



# CITY OF PELLA

## CITY COUNCIL OFFICIAL MINUTES

August 21, 2018

### **A. CALL TO ORDER BY MAYOR AND ROLL CALL**

The City Council of the City of Pella, Iowa, met in regular session at the Public Safety Complex meeting room at 7:00 p.m., Mayor Jim Mueller presiding. Council members present were: Mark De Jong, Tony Bokhoven, Lynn Branderhorst, Harold Van Stryland, Bruce Schiebout, Larry Peterson. Absent: None. City Administrator Mike Nardini, City Attorney Kristine Stone, and City Clerk Mandy Smith were present. Five staff members and six members of the general public signed the register.

### **B. MAYOR'S COMMENTS**

1. Announce no Policy and Planning meeting will follow the regular Council meeting.
2. Approval of Tentative Agenda. Item B-4/L-1 was pulled from the agenda. Peterson moved to approve, seconded by Schiebout. On roll call the vote was: AYES: Peterson, Schiebout, De Jong, Bokhoven, Branderhorst, Van Stryland. NAYS: None. Motion carried.
3. Appointment of Lyle Vander Meiden to the Board of Adjustment. Branderhorst moved to approve, seconded by De Jong. On roll call the vote was: AYES: Branderhorst, De Jong, Bokhoven, Van Stryland, Schiebout, Peterson. NAYS: None. Motion carried.

BACKGROUND: Lyle Vander Meiden has served on the Board of Adjustment since July 2, 2002 as one of the Mahaska County extraterritorial members. Lyle has attended all 12 of the Board of Adjustment meetings held in the past two years. Recently, Lyle moved within City limits, therefore, he would like to be appointed to fill the Board of Adjustment vacancy created by the resignation of Karissa Hastings. Lyle and his family have owned and operated KAL Services and Midwest Sanitation since 1981. He and his wife Kathy now reside at 1120 W. 3rd Street in Pella.

If approved, Lyle would assume the remainder of Karissa's term which expires on January 1, 2022.

ATTACHMENTS: None  
REPORT PREPARED BY: Planning and Zoning  
REVIEWED BY: CITY ADMINISTRATOR  
CITY CLERK  
RECOMMENDATION: Approve the appointment

4. This item was pulled from the agenda.
5. Announce closed session pursuant to Iowa Code Chapter 21.5 1(j) 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.

### **\*PUBLIC FORUM (for anyone wishing to address Council regarding agenda items)**

Comments were received and addressed.

### **C. APPROVAL OF CONSENT AGENDA**

Van Stryland moved to approve the consent agenda, seconded by Bokhoven. On roll call the vote was: AYES: Van Stryland, Bokhoven, Branderhorst, Schiebout, Peterson, De Jong. NAYS: None. Motion carried. The following items were approved:

1. Approval of Minutes
  - a. Official Council Minutes for August 7, 2018
2. Report of Committees
  - a. Policy and Planning Minutes for August 7, 2018

PRESENT: Mayor Jim Mueller, Lynn Branderhorst, Harold Van Stryland, Bruce Schiebout, Larry Peterson

ABSENT: Mark De Jong, Tony Bokhoven

OTHERS: City staff and visitors

The Policy and Planning meeting began at 7:38 p.m. The only item on the agenda was a discussion about potential improvements to the Community Center gymnasium ceiling. As background, the gym was closed to the public in April of 2018 due to an increasing number of ceiling tiles and drywall coming loose from the ceiling structure.

In May of 2018, the City hired Klingner and Associates to evaluate the situation and provide a suggested course of action. The structural engineer's opinion is that the ceiling is not salvageable. The estimated cost to repair the ceiling could be in the range of \$50,000 to

\$150,000. Until the ceiling tiles are removed, it is unknown to what extent the drywall is loosening from the ceiling framing. Replacement of any significant amount of drywall is expected to be costly as two layers are required for fire protection.

At the end of the discussion, staff was directed to proceed with the facilities needs assessment, which is expected to be complete in December of 2018. After that time, Council will decide how to address the gymnasium ceiling. The needs assessment will provide a written report, cost comparisons, and a recommendation to Council on whether the Community Center should be renovated or if a new Community Center should be built. In the meantime, the Community Center gymnasium will remain closed to the public and staff will make every effort to schedule our youth basketball programs for other locations in the community.

The meeting adjourned at 7:55 p.m.

Respectfully submitted:

Mandy Smith

City Clerk

#### b. Board of Adjustment Minutes for June 26, 2018

Vice-Chairperson Corbett called the Board of Adjustment to order at 6:00 p.m. in Public Safety Complex. Members present were: Jim Corbett, Vince Nossaman, Susan Reiter, Lyle Vander Meiden, and Mike Vander Wert. Absent: Karissa Hastings, Merlan Rolffs, Jane Smith, and Glenn Van Wyk. Staff present: Zoning Administrator Bryce Johnson and Deputy City Clerk Cynthia Vaske. Others present: Daniel Rutledge.

##### CHAIRPERSON'S COMMENTS

Approval of the Tentative Agenda

Motion by Vander Wert, second by Reiter to approve the tentative agenda. Motion carried 5-0.

##### APPROVAL OF MINUTES

Motion by Vander Meiden, second by Reiter, to approve the June 12, 2018 minutes. Motion carried 5-0.

##### PUBLIC HEARINGS

Application for a Variance for the Property Located at 1705 Neil Drive to Construct a Deck Within the Required Minimum Setback of the Rear Yard (Case BOA18-08).

The applicant, Daniel Rutledge, is the owner of 1705 Neil Drive. The applicant requests a variance from the rear yard setback requirement in Table 165.12-3 to accommodate the construction of a new deck. The zoning for the property in question is R1A, Moderate-Density Single-Family Residential, which requires a rear yard setback of 35 feet. The existing residential structure sits approximately 37 feet from the rear property line and has a two-foot existing deck extending into the rear yard, making the property legally conforming. The applicant has requested a variance to construct a new deck 12 feet into the 35-foot rear yard setback, which, if approved, would create a new setback of 23 feet.

While staff believes the location and configuration of the lot may be unusual, the request does not appear to meet the requirement mentioned in #7 above, which states "the owner has been deprived of all beneficial or productive use of the land" in order to be eligible for a variance. Additionally, it appears that an alternative may be to construct a patio, which is likely to serve much of the same purpose and would not require a variance under the City's zoning code. Therefore, it is the opinion of staff that this request fails to meet all seven criteria required in the City's zoning code and recommends denial of the variance.

Convened Public Hearing on the variance request for 1705 Neil Drive.

Motion by Reiter, second by Vander Wert to accept five written comments into the public record, Motion carried 5-0.

Rutledge presented the Board with photos of the property and spoke in favor of the variance. He explained that a patio instead of a deck would not be an option due to his physical inability to navigate the stairs that would be required to access the patio from the back of his home.

In answer to a question from the Board, Rutledge said his property is not part of a homeowner association.

Motion by Reiter, second by Corbett to close the public hearing as no further comments were received. Motion carried 5-0.

