

REGULAR CITY COUNCIL MEETING MINUTES
FEBRUARY 19, 2007, 5:30 P.M.
CITY COUNCIL CHAMBERS

The City Council of Newton, Iowa met in regular session at 5:30 P.M. on the above date in the Council Chambers at 101 West 4th Street South. Mayor Allen presided. Present: Council members Foreman, Morgan, Hansen, Mullan, Ewing. Absent: None.

At Citizen Participation Doyle Churchill from Newton Village addressed the Council about an alley vacation by his property that he had sold in May of 2006 was never recorded; it needs to be deeded to the property. He went on to note he did not understand why it has been continually delayed. Darrin Hamilton, City Attorney stated back in July of 1999 there was an Ordinance passed to correct this but we cannot find any record of the public hearing notice, I need to direction to move forward. Mayor Allen directed the City Attorney to do what need to be done to get this taken care of. Dennis Messick, 1400 North 9th Avenue Place East stated he has paid property taxes in Newton since 1966 and Newton has the highest tax rate in eight counties. Newton is not a field of dreams. TIF is one of the major reasons we can't meet our budgets. He asked for an explanation of TIF. At this time it was noted he would not be given an explanation since it was at citizen participation.

Moved by Morgan, seconded by Mullan to approve the consent agenda. Hansen stated a correction was needed to the minutes of Feb. 12, 2007. It was Jeff Noel, not Mike Knoll. The Clerk so noted. AYES: Five. NAYS: None. Motion carried to approve the consent agenda.

Mayor Allen stated now was the time and the place for a public hearing on the Resolution Authorizing A Loan Disbursement Agreement And The Issuance Of Not To Exceed \$2,800,000 Sewer Revenue Capital Loan Notes. There had been no written comments. There was no citizen input. Hansen stated this loan would be paid back with revenue from the water pollution control fund. Moved by Hansen, seconded by Ewing to close the public hearing. AYES: Five. NAYS: None. Public Hearing closed. Moved by Ewing, seconded by Morgan to Introduce a Resolution Authorizing A Loan Disbursement Agreement And The Issuance Of Not To Exceed \$2,800,000 Sewer Revenue Capital Loan Notes. AYES: Five. NAYS: None. Resolution No. 2007 – 017 adopted.

At this time Mayor Allen handed the gavel over to Mayor Pro-Tem for agenda item number 5. Mayor Pro-Tem Hansen stated this was the time and place for a Public Hearing For A Community Development Block Grant Funding Application And A Motion To Accept The Needs Assessment. There had been no written comments. There was no citizen input. Mayor Pro-Tem Hansen stated the following:

- The City of Newton is proposing to submit a Community Development Block Grant Application to the Iowa Department of Economic Development. The grant funds will be used to help finance the demolition of 8 currently vacant buildings. 6 of the buildings are part of the Maytag 1 Plant and 2 others targeted for demolition are Maytag R & D buildings.
- Portions of the grant application were submitted to the Iowa Department of Economic Development on February 5, 2007. The remainder of the application will be submitted to the Iowa Department of Economic Development on February 20, 2007.
- The City is requesting \$1,400,000 in Grant Funds for the proposed project. If the grant is approved by the State, \$2,475,000 in matching funds is committed to complete the demolition project.
- It was determined that 38% of the residents living in the community are of low-and-moderate income. The project qualifies for CDBG funding because it meets the national objective of preventing and eliminating slums and blight.
- It will not be necessary to displace or relocate any property owners or tenants as a result of the proposed program.

Mayor Pro-Tem Hansen also stated with the Community Development and Housing Needs Assessment certain areas were identified as follows:

Community Development and Housing Needs of LMI Persons

- Neighborhood Improvement Programs
- Neighborhood Sidewalk Connections

Other Community Development and Housing Needs

- Demolish vacant buildings located on the old Maytag campus site in order to promote redevelopment of the area.
- Sand and salt storage building
- City-wide way-finding and welcome signage
- Community wide hike and bike trail
- City-wide sidewalk accessibility improvements

Motion by Ewing, seconded by Morgan to close the public hearing. AYES: Five. NAYS: None. Public Hearing closed.

