

Housing Opportunity Bus Tour

With stops in Urbandale, Johnston,
Des Moines and West Des Moines

June 17, 2022



Contents

Our priorities.....	2
Welcome and introduction for today's tour.....	3
What's the reality facing workforce housing production today?.....	5
A guide for today's tour	7
Here's even more housing progress to celebrate today!.....	14
Housing and transit are better together	15
Organizations to know about	16

The **Polk County Housing Trust Fund** is the comprehensive planning, advocacy and funding organization for affordable housing in Polk County, Iowa. Learn about our efforts to provide safe, stable housing people and families need at pcht.org.

Everyone has equal opportunity for safe, stable, affordable homes within the communities where they choose to live, work, play and learn.

VISION STATEMENT, POLK COUNTY HOUSING TRUST FUND



Our priorities

ONE

Increase the supply of housing near jobs.

TWO

Offer housing that's affordable at the wages being paid.

THREE

Ensure everyone has equitable housing access.



Above: Our team visited communities across the region, hearing your stories about what's working and how we can collaborate to achieve even more.

Welcome and introduction for today's tour

By **BRITNEY APPELGATE**, Director of Capital Crossroads

Thanks for joining us for today's **Here We Grow Housing Opportunity Bus Tour**. [Here We Grow](#) is a regional initiative focused on adding workforce housing that is located near jobs, that is affordable at the wages local workers are paid, and that advances equity.

This work is based on a 2019 study that found that our region is expected to add 150,954 net new jobs in the next 20 years, but the large majority of these new working households will have annual incomes below \$75,000. In order to take advantage of the economic opportunities of tomorrow, our communities must work together to create enough housing today.

On this tour, we're excited to show you some of the incredible housing progress being made across our region. These are just a few of the projects communities lifted up to us as our Here We Grow team traveled the region over the last year. We are optimistic because these projects prove we have the tools to make quality housing more attainable for every person and family and to proactively welcome the future workforce. This housing is well-built. It contributes to neighborhoods

people love and where they want to live. It is extending access to jobs and opportunities for our residents. But we need more of it, and quickly. That's the focus of today's tour.

Today you'll see mixed-income developments that help ensure no one faces stigmatization for the place they live. You'll see quality infill developments that bring new vitality to commercial corridors and boost the return on existing infrastructure. These projects are possible through financing mechanisms like Iowa's successful Workforce Housing Tax Credit or the federal Housing Tax Credit as well as creative local incentives and investment.

Beyond that, you will see how communities have acted at the Council level and with the development community to engage in strategic planning conversations, to complete housing studies, and to make smart investments that deliver results.

Partnership is what creates housing success. The development and finance communities, government, business and industry, and those who have lived experience at all levels in our workforce can guide our action on solutions that truly extend housing opportunity and that meet the larger goals of communities and the region.

This is a time of spirited competition among communities to create amenities and attractions that will draw residents and spur growth. Yet today, on the topic of workforce housing, we are here to encourage collaboration and a shared sense of purpose. We will all need to work across boundaries and borders to help the region achieve housing access for everybody who lives in Central Iowa—and who will call our region home in the years to come.

We hope that as much as you'll hear from us about what we've seen, you'll also get some time to meet the people sitting next to you and around you on the bus today because it's by sharing ideas that we will really be able to achieve the housing progress our region needs.

Here We Grow, Central Iowa!

What's the reality facing workforce housing production today?

Prices are rising and workers are struggling to afford a place to live. The Regional Workforce Housing Strategy helps us understand what contributes to the rents being charged in new construction apartments today. Factoring in land costs, materials, labor, development cost and ongoing operations, we can now expect new construction rents around \$1,300/month for a 2 bedroom apartment with about 850 square feet. (Bear in mind these calculations were completed prior to the pandemic.)

A household with \$35,000 annual income would need an approximately \$425/mo subsidy to afford this new construction rent. A household with \$20,000 annual income would need an extra \$800/mo.

Stack those wages up against certain essential job categories in our region, and the need for greater effort on regional workforce housing becomes more clear. According to the National Housing Conference's Paycheck to Paycheck report:

- Restaurant cooks in our area earn an average of \$29,930.
- Home health and personal care aids: \$28,820
- Preschool teachers: \$28,410
- Teaching assistants: \$28,350

In all, the Regional Workforce Housing Strategy estimates there are currently 41,000 workers in our five-county metro earning wages even lower - under \$25,000/year - and these folks are unable to afford almost any rents in our community unless they double up in housing with another income earner.

