

SPECIAL CITY COUNCIL MEETING MINUTES
MAY 14, 2007, 5:30 P.M.
CITY COUNCIL CHAMBERS

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

Moved by Foreman, seconded by Morgan to reconsider the Ordinance Amending Title 2, Chapter 11, Article 6, Of The Code of Ordinances Of The City of Newton, Speed Limits For Iowa Speedway Drive And Rusty Wallace Drive. AYES: Four. NAYS: Hansen, Ewing. Reconsideration of the Ordinance passed. Moved by Foreman, seconded by Morris to Introduce on first consideration of an Ordinance Amending Title 2, Chapter 11, Article 6, Of The Code of Ordinances Of The City of Newton, Speed Limits For Iowa Speedway Drive And Rusty Wallace Drive. AYES: Four. NAYS: Hansen, Ewing. First consideration of the ordinance passed. No further action was taken.

David Watson, City Administrator noted Chip Schultz, Ruan Securities would be presenting a spreadsheet titled projection of legal debt capacity. Our focus with these documents is to show all possible bonding needs. The areas covered are economic development, capital improvements and the Newton Promise. My intention is not to debate what is in the CIP or the merits of the Promise. What we hope to discuss is the needs in general and what information you may need to develop a bonding policy. Schultz presented the spreadsheet showing the different scenarios of bonding for different projects and where we would be with debt capacity. The spreadsheet went out several years; Schultz went on to explain he was very conservative with the valuations as he kept them the same throughout.

The next agenda item was a discussion on the Prairie Fire Urban Renewal Plan. Bryan Friedman, Community Development Director stated the overall intent of the Prairie Fire Urban Renewal Plan is spelled out very clearly in Section C, the goals. The policies to implement these goals, found in Section I, are specifically designated as "guides" to development assistance. Informed by these policies, with an eye towards the broad goals of the Plan, Council can, at its discretion, interpret the appropriateness of any given project incentive proposal. Friedman went on to note he agreed that the indebtedness portion of Section K City Financial Data should be revisited. Ewing reiterated his recommended revisions that he stated at the regular council meeting on May 7, 2007.

Moved by Foreman, seconded by Hansen to Introduce a Resolution Setting A Public Hearing To Approve A Redevelopment Agreement With Newton Lodge And Suites, LLC, For An AmericInn Hotel On Property Located Within The Prairie Fire Economic Development Area. AYES: Six. NAYS: None. Resolution No. 2007 – 056 adopted.

Moved by Foreman, seconded by Mullan to Introduce a Resolution Stating Intent To Accept Redevelopment Proposal From House Calls Of Central Iowa, LLC, Setting Public Hearing On Proposed Sale If Urban Renewal Land, And Inviting Competing Proposals. The question on the liens of the property were addressed, stating that House Calls has proposed to purchase the building and its adjoining land from the City and to assume the responsibility for all current and future liens and claims against the property. This resolution starts the thirty-day clock by setting June 15th as the date for competing proposals to be received and June 18th as the date for the public hearing. AYES: Six. NAYS: None. Resolution No. 2007 – 057 adopted.

Moved by Hansen, seconded by Foreman to go into closed session To Discuss Strategy with Counsel in Matters that Are Presently in Litigation or Where Litigation is Imminent Where its Disclosure Would be Likely to Prejudice or Disadvantage the Position of the Governmental Body in that Litigation, Which Discussions are Exempt from the Open Meetings Law Pursuant to the Provision of Section 21.5(1)(c), Code of Iowa 2007. AYES: Six. NAYS: None. Motion passed. Mayor Allen declared a five-minute recess to clear the council chambers.

At 7:12 p.m. with all council members present, and the City Attorney present via telephone a motion was made by Foreman, seconded by Mullan to adjourn the meeting at 7:12 p.m. Motion unanimously carried by voice vote.

Charles Allen, Mayor

Candice Van Zee, CMC
City Clerk