



City Council Meeting

Wednesday, May 7, 2025 at 5:15 pm

LOCATION OF MEETING:

City Hall Council Chambers, 627 N. Adams Street, Carroll, Iowa 51401

AGENDA

1. Pledge of Allegiance
2. Roll Call
3. Reports
 - a. Memorandum of Understanding with Hoppe & Son, LLC
4. Adjourn

May Meetings:

- * City Council – May 12, 2025 - City Hall - 627 N Adams Street
- * Airport Commission – May 12, 2025 – Airport Terminal Building - 21177 Quail Ave
- * Planning and Zoning Commission – May 14, 2025 – City Hall - 627 N Adams St
- * Library Board of Trustees – May 19, 2025 – Carroll Public Library – 118 E 5th St
- * City Council – May 27, 2025 – City Hall – 627 N Adams St

www.cityofcarroll.com

The City of Carroll will make every attempt to accommodate the needs of persons with disabilities, please notify us at least three business days in advance when possible at 712-792-1000, should special accommodations be required.


City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

MEMO TO: Honorable Mayor and City Council Members
FROM: Aaron Kooiker, City Manager 
DATE: May 6, 2025
SUBJECT: Memorandum of Understanding with Hoppe & Son, LLC

During my attendance at the Rural Housing Summit last fall, I was connected to representatives from Hoppe & Son, LLC, also known as Hoppe Development. During that conversation, they expressed their desire to bring their business into Iowa. I reviewed their business model, and Carroll, Iowa would make a good fit for their company.

Hoppe Development is a company that is focused on affordable housing solutions. They are involved with development, construction and long-term management in collaboration with communities and service providers, which includes the remodeling of old buildings.

Within the last couple of days, I have received a Memorandum of Understanding from Hoppe Development to add to our application to receive an Iowa Thriving Community designation. I believe that this new memorandum will put us in a position to receive the designation, which will then make more tax credits available to the developers and builders in Carroll.

Hoppe Development would then ask that we would partner with them for a Low-Income Housing Tax Credit Program (LIHTC). Which we as a city have been involved in recently. The City does not have to determine the program match at this time, however since this is a new project rather than a remodel, the City could provide infrastructure to the project rather than an abatement or cash.

RECOMMENDATION: Mayor and City Council consideration and approval of the Memorandum of Understanding between the City of Carroll and Hoppe & Son, LLC.



This Memorandum of Understanding (“Agreement”) is made and entered into as of May 6, 2025 (the “Effective Date”), by and between the City of Carroll, as Iowa municipal corporation (the “City”) and Hoppe & Son, LLC, a Nebraska limited liability company (the “Developer”).

Recitals

WHEREAS, the City desires to submit a successful application to the Iowa Economic Development & Finance Authority to be designated as an Iowa Thriving Community (“ITC”) for purposes of being awarded 2026 Federal Housing Tax Credits and/or Workforce Housing Tax Credits. City desires to use such awards for development of affordable housing.

WHEREAS, Developer is an experienced developer in the Midwest with significant knowledge of the use and application of low income housing tax credits (“LIHTC”) programs and desires to work and consult with the City on its ITC application.

NOW THEREFORE, incorporating the foregoing recital of facts, the parties agree as follows:

1. Application for Iowa Thriving Community Designation. City intends to submit an application for ITC designation for purposes of a financed affordable housing project. Developer will support City in the submission of this application. Developer and City will collaborate in the development of the application. Developer will secure supporting materials for the application and the project, including potential finance partners, or other third parties as required to respond to the application.
2. Developer LIHTC Application. Should City receive ITC designation, and the Developer moves forward to make application for a 9% LIHTC project, the City agrees to provide all reasonable support that it can for Developer to make a successful application.

IN WITNESS WHEREOF, the undersigned have executed this Memorandum of Understanding as of the date first set forth above.