We are having this conversation about regional workforce housing so that these workers - who are essential in our communities - will be able to afford to live in our communities as the region grows.

Safe, Stable, and Affordable



In the Polk County Housing Trust Fund's new podcast, you can find the full audio of this year's **Affordable Housing Week Symposium**, with keynote speaker Shane Phillips, author of *The Affordable City* and local experts describing how our region can boost the supply, stability, and public support for housing in Greater Des Moines.

Listen on your favorite provider or pchtf.podbean.com.



Housing & transit innovation *both* support a growing region

Throughout this guide, our team members at the Des Moines Area Regional Transit Authority (DART) have helped us highlight transit access for housing on today's tour.



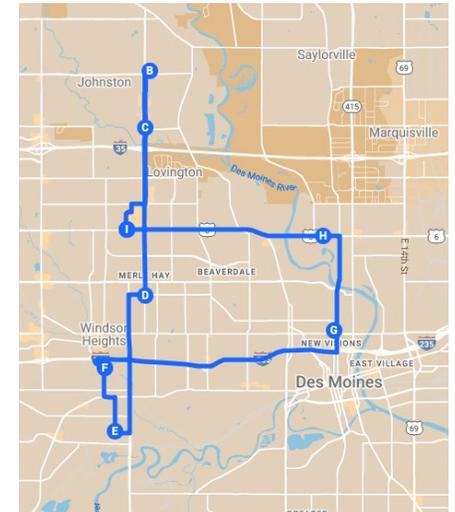
You can also find more information on how DART is innovating to serve our growing region on page 15 of this tour guide.

The Tour

Today's route includes stops in Urbandale, Johnston, Des Moines, and West Des Moines. All of these sites are among those metro communities lifted up with the Here We Grow team on its community listening tour over the last six months.

In addition, we highlight a few more exciting projects underway in the region that we are not able to visit today on page 14 of this tour booklet.

Thanks for joining us today!



Scan or click for video tour



Lillis Lofts, 6313 Douglas Avenue, Urbandale

43 apartments; 2 & 3 bedrooms. Offers an outstanding location on the Douglas Avenue corridor next to Merle Hay Mall. Includes amenities like fitness center and playground. Occupancy was January, 2022. Leasing information at LillisLofts.com

Affordability: Mixed income property. 5 units are restricted at or under 30% of AMI, 33 are restricted under 60% of AMI. 5 units are at market rate. Affordability term lasts 15 years with some restrictions from the **Housing Tax Credit** program and others from **PCHTF** lending.

Transit: Located in the Urbandale On Call area. Routes 5, 14, 18, and 50 serve Merle Hay Mall.

Developer: **TWG**. Owner/nonprofit partner: **Dream Catcher**. Financing partners: **Cedar Rapids Bank & Trust, NDC, Bank of the West, Polk County Housing Trust Fund**.

Johnston's City Hall campus

The **City of Johnston** first envisioned creating a town center project along Merle Hay Road in 2007. For several years, resident feedback had strongly supported adding shopping, dining, and entertainment options to the corridor. Today, this vision is quickly becoming reality as Hansen Companies is well underway with commercial buildings on the southwest corner of the new Johnston Town Center. A splash pad (which doubles as a skating rink) and great lawn (called "The Yard") create a town square feeling with the City Hall as an anchor to the east.

In planning the town center concept, city staff knew that adding housing to the area was important for supporting the shopping and dining uses residents have said they want. The city made strategic investments in **land assemblage** to help assemble smaller parcels into the larger parcels necessary to encourage redevelopment. The City also utilized **TIF rebates** for the first few residential projects to kick off the redevelopment momentum. This multifaceted approach has resulted in nearly 1,000 rental units in the Merle Hay Road corridor since 2015. These homes help provide an employee and customer base for exciting new commercial development like Back Pocket Pin and Pixel Tap Room now under construction.

Today the area is already home to events and activities throughout the year and is a perfect example of how housing density can support commercial development and the kind of lifestyle amenities residents expect and desire.



