

Regular Meeting Minutes – November 7, 2016
Ivan “Ike” Ackerman Council Chambers

A Regular Meeting of the Waverly City Council was held on November 7, 2016 at 7:00 P. M. at City Hall. Mayor Infelt presided and the following Council Members were present: Reznicek, Waldstein, Lampe, McKenzie, Sherer, and Kangas. Absent: Gade

- A. Mayor Infelt called the meeting to order.
- B. Mayor Infelt led in the Pledge of Allegiance.
- C. Mayor Infelt led in prayer.
- D. Moved by Waldstein, seconded by Reznicek to approve the agenda as presented.
Motion passed. Yes: 6 No: 0 Absent: 1
- E. Moved by McKenzie, seconded by Sherer to approve the October 24, 2016 Regular Meeting Minutes as presented.
Motion passed. Yes: 6 No: 0 Absent: 1
- F. Council welcomed Darrin Gaede as Guest Council Person for November.
- G. Public Hearing
1. This was the date, time and place for a public hearing authorizing and approving a Loan Application for a proposed expansion project of building a new addition onto the Waverly Health Center for an approximate amount of \$36,000,000 from the office of United States Department of Agriculture (USDA) Rural Development; and authorizes the Chairperson of the Board of Trustees for the Waverly Health Center and the Secretary of the Board of Trustees for the Waverly Health Center to sign and execute all documents relating to the USDA Rural Development loan and/or grant.
 - There were no verbal or written public comments.

The public hearing was then closed.

Moved by McKenzie, seconded by Waldstein to approve Resolution 16-90 authorizing and approving a Loan Application for a proposed expansion project of building a new addition onto the Waverly Health Center for an approximate amount of \$36,000,000 from the office of United States Department of Agriculture (USDA) Rural Development; and authorizes the Chairperson of the Board of Trustees for the Waverly Health Center and the Secretary of the Board of Trustees for the Waverly Health Center to sign and execute all documents relating to the USDA Rural Development loan and/or grant.

 - Waverly Health Center Chief Executive Officer, Jim Atty, reviewed that monies from this loan/grant would be used for improvements such as leaky roofs and expansion. The additional expansion would be used for such items as: more medical providers, office space, additional emergency area, and a full-time walk-in clinic. Interest for this loan/grant is fixed at 2.3% for 40 years. Another area of potential growth would be for visiting specialties and having more physicians practice at Waverly Health Center. The City of Waverly would not have any responsibility for repayment of any of the funds nor would it impact the City’s debt capacity or future bonding. The costs of this loan/grant will not be passed onto patrons of the Waverly Health Center. The original loan on the Christophel note was 15 years and has been brought down to 13 years. Expansion will move towards the golf course with two floors and a possible third floor at a later date. There is to be no additional vertical building to be added on the existing structure.

Motion passed. Yes: 6 No: 0 Absent: 1

H. Public Comments on Items Not on the Agenda

- Pete Lampe inquired regarding Council attendance.

I. Consent Calendar

1. Pay Request from WHKS for professional services for the 3rd Street SE Bridge Repair project for \$29,666.41.
2. Pay Request from WHKS for professional services for the 3rd Street SE Bridge Repair project for \$34,279.00.
3. Pay Request from Iowa Northland Regional Council of Governments (INRCOG) for the Comprehensive Plan review for \$270.00.
4. Pay Request from WHKS for professional services for the Waverly Nutrient Reduction Strategy for \$17,527.20.
5. Pay Request from Feldman Concrete for the Citywide Concrete Sidewalk Repairs – 2016 for \$12,789.29.
6. Class E Liquor License renewal for Hy-Vee.
7. Special Class C Liquor License for Wartburg College.
8. Class E Liquor License renewal for Fareway Stores, Inc. #561.
9. Class C Beer Permit for Kwik Star #752.

Moved by Sherer, seconded by Lampe to approve the Consent Calendar.

Motion passed. Yes: 6 No: 0 Absent: 1

J. Regular Business.

1. Update on The W programming and finances.
 - The Wartburg-Waverly Sports and Wellness Center (The W) Director Sheila Kittleson gave a general update of The W programming and finances. Ms. Kittleson reported that membership numbers were up again for FY 15-16. They have grown every year. For FY 15-16 the average daily number of members in the building were 2,675. February was their highest month for membership visits with over 3,000. These numbers do not include students. Director Kittleson also compared charges for CV SportsPlex and The W, stating that CV SportsPlex charges for additional amenities such as towels, etc. while The W charges for classes. On average they have approximately 398 daily visits and a check-in high is 943. The W offers personalized training, group fitness classes, and many various recreation programming. They have at least 15 community impacting events and at least nine summer activities. The W is responsible for all youth programming with none of it being done through the City. Members of The W can submit comments to Sheila Kittleson or to the Advisory Committee.

