



CALENDAR YEARS 2024 & 2025 POLICY AGENDA: WORK PLAN

Calendar Years 2024 & 2025 Policy Agenda:

1. Continue to Promote Housing Initiatives and Support Quality Development

Primarily Responsible: City Administrator, Deputy City Administrator, Development Services Director, North Iowa Corridor Executive Director, Corridor Housing Development Corporation, and other outside developers & partners.

Staff Interpretation: Continue and expand existing housing rehabilitation and development programming, with the goal of achieving a net of 522 new housing units in the next 10 years and seeing to a well-maintained existing housing stock as identified in the 2023 Housing Study.

Great progress has been made toward development of new housing, including the River II, Federal Rowhomes, Good Shepherd Independent Living, Habitat for Humanity's redevelopment of the former Madison Elementary site, and various upper-story projects in the downtown, representing a total of 150 new units. The 36-unit Delaware Apartments received Workforce Housing and Grayfield tax credits and we continue to work toward development; a challenge to overcome is State of Iowa changes to tax abatement that have undermined our strategy for bringing projects like this to fruition. Another challenge from the past year is that the community lost 44 housing units with the Kirk Apartments fire in April 2023. The bare site remains an excellent location for multi-family housing redevelopment in the future.

Housing redevelopment activity in the past year has included the incorporation of the North Iowa Corridor Housing Development Corporation (HDC), an initial HDC project to relocate 3 houses from the Blackmore Nursery retail site to bare lots owned by the City, and active implementation of the Downtown West HOME Rehabilitation Block Grant Pilot Program. The City Council also approved amendments to the Forest Park Urban Renewal Area in June 2023, creating the policy framework for a significant investment of up to \$2.5 million over the next 10 years for rehabilitation of housing stock in the community's oldest and most economically needy neighborhoods, along with up to \$5 million in corresponding infrastructure investments in the same areas over that time period.

While the community has needs across the entire spectrum of housing types and price points, "missing middle" housing is a particular priority. Strategies to tackle this lack of availability will be centered around rehabilitation of existing housing

stock, as the cost of new construction can quickly price out those of more modest economic means. Staff also sees expansion of downtown upper-story housing to be a critical piece of the puzzle; downtown housing has the added benefit of driving demand for downtown shopping and service options, fueling a vibrant commercial sector and enhanced sense of place.



Downtown West HOME Program- Before and After

Action:

The Housing Study identified the following action items:

- a) Increase diversity of housing options
- b) Residential improvements should follow infrastructure improvements
- c) Target new development of affordable/workforce units on infill lots
- d) Expand availability of contractors, include attracting new contractors & developers
- e) Create housing corporation to fill the gap in affordable housing development
- f) Review/update ordinances, where necessary
- g) Seek ways to revise review processes

Staff sees the following practical applications of these recommendations in the next two calendar years:

- Corridor Housing Development Corporation- the corporation has been set up and seed funds will be provided from the City's American Rescue Plan Act allocation, less the costs of the Blackmore site house moves described above. The HDC plans to undertake marketing and sale of the relocated houses in the near future. The HDC will likely also be called on to assist in the setup of the housing rehabilitation programming made possible by the changes to the Forest Park Urban Renewal Area. Identifying and funding adequate staffing

for these ongoing and expanded initiatives will be an important priority to ensure sustainable progress in these areas.

- HOME Grant housing rehab projects and infrastructure improvements implementation- the City Council has authorized redevelopment to proceed at 6 sites and the City has disbursed roughly \$145,000 in payments for the program thus far. The program includes a pledge of \$750,000 in infrastructure improvements in the targeted neighborhood, which will be designed and implemented by City staff and contractors over the next two years.
- Housing TIF areas- the City has not used Tax Increment Financing (TIF) to this point for housing development, but staff believes this needs to be considered as part of a suite of available tools to encourage housing development of the scale needed to construct 522 net new units over the next 10 years. Based on discussions with developers, staff envisions setting up a strong and consistent residential TIF policy and to pursue residential urban renewal plans for target areas as needed in the near future.
- Removing Barriers to Downtown Housing Development- the City Council allocated \$1M of ARPA funds toward a new Building Renovation/Life Safety (BuRLS) program to defray the costs of meeting the fire code for multi-family housing projects, particularly in the downtown area. The City Council cleared the way in November 2023 for providing ongoing funding for this program and for the DoRL (Downtown Revitalization Loan) program through Hotel/Motel Tax in the future due to the restructuring of operational funding for the North Iowa Corridor Economic Development through the Mason City Unified Urban Renewal Area rather than through Hotel-Motel Tax.
- Madison School Redevelopment- Habitat for Humanity purchased 2.2 developable acres at the former site of the Madison School (located between 26th St. SW & 27th St. SW and South Madison & Jefferson Avenues) from the Mason City Community School District in November 2023. City staff will likely be involved in coordinating with any market-rate developers interested in the site. The site may be able to yield 10-15 new housing units.
- Other multi-family developments- City staff is in ongoing conversations with several developers interested in multi-family developments. As mentioned above, these developments may require a re-evaluation of residential TIF and other new housing development strategies.
- Single-family residential development- the community currently has a very limited supply of single-family spec homes. While some single-family residential development continues, this is an area for further examination and discussion in the future.