Motion by Vander Meiden, second by Corbett to approve the variance as presented. The explanation given by Vander Meiden for his motion was the unique location of the home with it having streets along three sides of the property. Motion carried 5-0.

##### OTHER BUSINESS/PUBLIC FORUM

Zoning Administrator Bryce Johnson said that the Planning and Zoning Commission recently had a work session where they discussed potentially requiring all cocktail lounges to have a special use permit to operate within the City of Pella. Corbett requested that the Board receive an update from staff at the next meeting regarding the attendance of Board members. Vander Meiden said that due to his impending move from Mahaska County, he will need to resign from his position on the Board as a representative of Mahaska County. When asked, he said he may be interested in serving on the Board as a resident of Pella.

Adjourned at 6:26 p.m.

#### c. Historic Preservation Commission Minutes for July 9, 2018

Chairperson Mansueto called the Historic Preservation Commission to order in the City Hall Conference Room at 5:34 p.m. Members present were: Kathy Bruxvoort (arrived at 5:35 p.m.), Rhonda Kermode, Jim Mansueto, and Kent Oppenhuizen. Staff present: Finance Director Corey Goodenow, Zoning Administrator Bryce Johnson, and Deputy City Clerk Cynthia Vaske. Others present: Sara André and Jessica Vos.

##### APPROVAL OF MINUTES

Motion by Kermode, second by Oppenhuizen, to approve the minutes from the May 14, 2018 meeting. Motion carried 4-0.

##### OTHER BUSINESS/WORK SESSION

Review of State Programs with Architectural Historian Sara André, Iowa State Historic Preservation Office

Mansueto thanked Iowa State Historic Preservation Office Architectural Historian Sara André for attending the meeting. Finance Director Corey Goodenow highlighted some questions that the Historic Preservation Commission had during its last meeting: what the State of Iowa looks for in applications it receives for historic districts, the level of expertise needed by someone to complete an application for a historic district, and if there are any tax credit benefits available to those in local historic districts.

André introduced Iowa State Historic Preservation Office Intern Jessica Vos. André gave an overview of the National Alliance of Preservation Commissions Forum scheduled for later this month in Des Moines, Iowa, which Kermode and Zoning Administrator Bryce Johnson plan to attend.

André explained the forms needed to apply for listing on the National Register of Historic Places (National Register). Successful nominations have been made via professionals, but also by groups of volunteers. The standards have gotten stricter over time, but ultimately a descriptive narrative and a significance statement are required.

Bruxvoort asked how an application for the National Register aligns with the City's local historic district application. André said the National Register looks at things that are of local, statewide, or national significance. Cities can have their own local designation for districts

or individual buildings. By applying the National Register criteria to local historic district designations, then it provides a good foundation for a potential National Register listing in the future. An example of something with local significance is the local Collegiate District. André distributed information to the Commission on the State Historic Preservation and Cultural and Entertainment District (HPCED) Tax Credit Program. She explained that only income-producing properties are eligible for a federal tax credit. If it is a local landmark, then it doesn't have to be listed on the national register to be eligible for the HPCED tax credit program, which is a 25% credit on the qualified rehabilitation expenditures. For example, a driveway as part of a project is not a qualified rehabilitation expenditure, but the State would still review it to make sure it meets the Secretary of the Interior's standards because it all has an impact on the historic resource. The main steps in the state tax credit process are identifying the historic building, meeting with Iowa State Historic Preservation Office staff, a description of the work to be done, and then the registration process for either large projects or small projects. Large projects are competitive and small projects are non-competitive and under \$750,000 for the project cost.

Kermode asked if there have been instances where people have lost their National Register status because they have altered their home too much. André said no, but there have been projects that have been denied and cannot get a state tax credit. In order to lose National Register status, the owner must initiate the delisting process. In response to a question from Mansueto, André said the HPCED tax credit program evaluates both exterior and interior work being done in a project, but it is a rehabilitation and not a restoration.

André distributed copies of The Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings booklet to the Commission and staff. She explained the booklet gives examples of work that is recommended and not recommended.

Goodenow said at the previous meeting, the Commission had concerns that the level of review for a historic district would be too challenging that it would be costly for someone to put together a historic district application. André said what her office tends to see with historic district applications is that someone in the community prepares the application, city staff and a historic preservation commission reviews it, and then sends it to the state with notes. She said if the goal is to have a historic district listed on the National Register, significant time and costs will be involved in the process, but this is not necessarily true for local historic district applications.

Kermode asked André if it might be beneficial for the Commission to visit other communities. André said Mount Vernon is a community that is similar in size to Pella and said she would give staff the contact information for a preservation consultant who serves on the historic preservation commission there.

Kermode asked if André had any suggestions for the Commission on how to be successful in their endeavors. André said she is willing to attend future Commission meetings and answer questions. She said the Commission has to balance the needs of its community with the goals the Commission is trying to advocate for. Mansueto asked about infill projects for neighborhoods. André said the buildings should be compatible with the surrounding structures, such as similar setbacks.

Adjourned at 6:46 p.m.

#### d. Library Board Minutes for July 10, 2018

I. Call to Order: President Praveen Mohan called the meeting to order at 4:04 p.m. Board members present were: Verlan Den Adel, Brenda Huisman, Praveen Mohan, Kenny Nedder, and Rachel Sparks. Library Director Wendy Street was present. Angela Adam and Jane Koogler were excused.

II. Recognition of Visitors and Visitor Comments: Corbin James Sparks was present as a guest.

III. Approval of Agenda: There were no changes to the agenda. The agenda stood as presented.

IV. Disposition of Minutes: All Board members received the June 2018 minutes prior to the meeting. Verlan moved to approve the June minutes as written. Rachel seconded the motion. The minutes were unanimously approved.

V. Approval of Bills: All Board members received the July list of bills prior to the meeting. After a brief discussion and questions regarding the bills, Kenny moved to approve the July bills. Brenda seconded the motion. The bills were unanimously approved.

VI. Unfinished Business: There was no unfinished business.

VII. New Business:

a. Election of officers – Praveen read the proposed slate of officers:

- President – Praveen Mohan
- Vice President – Angela Adam
- Secretary – Kenny Nedder

Verlan moved to elect the officers as presented. Rachel seconded the motion. The board unanimously elected the slate of officers for the coming year.

b. Board ethics/Conflict of interest statements – Wendy reviewed the purpose of these annual statements.

c. FY17/18 statistics – Wendy provided a brief review of the 2017-2018 report. A discussion then took place on how we can help to draw in more traffic this year.

d. Progress report on Plan for Service – Wendy reviewed the progress to goals from this year's results and reflected on the previous years. In total there were 42 activities and 41 were completed. A new Plan for Service is in process of being developed.

VIII. President's Report and Announcements:

a. Praveen reviewed the committee assignments for 2018-2019.

b. Praveen welcomed Brenda to the board and her first official meeting.