2. Moved by Waldstein, seconded by Sherer to approve Resolution 16-91, a Resolution approving a contract for the Golf Course Pond Project to Landscapes Unlimited of Lincoln, Nebraska for \$117,549.50.

Motion passed. Yes: 6 No: 0 Absent: 1

- This is the last, however, largest pond at the municipal golf course. The planned landscaping will make for a more traditional pond. This pond is the main source for irrigation together with rainfall and water from the water pollution control facility.
3. Moved by Sherer, seconded by Kangas to approve Resolution 16-92 accepting certification to be filed by the Financial Director on or before December 1, 2016 to the Bremer County Auditor detailing the amount of New Loans, Advances and Indebtedness which qualify for payment from Tax Increment Revenues of the Waverly Unified Urban Renewal Plan.

Motion passed. Yes: 6 No: 0 Absent: 1

3A. Moved by Kangas, seconded by Sherer to approve Fiscal Year 2016 State Urban Renewal Report.

Motion passed. Yes: 6 No: 0 Absent: 1

4. Moved by Waldstein, seconded by McKenzie to approve Resolution 16-93, a Resolution approving a Professional Services Agreement and scope of services with Stanley Consultants, Inc. of Des Moines, Iowa for 2016 Dry Run Creek – FEMA Letter of Map Revision (LOMR) for the lump sum amount of \$6,500 plus \$8,000 for FEMA LORM application fee, totaling \$14,500.00.

Motion passed. Yes: 6 No: 0 Absent: 1

- The FEMA Letter of Map Revision (LOMR) application is expected to be submitted in February, 2017 and an anticipated revision should happen around October of 2017.

5. Moved by Lampe, seconded by Waldstein to approve Resolution 16-94, A Resolution Accepting the 4th Street SW Sidewalk Construction 2016 project as complete and Pay Estimate No. 2 of \$1,154.51 as final pay request to Kenny Bloker Masonry of Clarksville, Iowa.

Motion passed. Yes: 6 No: 0 Absent: 1

6. Moved by Reznicek, seconded by Sherer to approve Resolution 16-95, a Resolution approving the Iowa Northland Regional Council of Governments Transportation Authority's Surface Transportation Program Programming Agreement for the Business 218 North HMA Resurfacing project for an estimated project cost of \$800,000.00.

Motion passed. Yes: 6 No: 0 Absent: 1

- The official named roadways that are within project limits are: 20th Street NW, 5th Avenue NW and 35th Street NW from IA 3 to T77. The project corridor is locally identified as Business 218 North from W. Bremer Avenue to the City Limits. In order to receive Surface Transportation Program funds, the City needs to work with INRCOG and the Iowa Department of Transportation. The Business 218 HMA Resurfacing project is programmed into the Regional Transportation Authority's Transportation Improvement Program for federal fiscal year 2020. The project involves asphalt resurfacing of Business 218 North from the intersection of W. Bremer Avenue north to the City Limits. Additionally, paved shoulders will be added from W. Bremer Avenue to 35th Street NW.

- There will be further formal action to do this project at a later date. When determining whether a project is necessary, financing is also looked at. When a City requests federal aid, it also has to project five years out and determine the rate of deterioration. By 2020, it is anticipated that this project will be necessary. These federal funds have to be used for arterial streets or collector streets. The funds cannot be used on residential streets. While this is not a total reconstruction, it is more likely going to be a repair and overlay with shoulder paving and widening from the Redeemer Church area to the curve past the Public Services facility. There is less traffic north beyond that point so there would be only aggregate shoulders along there.

7. Moved by Kangas, seconded by McKenzie to approve Resolution 16-96, a Resolution accepting public improvements for Prairie Park 2nd Addition as completed in accordance with the approved construction documents dated October 21, 2015.

