

November 16, 2015

The regular meeting of the Decorah City Council was called to order by Mayor Don Arendt at 5:45 p.m.

The meeting was opened with the Pledge of Allegiance.

Members present: Randy Schissel, Jody Niess, Kirk Johnson, Andy Carlson, Bill Wagner, Gary Rustad, Charles Lore

Motion by Wagner, second by Lore to approve the agenda as presented. Roll call vote. All voting aye. Motion carried.

Mark Muggli, Chairperson, Historic Preservation, reviewed the activities of the board during this past year as well as the status of the Downtown Historic Preservation Project.

Erika Randall, Recreation Superintendent, advised the Council of the new on-line registration program being offered by the Park and Recreation Department.

Motion by Lore, second by Rustad, to amend item C, well use and connection agreement with Rush Holdings, LLC, on the consent agenda to reflect wording in Section 1, to allow for a minimum 4" pipe. Roll call vote. All voting aye. Motion carried.

Motion by Lore, second by Rustad to approve the consent agenda as amended.

- a. Minutes of the November 2 and 9, 2015 meetings
- b. Claims
- c. Consider Resolution 2699 entering into a well use and connection agreement with Rush Holdings, LLC.
- d. Volunteer Fire Dept. appointments as follows:
 - i. Mike Ashbacher – Fire Chief
 - ii. Jeff Clement – 1st Assistant Chief
 - iii. Lee Bjerke – 2nd Assistant Chief
- e. Approval of Fire Department By-Laws, Constitution and Rules and Regulations

Roll call vote. All voting aye. Motion carried.

This being the time and place for a public hearing on an amendment to the SW Decorah Urban Renewal District the hearing was opened. City Manager Bird advised there was no attendance or correspondence from the other taxing authorities. The Planning and Zoning Commission reviewed as required by law and are supportive of the amendment.

Benji Nichols, 412 Oaks and member of the Planning and Zoning Commission spoke in favor of the amendment saying this was exactly what the district was created for in 2008. There being no further comments the hearing was closed.

Motion by Niess, second by Schissel, to approve Resolution 2696 approving the proposed amendment for the SW Decorah Urban Renewal District. Roll call vote. All voting aye. Motion carried.

This being the time and place for a public hearing on a proposed Development Agreement between the City of Decorah and Rebound Enterprises the hearing was opened.

Written correspondence was received in support of the project from Mike Harman, Harlan Satrom and Brett Reese. Said correspondence is on file in the office of the City Clerk, Tr.

Jeff Ruhr, owner Country Inn, stated he welcomes new development on this lot and supports the use of tax abatement to assist the project. However, he does object to the use of hotel/motel tax. Those dollars should be used for its' intended purpose – to bring people to town to promote all business. Further, he believes the assumptions in the study are flawed.

Brad Spitzak, area landowner, stated he has developers very interested in his property and wonders if this proposal dries up funds for other projects.

Tom Hansen, 3469 Locust Road, has concerns about the tax rebate proposal and the city being asked to go above and beyond to help with this project. He suggested it be put in the agreement that Rebound give at least 10% of the tax rebate to non-profits and other charities to show their commitment to the community.

Mike Huinker, 2386 Middle Calmar Road, stated Hwy 9 and 52 is the entrance to our community and is our curb appeal. There are many empty buildings in the area and have been for years. Use of public funds will be a catalyst for further development and this project would be wonderful for the community.

Brett Reese, representing Rebound, stated their concerns with the annual appropriation clause in the agreement. From their perspective it is very hindering to secure financing and potential investors. He requested this provision be taken out of the agreement.

Brad Spitzak reminded the council he used his own funds to remove the old Ronan house from his property.

The public hearing was closed.

Councilperson Lore questioned the FTE employee level and the hourly wage being proposed. Reese responded saying 15 employees, working 32 hours per week will be employed for a combined, not less than, \$325,000 in annual wages.

Councilperson Niess asked if the annual appropriation requirement is a deal breaker. Reese responded saying a securing funding and investors for an \$11,000,000 plus project will be extremely challenging without that assurance.

Councilperson Johnson asked what the negative impact is to removing the annual appropriate requirement. Bird responded saying the entire \$1,500,000 will go against the city's debt capacity.

Councilperson Rustad stated not often do we have the opportunity to participate in a new major development. We need to look long term to what will benefit Decorah in the future. This project improves a blighted area and will spur further development in the area.

Councilperson Lore stated he agrees with Rustad but has difficulty with removing the annual appropriation requirement.

Motion by Niess, second by Johnson, to approve the proposed development agreement subject to removal of the annual appropriate requirement. Roll call vote. Voting aye: Niess, Johnson, Schissel, Carlson, Wagner, Rustad. Voting nay: Lore. Motion carried.

Motion by Niess, second by Carlson, to approve Resolution 2689 amending the 28E agreement with Winneshiek County for an additional IT staff person. Roll call vote. All voting aye. Motion carried.

Motion by Carlson, second by Rustad, to approve Resolution 2698 amending a 28E agreement with Decorah Jobs Inc. to increase funding by \$60,000 after May 2017 and extending the length of the agreement to 2022. Roll call vote. Voting aye: Carlson, Rustad, Niess, Schissel, Lore, Johnson. Voting nay: Wagner. Motion carried.

Motion by Lore, second by Carlson, to approve Resolution 2700 authorizing submission of an application of applications for Iowa Airport Improvement Programs and certifying eligibility requirements. This is an 85/15 grant. Roll call vote. All voting aye. Motion carried.

Motion by Johnson, second by Lore, to approve the following Mayor appointment and re-appointments:

- a. Planning & Zoning Commission - Llew Jenkins: re-appointment
- b. Board of Adjustment – Sue Sander: re-appointment
- c. Human Rights Commission – Pedro Santos: appointment and Amalia Vagts: re-appointment

Roll call vote. All voting aye. Motion carried.

Meeting adjourned on motion.


Wanda Hemesath, MMC, ICMC
City Clerk, TR.