

REGULAR MEETING NO. 13
Council Chambers, City Hall

April 5, 2022
5:30 O'Clock P.M.

The meeting was called to order at 5:30 P.M.

Present were Council Member Galloway, McAntire, Hull, Roe and Mayor Johnson.
Council Member Pope was absent.

Roe moved, seconded by Galloway to approve consent agenda items: Mins. from Special Mtg. No. 9 on Mar 10, 2022, Regular Mtg. No. 10 on Mar 15, 2022, Special Mtg. No. 11 on Mar 22, 2022 and Special Mtg. No. 12 on Mar 29, 2022; Ack. Feb. financial stmt. and pymt. of bills as submitted by Finance Dept.; Recommend re-appointment of Xavier Wilson to Civil Service Commission, term to exp. 4/1/2026; Approve reclassification of Evening Janitor position at Beach; Approve appointment of Todd Nickel to Utility Worker – Parks on or about April 10, 2022; Approve appointment of Jeremy Lipe to Bldg. Inspector in Health Dept. on or about April 10, 2022; Approve appointment of Aaron Short to Equip. Operator – Street Cleaning Dept. on or about April 10, 2022; Approve appointment of Robert Mitchell Schaffner to Police Officer on or about April 25, 2022 for OPD; Mental Health Month Awareness Proclamation for May 2022; Approving twenty-four month renewal of car wash services for OPD with Ottumwa Wash Express, Mar 1, 2022; Setting April 19, 2022, as date of a public hearing to approve plans, specs., form of contract and est. cost for Campground Shower House and Office Project; Approve Salvage Dealer's License renewals for Alter Metal Recycling, 404 N. Forrest Ave.; Courtney Car Crushing & Scrap, 825 Hayne St.; Paulos Used Cars, 430 N. Forrest Ave.; Rosenman's Inc., 902 E. Main St.; Consideration of Ack./Settlement Agt. between the City and Hy-Vee, Inc., d/b/a Hy-Vee #2 C-Store (2457 N. Court St.); Approve proposal from CIT Sewer Solutions for repairing sewer joints in a 24" VCP sewer, totaling \$11,000; Res. No. 90-2022, auth. reallocation of \$170,000 CIP Bond Proceeds, Series 2021, from Parks Pond Fill-In to Parks Shower House; Res. No. 91-2022, auth. transfer of ARPA funding into appropriate funds, in accordance with approval of projects included under Res. No. 85-2022; and allocating 35% of Hotel/Motel recovery to CVB; Res. No. 93-2022, approving the City's Wellness Program – Healthy Choice\$ Services Agt. to be provided by ORHC, term to end May 23, 2023; Res. No. 94-2022, fixing date for public hearing on proposed vacation of a pylon sign easement; Res. No. 98-2022, approving contract, bonds and cert. of ins. for 2022 St. Patch Repair Program; Res. No. 99-2022, approving contract, bonds and cert. of ins. for Blake's Branch Sewer Separation-Ph. 8, Div. 1, East of Iowa Ave. Project; Res. No. 101-2022, fixing date for public hearing on proposal to convey certain real property described as Lot 4 of Ottumwa Airport Subdivision No. 4 to Schroeder G. Properties, LLC; Beer and/or liquor applications for: Las Palmas Bar & Grill, 321 E. Second; Norte Starr, LLC, 219 Fox Sauk Rd. Motion carried 4-0 vote.

McAntire moved, seconded by Roe to approve the agenda as presented. Motion carried 4-0 vote.

City Admin. Rath reported the students from iJAG were not able to attend this evening.

Mayor Johnson inquired if there was anyone from the audience who wished to address an item on the agenda. Curt Hopkins wished to discuss Item G-2.

Roe moved, seconded by Hull to auth. the Mayor to sign Order Assessing Penalty 1st Violation and Ack./Settlement Agt. between the City of Ottumwa and BW Gas & Convenience Retail, LLC, d/b/a Yesway Store #1014 at 502 W. Second St. Motion carried 4-0 vote.

Hull moved, seconded by McAntire to reject bid rec'd for Green St. Sewer Improvement Project. PW Dir. Seals reported one bid rec'd at \$1,793,486.50 which was significantly higher than engineer's opinion

of cost \$930,000. Will revisit the design and look for alt. material selections and evaluate options to combine projects. Motion carried 4-0 vote.