IX. Director's Report:

a. Summer Reading Programs – We started handing out reading logs on May 21. With the new format this year, we didn't start handing out prizes until June 20. Approximately 1,100 logs have gone out and we have awarded 354 prizes so far this summer. To date, there have been 194 entries in the adult summer reading program drawings.

b. Iowa History on the Move RV – 492 people visited the exhibit, despite the hot weather. One visitor accidentally stepped into the stairwell and scraped his shin, but did not require medical attention. To coincide with the visit, the Pella Historical Society put a nice exhibit in our main display cases, and the Pella Historic Trust put a display in the lobby display case.

c. Building and grounds – Country Landscaping made the necessary repairs to level the pavers in front of the library and eliminate the trip hazards. The bill is included in this month's list.

d. Statistics

• FaxScan24: 16 faxes sent.

• Mobile print service: 12 users sent 27 jobs totaling 41 pages.

• Hoopla: 378 total circs borrowed by 184 patrons. Average of 2 circs per patron. 74 patrons used all 3 checkouts. Average price per circulation: \$2.19. 46 patrons were blocked by the budget caps.

e. Upcoming events

• July 10 at 6:00 p.m.: Family Night – Sing Along and Dance Party! All ages are welcome to join us. We will be watching a family favorite movie and singing along.

• July 11 at 11:15 a.m.: Weekly Program: Nature Sounds! This program is for kids who have finished K to 5th grade.

- July 16 at 7:00 p.m.: Paranormal Iowa: Tales of Ghosts, UFOs and Mysterious Creatures. Chad Lewis has traveled the back roads of the world for over two decades in search of the strange and unusual, and will cover the entire spectrum of Iowa's supernatural activity. Held in the Meeting Room.
- July 18 at 11:15 a.m.: Weekly Program: Ukuleles Rock! This program is for kids who have finished K to 5th grade.
- July 19 at 10:15 a.m.: Genealogy Club will meet in the Heritage Room.

X. Trustee training reports:

- a. Library Levy webinar – Wendy provided an update on the session she attended. A discussion then focused on the Iowa law that allows a portion of tax revenue to be used for special initiatives for a library. The board then discussed the merits and potential pitfalls of using this type of funding. Wendy will review with the City Manager; no further action was proposed.

XI. Committee reports:

a. Governance & Policy:

- i. Meeting Room policy – The policy was reviewed; the following change was proposed: "Require 24-hour advanced notice for scheduling a study room." Verlan motioned to approve the updated Meeting Room policy as amended. Praveen seconded the motion. The updated policy was unanimously approved.

- ii. Computer and Internet policy – The policy was reviewed; the following change was proposed: "Removing the use of the content filter." Kenny motioned to approve the updated Computer and Internet policy as amended. Praveen seconded the motion. The updated policy was unanimously approved.

XII. Adjournment: President Praveen Mohan adjourned the meeting at 5:03 p.m. The next regularly scheduled Board Meeting is scheduled for August 14, 2018.

e. **Planning and Zoning Commission Minutes for July 23, 2018**

Chairperson Landon called the Planning and Zoning Commission to order at 7:00 p.m. in the Public Safety Complex. Members present were: Craig Agan, Joe Canfield, Julio Chiarella, Mark Groenendyk, David Landon, Robin Pfalzgraf, Gary Van Vark, and Ann Visser. Absent: Cathy Haustein, Ervin Van Wyk, and Teri Vos. Staff present: City Administrator Mike Nardini, Zoning Administrator Bryce Johnson, and Deputy City Clerk Cynthia Vaske. Others present: Brad Uitermarkt and Marc Vande Noord.

APPROVAL OF TENTATIVE AGENDA

Motion by Visser, second by Canfield to approve the tentative agenda. Motion carried 8-0.

APPROVAL OF MINUTES

Motion by Agan, second by Visser to approve the minutes of the June 25, 2018 meeting. Aye: Agan, Visser, Canfield, Chiarella, Landon, Pfalzgraf, Van Vark. Abstain: Groenendyk. Nay: None. Motion carried 7-1.

NEW BUSINESS PROPOSED

Proposed Site Plan to Construct a 4,320-Square Foot Six-Unit Multiple Family Residential Structure at 701 E. 8th Street (Case PC18-017) Vande Noord Properties, LLC has submitted a site plan to construct a 4,320-square foot, six-unit, multiple family residential structure. The proposed development is intended to mirror the existing eight-plex residential structure, which was approved by the Planning and Zoning Commission in 2016. Staff believes the proposed site plan meets the requirements of the City's zoning code and is consistent with the City's Comprehensive Plan. Therefore, staff is recommending the site plan be approved as submitted and presented.

Canfield asked about the proposed parking lot and whether it is being designed so it can continue to the north. Applicant Marc Vande Noord replied that the area Canfield is referring to will be used as a turn-around to allow for easier parking.

Motion by Canfield, second by Van Vark to approve the site plan as submitted. Motion carried 8-0.

Proposed Site Plan to Pave an Existing Gravel Storage Lot on the Vermeer Corporation Campus (Case PC18-018)

Vermeer Corporation has submitted a site plan to pave an existing gravel area currently being used for storage. As further background, Vermeer Corporation has received approval for three previous resurfacing site plans in 2017 and earlier this year. Staff believes the proposed site plan meets the requirements of the City's zoning code and is consistent with the City's Comprehensive Plan. Therefore, staff is recommending the site plan be approved as submitted and presented.

Visser asked whether Vermeer Corporation is still requesting that this item be approved after dealing with the recent tornado damage to their campus. Chiarella questioned why it is necessary to have the Commission's approval for paving gravel. Landon said that city code dictates that the Commission must approve site plans. Van Vark asked how long site plans are good for. Landon said that upon approval, site plans are good for one year. He explained that the proposed site plan is for an area that was not damaged by the tornado.

Motion by Visser, second by Pfalzgraf to approve the site plan as submitted. Motion carried 8-0.

OTHER BUSINESS/PUBLIC FORUM

City Administrator Mike Nardini said a special Commission meeting is scheduled for August 13, 2018. At that meeting, the Commission will review a proposed planned unit development for a housing development in Bos Landen. A public hearing will also be held during the meeting to review special use permit requirements for cocktail lounges. Nardini explained that both of those items were originally intended to be on the agenda for tonight's meeting, but the Pella Chronicle failed to publish the required notices in time.

Adjourned at 7:11 p.m.

3. **Petitions and Communications**

a. **Special Event Permit Request for the Walk for Freedom**

BACKGROUND: Central College has requested a special event permit for the Walk for Freedom scheduled on Saturday, October 20, 2018. The proposed event would take place from 9:00 to 11:00 a.m. with set-up starting at 7:30 a.m. and take down complete by noon.

If approved, this would be the third annual Walk for Freedom event in Pella. The promoter is expecting 50 people to participate in this year's event, with the goal of raising approximately \$500 to support human trafficking awareness. The proposed walk route remains the same as last year, starting and ending at the Tulip Toren, as outlined on the attached map. No street closures have been requested as participants would walk in a single file line on sidewalks.

All pertinent City departments have reviewed this application and comments are attached. The fee and insurance certificate have been received, and approval is recommended.