Hoppe & Son, LLC, a Nebraska
limited liability company

By: _____
Jacob F. Hoppe, Manager

CITY OF CAROLL, an Iowa municipal
corporation

By: _____
Gerald H. Fleshner, Mayor



Capabilities & Focus

Vertically integrated team focused on affordable housing solutions

Development, construction, and long-term management of affordable housing, in collaboration with communities and service providers

Focused on innovation within existing programs to meet changing community housing needs, incorporating affordable and market rate rental and ownership

Maintain commitment to developments through project phasing, long-term ownership interests, and management role far beyond initial compliance periods



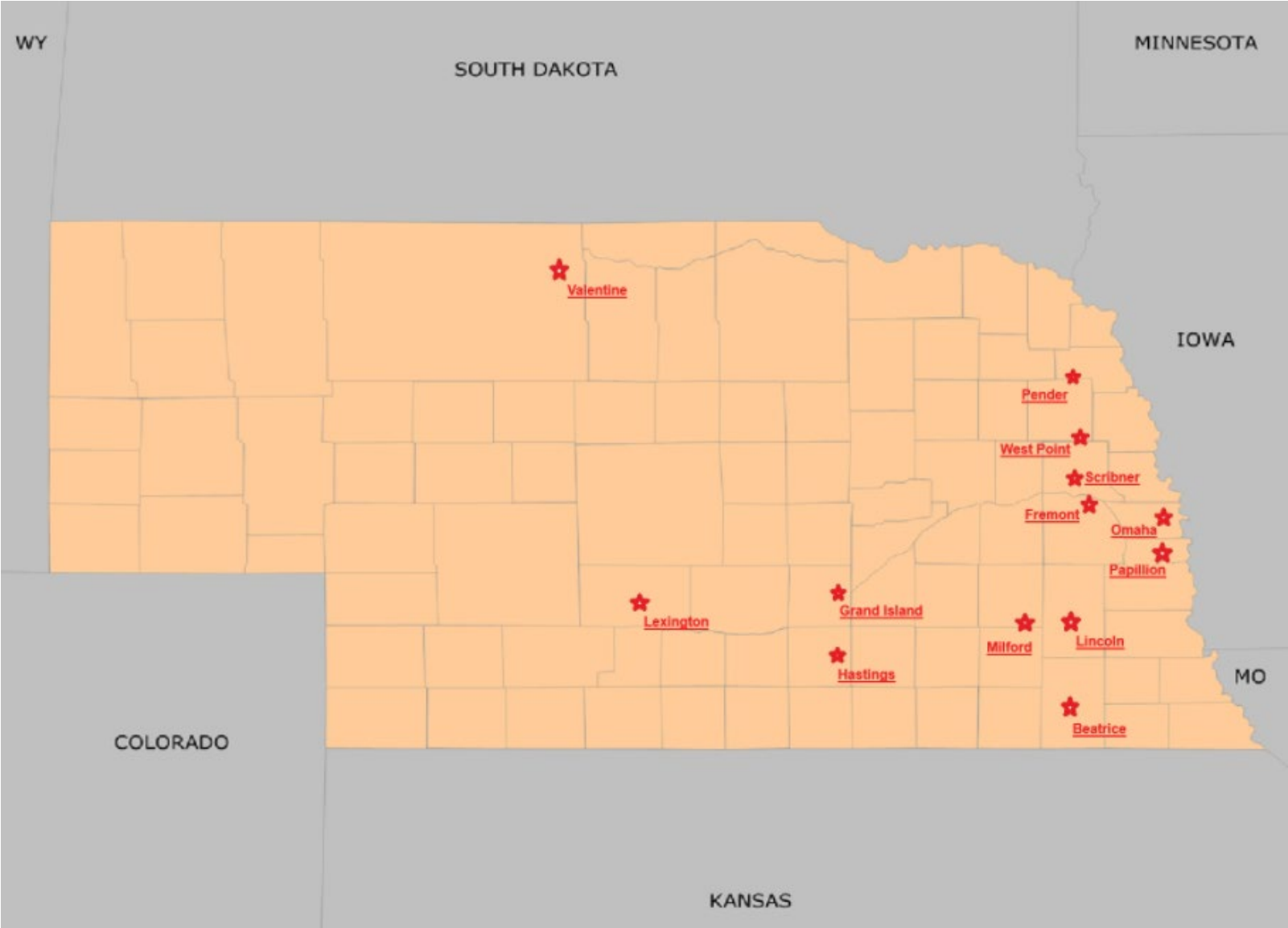
HOPPE
DEVELOPMENT

Development	Construction	Management	Corporate
~300 – 400 units annually across 3-5 projects <u>Team:</u> Jake Hoppe, Principal Jody Schmidt Evan Clark Ben Kunz Lasha Goodwin Connor Menard	450+ units under construction management <u>Team:</u> Justin Johnson Beau Jepson Aaron Shelton Travis Burns Cheto Cerda (+) 6 additional support	1,100 units under management by 2024 <u>Team:</u> John Hoppe, Principal Josh Neill Teresa Kile (+) 6 additional support	Shared service across organization <u>Team:</u> Fred Hoppe, Principal Brandon Koehler, CFO Scott Vogt, General Counsel Nicole Rademacher Connie Jenson (+) 4 additional support

