



CITY OF IOWA CITY COUNCIL ACTION REPORT

June 16, 2026

Resolution setting a public hearing for July 14, 2026 on a proposal to convey 1102 Hollywood Blvd to Iowa City Affordable Housing Inc.

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Reviewed By: Geoff Fruin, City Manager
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Fiscal Impact: City will use General Funds to provide a \$2,000,000 grant to ICAH for the property acquisition costs. The grant funds will return to the General Fund at closing. There will be no impact on the general fund for ongoing operational expenses.

Staff Recommendation: Approval

Commission Recommendations: NA

Attachments: [Resolution](#)

Executive Summary:

On June 16, 2026, City Council will be asked to set a public hearing for July 14, 2026, to consider a resolution authorizing the conveyance of 1102 Hollywood Blvd to Iowa City Affordable Housing Inc. ICAH will operate the property utilizing HUD-VASH project-based vouchers to veteran households experiencing homelessness.

The proposed conveyance advances a partnership between the City and ICAH, a newly established nonprofit organization created exclusively to support and carry out the charitable purposes and functions of the Iowa City Housing Authority. To make the site eligible for VASH vouchers, the property has to be transferred to ICAH, a separate but affiliated organization that acts as the property owner. ICAH functions as an instrument of the housing authority (a PHA instrumentality), so it can hold the property and be the official owner on the HUD contract, allowing VASH vouchers to be used at the property.

Background / Analysis:

Johnson County purchased the property at 1102 Hollywood Blvd to address the increasing community need for affordable housing. To manage and operate this property as long-term affordable housing, the County issued a Request for Proposals. The City submitted a proposal, which was selected by the County. The proposal includes operating the property using HUD VASH project-based vouchers to support veteran households experiencing homelessness. This effort is in partnership with the Veterans Administration VASH team, which will provide referrals, ongoing case management, and support services for veterans living in the units.

On March 12, 2026, the City entered into an agreement with the County. The County conveyed the property to the City for one dollar, with the City committing to operate the property under the HUD VASH program for homeless veterans. After the conveyance, the City will assign all responsibilities and requirements of this agreement to ICAH, which will manage the property long-term in compliance with the agreement.

The City Manager has executed a purchase agreement, pending City Council approval, to convey the property to ICAH. Once approved, the City will enter into a grant agreement with ICAH for the property's estimated value of \$2,000,000. This agreement will provide a forgivable, zero-interest loan of \$2,000,000 secured by a mortgage on the property, with a 20-year compliance period. The loan forgiveness is contingent upon ICAH maintaining compliance with the terms of the agreement.

Following the grant agreement execution, the City will complete the closing process and officially convey the property to ICAH.