They can fulfill your order, but can they be your neighbors?

Average wage of stockers and order fillers: \$28,930/year.

Paycheck to Paycheck, National Housing Conference for the Des Moines-West Des Moines MSA



Johnston Crossing, 5409 Johnston Ave., Johnston

50 apartments for people age 55+, 1 & 2 bedroom floor plans. Units will feature open-concept layouts with high quality finishes, storage units, ENERGY STAR appliances, and in-unit laundry. The property offers on-site management and community room with kitchenette. Opens October 2022 with a second phase planned for 2023. Leasing information at www.wodagroup.com.

Affordability: As a housing tax credit project, 45 units are income restricted, 8 of those under 30% of AMI. **Transit:** The property has a trail connection to Merle Hay Road/DART route 5.

Developers: **Woda Cooper Companies, Inc. & Housing Services Alliance**. Financing partners: **Iowa Finance Authority, Marble Cliff Capital, Cedar Rapids Bank & Trust, Bankers Trust**.

City of Des Moines creates incentives for so called 'missing middle' housing

Missing middle housing describes building types like smaller apartment buildings, townhouses, or rowhouses that in more historic development patterns were often dispersed throughout residential neighborhoods. This housing option allows a "gentle" form of density that succeeds in established neighborhoods while respecting the existing character.

Action by city council in Des Moines last November created a new declining **tax abatement** schedule for 8 years (9 years for properties with enhanced sustainability features) for "missing middle" housing between 2 and 12 units. The plan also enhances tax incentives available for accessory dwelling units.

In an interview at the time, Des Moines city official Michael Ludwig explained additional density has a moderating effect on housing cost. "Land is a primary cost and infrastructure is a primary cost that goes into housing affordability, and if you can get two units on a property with existing infrastructure, there are economies of scale in adding that density incrementally to an existing neighborhood," he said.



She looks after your loved ones, but can she be your neighbor?

Average wage of home health & personal care aides: \$28,820/year.

Paycheck to Paycheck, National Housing Conference for the Des Moines-West Des Moines MSA

City of West Des Moines Upper Story Housing Program

The City of West Des Moines is a major investor in the future of its original downtown, Valley Junction. After creation of a master plan for the area in 2016, one of the programs the city created to enhance the area supported development of upper story workforce housing. Housing helps diversify revenue streams commercial property owners have available in a mixed-use neighborhood, so the upper story housing program was a great way to spur rehabilitation or infill redevelopment of underperforming property.

The **City of West Des Moines'** Upper Story Housing program has supported 42 new housing units being added to the business district, most of them affordable at or under 80% of AMI. West Des Moines was able to offer this program using funding from a **residential TIF** district located elsewhere in the city. Those funds have contributed to other public improvements in the neighborhood like expanded broadband access and additional housing nearby.

West Des Moines is not finished and will be announcing an additional \$4 million in Valley Junction Housing programs this month, many of which are focused on creating and preserving homeownership opportunities for low- and moderate-income residents.

In addition to two projects featured on the tour today, 2 others were funded:



Valley Lofts at 312 5th Street is a 5 unit project with four units income restricted for 15 years with 4 units at or below 80% of AMI. There are also 1 market rate unit. The project is completed and fully occupied.



Junction House, 329 5th Street is a 16 unit project with all units income restricted for 15 years at or below 80% of AMI. The project opened last year and is fully leased.



Scan or click for video tour



Union 315, 315 5th St., West Des Moines

Offers Studio, 1 BR and 2BR floor plans. Apartments include in-unit laundry, concrete floors, stainless appliances, and additional tenant storage outside the unit. Property is a mixed use development with residential, office, and food/beverage. Leasing information at vjunior315.com.

Affordability: All but two units are income restricted for 15 years at or under 80% of AMI under a **development agreement** with the City of West Des Moines. **Transit:** Local routes 11 and 72; Express Route 96; Included in proposed DART On Demand West Des Moines zone.

Developer: **WB Realty**. Funding: **City of West Des Moines, First National Bank**.



Junction Lofts, 304 5th St., West Des Moines

11 apartments, studio & 1 bedroom. This project will be Iowa's first mass timber mixed use building, featuring commercial on the first floor and a mixture of offices and multifamily on floors 2 and 3. Opens January 2023. Leasing information at www.cutlerdevelopment.com.