House Move from Blackmore Site to 1526 South Taft Avenue- November 2023

2. Continue Aggressive Blight Remediation Efforts

Primarily Responsible: City Administrator, Development Services Director, Housing Inspector, Code Enforcement Officers, Police Chief, Fire Chief, partnerships with Habitat for Humanity, Landlords' Association, Corridor Housing Development Corporation, and Ministerial Alliance.

Staff Interpretation: Continue the work initiated to address blighted properties in previous years, including continuation of the Blight Task Force organized in 2023. An interactive map of blighted properties and actions has been created and an intern hired in early 2023 provided supplemental staffing to the critical early stages of the process.

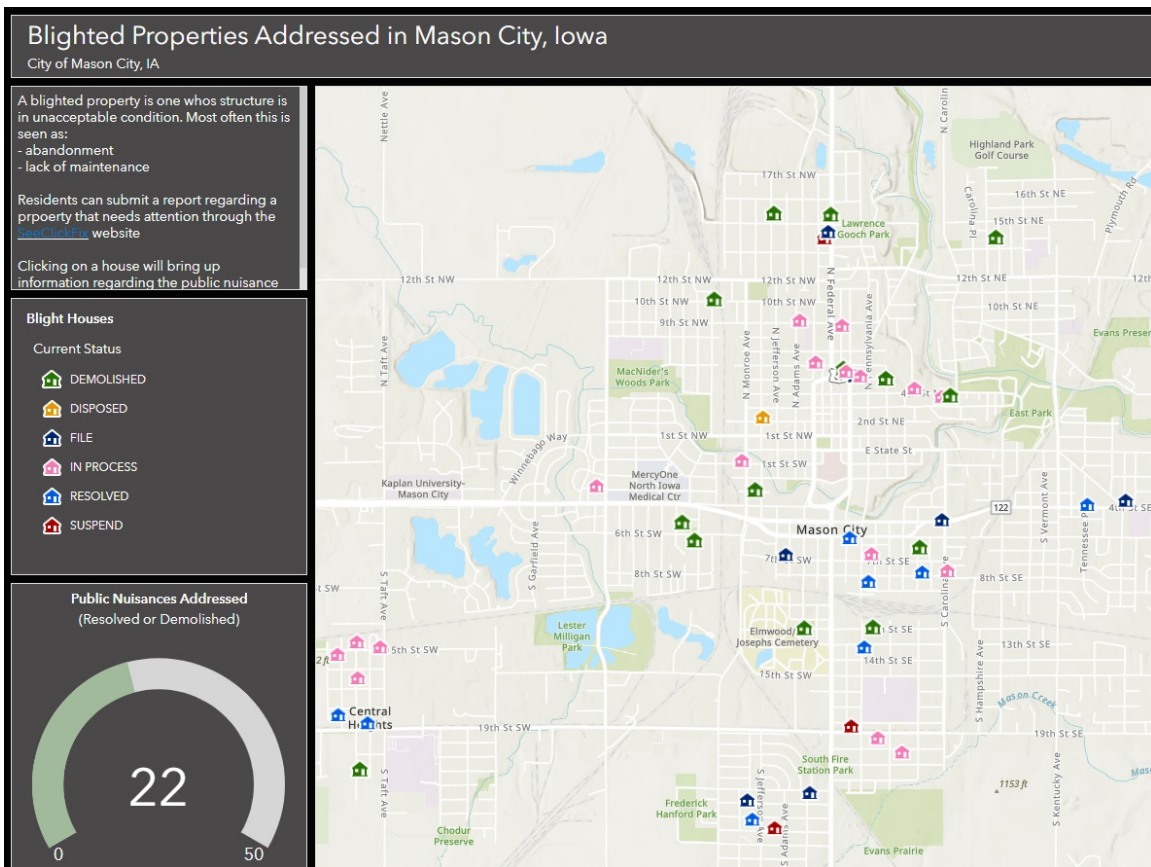
Staff needs to provide status reports to Council on a regular basis. Resources, including budget and staffing, will be focused on meeting this goal. Continued reliance on competent outside legal assistance is required. Stronger focus on problem properties and property owners/landlords, with zero tolerance for serial violators. Code Enforcement staff needs to be supported by clerical help with property research, site monitoring and gathering legal information for court. Need to determine infrastructure needs in targeted neighborhoods.