Anticipated closings in next 16 months total over 1,000 units

Project	Location	Description
Center Terrace	Lincoln	• 125 LIHTC bond w/ \$6M in ARPA & Qualified Supportive Service Facility
Cedar Park	Hastings	• 34 unit senior 9% with additional 24 units of NAHTF / workforce
The Stoddard	Beatrice	• 25 unit senior 9% conversion of former elementary school
Bluestem SRP	Fremont	• 16 unit smaller rental program supported through CDBG-DR funds
Oakleaf Senior	Papillion / Omaha	• 34 unit senior 9%
Oakleaf Family	Papillion / Omaha	• 34 unit family 9%
Oakleaf Workforce	Papillion / Omaha	• 130 unit LIHTC Bond w/ state tax credit match
Foxtail Workforce	Lincoln	• 180 unit market rate, affordably oriented
Refugee Housing	Grand Island / Lincoln	• 23 units of refugee specific housing in rural Nebraska w/ ARPA funds of ~ \$100,000 / unit
The Paddock	Beatrice	• 40 unit historic tax credit conversion of former hotel
Bridgeport	Lincoln	• 182 unit acquisition / rehab w/ the Blackstone Group
Waterbrook	Lincoln	• 256 unit acquisition / rehab w/ the Blackstone Group

Statewide Approach – Representative Since 2019



Platform Developments

- Comprehensive neighborhood design with **affordability as a core community backbone**
 - Mixes housing types and housing programs
 - Integrates housing into a walkable community preserving greenspace and common-space
 - Focuses on creating a unique sense of place through shared amenities and design
- A mixture of housing types including larger-scale, traditional multifamily, high-density “missing middle” typology, and rowhomes and townhomes
- Opportunities for “A” affordable, “a” affordable, and market rate integrated together with shared design features and amenities, such that properties are indistinguishable
 - Resources to support ~30% - 40% through 120% AMI
- Programming and partnerships that wholistically support the residents, including supportive services and community partnerships
 - Commitment from Omaha Community Foundation “Front Porch Initiative”
 - Homeowner partnerships for affordable ownership opportunities
 - Additional supportive partnerships focused on childcare, small-scale commercial space, community gardening, and financial literacy

Oakleaf (72nd and Capehart, Papillion)



- Mix of housing types, densities, and rental versus ownership
- Comprehensive shared amenities and parks integrated throughout
- Space for small-scale, community supportive commercial uses
- Design intent minimizes individual space, and supplements it with ample shared amenities and greenspace
- Minimum viable suburban parking targeting ~1.7 stalls / unit

Housing types

- Multi-family, 1&2-bedroom
- 3 & 4-bedroom over 2-car garage
- 3-story - studio, 1-bed, or 2-bed units
- 2-story - studio, 1-bed, or 2-bed units
- 3 & 4-bedroom over 1-car garage
- Single-story 2-bed row house
- Workforce townhouse
- Garage

Foxtail Meadows (Lincoln) –Entitlement complete, construction started

- ~45 acres in Southwest Lincoln, surrounding Hope Community Church
- 600 total units, with ~200 LIHTC rental, ~60 ownership (with initial DPA available for 20 units), and ~300 workforce rental
- Common amenity space, parks, and walking connectivity throughout
- Commercial entitlement for community enhancing commercial use
- Ongoing partnership and dialogue with Hope Community Church about enhancing sense of community and connectivity



Vintage Rows

Location	Lexington, Nebraska
Scale	<ul style="list-style-type: none">• 55 units in first phase, \$20M development
Description	<ul style="list-style-type: none">• Mixed income, mixed product senior neighborhood at adjacent to the Lexington hospital and additional health services
Financing	<ul style="list-style-type: none">• 9% tax credit and conventional financing with sale guarantees
Notes	<ul style="list-style-type: none">• Community provided amenities such as park and walking trails



[Foxtail Meadows Panorama](#)

[Center Terrace Panorama](#)