Affordability: All units are income restricted for 15 years at or under 80% of AMI under a **development agreement** with the City of West Des Moines; 2 are restricted under 30% by agreement with PCHTF. **Transit:** Local routes 11 and 72; Express Route 96; Included in proposed DART On Demand West Des Moines zone.

Developer: **Cutler Development, LLC**. Funding partners: **Iowa Economic Development Authority, City of West Des Moines, Polk County Housing Trust Fund, Lincoln Savings Bank**.



Keystone on 8th, 1261 8th Street, West Des Moines

This 42 unit property is the first of two phases planned for 8th Street just south of I-235 in West Des Moines, an area referred to as the Midtown District. 1 and 2 bedroom floor plans, high ceilings, large windows, in-unit laundry and pet friendly. Opens July; keystoneon8th.com.

Affordability: All units are income restricted for 15 years at or under 80% of AMI under a **property tax rebate program** offered by the City of West Des Moines which offers a 5 year 100% rebate of the TIF rate of the property taxes. **Transit:** DART Express Route 96 with service to Jordan Creek & Downtown.

Developers: **JGC Holdings** and **Benchmark Real Estate Group**.



Sixth Avenue Flats, 1230 6th Avenue, Des Moines

42 apartments plus supportive service office. 1, 2, 3. A portion will be reserved for Youth & Shelter Services to provide housing to homeless youth. Features in unit laundry, elevator, some units are configured as live-work space. Opens July 2022; HatchDevelopment.com

Affordability: Ten percent of units are reserved for people experiencing chronic homelessness, including several reserved for YSS. Remaining units are held at 60% or below of AMI. The developers expect one quarter of occupancy ultimately for YSS. **Transit:** Local routes 3, 15, 17, 60.

Developers: **Hatch Development Group** and **Kiernan Development**. General Partners: **Jack Hatch, Michael Kiernan**. Supportive Service Provider: **Youth & Shelter Services**. Funding partners: **WNC, Inc., Iowa Trust and Savings Bank, Iowa Finance Authority, City of Des Moines, Polk County Housing Trust Fund**.



Scan or click for video tour



1007 Euclid Avenue, Des Moines

This 4-bedroom, 1,687 sq foot home under construction in the Oak Park neighborhood will feature an approximately 750 sq foot Accessory Dwelling Unit in the backyard. PCHTF is closely following construction of this ADU with a series of videos on our YouTube channel, the first of which is available now.

Transit: DART Local Route 50, Euclid/Douglas crosstown service.

Developer: **HOME Inc.** Partners: **Invest DSM, AARP Iowa, Neighborhood Finance Corporation, and Veridian Credit Union**.

City of Des Moines acts to allow Accessory Housing Units across the vast majority of residential land

The City of Des Moines will dramatically expand homeowners' ability to construct Accessory Dwelling Units (ADUs) under an amendment to the city's zoning code adopted by Council in May.

ADUs are smaller homes that share a lot with a larger single-family home. They can be built as freestanding structures or attached to the main home, for instance in an attic, basement, or even a converted garage. They are fully independent, meaning ADUs have their own entrance and amenities like a kitchen and bathroom.

Des Moines officials estimate ADUs will be allowed on 78 percent of the city's residential land following this change. In the remaining areas, other forms of multifamily housing are allowed. Under this action by Council, ADUs would be legal to build "by right," or with minimal city approvals, in more than half the city, including some land already zoned for multifamily housing as well as areas near DART transit lines.

From an affordability standpoint, ADUs have the advantage that the land they sit on is already paid for. They also help the city take advantage of its existing infrastructure. Finally, ADUs provide ordinary homeowners a way to engage in developing housing the community needs.

Here's even more housing progress to celebrate today!

Waukee land purchase

The City of Waukee is working to put housing options in reach for all its residents as it grows quickly and its growing workforce needs places to live. The City Council has identified housing affordability as an area of focus in the community's strategic plan, and city leaders are acting! Waukee has purchased a 15 acre plot of land near the city's new Northwest High School with an eye on attracting a project that will promote housing opportunities for all in this booming part of the region.