Motion passed. Yes: 6 No: 0 Absent: 1

8. Moved by McKenzie, seconded by Sherer to approve the Second Reading of Ordinance 1015, an Ordinance Amending Chapter 68 Sections 68.3b, 68.5, 68.6, 68.7 and 68.12, Dry Run Waterway, of the Waverly Municipal Code amending proposed language.
Motion passed. Yes: 6 No: 0 Absent: 1
9. Moved by Sherer, seconded by Waldstein to approve the First Reading of Ordinance 1016, an Ordinance Adopting the “City Code of the City of Waverly, Iowa.”
Motion passed. Yes: 6 No: 0 Absent: 1
10. Moved by Waldstein, seconded by Kangas to approve the First Reading of Ordinance 1017, an Ordinance Amending Chapter 100, providing for replacement of R-1 and R-2 district language with proposed R-1, R-1A and R-2 district language.
Motion passed. Yes: 6 No: 0 Absent: 1
- This ordinance change would provide for diversity in the type, density, and location of housing within Waverly as an identified housing goal in the Waverly Comprehensive Land Use Plan. The proposed ordinance amendments are reflective of what other communities have in their ordinances and what builders are willing to construct to keep up with demand in the Cedar Valley area. In addition, on-street parking accommodations and prescribed driveway standards are sought in order to reduce traffic conflicts while accommodating occasional need for on-street parking. The ordinance amendments are being proposed to further promote the general safety and general welfare of the community.
 - A twin home would be the sharing of a common wall and roof line and you may or may not have your own driveway. Younger homeowners are wanting smaller homes and less maintenance. It has been observed by City staff that a 65 foot lot will move pretty quickly on the market.
11. Moved by Sherer, seconded by McKenzie to approve Resolution 16-97, a Resolution of Support to provide financial incentives totaling 4% of development costs through a combination of infrastructure construction and TIF tax rebates.
Motion passed. Yes: 5 No: 1 (Lampe) Absent: 1
- Brian Sweeney, Representative for Cohen-Esrey Affordable Partners, LLC (CEAP) has entered into a purchase agreement for the acquisition of the former CUNA Building. The purchase depends upon the award of tax credits that would enable the firm to develop the project. CEAP is requesting city participation which is necessary to secure state tax credits. The total requested is 4% of the project cost of approximately \$7,879,036 or \$315,162. They are requesting assistance in the form of infrastructure improvements and TIF tax rebates. CEAP acquires historic properties that can be converted to senior and workforce housing in small Midwestern towns. The grant could be applied for without the City’s support, however, 95% of the grants awarded have been with City’s support. Submission date for the application is November 17. This is a competitive process to get an award of the tax credits. It is required that the end product house residents with mixed incomes with 4 market rate units as well as most of the units will be at 60% of the area’s median income which means a family of four could have an income up to \$46,500. Waverly Historic Lofts will be an attractive 34-unit apartment building which would require 62 parking spaces. There is enough parking planned for 70 vehicles. This building does need substantial amount of improvements. Since the HVAC is set up for office space, it will all have to be redone to be suitable for residential needs. The roof will need to be replaced, and the sprinkler

system will need to be installed, to name a few. Local landlords are not asking for dollars. It was questioned whether the City should be supporting local landlords instead of those from afar. The building has stood empty for four years. Since there has been no local interest, it is important for citizens that the building gets filled and this is a possible opportunity to fill it. This is a rebatement and is payable within 10 years. The building is currently privately owned. It will take about 18 months to get the units on the market.

There is quite a bit of historical value to this building. Many current Waverly residents have either worked in that building or have family members who have. This would address the availability issues of quality, and affordable housing. Each unit is approximately \$250,000 to create and once filled, each unit should bring economic impact of an estimated \$20,000 per year to the community. The rebatement will be based on taxes paid by CEAP and rebated back to them.

- Jim Atty commented that he has lived in a project of this kind and had to be on a waiting list for months before becoming eligible. While federal/state tax dollars are being utilized for this type of project, if this project isn't awarded the grant the dollars will still be used for another project.

- Pete Lampe was informed by Mr. Sweeney that this building will be 100% ADA accessible.

12. Discussion of Proposed Voluntary Annexation request for 39 acres in Northwest Waverly.

- The City was approached by owners of land adjacent to the City limits and are proposing the City annex their property to allow for future development and connection to City services and City roadways in Northwest Waverly on the east side of 20th Street NW. The parcel proposed to be annexed is 110 acres with 39 of those acres are currently outside of City limits. The most northern part of parcel is out of City limits east of 20th Street NW. It is great to see expansion on the north part of town.

13. Moved by Lampe, seconded by Kangas to approve Resolution 16-98, a Resolution authorizing change of use and amendment to development agreement for Centennial Oaks Golf Club Addition, a/k/a Prairie Links Golf Course.

Motion passed. Yes: 6 No: 0 Absent: 1

- Waverly Iowa Golf Links, LLC (“Owner”), a shareholder group of mostly landowners living adjacent to Prairie Links Golf Course (formerly Centennial Oaks Golf Course), and Brent Dahlstrom as contract purchaser (“Developer”) have applied to the City for a change of use for certain property within the Centennial Oaks Golf Club Addition planned development district to facilitate the sale of the golf course to the Developer. The group further requests the City remove the requirement that Outlot A be, maintained as a driving range. This would fulfill the 5% green space requirement for parkland. The Developer will also be adding a six-foot wide pedestrian trail. Leisure Services Commission has addressed the green space requirement and is satisfied with the pedestrian trail being counted as such. There is a risk of diminished property values and the overall risk to the City.