Additional Projects & Collaborations

Single Family Subsidized

Locations	Fremont, Grand Island, Lexington, Scribner, Pender
Scale	<ul style="list-style-type: none">• ~25 units / year
Description	<ul style="list-style-type: none">• New single family for sale
Financing	<ul style="list-style-type: none">• TIF, RWFH, Conventional
Notes	<ul style="list-style-type: none">• Working with communities to structure downpayment assistance for <120% AMI• Playbook repeated in multiple communities with consistent architecture, funding request, and sales process



Page 17

Nursing Home Platform

Locations	Fremont, West Point, Milford
Scale	<ul style="list-style-type: none">• 100 units / 80,000 sqft
Description	<ul style="list-style-type: none">• Conversion of existing buildings
Financing	<ul style="list-style-type: none">• TIF, RWFH, Conventional
Notes	<ul style="list-style-type: none">• Started as a prototype to discover if a conversion could be achieved, to demonstrate scalability of a platform• Same building typology in many rural communities, and now a playbook for both RWFH and LIHTC



We are leveraging existing programs, and innovating new programs, to deliver rental and ownership opportunities to <80% AMI that are competitive and desirable

Projects

- Large-scale collaboration with South of Downtown Community Development for **urban infill 4% LIHTC project** organization for 125 unit project w/ integrated nonprofit clinic
- Awarded 8x **9% LIHTC awards** to bring 250+ units for incomes from 30% to 60% AMI to rural Nebraska communities through 2024
- Construction on ~100 unit **urban infill 4% LIHTC project** to in lease-up combining TIF, 4% bond, and state AHTC match in Lincoln
- Construction in process on **93 units of market rate**, free of source of income discrimination, in an urban mixed-use development targeted to 80% AMI

Center Terrace, in collaboration with South of Downtown Board (Lincoln)

- 125 Affordable Apartment Homes
- 6,500 SQFT for Clinic with a Heart
- Secured Parking + On-Street Parking
- Scale suited to 2 on-site managers
- Handicapped accessible w/ elevator
- Extensive community engagement process
- Design and programming in collaboration w/ community board
- ARPA + LIHTC



Page 20

GateHouse Rows

Location	Lincoln, Nebraska
Scale	<ul style="list-style-type: none">• 98 units, ~\$18mm development
Description	<ul style="list-style-type: none">• Affordable rental project at the intersection between an established neighborhood and a historic cemetery
Financing	<ul style="list-style-type: none">• LIHTC Bond Financing with a private placement execution
Notes	<ul style="list-style-type: none">• First large scale response to Lincoln's adopted affordable housing plan• Pursuing newly implemented state AHTC match for bond projects



