



To: Mayor and City Council

From: Dylan Mulfinger

Subject: Homes for Iowa Purchase

Date: 4/27/2020

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The City of Oelwein has the opportunity to purchase residential homes from the Iowa Prison Industries Homes for Iowa Program. The homes are a three-bedroom two-bathroom 1,200 sq. foot home. The city will need to upfront \$75,000 for the purchase and delivery. The City estimates additional investment for building a basement, providing a driveway, and hooking up the homes to utilities. The city is working toward a program that provides new workforce housing for Oelwein residents. The Mayor and a Council Member toured the Homes for Iowa program in March of 2020. The city has an abundance of lots and is ready to work with a state program to bring in new residential homes.

The plan for 2020 is to order two homes and have them built on two basements. The Housing Committee has picked two residential lots to start with and plans on doing multiple homes each year.

- 2020 lots
  - 318 7<sup>th</sup> St. SW
    - A now bare lot that once had a home on it
  - 219 Lincoln Drive
    - A home will need to be demolished and the three-car garage will need refreshed
- Future Lots
  - 20 2<sup>nd</sup> Ave NW
    - An empty lot that will help start the revitalization of 2<sup>nd</sup> Ave NW
  - 933 1<sup>st</sup> Ave SW
    - A home will need to be demolished and the three-car garage will need refreshed

Once the City Council approves applying for the homes, city staff will go out for bid on both projects and bring the bids back to council. City Council will make the final vote on these homes and will also vote on the sale of the homes.

The city will fund this program by using local option sales tax. The city has set aside dollars this year and next year to be used for a revolving loan fund for housing improvements. The city will start with two homes then look to partner with community members on bringing in more homes.