

September 2, 2014

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, Gary Rustad, Charles Lore, Tade Kerndt, Bill Wagner, Paul Wanless

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

Motion by Wanless, second by Rustad, to approve items on the consent agenda as follows:

- a. Minutes of the August 18, 2014 meeting
- b. Claims
- c. Renewal Class C Beer License for Oneota Co-Op including Sunday Sales and Class B Wine Permit
- d. Resolution No. 2616 approving the Annual Road Use Report for FY2014.
- e. Pay Estimate #2 - \$66,403.08 2014 Street and Alley Improvement Project
- f. Special Event Application Water Street Music Series pending receipt of Certificate of Insurance

Roll call vote. All voting aye. Motion carried.

This being the time and place for a public hearing on a Proposed Urban Revitalization Plan the hearing was opened.

City Manager Chad Bird gave an overview of the plan. The power point presentation is made a part of these minutes by reference and is available for review in the City Clerk's Office.

Bird read written correspondence from Ted Sokja, 623 Day St. stating he is opposed to the proposed plan saying the city cannot afford to give away tax income and, further, he didn't receive any assistance from the city when building his home.

Kate Narveson, 503 Grove St., stated her concern about how this will affect historic preservation. While she appreciates the long range planning and the push for affordable housing she is concerned about the potential impact to older neighborhoods. She would like the proposed plan to first encourage renovation before deciding to tear a building down. Further, new construction should reflect the existing character of the neighborhood.

Steve Munkel, 2550 Eastwood Road, had questions regarding eligibility date and stated concerns with the financial difficulty in developing land in Decorah.

Cal Anderson, 719 Ridge Road, had concerns regarding the effect on existing taxpayers. He gave examples of loss of tax revenue based on the past few years of construction and believes there is something to lose. He is concerned about someone trying to sell their house when buyers can build a home without paying taxes. He believes there should be an in depth study completed as to the affects of this program.

Ginger Zoubek, Paine St. property owner, non-resident, believes a task force should be established to study the effects with members being chosen by a completely unbiased, independent party – not the Decorah City Council. Study should include things such as traffic patterns, gun control, crime, and the subsequent impact on law enforcement and surrounding real estate values. Results should be made public and discussed before any final action is taken.

Phillip Younger, 502 E. Broadway, understands the need to additional housing but is concerned about historic preservation.

Amy Weldon, 113 Riverside Ave., stated she moved here from her hometown in Alabama which was much like Decorah. It has lost much of its' wonderful character due to uncheck development which has gutted the downtown and residential areas. She worries that will happen here under this plan. Letting the market work doesn't always mean development fits the character of the town.

David Faldet, 902 Maple, is concerned about preserving the historic areas and homes. We should not create an incentive that would harm these areas.

Verdell Fossum, 307 5th Ave., stated he is a 50 year resident and all properties he has owned and improved have been done without an incentive. He questions the study results calling for 300 additional homes in the next years. He believes it doesn't make sense as census numbers have reflected 600 less residents since 1960. He agreed a task force should be established.

Randy Uhl, Winneshiek Co Development and Decorah Jobs, explained the housing study was completed by RDG Planning and Design, one of the best groups in the Upper Midwest. Different options were considered including a rehabilitation component for historic preservation. He stressed the proposed plan can be terminated any time Council desires.

Dennis Ellingson, 702 North St. had concerns about the cost of new infrastructure where none currently exists.

Jim Dale, 901 Vernon St., believes what we need is affordable, low income homes. Those building \$500,000 homes do not need tax relief.

Carl Peterson, 914 Park St., believes this would be a great incentive to encourage the rehabilitation of existing homes which is very much needed.

Dennis Ellingson – 702 North St., stated there should be a cap on level of abatement.

Barbara Massman, 1510 Laurel Drive, asked what type of rehabilitation is eligible. Bird responded saying any improvement which increases the value more than 10%. Assessment to be determined by assessor.

Julie Fischer, 712 W. Main, believes we need more small homes for seasonal workers or only 1 person.

Public hearing closed.

Councilperson Rustad expressed his appreciation to everyone who came and thanked them for their comments.

Bird explained the proposed resolution simply states the intent to move forward with the ordinance approving the plan. No formal action can be taken on the ordinance approving the plan before Oct. 6.

Councilperson Wanless wondered if we substantially changed the components of the proposed plan do we need to have another public hearing.

Attorney Zahasky expressed his opinion that if you make a substantial change a second public hearing is needed. However, he explained that is subject to bond counsel's opinion who prepared the plan.

Wanless stated our participation in assistance with other projects in the past. The intent of this plan is to incentivize all housing levels. We do not have a lot of easily developable land and the Council needs to decide if there is a need to promote housing opportunities.

Bird clarified the proposed plan includes properties within current city limits. Future annexation will not be eligible unless the plan is amended.

Motion by Schissel, second by Wagner, to table action on Resolution 2618 stating the intention to proceed. Roll call vote. All voting aye. Motion carried.

Motion by Wanless, second by Wagner, to approve the following Mayor appointments to Historic Preservation:

Lisa Beiwel – term ending 6/30/15

Mark Muggli – term ending 6/30/16

Roll call vote. All voting aye. Motion carried.

Establishment of Community Foundation accounts with the Community Foundation of Northeast Iowa for the Park and Recreation Board was opened for discussion. It is proposed to establish a Quasi Endowment and a Permanent Endowment using funds from the sale of the Park House. A Quasi Endowment allows for the use of principal and interest while the Permanent Endowment only allows for use of interest earned.

Motion by Wanless, second by Lore, to approve Resolution 2617 establishing Community Foundation accounts with the Community Foundation of Northeast Iowa for the Parks and Recreation Board using memorial fund monies at the established levels as follows:

Quasi Endowment – Not to exceed \$84,000

Permanent Endowment – \$10,000

Roll call vote. All voting aye. Motion carried.

Park and Recreation Director Nimrod announced the pledge of up to \$50,000 in dollar for dollar matching funds for donations over the next 15 months by Decorah Bank & Trust.

Motion by Rustad, second by Lore, to approve a letter of support to the Winneshiek County Engineer for shoulder and road improvement work along County Road A52 and authorized the Mayor to sign. Roll call vote. All voting aye. Motion carried.

Consideration of bids for replacement of a backhoe was opened for discussion. 3 bids were received: JCB including pallet forks - \$51,100; Caterpillar – \$74,416.28; John Deere - \$70,795. Councilperson Kerndt stated we shouldn't buy the cheapest equipment just because it's the cheapest. It may be better to buy the more expensive unit as it may be better equipment in the long run.

Water and Sewer Superintendent Ihde stated he feels the JCB meets the needs of the department but will accept whichever unit the Council desires.

Motion by Lore, second by Rustad, to authorize purchase of the JCB backhoe for \$51,100. Roll call vote. Voting aye: Lore, Rustad, Schissel, Niess, Wanless, Wagner. Voting nay: Kerndt.

Meeting adjourned on motion.


Wanda Hemesath, MMC
City Clerk, Tr.