ATTACHMENTS: Application, Map, Department Comments

REPORT PREPARED BY: City Clerk

REVIEWED BY: CITY ADMINISTRATOR

CITY CLERK

RECOMMENDATION: Approve special event permit

**D. \*PUBLIC HEARINGS**

1a. Public Hearing on Requiring Special Use Permits for Cocktail Lounge Uses. No written or oral comments were received. Schiebout moved to close the public hearing, seconded by Bokhoven. On roll call the vote was: AYES: Schiebout, Bokhoven, Branderhorst, Van Stryland, Peterson, De Jong. NAYS: None. Motion carried.

BACKGROUND: This proposed ordinance would require a special use permit for all new cocktail lounge uses (i.e. bars and taverns) under the City's zoning code. Currently, cocktail lounges are permitted by right in the following zoning districts: Mixed Use Urban Commercial Corridor (CUC), Community Commercial District (CC), Commercial Planned Development District (CPD), Limited/Light Industrial District (M1), and Heavy Industrial District (M2). Additionally, cocktail lounges are permitted in the Central Business District (CBD) by special use permit, with a maximum limit of two.

**Special Use Permit Requirements**

As Council is aware, special use permits require direct oversight by the Board of Adjustment and are intended for uses which have unusual site development or operating characteristics that could adversely affect surrounding properties. Essentially, the purpose for special use permits is to make sure slightly-out-of-character uses can be made to "fit" with the surrounding area. Staff believes cocktail lounges fit into this description, as they may have an adverse impact on surrounding property, particularly if they are adjacent to residential properties. Furthermore, the Board of Adjustment is required to conduct a public hearing and notify neighboring properties before a special use permit can be authorized. This helps ensure that neighboring property owners who have concerns with a proposed cocktail lounge use will have a forum to voice their concerns before the use is allowed. It is also important to note, the Board of Adjustment will review other items associated with special use permit applications, such as required infrastructure, parking, and public safety related issues. Staff would also like to mention that the Board of Adjustment has a table of criteria, included as an attachment to this memo, to consider when reviewing special use permit applications. For instance, the Board could restrict operating hours, impose operational limits, and other necessary items to help ensure land use compatibility with the surrounding area. Furthermore, the Board can also revoke special use permits, which will provide the City with additional enforcement options in dealing with problem cocktail lounge uses.

**Existing Cocktail Lounges**

There are currently three businesses that operate as a cocktail lounge under the City's zoning code definition. The Cellar Peanut Pub and The Wijn House operate in the CBD and were therefore required to obtain a special use permit based on existing zoning requirements. The Funk Lounge currently operates in the CC zoning district and would be grandfathered in.

**Staff Recommendation**

This proposed ordinance would require new cocktail lounges to apply for a special use permit in all eligible districts. In essence, the ordinance simply amends the City's zoning code by replacing "P" (Uses Permitted by Right) with "S" (Uses Permitted by Special Use Permit) for cocktail lounge land uses in the CUC, CC, CPD, M1, and M2 zoning districts. Staff believes this requirement would achieve the desired result of ensuring new cocktail lounge uses fit within the neighborhood and minimizes the impact on surrounding neighbors. Therefore, staff is recommending approval of the proposed ordinance which would formally require all future cocktail lounge uses to obtain a special use permit. Finally, it is important to note, the Planning and Zoning Commission unanimously approved this proposed ordinance at their meeting on August 13, 2018.

ATTACHMENTS: Ordinance, Zoning Map, BOA Criteria for Reviewing Special Use Permits  
REPORT PREPARED BY: Planning & Zoning  
REVIEWED BY: CITY ADMINISTRATOR  
CITY CLERK  
RECOMMENDATION: Approve ordinance

1b. Ordinance No. 945 entitled, "AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF PELLA BY AMENDING TABLE 165.12-2, PERMITTED USES BY ZONING DISTRICTS, BY REQUIRING SPECIAL USE PERMITS FOR COCKTAIL LOUNGE USES IN THE CUC, COMMERCIAL – MIXED USE URBAN CENTER, CC, COMMUNITY COMMERCIAL DISTRICT, CPD, COMMERCIAL – PLANNED DEVELOPMENT DISTRICT, M1, LIMITED/LIGHT INDUSTRIAL DISTRICT, AND M2, HEAVY INDUSTRIAL DISTRICT." De Jong moved to place ordinance no. 945 on its first reading, seconded by Schiebout. On roll call the vote was: AYES: De Jong, Schiebout, Peterson, Bokhoven, Branderhorst, Van Stryland. NAYS: None. Motion carried.

2a. Public Hearing on the Proposed Amendment No. 1 to the Southwest Urban Renewal Plan. No written or oral comments were received. Peterson moved to close the public hearing, seconded by Schiebout. On roll call the vote was: AYES: Peterson, Schiebout, De Jong, Bokhoven, Branderhorst, Van Stryland. NAYS: None. Motion carried.

BACKGROUND: The purpose of this amendment is to account for additional public infrastructure needed for the proposed housing development by Harvest Investments Vintage Cooperative. This development is approximately 30 acres and is located in the Bos Landen Development approximately 1,200-feet south of the intersection of Bos Landen Drive and Utrecht Laan. The development abuts holes #1, #2, #17, and #18 of the Bos Landen Golf Course.

The proposed development includes a 41-unit housing cooperative, which will contain many amenities including high-end finishes in the individual housing units, heated underground parking, courtyard, club room, exercise facility, and pickle ball courts. This portion of the development is intended for persons 55 years of age or older who would like to 'right-size' their housing needs. The developer estimates the construction cost of the cooperative project to be approximately \$13.5 million.

In addition to the housing cooperative project, the developer is also proposing to construct 10 single-family homes which will be similar to the existing single-family homes in the Bos Landen Development. Finally, at full build out, the developer estimates the property taxes generated from this development will be approximately \$275,000 annually.

**Housing Needs in the City of Pella**

The City of Pella's Comprehensive Plan in 2014 identified the need for an additional 480 housing units to be constructed to meet population demands through the year 2035. Furthermore, a more recent and in-depth housing analysis conducted in 2015 identified the need for an additional 966 housing units through the year 2025 to meet our community's housing needs. All forms of housing were noted as a need in our

community. It is important to note, 966 housing units equates to roughly a 15% increase in the number of housing units currently located within our community.

**Proposed Amendment**

The original Southwest Urban Renewal Plan included only phase 1 of this development's infrastructure, which was estimated to cost \$950,000. Subsequently, the developer has expanded their plans and now intends to have lots for single-family housing. As a result, the estimated cost to construct the public infrastructure for this development is \$2,100,000. This amendment simply adjusts the estimated cost for the public infrastructure from \$950,000 to \$2,100,000.

As background, the Southwest Urban Renewal Plan is intended to help facilitate additional housing in our community. The urban renewal plan includes the use of Tax Increment Financing (TIF) to provide economic development incentives for new housing.

Agenda Item D-2-b: Consultation Report from August 2, 2018

Iowa Code requires the City to hold a consultation with all affected taxing entities prior to adopting or amending urban renewal areas. This consultation was held on August 2, 2018. A motion is listed on the agenda that would accept the report from this Consultation into the record.

