

RDA gives green light to three contractors

Written by Elizabeth Barrett
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Spec homes to be constructed

A plan to build more homes in Gothenburg is on course.

At a meeting of the Community Redevelopment Authority (RDA) last Thursday, members looked at and approved the plans of three local builders who want to construct spec homes in the northeast part of town.

RDA members recently dropped the price of seven lots it owns in the Gothenburg Improvement Company's Third Division subdivision to alleviate a shortage of available houses for sale.

The homes will range from \$175,000 to \$225,000 depending on the size of the structure and the size and cost of the lot.

Contractors Kent Kline, Keith Hild and Andy Hilbers got the okay to build—Kline bought one lot with the right of refusal (he'll buy them unless other offers are made) on two more and Hild and Hilbers have each purchased a lot.

RDA members came up with the Spec Home Development Program in July that cuts \$7,000 from the price of a lot if building begins within 90 days.

Within a year from the date of the first housing agreement, the lot price for a second spec home will drop by \$10,000 if the developer enters into another agreement.

They hope the program spurs more growth.

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Not only is the program attractive to contractors because of reduced lot prices, Kline said, but also because developers don't have to pay for the lot until the spec home is built and sold.

Lots in the subdivision range from \$20,000 to \$30,000.

Kline encourages other contractors to try the program, to buy materials locally and use local subcontractors if possible.

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