This was the time, place and date set for a public hearing on proposed adoption of Amendment No. 1 to the Wildwood Dr./Hwy 34 Urban Renewal Plan in the City of Ottumwa. Dir. of Comm. Development Simonson reported amendment adds two projects to the URP. Hopkins Properties LLC wants to construct a multi-tenant commercial strip center on Outlot 1 of the Wildwood Center Subdivision, next to Kohl's. Construction est. \$2.15 Million. The second project empowers the City to apply tax increment from the district to recover any planning, engineering or attorney fees incurred by the City for est. the URP. P&Z voted at the March 7, 2022 mtg. that Amendment No. 1 is in conformance with the City's plan for development. Taxing entities were invited to participate in a consultation mtg. on March 21. The County provided a letter expressing reservations about the use of TIF for rebates. No objections were rec'd. Roe moved, seconded by McAntire to close the public hearing. Motion carried 4-0 vote.

Hull moved, seconded by Roe that Res. No. 74-2022, determining an area of the City to be an economic development area, and that the rehabilitation, conservation, redevelopment, development, or a combination thereof, of such area is necessary in the interest of the public health, safety or welfare of the residents of the City; designating such area as appropriate for Urban Renewal projects; and adopting Amendment No. 1 to the Wildwood Dr./Hwy. 34 Economic Development Urban Renewal Area, be passed and adopted. Motion carried 4-0 vote.

This was the time, place and date set for a public hearing on the Proposal to enter into Development Agt. with Hopkins Properties, LLC. Simonson reported this agt. is auth. by Amendment No.1 to the Wildwood Dr./Hwy. 34 URP. Hopkins Properties LLC would complete minimum improvements including a \$2.1 Million, 10,000 sq. ft., single-story, multi-tenant commercial bldg. The City provides a one-time \$75,000 economic development grant paid at the time the minimum improvements are completed; eight consecutive annual Economic Development Grants which rebate the tax increment paid on the development. This rebate schedule is 100% for years 1 and 2 and 80% for years 3-6. These rebates are not to exceed \$475,000. The agt. requires the developer to rent the minimum improvements to a commercial enterprise that employs employees therein. A 12-month vacancy may constitute default. We currently receive \$38/yr. off this lot in property taxes; having development with \$2.15 Million valuation will increase property taxes significantly. Curt Hopkins, Hopkins Properties LLC, thanks the city for bringing this forward; it is a critical piece for getting this project done; currently have three tenants signing leases this week and two more interested in the remaining space; when a developer comes to town, it gets harder to do a project from the ground up because it's too expensive, but it will be easier with your help; regardless if this passes, I will still go forward with the project; I currently have 5 or 6 other bldgs. in Ottumwa. No objections were rec'd. Roe moved, seconded by Hull to close the public hearing. Motion carried 4-0 vote.

McAntire moved, seconded by Hull that Res. No. 75-2022, approving and auth. execution of a Development Agt. by and between the City of Ottumwa and Hopkins Properties, LLC, be passed and adopted. Motion carried 4-0 vote.

This was the time, place and date set for a public hearing on the proposed auth. of a Lease – Purchase Agt. in the principal amt. not to exceed \$25,000 for the acquisition and equipping of a refueler truck for the airport, a general corp. purpose between the City of Ottumwa and AvFuel Corp. for fueling services at the Ottumwa Reg. Airport. Rath discussed; this is a three-yr. lease subject to monthly pymt. of \$583.33 with \$1.00 option to purchase the vehicle at the end of the lease. No objections were rec'd. Galloway moved, seconded by Hull to close the public hearing. Motion carried 4-0 vote.

Roe moved, seconded by Galloway that Res. No. 83-2022, instituting proceedings to take additional action for the auth. of a lease-purchase agt. in the principal amt. not to exceed \$25,000, for the acquisition and equipping of a refueler truck for the Airport for general corp. purpose, be passed and adopted. Motion carried 4-0 vote.

This was the time, place and date set for a public hearing on the disposal of City owned property described as Lot 11 in Block 3 of the Blake Park Addition to the City of Ottumwa, commonly known as 817 Chester Ave. Simonson reported Rippling Waters offered the City \$125 for vacant lot and intend to place a Homes for Iowa house on the lot this July. No objections were rec'd. Hull moved, seconded by McAntire to close the public hearing. Motion carried 4-0 vote.