Agenda Item D-2-c: Resolution No. 5889

This resolution adopts Amendment No. 1 to the Southwest Urban Renewal Plan, which adjusts the estimated cost for the public infrastructure from \$950,000 to \$2,100,000. It is important to note, passage of this amendment does not obligate Council to award economic development incentives, rather it simply allows Council to consider economic development incentives up to \$2,100,000 for the development.

ATTACHMENTS: Consultation Report, Resolution, Amendment No. 1

REPORT PREPARED BY: City Administration

REVIEWED BY: CITY ADMINISTRATOR

CITY CLERK

RECOMMENDATION: Accept report and approve resolution

- 2b. **Approval of the Consultation Report Regarding the Proposed Amendment No. 1 to the Southwest Urban Renewal Plan from August 2, 2018.** Bokhoven moved to approve, seconded by Schiebout. On roll call the vote was: AYES: Bokhoven, Schiebout, Peterson, De Jong, Branderhorst, Van Stryland. NAYS: None. Motion carried.

Staff Present: Mike Nardini, City Administrator

Others Present: Mary Bogaard

The City of Pella held a consultation concerning a proposed amendment no. 1 to the Southwest Urban Renewal Plan with all affected taxing entities, commencing at 2:00 p.m. on August 2, 2018. The meeting was held in the Pella City Hall located at 825 Broadway Street in Pella Iowa. Mike Nardini, City Administrator for the City of Pella, and Mary Bogaard, Business Manager for the Pella Community Schools, were in attendance. Nardini explained that this amendment no. 1 to the Southwest Urban Renewal Plan does not change either the geographical boundaries or term of the plan, but rather increases the overall estimated cost for the public infrastructure required for the Harvest Investments development project.

With no additional questions, the meeting was adjourned at 2:30 p.m.

Respectfully submitted:

Mike Nardini

City Administrator

- 2c. **Resolution No. 5889 entitled, "RESOLUTION DETERMINING AN AREA OF THE CITY TO BE AN ECONOMIC DEVELOPMENT AREA, AND THAT THE REHABILITATION, CONSERVATION, REDEVELOPMENT, DEVELOPMENT, OR A COMBINATION THEREOF, OF SUCH AREA IS NECESSARY IN THE INTEREST OF THE PUBLIC HEALTH, SAFETY OR WELFARE OF THE RESIDENTS OF THE CITY; DESIGNATING SUCH AREA AS APPROPRIATE FOR URBAN RENEWAL PROJECTS; AND ADOPTING AMENDMENT NO. 1 TO THE SOUTHWEST URBAN RENEWAL PLAN."** Peterson moved to approve, seconded by De Jong. On roll call the vote was: AYES: Peterson, De Jong, Bokhoven, Branderhorst, Van Stryland, Schiebout. NAYS: None. Motion carried.

- 3a. **Public Hearing on Rezoning for Harvest Investments Vintage Cooperative Development Property Located Approximately 1,200-feet South of the Intersection of Bos Landen Drive and Utrecht Laan from Agricultural (A1) to Planned Unit Development (PUD).** Two written comments were received and included in the Council packet. One oral comment was received. Peterson moved to close the public hearing, seconded by Schiebout. On roll call the vote was: AYES: Peterson, Schiebout, De Jong, Bokhoven, Branderhorst, Van Stryland. NAYS: None. Motion carried.

**BACKGROUND:** This proposed ordinance would change the base zoning classification for approximately 30 acres of property owned by Harvest Investments Vintage Cooperative from Agricultural (A1) to Planned Unit Development (PUD). This property is located approximately 1,200-feet south of the intersection of Bos Landen Drive and Utrecht Laan and abuts holes #1, #2, #17, and #18 (see enclosed map).

The proposed development includes a 41-unit housing cooperative, which will contain many amenities including high-end finishes in the individual housing units, heated underground parking, courtyard, club room, exercise facility, and pickle ball courts. This portion of the development is intended for persons 55 years of age or older who would like to 'right-size' their housing needs. The developer estimates the construction cost of the cooperative project to be approximately \$13.5 million.

In addition to the housing cooperative project, the developer is also proposing to construct 10 single-family homes which will be similar to the existing single-family homes in the Bos Landen Development. Finally, at full build out, the developer estimates the property taxes generated from this development will be approximately \$275,000 annually.

Housing Needs in the City of Pella

The City of Pella's Comprehensive Plan in 2014 identified the need for an additional 480 housing units to be constructed to meet population demands through the year 2035. Furthermore, a more recent and in-depth housing analysis conducted in 2015 identified the need for an additional 966 housing units through the year 2025 to meet our community's housing needs. All forms of housing were noted as a need in our

community. It is important to note, 966 housing units equates to roughly a 15% increase in the number of housing units currently located within our community.

Additional housing is noted as a key priority goal in the City's Comprehensive Plan. In addition, the Comprehensive Plan also recommended to focus on areas within our community where infrastructure was already in place to serve additional housing. Furthermore, the Comprehensive Plan identified the need to provide diverse housing options within our community. From staff's perspective, the proposed development meets many of these targets as it is located in an existing housing development and is in close proximity to the City's sanitary sewer system.

The *Future Land Use Map* of the Comprehensive Plan targets the proposed site for Low-Density Residential housing. According to the City's Comprehensive Plan, densities for low-density residential can range from one to six units per acre. Based on this formula, the developer could construct up to 174 housing units on the 29-acre development and still be within the allowable density range as stated in the Comprehensive Plan. Based on the density restrictions as stated in this ordinance, staff believes the upper limit for the housing units will be in the range of 55, which is significantly below the 174 units allowed in the Comprehensive Plan.

It is also important to note that the Bos Landen Golf Course serves as a natural barrier between the housing cooperative component of this development and any residential housing in the vicinity. Based on staff's analysis, it appears the nearest existing single-family home is approximately 850 feet away from the housing cooperative project. Even though there is a considerable distance between this development and the existing residential neighborhood in Bos Landen, it is important to note that the Land Use Compatibility Matrix within the Comprehensive Plan identifies the multi-family housing component of the development as compatible with single-family and low-density housing.

Based on our analysis, staff believes the proposed development is in accordance and aligns with the City's Comprehensive Plan.

Planned Unit Developments (PUD) are designed to allow for comprehensively planned projects which provide for innovative and imaginative approaches to urban design and land development. A PUD is a negotiated contract for land development between the private developer and the public governmental entity. This differs from the traditional approach to land development wherein the developer develops land pursuant to minimum standards previously adopted by the government. A PUD permits flexible variation from established land regulations as contained in zoning districts and in platting and subdivision requirements. The developer, with City staff guidance, Planning and Zoning Commission review, and Council approval, may develop its own guidelines for the best development of the land in question. As a result, some requirements of the PUD will be greater than the City's zoning code. In addition, there will also be some variations from the zoning code to accommodate the development. The overall intent of the PUD is to enhance land use compatibility with the existing neighborhood.

A considerable amount of site planning work has taken place for this proposed PUD. The plan was reviewed by professional engineers and City staff. This review included public safety issues, traffic concerns, and an infrastructure analysis. Overall, the planning for the development was completed in a comprehensive manner and in accordance with City Code.

