

COUNCIL PROCEEDINGS  
OCTOBER 14, 2020

Charles City city council met in a planning session on October 14, 2020 at 6:00 p.m. remotely via Zoom due to the COVID-19 pandemic. Mayor Dean Andrews presided and the following council members were present: Keith Starr, Jerry Joerger, DeLaine Freeseaman, Phoebe Pittman and Phillip Knighten. Also present were city administrator Steve Diers and city engineer John Fallis.

A request for re-zoning of a parcel located at 1002 Eighth Street has been submitted by Michael Hall. This is currently zoned R-2 and he is requesting it be re-zoned to M-1. This has been presented to planning and zoning and after a public hearing on it, planning and zoning made a recommendation to not approve the re-zoning. Mr. Hall would like to build a personal garage plus some more storage units in the future. The main concern was that there are 41 permitted uses in an M-1 zone and if Mr. Hall would sell the property, the new owner could utilize any of those uses if they so chose. If this doesn't get re-zoned to M-1, the only option would be to build the personal garage and sign a non-conveyance agreement with the personal residence in town so that they could not be sold separately in the future. There are two storage units on this property currently which have been there a long time and are legal non-conforming. Several property owners within 200' of this property voiced concerns both verbally and written at the planning and zoning public hearing. Council members understood the hesitancy of planning and zoning to recommend this re-zoning request and the concerns of the neighbors. City engineer Fallis suggested that there could be another class of M-1 with less impactful uses added in to the current re-write of the city zoning code. Planning and zoning is meeting November 2 with the firm that is working on the zoning re-write and this can be discussed then. This item will be on the council regular agenda on October 19 for action.

The agreement with City Improvement Association for maintenance of their owned parks is in need of renewal. This is a 3 year agreement and the terms remain unchanged from the current agreement. The amount paid goes toward new mowing equipment and to pay for labor to mow their parks. Councilmember Freeseaman asked if it had ever been calculated the cost to the city to maintain the CIA parks and park and rec director Tyler Mitchell stated that it could be done easily and he will have that ready for the meeting Monday night when this agreement is voted on.

The lease with the arts center for the city owned Carnegie building is also set to expire in December. This is a three year lease and the terms remain unchanged from the current one. Linda Wolff from the Arts Center stated that they may do some painting and fixing up in the basement, there used to be a stage down there. This item will be on the next regular agenda for council action.

John Danos from Dorsey Whitney then gave a short presentation on tax abatement, also known as tax exemption, to the council. A city tax abatement program would give some tax breaks to homeowners and business owners doing building improvements. This item is on our list of council goals that were approved at the last council goal setting session. This program, in a nutshell, will allow homeowners and business owners to not pay tax on a certain incremental dollar amount of valuation. The maximum dollar amount of value that can be abated is \$75,000 for residential. The city can choose whether it will be a 100% abatement for 5 years or a sliding scale of abatement each year over 10 years. The maximum is set in Iowa code but the council can go lower than that if they choose. It can be done as a tax rebate where the owner would pay the taxes and then submit to the city for a rebate. Or it can be implemented via a tax exemption where the lesser value is used to calculate the taxes so the homeowner would realize the benefit instantly. The city would need to determine how they would fund this type of program. Unless it's a blighted area, that could be tough. There is no requirement that it has to be owner occupied property, so could be done on rentals. The property owner is the one who would get the abatement. Abatement works well on lots that already have all the infrastructure there or for in-fill lots. The abatement applies to the entire tax levy, not just the city portion. But we don't need to get permission from the other taxing entities to do an abatement program. If the property is sold before the end of the tax abatement schedule, the new owner would get the benefit, the abatement stays with the property. Only projects completed after the urban renewal area is established can qualify for abatement. City administrator Diers commented that we currently have some housing TIF districts and we don't want to get rid of those. Tax abatement would complement those existing housing TIFs. Danos stated that the abatement language

could be drafted so it won't interfere with the current housing TIFs. If there would ever be a conflict between TIF and tax abatement, abatement always overrules. Mayor Andrews stated that this item would be a good topic for the upcoming council goal setting session.

Heidi Nielsen, housing director, reviewed an electrical upgrade project planned for North Cedar Terrace. This is very similar to the recent project done at South Cedar Terrace. We are hoping that MidAmerica will share in the cost of this project like they did for the last one at South Cedar Terrace. An RFP was sent out for the architectural services for this project and three were received back as follows: Atura \$34500, Skott Anderson \$23500 and KCL \$19500. Skott Anderson did the last project and Heidi would like to recommend to the housing board tomorrow to hire Skott Anderson because they did the electrical upgrade project at South Cedar Terrace and did a great job.

Nielsen reported that a topographical survey needs to be done for the electrical project and RFPs were sent out for this. Two proposals were received as follows: CGS for \$19500 and HRS for \$14500. This work is needed to be done so we know if we need to bore or trench the primary electrical service and to identify any other underground items. Nielsen will bring the board recommendation to the council meeting on Monday.

City administrator Diers reported that he had sent out a summary to the council on reinstating shut offs. Letters were sent out to delinquent customers stating we were reinstating this process. The state recently announced funding available for people impacted by COVID 29 and facing shut off of their utilities. Council member Pittman asked that if someone has applied for this funding but just not received it, will they be shut off and Diers replied no. Another letter will be sent informing of the funding available. A trail visioning group has been formed and will be applying for a grant. Telecom bonds have been put out on the market and we hope to find out next week on what the rates are for those.

There being no further business, meeting was adjourned.

Dean Andrews, Mayor

Attest:

Trudy O'Donnell, City Clerk