Hull moved, seconded by Roe that Res. No. 87-2022, accepting the offer and approving the sale of City owned property at 817 Chester Ave. to Rippling Waters for \$125, be passed and adopted. Motion carried 4-0 vote.

This was the time, place and date set for a public hearing on an application to the Iowa Economic Development Authority for a CDBG from the COVID-19 Program (IEDA CDBG-CV). Bradley Grefe, Area 15 RPC, discussed the proposed application to the IEDA CDBG CV Fund for the purposes of an upper-story housing conversion project. Mr. Grefe discussed the proposed application, noting that the City's Community Development and Housing Needs Assessment (CDHNA), most recently reviewed and adopted on March 15, 2022, identifies development of affordable housing and downtown revitalization as needs for both local low-to-moderate income (LMI) persons and the community at large. This project will serve mutual goals of rehabilitating downtown properties by providing an additional affordable housing opportunity. This project will assist the City in its goal of creating 500 new housing units by 2030. The proposed project includes the rehab of the upper level of the former Iowa Southern Utilities bldg. at 307/309 E. Main St. in the Main Street Ottumwa district, owned by RG Properties. If awarded, RG Construction will convert a dilapidated, vacant space into two new one-bedroom and one new two-bedroom rental housing units on the second story. RG has invested over \$200,000 in cleaning, demolition, and stabilizing this property to date; all three floors have been gutted but need fully remodeled inside. The est. total cost of the project (need) currently is \$604,000 based on cost estimates developed by Rod Grooms and the architect (Curtis Architecture) who has recent experience in similar upper-story housing projects. The local match (assistance) available for the project is est. to be \$104,000. If awarded, the City's contribution to the project will be \$15,000 and the owner's contribution will be \$89,000. No other grants or assistance are currently available or will be sought for this activity. Therefore, the request from the CDBG-CV fund to cover the unmet need to complete the upper-story housing conversion project is \$500,000. As a condition of the grant, the assisted units are to be rented to low-moderate income persons for the first three yrs; therefore, 100% of the federal funding will benefit LMI individuals for at least the first three yrs. As both the upper and lower levels are vacant, no persons or businesses will be displaced as a part of this project. The CDBG application will be submitted on or before 04/15/22. No objections were rec'd. Galloway moved, seconded by Roe to close the public hearing. Motion carried 4-0 vote.

McAntire moved, seconded by Hull that Res. No. 96-2022, auth. the Mayor to sign and submit the IEDA for a CDBG from the COVID-19 Application for the ISU Bldg. Upper-Story Housing Project at 307-309 E. Main St., and if funded, to sign all contract related docs, be passed and adopted. Motion carried 4-0 vote.

This was the time, place and date set for a public hearing on proposed Ord. No. 3191-2022, amending the Subdivision Code to promote and simplify the development of new housing by Amending Sections 33-101, 33-106 and 33-108 of the Municipal Code of the City of Ottumwa. No objections were rec'd. Hull moved, seconded by McAntire to close the public hearing. Motion carried 4-0 vote.

McAntire moved, seconded by Galloway to pass the first consideration of Ord. No. 3191-2022, amending the Subdivision Code to promote and simplify the development of new housing by Amending Sections 33-101, 33-106 and 33-108 of the Municipal Code of the City of Ottumwa. Motion carried 4-0 vote.

This was the time, place and date set for a public hearing on proposed Ord. No. 3192-2022, amending the Zoning Code to promote and simplify the development of new housing by Amending Sections of the Municipal Code of the City of Ottumwa. Simonson reported all of the proposed changes detailed within each section of the Code, highlighting the Amendment proposed by Planning & Zoning Commission from their mtg. held 4/4/2022. They recommend 1.25 spaces per dwelling unit for multifamily residential which is up from 1 space per staff recommendation in the original Ord. No objections were rec'd. Hull moved, seconded by Roe to close the public hearing. Motion carried 4-0 vote.

Galloway moved, seconded by McAntire to approve the amendment proposed by P&Z and to incorporate changes into Ord. No. 3192-2022. Motion carried 4-0 vote.