Motion by Mullan, seconded by Morgan to Accept The Needs Assessment. AYES: Five. NAYS: None. Motion Carried.

Mayor Allen resumed the Council Meeting.

Moved by Ewing, seconded by Hansen to Introduce a Resolution Accepting Work On The Newton South Central Lift Station Project. Hansen stated even with the change order the project came in below the engineer's estimate. AYES: Five. NAYS: None. Resolution No. 2007 – 018 adopted.

Moved by Hansen, seconded by Mullan to Introduce a Resolution Accepting Work On The NE Service Area Sanitary Sewer, Phase 3, Division 2 Project. AYES: Five. NAYS: None. Resolution No. 2007 – 019 adopted.

Moved by Foreman, seconded by Hansen to Introduce a Resolution Approving Application For Tax Abatement In The City – Wide Urban Revitalization Area. AYES: Five. NAYS: None. Resolution No. 2007 – 020 adopted.

Moved by Ewing, seconded by Hansen to Introduce a Resolution Approving Purchase Of Real Estate And Public Utility Easements From Property Located In Section 1, Township 79 North, Range 19 West Of The 5th PM In The City of Newton, Jasper County, Iowa. Foreman stated he wanted an explanation of how this came in over the appraised value. David Watson, City Administrator stated Russ Manternach of Commercial Appraisers of Iowa, Inc conducted both of these appraisals for pre-project values in 2006. Foreman requested the numbers to be stated. Watson noted the appraisal for the right-of-way and easements for the Metro East I land totaled \$105,650. The appraisal for the Clement land acquisition was \$81,800. It was also noted through negotiations with the property owner, consideration was also given to the fact that the roads are already in place and to the potential high cost in time and dollars of condemnation proceedings. In order to avoid these higher costs, the City negotiated and accepted the offer of \$253,388 to close the property acquisition. This represents a 35% increase over the total appraised value of \$187,450. Foreman stated he was opposed to paying above the appraised value. AYES: Four. NAYS: Foreman. Resolution No. 2007 – 021 adopted.

Moved by Morgan, seconded by Ewing to Introduce a Resolution Approving Purchase Of Real Estate And Public Utility Easements From Property Located In Section 1 and 12, Township 79 North, Range 19 West Of The 5th PM In Jasper County, Iowa. Foreman stated for the record same song as the previous resolution. AYES: Four. NAYS: Foreman. Resolution No. 2007 – 022 adopted.

Moved by Hansen, seconded by Mullan to Introduce a Resolution Affirming A Contract Of Employment For David Watson As City Administrator. Mayor Allen read the entire council report. This resolution is a housekeeping item because of an Iowa Court of Appeals ruling on January 31, 2007. AYES: Five. NAYS: None. Resolution No. 2007 – 023 adopted.

David Watson, City Administrator led a discussion on TIF incentives. Ewing noted as a past community development director he consistently used 15% - 18% of total project costs for incentives. Watson stated in the Prairie Fire District a gas station was asking for

25% of project costs for incentives. Ewing stated when trying to negotiate there were considerations that needed to be looked at. 1. Type of Use. 2. Timing of Project. 3. Economic Contribution to the tax base. 4. Community Need. These four things need to be looked at besides the percentage. Go case by case. It was noted an explanation of TIF should be put together so citizens can understand it. A market study was also discussed. It was noted if a study was done it should include the entire city.

Under new business Hansen stated perhaps once the budget is completed that be a good time for a workshop on updating the citizen participation process and rules. Mayor Allen reminded the citizens of the deadline for filing papers with the city clerk interested in the appointment in the third ward was Monday, February 26, 2007 @ 4:30 p.m. Mullan stated he would like to review the tax abatement program in the residential area sometime. Stan Clement stated he appreciated what the city has done and would be willing to participate in the market study that had been discussed.

Moved by Hansen, seconded by Mullan to adjourn the meeting at 6:45 p.m. Motion unanimously carried by voice vote.

Charles Allen, Mayor

Candice Van Zee, CMC
City Clerk