Spring Creek Apartments in Pleasant Hill

This month owner and developer **Wishrock Housing Partners** celebrated the opening of its new property Spring Creek Apartments in Pleasant Hill, a 36-unit independent senior living community. Senior housing is sometimes overlooked as workforce housing, but as individuals continue to work later in their lives, they too need affordable, accessible homes near their jobs. The property will be locally managed by Allterra Property Solutions and is now leasing. Leasing information can be found at www.allterraproperties.com.



Housing and transportation have an essential relationship. Here's how **public transit** is enriching lives, connecting communities, and expanding opportunities.

Connecting communities through innovation

The Des Moines Area Regional Transit Authority (DART) is offering more ways than ever to connect people to where they need to go, and we're embracing innovation as we adjust services to meet the needs of our expanding region.

This includes our new **DART On Demand** service, a point-to-point on demand service, that was introduced in Ankeny last fall with plan underway to bring DART On Demand to more metro communities in the future. We've also adopted a new half-fare program, **Ride to Thrive**, offering even more opportunities for people to access public transit. New art bus shelters are being installed across our service area, providing more shelter and beautifying our routes and communities.

Enriching lives through access

Public transit serves as a social and economic equalizer by connecting people to places and services that help them live healthy, productive lives. DART prioritizes service to jobs, medical appointments, education and housing so that residents have the opportunity to earn a living and fully participate in our community.

DART's Commission has developed a series of service proposals for the short-term and long-term, and among these proposals are ones designed to address the disconnect between affordable housing and jobs, especially as more jobs move away from the city center. We'll do this by using innovative services to provide more travel within and between suburban communities, as well as improving the commute from downtown to suburban communities.

The **Des Moines Area Regional Transit Authority (DART)** is Iowa's largest public transit agency.

Learn about how DART benefits communities and local economy at ridedart.com/transit-benefits.

Supporting a growing region, expanding opportunities

It's never been more important to ensure we have a strong public transit system. Our region is growing and the cost of owning and fueling a car is at an all-time high. With low unemployment and employers struggling to fill positions, DART will continue working with partners like the Polk County Housing Trust Fund and Capital Crossroads to help bring more people into the workforce and give them better access between jobs, home, education, healthcare and community amenities.

Organizations to know about

Iowa Housing Partnership

The **Iowa Housing Partnership** (IHP) encourages policy and legislation at the local, state, and federal levels providing low- and moderate-income households with quality housing they can afford. IHP consists of public and private partners, now advocating together to address these long-standing issues in Iowa. Their mission also includes education for local governments and communities on the topic of affordable housing as well as sharing information on available funding tools. IHP believes having stakeholders working together to reach common goals will result in the improvement in the quality and availability of affordable housing in Iowa. IHP recognizes the urgency for solutions and is energized by their fast-growing membership.

Find more information at iowahousingpartnership.org.

Urban Land Institute - Iowa

ULI Iowa is a district council of the Urban Land Institute (ULI) a network of people in every profession and sector in real estate development and land use, from all over the world, in every career stage and is comprised of public, private and nonprofit leaders in the real estate community throughout the state. We seek to facilitate the open exchange of ideas, information, and experience among industry leaders and policy makers. We provide leadership in responsible land use and development of sustainable communities throughout Iowa by:

- Developing an interdisciplinary approach to land use issues,
- Serving and engaging public and private sector leaders to foster collaboration, and
- Sharing knowledge and strategic direction to create thriving and sustainable communities.

Find more information at iowa.ULI.org.



Diverse housing options in our communities enhance the strength and prosperity of our economy so all Iowans can thrive. Let's roll out the welcome mat across the state to ensure Iowans can live where they work.

THE URGENT NEED

40% of Iowa renters spend **more than 30%** of their income on housing expenses.



Childcare providers



EMTs & paramedics



Food servers



Grocery store clerks



Nursing assistants



Teaching assistants

To meet the growing workforce needs of Iowa's robust economy, Iowa must add **61,000 housing units by 2030.**



STATEWIDE SUPPORT

7 out of 10 Iowans (72%) support affordable housing.



The bottom line is: Every Iowan deserves the opportunity to live where they work, and when they can, it benefits real people, our businesses and our communities. Join the growing list of Iowans and businesses who have logged their support for housing in Iowa at

WelcomeHomeIA.com