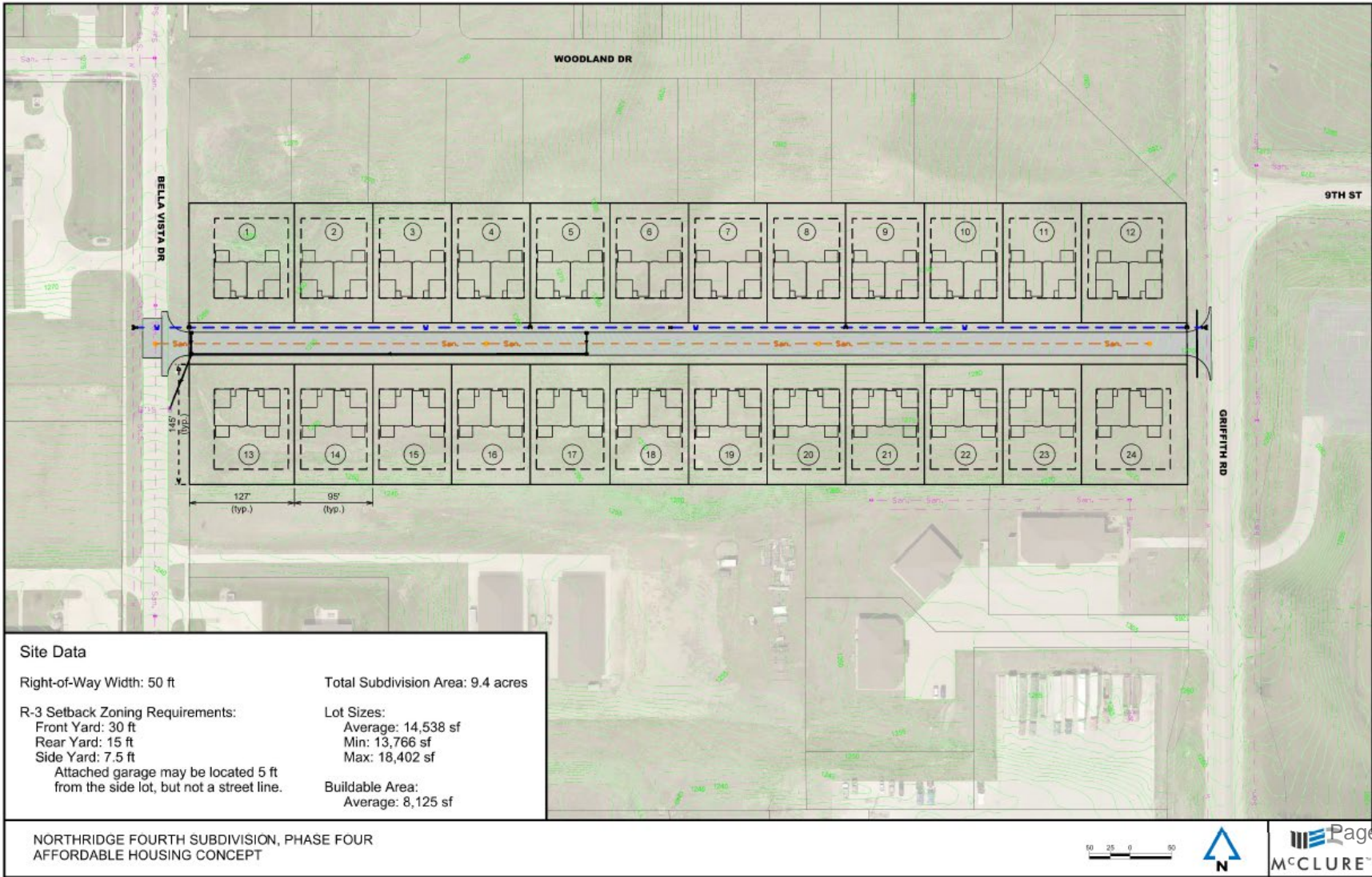
Other Projects Awarded & in Process

Project	Location	Description
Prospect Ridge	West Point	<ul style="list-style-type: none"> • Conversion of nursing home into ~20 units LIHTC housing
Omega Fremont	Fremont	<ul style="list-style-type: none"> • Conversion of nursing home into ~50 units LIHTC housing • Awarded competitive award in Q2 2021
The Orchard	Grand Island	<ul style="list-style-type: none"> • 160 units of market rate, for sale housing with advantaged TIF incentive structure
The Orchard Rows	Grand Island	<ul style="list-style-type: none"> • New construction of 24 units of LIHTC housing • Awarded competitive award in Q1 2021
The Rows & Vintage Rows	Lexington	<ul style="list-style-type: none"> • 35 units of affordable senior housing • 35 units of market rate, program specific housing, with portion focused on refugees
Sandhills Townhomes	Valentine	<ul style="list-style-type: none"> • New construction of 15 units of LIHTC housing in partnership with Northwest Community Action Partners
Omega Milford	Milford	<ul style="list-style-type: none"> • Conversion of a nursing home into 21 market rate, affordably oriented units
Refugee Housing	Various	<ul style="list-style-type: none"> • Refugee-targeted housing efforts in Lincoln, Lexington, and Grand Island, along with study in Omaha

