

# MARSHALLTOWN

— I O W A —

Joel Greer, Mayor  
Jessica Kinser, City Administrator  
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**TO:** Mayor Greer and the City Council  
**FROM:** Jessica Kinser, City Administrator  
**DATE:** April 20, 2023  
**RE:** Loan for Timber Ridge Senior Housing

## Strategic Plan:

- Strategy 1: Expand and improve development in the community.
- Strategy 2: Enhance Marshalltown's public image.
- Strategy 3: Continually improve and sustain the City's infrastructure, organization, and services.
- Strategy 4: Partner with citizens, for-profit, non-profit, and others to improve quality of life.

**Plan Objective:** Increase housing opportunities at all levels

**Recommendation:** To approve the resolution as proposed

## Budget Impact:

**Description/Background:** At the April 11<sup>th</sup> meeting in 2022, the City Council approved a resolution (2022-100) to commit \$320,000 to the Timber Ridge Senior Housing project. As a reminder this senior-specific, low-income housing tax credit project is being developed by Conlin Properties for 403 East Church Street.

During the last year, the City has had multiple conversations with the developer to determine if the project would move forward. This has not been an easy development process through a turbulent time for building prices. However, we have reached the point where the developer is ready to close on their financing and needs the City to move forward with our portion of that picture.

The proposal before the Council tonight is a 16-year, low interest (1%) loan for \$320,000. Internally, the loan source is proposed to the Wastewater fund, as it has a healthy cash balance even with continued use of cash for large projects. There will be principal and interest payments annually back to the City. Our loan will sit in a third position to other mortgages/loans, meaning that if default occurs, those other financed sources will receive payment before us.

## CITY COUNCIL

Al Hoop, Gabriel Isom, Barry Kell, Mike Ladehoff,  
Jeff Schneider, Gary Thompson, Dex Walker