A significant new tool for reducing commercial and industrial blight is the vacant property registration and inspection ordinance approved by the City Council in March 2023. The initial registration period has passed, and staff continues to work on ensuring compliance with the program and its goals.

Action:

While specific properties often have unique challenges and there is no “one size fits all” approach, clear and consistent follow-up and a cooperative mindset where cooperation is possible are key. Staff plans to work with legal counsel to prioritize enforcement efforts, including court proceedings where necessary to ensure successful outcomes. Staff plans to continue all current efforts, which have been yielding significant results.

Staff plans to continue to work toward full implementation of the vacant building registration and inspection process over the next year. While the process will take time, possibly years in some cases to bear fruit, staff sees this new ordinance as an important tool for curbing and preventing commercial and industrial blight.



Blight Elimination Dashboard

3. Complete an Inventory of Lots Available for Development

Primarily Responsible: Deputy City Administrator, Development Services Director, North Iowa Corridor Executive Director, GIS Analyst

Staff Interpretation: Develop an inventory and mapping of available infill lots and property owners interested in new development of their properties.

Action: Staff anticipates the effort to be multi-tiered. The most straightforward element will be developing mapping of lots currently owned by the City or developers through 657A or related processes that could be redeveloped. Next, staff will identify other parcels ripe for development or redevelopment and conduct outreach to the landowners to determine their interest in development. Finally, staff will make contacts with interested developers to make them aware of development opportunities identified through this process.

Future steps will include development of additional programming for incentivizing infill development.

4. Completion of the River City Renaissance Project with the Start of Construction on the Hotel

Primarily Responsible: City Administrator

Staff Interpretation: Many years of diligent work on the part of staff has gone into making the vision of a new downtown hotel and conference center a reality. This effort has run into a variety of challenges, including the COVID pandemic, developer financing issues, and unanticipated site conditions. The City completed construction of a skywalk to Music Man Square, a significant site utilities relocation project, and negotiated a Third Amendment with the developer that largely put to rest all remaining questions that have been brought to the City's attention.

Action: The City has largely completed the items related to the hotel that are within its power to complete at this time. The City plans to work with the developer to achieve timely groundbreaking and construction for this development, and examine additional options should that be necessary.

5. Initiate Beautification Along the South and West Corridors of the City in Conjunction with DOT Improvements on U.S. 65 and Iowa Highway 122

Primarily Responsible: City Administrator, City Engineer, Operations & Maintenance Director, Development Services Director, and WHKS Engineering

Staff Interpretation: The City will have an excellent opportunity to beautify two of the major corridors in the community with the Iowa Department of Transportation projects in the coming years on U.S. 65/South Federal Avenue and Iowa Highway 122 West/ 4th Street SW. These improvements may include tree planting, landscaping, and expansion of the sculpture program to excess right-of-way or other strategic locations along these corridors.

While the community has seen a tremendous improvement of the former Southport shopping center area with the development of Iowa Climate Controlled Storage, Kwik Star, Dollar General, and O'Reilly Auto Parts, additional redevelopment and

enforcement action is needed in the vicinity to create a welcoming and attractive entry corridor to the south side of Mason City.

Action:

U.S. 65/ South Federal

- The City expects final plans for the project from the DOT by the end of February 2024. Staff intends to utilize these plans in conversation with the DOT about ancillary esthetic improvements that could be implemented in the future on excess right-of-way areas. In addition, staff anticipates targeted conversations with adjacent property owners that may be cooperative in beautification efforts.

122 Mercy Project:

- The City is currently working with WHKS to develop plans for the project, which is anticipated to occur in FY25. While the project is to occur in a much more dense urban environment than much of the South Federal project, staff plans to likewise engage DOT and adjacent property owners in a dialogue about esthetic improvements in this corridor.