For this proposed ordinance, the base zoning district will be R-3, Multi-Family Residential. Listed below, and on the following page are key requirements of this proposed ordinance.

**Key Requirements of the Proposed Ordinance**

*Exhibit A:* The proposed development is required to be developed in accordance with Exhibit A. This preliminary site plan has been reviewed and approved by the City's engineer and staff. Staff believes this preliminary plan meets the City's site plan requirements and will undergo further review during the consideration of a formal site plan.

It is important to note, Lot 1 will be dedicated to the multi-family housing development. Likewise, single-family housing will be the only use for Lots 2 through 4 and Outlot A.

*Exhibit B:* The proposed development is required to be designed in accordance with the color renditions as indicated in Exhibit B. While the proposed development is not within the City's design review district, staff believes the proposed design complements the existing neighborhood. In addition, staff also believes the design elements incorporated are significantly above any requirements under the City Code.

**Zoning District Modifications**

The proposed ordinance requires the development to be in conformance with the applicable zoning district except for the following modifications:

**Zoning Requirements Waived or Amended:**

1. The requirements of Table 165.12-3, maximum height, shall be increased from 45 feet to 50 feet.
2. The requirements of Table 165.31-2 and Sections 165.31(5)(A) & 165.31(9)(A), screening requirements, are waived as to the opaque screening requirements between the multi-family and single-family proposed uses. However, a formal landscape plan shall be provided by the developer at the time of site plan approval.

**Subdivision Requirements Waived or Amended:**

1. The requirements of Section 170.11(3)(H), street connectivity, are waived. Streets shall not be required to extend to the property boundary to accommodate future development for Lot 1 as shown in Exhibit A.
2. The requirements of Section 170.11(3)(I), maximum cul-de-sac length, are waived. Cul-de-sacs with a length greater than 600 feet shall be allowed for this development.
3. The requirements of Section 170.13(4)(F), sanitary sewer extension, are waived. Sanitary sewer shall not be required to extend to the property boundary to accommodate future development for Lot 1 as shown in Exhibit A.
4. The requirements of Section 170.13(5), fire hydrants, are amended as follows: fire hydrants shall be installed at such locations as required by the Pella Fire Department.
5. The requirements of Section 170.13(6), sidewalks, are amended as follows: sidewalks shall only be required along one side of the streets in the development.

**Use Restrictions:**

1. Lot 1 shall be used for a multi-family housing cooperative with a maximum of 45 housing units.
2. Lots 2 through 4, and Outlot A, shall be used for single-family detached residences.

**Staff Recommendation**

Staff believes the proposed ordinance meets the requirements of the City's zoning code. In addition, staff also believes the proposed ordinance is consistent and in conformance with the City's Comprehensive Plan. Therefore, staff is recommending approval of the proposed ordinance. Finally, it is important to note, the Planning and Zoning Commission approved this proposed ordinance on a 6 to 1 vote at their meeting on August 13, 2018.

ATTACHMENTS: Ordinance, Exhibit A-1 and A-2, Exhibit B, Aerial Site Map, Site Distance Map, Written Comments

REPORT PREPARED BY: Planning & Zoning

REPORT REVIEWED BY: CITY ADMINISTRATOR

CITY CLERK

RECOMMENDATION: Approve ordinance

3b. Ordinance No. 946 entitled, "AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF PELLA, IOWA, BY CHANGING THE ZONING CLASSIFICATION OF THE PROPERTY LOCATED APPROXIMATELY 1,200-FEET SOUTH OF THE INTERSECTION OF BOS LANDEN DRIVE AND UTRECHT LANN, CITY OF PELLA, MARION COUNTY, IOWA." Van Stryland moved to place ordinance no. 946 on its first reading, seconded by Branderhorst. On roll call the vote was: AYES: Van Stryland, Branderhorst, Schiebout, Peterson, De Jong. NAYS: Bokhoven. Motion carried.

## **E. PETITIONS & COMMUNICATIONS**

1a. Special Event Permit Request for the Pella in Pink Run/Walk. Bokhoven moved to approve, seconded by Schiebout. On roll call the vote was: AYES: Bokhoven, Schiebout, Peterson, De Jong, Branderhorst, Van Stryland. NAYS: None. Motion carried.

BACKGROUND: The Pella Regional Foundation has requested a special event permit for the Pella in Pink Run/Walk scheduled on Saturday, October 13, 2018, at 8:00 a.m. Set-up would begin at 7:00 a.m. with take down completed by 11:00 a.m. The promoter expects 200 to 300 individuals would participate in this annual run/walk for breast cancer awareness. The promoter, in collaboration with the Pella Police Department, is proposing a new race route this year for the purpose of increased public safety. The proposed race route begins and ends at the Tulip Toren, as outlined on the attached map. Included with this request is a resolution to close Franklin Street, from the Tulip Toren to E 3rd Street, from 7:30 to 10:30 a.m. the day of the event. All pertinent City departments have reviewed this application and comments are attached. The fee and insurance certificate have been received, and approval is recommended.

ATTACHMENTS: Resolution, Application, Map, Department Comments  
REPORT PREPARED BY: City Clerk  
REVIEWED BY: CITY ADMINISTRATOR  
CITY CLERK  
RECOMMENDATION: Approve special event permit and resolution

1b. Resolution No. 5890 entitled, "RESOLUTION TEMPORARILY CLOSING PUBLIC WAYS OR GROUNDS IN CONNECTION WITH A SPECIAL EVENT KNOWN AS THE PELLA IN PINK RUN/WALK." Bokhoven moved to approve, seconded by Schiebout. On roll call the vote was: AYES: Bokhoven, Schiebout, Peterson, De Jong, Branderhorst, Van Stryland. NAYS: None. Motion carried.

## **F. PLANNING & ZONING ITEMS** – None

## **G. ADMINISTRATION REPORTS**

1. Proclaim Tuesday, October 30, 2018 as "Beggar's Night" in Pella. Van Stryland moved to approve, seconded by Peterson. On roll call the vote was: AYES: Van Stryland, Peterson, De Jong, Bokhoven, Branderhorst, Schiebout. NAYS: None. Motion carried.

BACKGROUND: Historically, the City of Pella has designated one evening around Halloween as "Beggar's Night." It is the City's intent to continue this tradition by designating Tuesday, October 30, 2018, from 6:00 to 8:00 p.m., as "Beggar's Night."

Several area organizations were solicited for input regarding "Beggar's Night" events with the following results:

- City of Oskaloosa – Designated October 30, 2018 as "Beggar's Night."
- City of Knoxville – Designated October 30, 2018 as "Beggar's Night."
- PACE Alliance – No significant PACE Alliance sponsored events are scheduled for either October 30, 2018 or October 31, 2018.
- Pella Historic Downtown Retail Group – No special activities associated with "Beggar's Night" are planned.
- Pella Community Schools – No athletic or extracurricular activities are scheduled.
- Pella Christian Schools – Regional volleyball sub-state is scheduled for October 30, 2018. No athletic or extracurricular activities are scheduled for October 31, 2018.