Carroll Opportunities

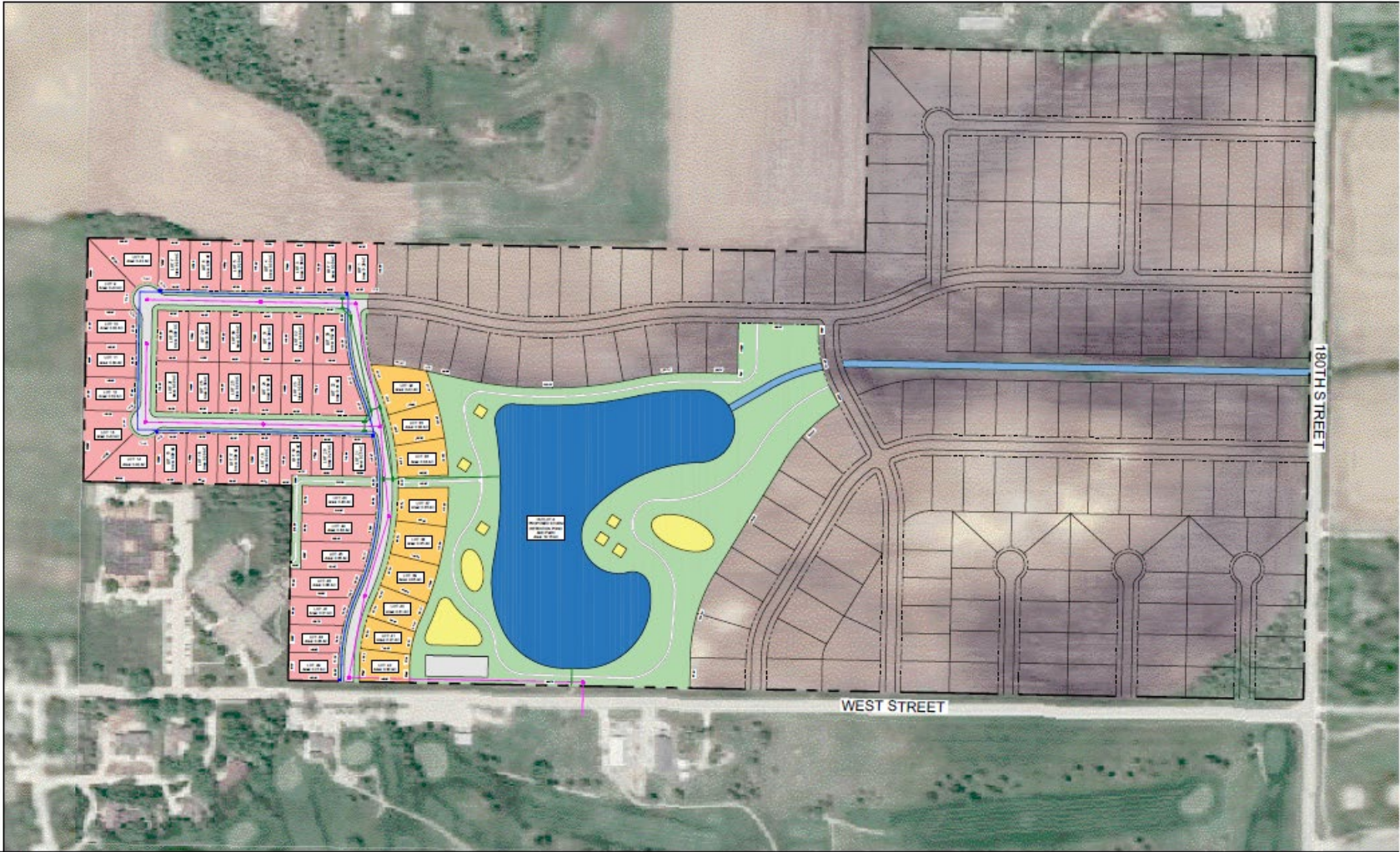
Northridge Subdivision Site

Project Location • [Link](#)



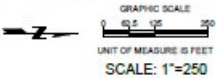
Simons Development Concept A

Project Location • [Link](#)

