
MEMORANDUM**Community and Economic Development Department****TO: John Phillips, City Manager****SUBJECT: City Contribution for Arsenal Homebuyers****DATE: 06/14/11**

Attached is a letter from Brian Hollenback, President of Renaissance Rock Island, requesting a contribution from the City in support of the Employer Assisted Housing Program (EAP) for Arsenal Employees who purchase homes in Rock Island. The Arsenal does not have the ability to participate in the program.

The City contributed the Arsenal's share of the EAP in fiscal years 2008 and 2010. Contributions were not requested in 2010 or 2011. With the arrival of First Army, Renaissance Rock Island is seeing a renewed interest by Arsenal employees in purchasing homes in Rock Island.

The request is for \$10,000 which will be supported by the Community and Economic Development Fund (Fund #207).

Recommendation: The City Council approve a \$10,000 contribution to the Employer Assisted Housing Program in support of Arsenal employees who are seeking to purchase a home in Rock Island.

Submitted by: Sally Heffernan, Special Projects Manager
Greg Champagne, CED Director



- Development Association of Rock Island
- Rock Island Economic Growth Corporation
- The Rock Island Arts & Entertainment District

June 6, 2011

Sally Heffernan
City of Rock Island
1528 3rd Avenue
Rock Island, IL 61201

Re: EAP Support for Arsenal Live Work Employees

Dear Sally,

Please accept this letter as Rock Island Economic Growth Corporation's (GROWTH) official request for the City of Rock Island to contribute to the Employer Assisted Housing Program in support of Arsenal Employees who are looking to purchase a home in Rock Island. GROWTH is requesting a commitment from the City for three years at \$10,000 each year.

As you are aware, Live Work Rock Island has been a phenomenal tool for attracting homebuyers to Rock Island. Since 2007, the EAP program has provided over \$104,000.00 in direct buyer down payment and closing cost assistance to employees of the Rock Island Arsenal. These funds have helped 16 homebuyers purchase properties valued at \$1,778,400. Additional financing through local lenders was provided in the amount of \$1,619,946.

With the contribution of the City, we can continue to provide this important financing tool for our Arsenal Employees. If you have any questions about this request, please do not hesitate to contact me or Lisa Ahern at 788-6311.

Sincerely,

A handwritten signature in black ink that reads "Brian Hollenback". The signature is written in a cursive style.

Brian Hollenback
President