- David Prentice addressed some concerns he had with not knowing what levels of commercial would be allowed to develop in this project and multi-family provides total lack of definition. Mr. Prentice added that he feels there should be a clear change of zoning.

- Ryan Frerichs summarized the history of this property and the struggles that the landowners have experienced. The LLC decided in the Spring of 2016 that Prairie

Links is not sustainable. The Waverly Iowa Golf Links, LLC helps preserve and work on the golf course already built and established in the community; it preserves a \$252 Million+ in property value that is tied heavily to the golf course. It sustains the current growth of new housing, and it paves the way for a sustainable business model to ensure future success to the golf course. All for the common good. The burden of operating and maintaining an 11+ acre driving range learning center is limiting the ability of the golf course to prosper. Failure of this LLC could mean a property tax loss \$5 to \$10 Million for the City.

- Darrel Wenzel mentioned that there are a lot of cars traveling that road to go to the golf course and agrees that it could increase traffic counts which is another problem to consider.

Mr. Wenzel and others are in favor of this amendment.

- Kathy Olson made points that this is not a request for money and that the Developer is coming forth and taking a risk. Mrs. Olson added that this will generate tax revenue and that it would support small business on the commercial side. There has been no other offer. This would keep the area pleasant for residents in that area. Diversity in the City of Waverly can help be preserved by having quality multi-family housing that meets the needs of the citizens.

- Patsy Reed addressed Council as a home-owner and shareholder of Prairie Links Golf Club and past Councilmember. Mrs. Reed reminded Council that the focus for this meeting would be the resolution and the use of Outlots A and H. She added that this will mean economic development for the community, it will help sustain property values, and it will continue to capture tax dollars from the 100+ homes on the golf course.

K. Reports from Boards and Commissions

1. Historic Preservation Commission Minutes; April 28, 2016; Received into record.
 2. Historic Preservation Commission Minutes; May 26, 2016; Received into record.
 3. Historic Preservation Commission Minutes; June 30, 2016; Received into record.
 4. Historic Preservation Commission Minutes; July 28, 2016; Received into record.
 5. Historic Preservation Commission Minutes; August 25, 2016; Received into record.
 6. Historic Preservation Commission Minutes; September 22, 2016; Received into record.
 7. Planning and Zoning Commission Minutes; October 6, 2016; Received into record.
 8. Economic Development Commission Minutes; October 11, 2016; Received into record.
- Council noted they would like to see projects like the CEAP one be shared with Council in a more timely fashion and that it could possibly be a study session in the future. Community Development Director/City Attorney Bill Werger explained timelines for such a project and urged Councilmembers to contact him to talk about items they have questions on.

L. Staff Comments

- Leisure Services Director Tab Ray noted the 9th Annual Candlelight Walk event will be held this Saturday, November 12 from 5:00 p.m. to 7:00 p.m.
- City Engineer/Public Works Director Mike Cherry commented that the Yard Waste Collection Site will remain open through Saturday, November 19. Leaf pick-up has been extended for an additional week and is now scheduled to end Saturday, November 19.

M. City Council Comments

- Councilmember Reznicek spoke to the absence of Councilmember Gade being due to a family member having surgery this day.
- Councilmember Kangas reminded eligible citizens to get out and vote on Tuesday, November 8, if they haven't already. He also mentioned that for a contribution to the Wartburg Dance Marathon to raise money for the pediatric center at the University of Iowa Hospitals the students will come to rake your yard.

- N. Mayor's Comments
- Mayor Infelt spoke to the importance of the Nation's unity.
- O. Executive Session
1. Moved by McKenzie, seconded to Kangas to enter into Executive Session To discuss the purchase or sale of particular real estate only where premature disclosure could be reasonably expected to increase the price the governmental body would have to pay for that property or reduce the price the governmental body would receive for that property.
Motion passed. Yes: 6 No: 0 Absent: 1
Moved by Kangas, seconded by McKenzie to reenter into open session.
Motion passed. Yes: 6 No: 0 Absent: 1
- P. Moved by Kangas, seconded by Waldstein to adjourn. Motion passed and Council meeting adjourned at 9:53 P.M. **Yes: 6 No: 0 Absent: 1**

Charles D. Infelt, Mayor

ATTEST:

Carla Guyer, City Clerk