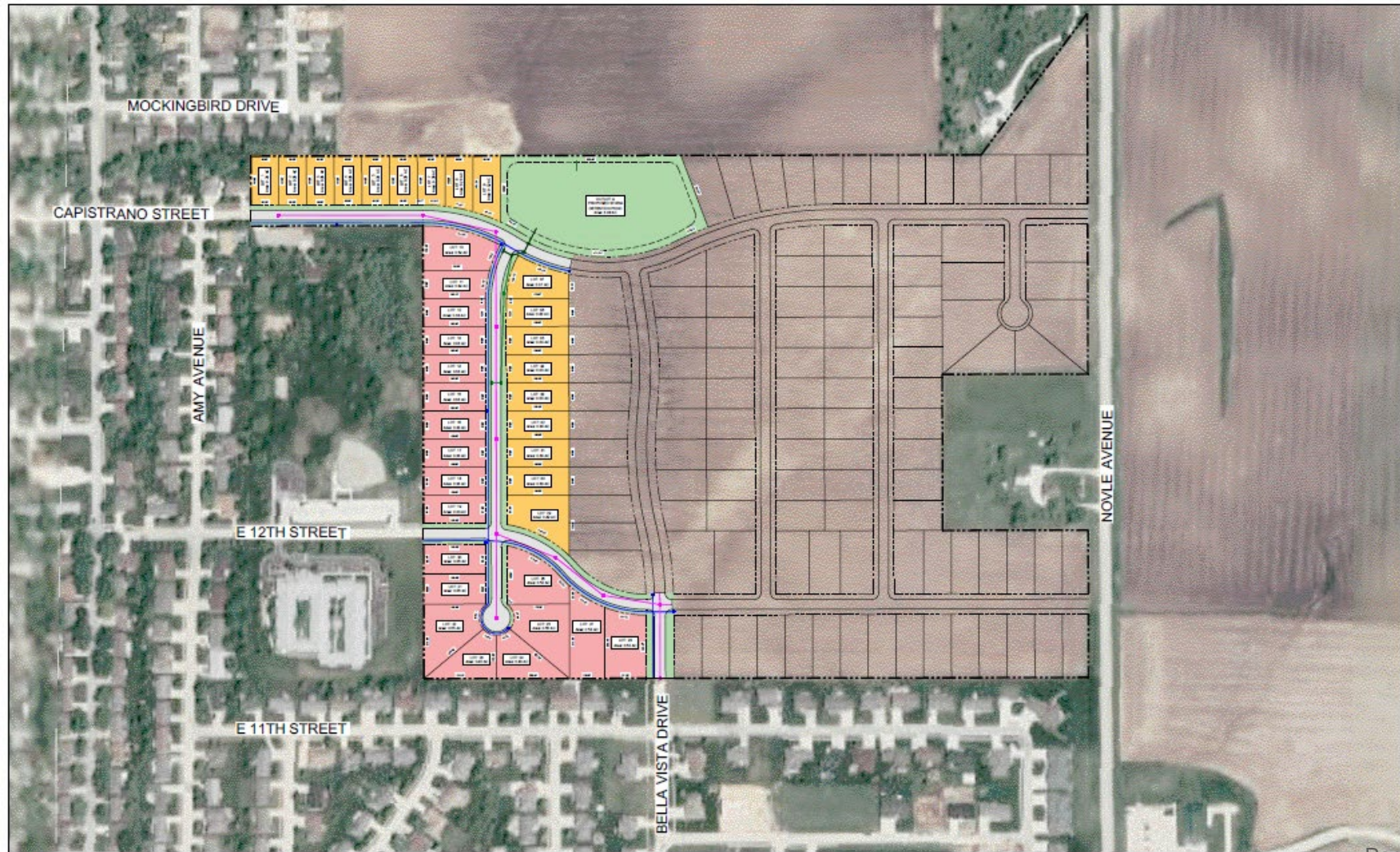


SIMONS DEVELOPMENT - CONCEPT A
CARROLL, IA - 39 OF 112 ACRES - 49 OF 208 RESIDENTIAL LOTS

- PROPOSED WALKOUT LOTS (9)
- PROPOSED FLAT LOTS (40)
- PROPOSED PAVEMENT
- PROPOSED SANITARY
- PROPOSED WATER
- PROPOSED STORM

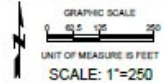


Project Location • [Link](#)



HAGEMANN DEVELOPMENT - CONCEPT A
CARROLL, IA - 21 OF 66 ACRES - 37 OF 144 RESIDENTIAL LOTS

- PROPOSED WALKOUT LOTS (18)
- PROPOSED FLAT LOTS (19)
- PROPOSED PAVEMENT
- PROPOSED SANITARY
- PROPOSED WATER
- PROPOSED STORM



Carroll Sites - Scoring Comparisons

IFA Criteria	2024 Averages	Northridge	Simons	Hagemann
Affordability Period	30	30	30	30
Market Appeal	5	5	5	5
Qualifying Development Team	1.89	2	2	2
Other / Iowa Title Guarantee	2	2	2	2
Location	6.33	4	4	4
Underserved City		2	2	2
Rent Burdened Households				
Density		2	2	2
Disaster Recovery				
High Quality Jobs				
Social Vulnerability Index				
Iowa Thriving Community (2 Points)				
Site Appeal	4	4.5	4	4.5
Location Total	10.33	8.5	8	8.5
Total	49.22	47.5	47	47.5
2024 Award Range	46 - 51 Points			

Resources

- TIF
- Abatement
- Downtown Revitalization
- Others