

COUNCIL PROCEEDINGS
AUGUST 14, 2019

Charles City city council met in a planning session on August 14, 2019 at the public housing office. Mayor Dean Andrews presided and the following members were present: Keith Starr, Jerry Joerger, DeLaine Freeseman and Dan Mallaro. Absent was Michael Hammond. Also present were city administrator Steve Diers and city engineer John Fallis. City attorney Brad Slotter joined the meeting at 6:10.

The meeting started at 5:00 with a tour of the various public housing facilities. The business portion of the meeting started at 6:10 in the public housing conference room at 501 South Cedar Terrace.

Mayor Andrews commented that he had attended the Steve King appearance in Charles City today. He also attended the TLC business after hours event and their proposed move to the middle school and also their wrap around program for before and after school child care needs. City administrator Diers commented that TLC will possibly be applying for a CDBG grant which would flow through the city.

A Façade program application has been received from Ken Johnson for 205 N. Main. He is replacing the top metalwork on the roofline and is asking for \$1000 funding. The design committee has reviewed this application and is recommending approval. Question was asked on what his plans are for further work to be done on the building itself. He replied that he hopes to do tuck pointing next year and paint the marquees.

The draft agreement with ADC for the purchase of property for a certified site was reviewed. It states that the city will grant up to 2.156 million dollars to purchase this property utilizing South Grand TIF funds. It is estimated to take 11 years to pay back this loan. The agreement states that any rent received will go to ADC for marketing, taxes and maintenance for this property. Any extra funds will come back to the city to go against the debt. All funds from sale of the property will go to the city to pay the debt. If there is any extra funds after all the debt is paid, those will stay in the South Grand TIF fund. If council is okay with this agreement as it is, it will be on the next regular agenda. Once it is approved, we will ask our bond counsel to draft an amendment to the urban renewal plan and the proceedings necessary. It is specified that the sale would not happen prior to December 2019 to allow for all of the necessary paperwork to be approved and executed. ADC director Tim Fox is hoping to have the certified site all wrapped up by the end of August, so the DNR approval of the wetlands would be done by then. Council member Starr asked if there were any current farm leases that would need to be terminated. If we wouldn't do that, it could prove problematic. It was also noted that ADC will give a biennial report to the council on the activity on this site and their marketing progress.

Discussion on the development agreement with Shawn Foutch for 500 N. Grand. The site plan is still in the works so we will wait to approve this agreement until we get that. It will be a 10 year tax abatement. Payment of legal fees by the developer is included and Mr. Foutch had requested that his repayment of those fees wait until year one of the abatement. City staff thinks we should not have to wait for that repayment, so the developer has agreed to pay for those fees up front. Council had discussed the addition of some type of penalty if this project isn't completed by the deadline. This project should be done by December 2022, on the tax rolls by December 2023. Application for tax abatement will be made in February 2024. So if the project isn't done by then, Mr. Foutch would have to come back to the council to re-do the urban renewal plan and given that, city staff thinks that is incentive to get the project done so that a penalty clause isn't necessary in the agreement itself. Mr. Foutch has also asked council for support of a workforce housing tax credit application he will be making for this project. Council member Freeseman asked if there would be any progress reporting requirements to the council by the developer and reply was not at this time. Council would really like to see some type of update given by the developer once a year.

The bids have been opened for the wastewater plant updaters. Four were received with the low bid coming in from Portzen Construction from Dubuque for \$16.498 million. Engineer's estimate for the project is \$17.523 million. Fox Engineering has worked with Portzen on other projects and said they are a good firm. A public hearing on this will be held August 19.

Three quotes were received for the retaining wall project at Morningside. Project includes deconstructing the wall, clean the block and reusing them to rebuild the wall after installing drain tile. One bid didn't comply with the specs so it was not considered. Low bid was from Do it All for \$7,858.13. These bids will be reviewed by the housing board tomorrow morning and a recommendation will be made to council at the next regular meeting.

The electrical upgrade project for South Cedar Terrace requires additional action. The original bid didn't include the labor on Mid American's portion. The contingency amount will cover this additional cost.

Several re-zoning items will be addressed by planning and zoning by council direction. The east side of the 400 block of N. Grand is zoned B-1 and most are residences. Staff is recommending changing these properties to R-2. Staff has researched and is also recommending addition the bottling of alcoholic beverages as a permitted use in a M-1 district. Currently, only the bottling of non alcoholic beverages is allowed. Question asked if this type of activity would create an offensive odor for surrounding neighbors and reply was no, it shouldn't. The 1100 and 1200 blocks of Court street are also in need of re-zoning. Currently they are R-1 and since those lots are already below the minimum size they are non buildable. If they are re-zoned to R-2, they can be utilized for building. Council will direct planning and zoning to review this re-zoning too.

City administrator Diers commented that with Simply Essentials leaving, now may be a good time to look at making some changes to the zoning for this type of activity before another similar business comes in. With all of the issues caused by Simply Essentials, this may the time to address them. Mayor Andrews agreed. Two quotes have been received for the fence for Jordy's residence. An agreement is being drafted for reimbursement from the K-9 officer for this fence if he would move from this residence after the fence is installed. Allied development still requires one more house to be built before that agreement is fulfilled. DECAT met today on transportation needs in the city. The city transit services are working well and the program being implemented in partnership between TLC and the school will help fill in the gaps for transit.

There being no further business, meeting was adjourned.

Dean Andrews, Mayor

Attest:

Trudy O'Donnell, City Clerk