First round football playoff games for Class 1A and Class 3A are scheduled for October 26, 2018.

ATTACHMENTS: None  
REPORT PREPARED BY: Robert A. Bokinsky, Chief of Police  
REVIEWED BY: CITY ADMINISTRATOR  
CITY CLERK  
RECOMMENDATION: Proclaim Tuesday, October 30, 2018 as "Beggar's Night" for the City of Pella from 6:00 to 8:00 p.m.

## **H. RESOLUTIONS**

1. Resolution No. 5891 entitled, "RESOLUTION FIXING DATE FOR A PUBLIC HEARING ON THE PROPOSAL TO ENTER INTO A DEVELOPMENT AGREEMENT WITH HARVEST INVESTMENTS, LLC, AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF." Bokhoven moved to approve, seconded by Branderhorst. On roll call the vote was: AYES: Bokhoven, Branderhorst, Van Stryland, Schiebout, Peterson, De Jong. NAYS: None. Motion carried.

BACKGROUND: This resolution establishes September 4, 2018 as the public hearing date on the proposal to enter into a Development Agreement with Harvest Investments, LLC.

As background, this proposed development is located approximately 1,200-feet south of the intersection of Bos Landen Drive and Utrecht Laan and abuts holes #1, #2, #17, and #18 (see enclosed map). The development includes a 41-unit housing cooperative, which will contain many amenities including high-end finishes in the individual housing units, heated underground parking, courtyard, club room, exercise facility, and

pickle ball courts. This portion of the development is intended for persons 55 years of age or older who would like to 'right-size' their housing needs. The developer estimates the construction cost of the cooperative project to be approximately \$13.5 million.

In addition to the housing cooperative project, the developer is also proposing to construct 10 single-family homes which will be similar to the existing single-family homes in the Bos Landen Development. Finally, at full build out, the developer estimates the property taxes generated from this development will be approximately \$275,000 annually.

#### Housing Needs in the City of Pella

The City of Pella's Comprehensive Plan in 2014 identified the need for an additional 480 housing units to be constructed to meet population demands through the year 2035. Furthermore, a more recent and in-depth housing analysis conducted in 2015 identified the need for an additional 966 housing units through the year 2025 to meet our community's housing needs. All forms of housing were noted as a need in our community. It is important to note, 966 housing units equates to roughly a 15% increase in the number of housing units currently located within our community.

#### Financial Request by Developer

In order to construct the project, the developer is requesting reimbursement for the cost of its public infrastructure. In considering this request, it is important to realize that the public infrastructure, when completed, would be dedicated to the City of Pella. In addition, all public infrastructure would be built according to the City's development standards. The estimated cost to install the development's streets, water mains, sanitary sewer mains, storm sewers, and electric infrastructure is approximately \$2,100,000, including engineering costs. As a result, the developer is requesting a tax increment finance (TIF) rebate of \$2,100,000 as property taxes are paid from the development.

#### Financial Analysis

In analyzing this proposed development, it is important to keep in mind that the developer is proposing to be reimbursed as property taxes are received from the development. This means if a development agreement containing these terms is ultimately approved by the City Council, the City of Pella would only pay the developer if incremental property taxes are collected from the development.

In summary, this resolution sets September 4, 2018 as the public hearing date on the proposal to enter into a Development Agreement with Harvest Investments, LLC.

ATTACHMENTS: Resolution, Development Map  
REPORT PREPARED BY: City Administration  
REPORT REVIEWED BY: CITY ADMINISTRATOR  
CITY CLERK  
RECOMMENDED ACTION: Approve resolution

2. Resolution No. 5892 entitled, "RESOLUTION FOR APPROVAL OF RESERVED CAPACITY AGREEMENT WITH MISSOURI BASIN MUNICIPAL POWER AGENCY D/B/A MISSOURI RIVER ENERGY SERVICES." Schiebout moved to approve, seconded by Van Stryland. On roll call the vote was: AYES: Schiebout, Van Stryland, Peterson, De Jong, Bokhoven, Branderhorst. NAYS: None. Motion carried.

BACKGROUND: June 8, 2011, the City of Pella approved a Dedicated Capacity Agreement (DCA) with Missouri River Energy Services (MRES). The term of the DCA began April 1, 2012 and ends December 31, 2018. This resolution approves a new Reserved Capacity Agreement (RCA) with MRES with a term beginning January 1, 2019 and ending May 31, 2029.

As background, currently the City of Pella receives \$835,000 per year for our capacity at the diesel generating plant. Under the proposed RCA, the City of Pella will receive approximately \$798,000 per year through the year 2022. From 2022 through 2029, there will be escalations in the rates for the RCA ranging from a minimum of 1% to a maximum of 4% per year. Staff believes the estimated payments for these years will range from \$856,000 to \$1,050,556. It is important to note, the City of Pella will be receiving the same rate in the proposed agreement as other MRES members who sell dedicated capacity to MRES.

As Council is aware, MRES is a member based, municipal joint-action agency with 61-member communities located in the states of Iowa, Minnesota, North Dakota, and South Dakota. MRES is headquartered in Sioux Falls, South Dakota. MRES has been in existence since the 1960s and has been a power supplier to member municipalities since 1977.

ATTACHMENTS: Resolution, Reserved Capacity Agreement  
REPORT PREPARED BY: Electric Director  
REPORT REVIEWED BY: CITY ADMINISTRATOR  
CITY CLERK  
Ahlers Law Firm  
RECOMMENDED ACTION: Approve resolution

## I. ORDINANCES

1. Ordinance No. 944 entitled, "AN ORDINANCE REPEALING SECTION 120.05 (11) OF THE PELLA CITY CODE AND ADOPTING A NEW SECTION 120.05 (11) RELATING TO PROHIBITED SALES AND ACTS." Schiebout moved to place ordinance no. 944 on its third reading, seconded by De Jong. On roll call the vote was: AYES: Schiebout, De Jong, Bokhoven, Branderhorst, Van Stryland, Peterson. NAYS: None. Motion carried. Schiebout moved that ordinance no. 944 be adopted, seconded by Bokhoven. On roll call the vote was: AYES: Schiebout, Bokhoven, Branderhorst, Van Stryland, Peterson, De Jong. NAYS: None. Mayor Mueller declared the motion carried and the ordinance duly passed and adopted.

BACKGROUND: This proposed ordinance amends the City Code to allow persons under the age of 21 to remain on the premises of a microbrewery until 9:00 p.m. if they are accompanied by a parent or legal guardian who is age 21 or older.

Listed below is additional background information on this proposed ordinance.

#### State of Iowa Laws Concerning Minors

The State of Iowa does not prohibit minors, or persons under the age of 21, from being on the premises of licensed establishments which sell alcohol. However, the State of Iowa provides local jurisdictions the authority to restrict minors from licensed establishments if they so choose.

#### City of Pella's Laws Concerning Minors

Currently, City Code prohibits minors, or persons under the age of 21, from being on the premises of an establishment which holds a liquor license or beer/wine permit. The exception for this prohibition is for restaurants, where more than 50% of the dollar volume is generated from the sale and serving of food. In these instances, minors are allowed on the premises.

