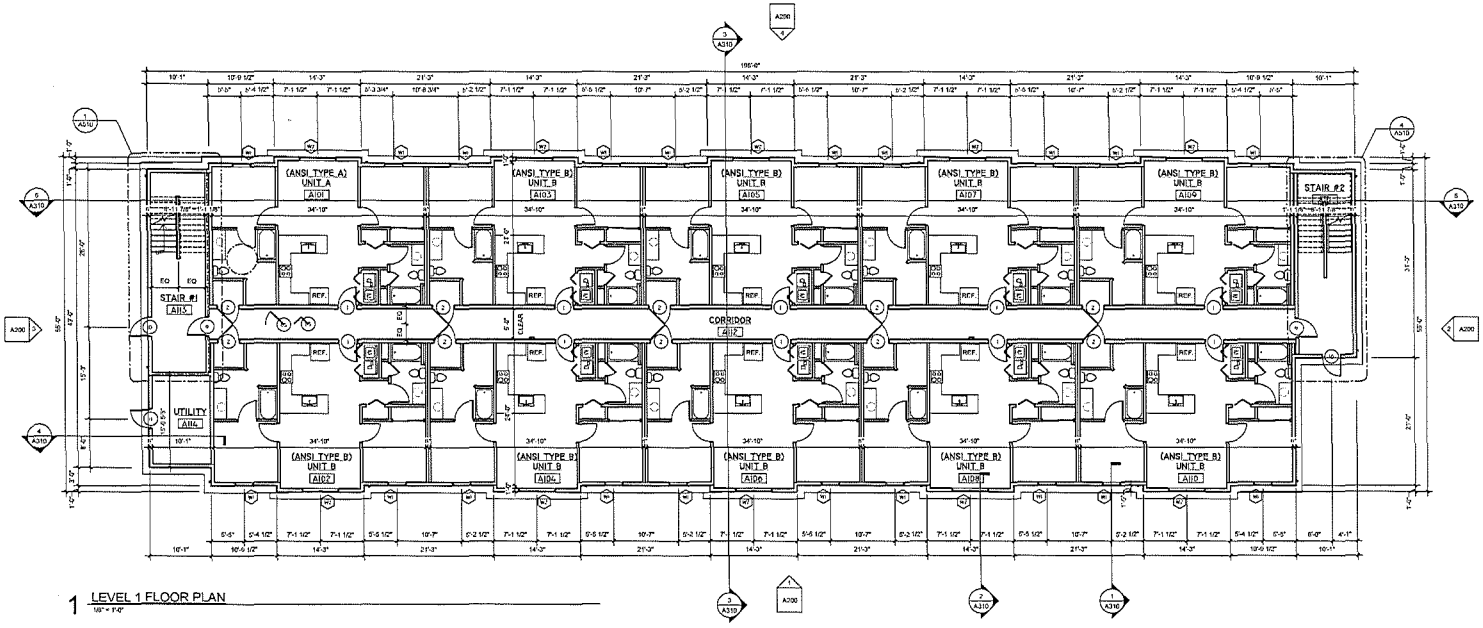
FUSION
ARCHITECTS, INC.

WEBSTER CITY APARTMENTS



2 LEVEL 2 FLOOR PLAN
1/8" = 1'-0"



1 LEVEL 1 FLOOR PLAN
1/8" = 1'-0"

TRUE NORTH
PLANE NORTH

CONSTRUCTION PLAN GENERAL NOTES

1. DIMENSIONS TO FACE OF STUD AT INTERIOR UNITS (STAIRWAYS NOTED)
2. DIMENSIONS TO FACE OF FACE OF SHEATHING AT EXTERIOR UNLESS OTHERWISE NOTED
3. ALL DIMENSIONS TO BE VERIFIED WITH ARCHITECT BEFORE ANY FABRICATION
4. ALL TO COORDINATE P.O. & M.E. INSTALL W/ WINDOW / DOOR MANUFACTURE
5. ALL CONNECTION WALLS TO BE TYPE D1
6. ALL DEMISING WALLS TO BE TYPE D1
7. REFER TO ENLARGED SHIFT PLANS FOR DIMENSIONS WITHIN THE UNIT, TYP

FIRE RATING KEY
1 HOUR FIRE RATING
2 HOUR FIRE RATING

0' 4' 8' 16'

ARCHITECT OF RECORD:
FUSION ARCHITECTS, INC.
1956 BOYSON RD
HIAWATHA, IOWA 52233
319.393.9011
877.393.9022
www.Fusion-Architects.com

CONSULTANTS:
STRUCTURAL ENGINEER

CIVIL ENGINEER

MEP ENGINEER
DESIGN BUILD

PRINTED

DATE	REMARKS

Revision Schedule

Mark	Description	Date

100-Y PLAN

FLOOR PLANS - LEVELS 1 & 2

00-000000	A101
Drawn by: AUTHOR	
Approved by:	

NOT FOR CONSTRUCTION