Roe moved, seconded by Galloway to pass the first consideration of Ord. No. 3192-2022, amending the Zoning Code to promote and simplify the development of new housing by Amending Sections 38-41, 38-74, 38-115, 38-117, 38-206, 38-236, 38-266, 38-296, 38-326, 38-386, 38-418, 38-453, 38-457, 38-585, 38-870, 38-876 and 38-940 of the Municipal Code of the City of Ottumwa. Motion carried 4-0 vote.

This was the time, place and date set for a public hearing on the Proposed Ord. No. 3193-2022, granting an Electric Transmission Franchise to ITC Midwest, LLC. No objections were rec'd. Galloway moved, seconded by McAntire to close the public hearing. Motion carried 4-0 vote.

Roe moved, seconded by McAntire to pass the first consideration of Ord. No. 3193-2022, granting to ITC Midwest, LLC, its successors and assigns, the right and non-exclusive franchise to acquire, construct, erect, maintain and operate in the City of Ottumwa, IA, an Electric Transmission System for a period of 25 years. Motion carried 4-0 vote.

This was the time, place and date set for a public hearing on the Proposed Ord. No. 3194-2022, est. a one-yr. moratorium on the issuance of cert. of zoning compliance for new applications for used motor vehicle dealer lots and new applications for dealer extension lots. Simonson reported an amendment proposed by P&Z Commission from their mtg. held 4/4/2022. No objections were rec'd. Roe moved, seconded by Galloway to close the public hearing. Motion carried 4-0 vote.

Roe moved, seconded by Galloway to approve the amendment proposed by P&Z and to incorporate changes into Ord. No. 3194-2022. Motion carried 4-0 vote.

Hull moved, seconded by Roe to pass the first consideration of Ord. No. 3194-2022, est. a one-yr. moratorium on the issuance of cert. of zoning compliance for new applications for used motor vehicle dealer lots and new applications for dealer extension lots. Motion carried 4-0 vote.

McAntire moved, seconded by Hull that Res. No. 84-2022, auth. all transfers for FY22, be passed and adopted. Motion carried 4-0 vote.

Roe moved, seconded by Galloway that Res. No. 92-2022, awarding the contract for Apron 2022 Improvements Project for Ottumwa Reg. Airport to Winger Contracting Comp. of Ottumwa, in the amt. of \$228,853.25, be passed and adopted. Airport Mgr. Wheaton reported IADOT will pay 85% of final project amt. Five bids were rec'd. Motion carried 4-0 vote.

Hull moved, seconded by McAntire that Res. No. 95-2022, approving Agt. with Greater Ottumwa Partners in Progress (GoPIP) for period April 2022 through June 30, 2023 and auth. Mayor to sign, be passed and adopted. Rath reported City will pay GoPIP \$10,000 per quarter (five quarters) with identified deliverables and a few special projects with request for financial support not to exceed \$20,000. Vote taken: Ayes: Galloway, McAntire, Hull. Abstain: Roe (Current Exec. Dir. GoPIP). Motion carried 3-1-1 vote.

Galloway moved, seconded by Hull that Res. No. 97-2022, releasing RFQ for Historic Preservation Planning Professional Services to develop a Historic Preservation Plan for the City of Ottumwa, be passed and adopted. Motion carried 4-0 vote.

Roe moved, seconded by Galloway that Res. No. 100-2022, releasing RFQ for Architectural Services for Missing Middle Medium Density infill and Market-Rate single family housing site plan prototypes, drawings, specs. and cost est., be passed and adopted. Motion carried 4-0 vote.

Mayor Johnson inquired if anyone from the audience wished to address an item not on the agenda. Mark Thompson and Trisha Rea discussed the railroad crossing on N. Quincy/Blackhawk Rd. RRXDOT#375779U normally sees 4.2 trains per day; with the merger of two companies, anticipated 18.4 trains per day will create even more delays at this area. Asking for leadership that can help.


There being no further discussion, Galloway moved, seconded by Roe that the meeting adjourn. Motion carried 4-0 vote.

Adjournment was at 7:42 P.M.

ATTEST:


Christina Reinhard, CMC, City Clerk

CITY OF OTTUMWA, IOWA


Richard W. Johnson, Mayor

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