City of Pella’s Regulations for Microbreweries

Listed below is a brief summary of the City of Pella’s regulations for microbreweries.

*Liquor License Restrictions*

Currently, under the City Code, microbreweries cannot obtain a class “C” liquor license. As Council is aware, establishments with a class “C” liquor license can sell hard liquor or spirits. Under the City Code, this is one of the key differences between a bar/tavern and a microbrewery as bars and taverns are allowed to obtain a class “C” liquor license.

*Special Use Permit Requirement*

Microbreweries in Pella are permitted through a special use permit process. This procedure allows the Board of Adjustment to review the proposed location and determine if it is a good fit for the surrounding area. Listed on the following page is a description of the special use permit process.

1. City Administration Review and Recommendation

Prior to a special use permit being granted, City staff will provide the Board of Adjustment with a detailed report and recommendation on the following items:

- Compliance with public safety requirements
- Traffic impact and parking requirements
- Necessary infrastructure
- Compliance with the City Code and Comprehensive Plan
- Land use compatibility with surrounding properties
- Proposed operations
- Proposed operating hours

Based on their observations, staff will also provide the Board of Adjustment with a recommendation on whether to approve the special use permit subject to any applicable restrictions. Examples of restrictions could include operating hours and operation restrictions.

2. Public Hearing

Prior to approval of a special use permit, the Board of Adjustment is required to hold a public hearing and notify neighboring property owners of the application. This process provides a forum for any adjacent property owners who may have concerns with the proposed microbrewery.

3. Board of Adjustment Action

The Board of Adjustment would make a decision on the special use permit application after considering City staff’s recommendation and public input. As Council is aware, the Board of Adjustment has wide ranging authority in issuing special use permits, including use or operating hour restrictions, to ensure land use compatibility with adjacent property owners.

Finally, the Board of Adjustment can also revoke a special use permit in the event of problems or issues with a microbrewery.

*Cities with Significant Microbrewery Experience*

Listed below is additional information from Des Moines and West Des Moines, cities who have significant experience with microbreweries.

*City of Des Moines*

The City of Des Moines classifies microbreweries as a bar or tavern. In addition, they require a special use or conditional use permit to operate in commercial zones. It is important to note, the City of Des Moines permits minors to enter microbreweries, bars, and taverns.

*City of West Des Moines*

The City of West Des Moines requires a special use or conditional use permit for microbreweries. In addition, they allow minors to be on the premises of a microbrewery if they are accompanied by a parent or legal guardian who is 21 years of age or older.

*Surrounding Cities with Microbreweries*

Listed below is a chart comparing the regulation of microbreweries with other cities in close proximity to Pella. Please note, not every city has a separate classification for microbreweries, therefore requirements for minors to be allowed on the premises of a microbrewery may differ from our proposed ordinance. It is important to consider if a city classifies a microbrewery as a bar or tavern and also allows the establishment to obtain a class “C” liquor license, which enables the microbrewery to sell hard alcohol. In Pella, microbreweries cannot obtain a class “C” liquor license.

City	Microbrewery Zoning Classification	Minors Allowed on Premises?	Hours Restriction for Minors?
Des Moines	Bar/tavern, requires special use permit	Yes, no restrictions	No
West Des Moines	Microbrewery, requires special use permit	Yes, if accompanied by parent/legal guardian age 21+	No
Ankeny	Bar/tavern, permitted by right	Yes, if 50% of gross sales is from food	No
Knoxville	Microbrewery, permitted by right	Yes, requires a class “B” beer permit	No
Pleasant Hill	Bar/tavern, permitted by right	Yes, no restrictions	No
Indianola	Bar/tavern, permitted by right	Yes, if accompanied by parent/legal guardian age 21+ Action plan is required to be submitted to the Police Chief	No
Pella ( <i>proposed</i> )	Microbrewery, requires special use permit	Yes, if accompanied by parent/legal guardian age 21+	Yes, 9:00 p.m.

*Proposed Amendment*

Listed below is the proposed amendment to City Code Chapter 120.05 (11) by adding the following underlined language:

A person or club holding a liquor license or retail wine or beer permit and the person’s or club’s agents or employees shall not do any of the following:

11. Permit or allow any person under twenty-one (21) years of age to remain upon licensed premises unless over fifty percent (50%) of the dollar volume of the business establishment comes from the sale and serving of prepared foods.
  - A. This provision does not apply to the following:
    - (1) holders of a class “C” beer permit only; or
    - (2) holders of a class “B” beer permit who also hold a special class “A” beer permit when the person under twenty-one (21) years of age is accompanied on-premises by a parent or legal guardian who is (21) years of age or older, and

only until 9:00 p.m. Persons under twenty-one (21) years of age shall not be allowed to enter or remain upon the licensed premises after 9:00 p.m.

In considering this potential amendment to the City Code, it is important to note that the microbrewery would be required to hold both a class "B" and special class "A" beer permit. The class "B" beer permit allows commercial establishments to sell beer and wine coolers for on-premises consumption. It should be noted, class "B" beer permit holders cannot sell hard alcohol.

Recommendation

Staff is recommending approval of the proposed ordinance. Staff believes the following items should address Council's previous concerns:

1. The class "C" liquor license restriction for microbreweries.
2. The City of Pella's special use permit requirements for microbreweries.
3. The requirement that a minor can only be on the premise of a microbrewery until 9:00 p.m. and if they are accompanied by a parent or legal guardian who is 21 years of age or older.

ATTACHMENTS: Ordinance  
REPORT PREPARED BY: Administration  
REVIEWED BY: CITY ADMINISTRATOR  
CITY CLERK  
RECOMMENDATION: Approve ordinance

**I. CLAIMS**

1. Abstract of Bills No. 2013. Schiebout moved to approve, seconded by Van Stryland. On roll call the vote was: AYES: Schiebout, Van Stryland, Peterson, De Jong, Bokhoven, Branderhorst. NAYS: None. Motion carried.

**K. OTHER BUSINESS / \*PUBLIC FORUM (any additional comments from the public)**

One comment was received and addressed.

**L. CLOSED SESSION**

1. This item was pulled from the agenda.
2. At 8:45 p.m., Schiebout moved to enter into closed session pursuant to Iowa Code Chapter 21.5 1(j) 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, seconded by Bokhoven. On roll call the vote was: AYES: Schiebout, Bokhoven, Branderhorst, Van Stryland, Peterson, De Jong. NAYS: None. Motion carried. At 9:21 p.m., Peterson moved to reconvene to regular session, seconded by Van Stryland. On roll call the vote was: AYES: Peterson, Van Stryland, Schiebout, De Jong, Bokhoven, Branderhorst. NAYS: None. Motion carried. No action was taken regarding this closed session.

**M. ADJOURNMENT**

There being no further business claiming their attention, Van Stryland moved to adjourn, seconded by Schiebout. On roll call the vote was: AYES: Van Stryland, Schiebout, Peterson, De Jong, Bokhoven, Branderhorst. NAYS: None. Motion carried. Meeting adjourned at 9:23 p.m.