



CITY OF PELLA

CITY COUNCIL OFFICIAL MINUTES

August 17, 2021

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 (614 Main Street) at 6:00 p.m., Mayor Don DeWaard presiding. Council members present were: Mark De Jong, Liz Sporrer, Lynn Branderhorst, Calvin Bandstra, Bruce Schiebout, Dave Hopkins. Absent: None.

City Administrator Mike Nardini and City Clerk Mandy Smith were present.

Three staff members and twenty-one members of the general public attended in person.

One staff member and nine members of the general public attended via conference call.

B. MAYOR'S COMMENTS

1. Approval of Tentative Agenda.

Branderhorst moved to approve, seconded by Sporrer.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

C. PUBLIC FORUM (for anyone wishing to address Council regarding agenda items)

No comments were received.

D. APPROVAL OF CONSENT AGENDA

De Jong moved to approve the consent agenda, seconded by Hopkins.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

The following items were approved:

1. Approval of Minutes

- a. Official Council Minutes for August 3, 2021

2. Report of Committees

- a. Policy and Planning Minutes for August 3, 2021

PRESENT: Mayor Don DeWaard, Mark De Jong, Lynn Branderhorst, Calvin Bandstra, Bruce Schiebout, Dave Hopkins

ABSENT: Liz Sporrer

OTHERS: City staff and visitors

The Policy and Planning meeting began at 7:02 p.m. During the meeting, Council discussed three existing rural gravel roadways within city limits. Listed below are the segments that were discussed, ranked in the order of importance, including the estimated costs to convert these segments from gravel to urban section (concrete) roadways:

1. Prairie Street, from South Street to Truman Road, \$948,750
2. Monroe Street, from Oakwood Street to West 3rd Street, \$241,500
3. 218th Place, from Washington Street to Saint Mary's Church, \$2,371,875

Council agreed that 218th Place should not be under consideration until all of this road segment is annexed into city limits. Furthermore, Council agreed that Prairie Street should be the highest priority due to its location in relation to the new Pella Fiber facility and the resulting traffic experienced.

At the end of the discussion, staff was directed to proceed with the conversion of Prairie Street (South Street to Truman Road) and Monroe Street (Oakwood Street to West 3rd Street) to urban section roadways. Council requested that these projects are engineered this winter with construction occurring in 2022.

The meeting adjourned at 7:12 p.m.

Respectfully submitted:

Mandy Smith

City Clerk

- b. Civil Service Minutes from November 16, 2020

Present: Marty Racheter, Commission Chair; Jason Larson, Commission Member; Curtis Baugh, Commission Member; Stacey Bone, City of Pella Human Resources; Shane McSheehy, Chief of Police; Marcia Slycord, Secretary to the Commission

The purpose of the meeting was to certify a list of police sergeant candidates. The meeting was called to order at 5:30 p.m. by Commission Chair Racheter.

The November 16, 2020 agenda was presented. Curtis Baugh made a motion to accept the agenda, seconded by Jason Larson. All voted aye, motion approved.

The October 26, 2020 minutes were presented via email distribution. Jason Larson made a motion to accept the minutes as presented, seconded by Curtis Baugh. All voted aye, motion approved.

Prior to the meeting, Commission members were provided with curriculum vitae for the sergeant candidates, the sergeant testing process and scoring sheet for their review.

At 5:32 p.m., Jason Larson moved to enter into closed session pursuant to Iowa Code Chapter 21.5 1(i) to evaluate the professional competency of an individual whose appointment, hiring, performance, or discharge is being considered when necessary to prevent needless and irreparable injury to that individual's reputation and that individual requests a closed session, seconded by Curtis Baugh. All voted aye, motion approved.

At 5:46 p.m., Curtis Baugh moved to reconvene to open session, seconded by Jason Larson. All voted aye, motion approved. Jason Larson moved to certify a list of seven candidates for the police sergeant position, seconded by Curtis Baugh. All voted aye, motion approved. The following candidates, listed in alphabetical order were certified:

Justin G. Bailey	Pella, IA
Tim Donelson	Pella, IA
Matthew Huston	Pella, IA
Dustin Schuldt	Monroe, IA
Shawn Veenstra	Pella, IA
Bradley Vincent	Pella, IA
Nathan Wolff	Pella, IA

This list will be placed on the December 1, 2020 Council agenda for acceptance.

There being no further business to come before the commission, the meeting adjourned at 5:48 p.m.

Respectfully submitted,

Marcia Slycord, Secretary to the Commission

c. Planning and Zoning Commission Minutes from June 28, 2021

Chairperson Canfield called the Planning and Zoning Commission to order at 7:00 p.m. in the Public Safety Complex. Members present were: Sarah Buchheit, Joe Canfield, Julio Chiarella, Kisha Jahner, Tom Johnson, Dave Landon, Robin Pflanzgraf, Ann Visser, and Teri Vos; absent: Mark Groenendyk and Cathy Haustein. Staff present: City Administrator Mike Nardini, City Planner Gerald Buydos, and the Deputy City Clerk. Five members of the public were present.

APPROVAL OF TENTATIVE AGENDA: Motion by Visser, second by Johnson to approve the tentative agenda. Motion carried 9-0.

APPROVAL OF MINUTES: Motion by Pflanzgraf, second by Landon to approve the minutes of the May 24, 2021 meeting. Motion carried 9-0.

NEW BUSINESS PROPOSED: Consider a Final Plat for the Shady Brook Subdivision Known as Shady Brook Acres Plat 2

A final plat for phase two of the development known as Shady Brook Acres Plat 2 was submitted by Matt Diehl on behalf of Refuge Brook Properties and by property owner Troy Seekamp. The subject property is located southeast of 218th Avenue and Neil Drive. The Planning and Zoning Commission approved the final plat for this project on July 23, 2007 and the City Council approved it on August 7, 2007. Plat 2 includes six lots, one property outlot, and one street outlot dedicated to the City of Pella. Once the infrastructure is constructed, it will be dedicated to the City of Pella. The end of Shady Brook Lane will incorporate an approved Fire Department turnaround for engine apparatus. The proposed final plat was submitted to reflect City of Pella staff and consultant comments. Staff found the final plat meets the minimum requirements of the zoning ordinance and subdivision ordinance. Additionally, staff found the development conforms to the City's Comprehensive Plan. Based upon the findings, staff recommended approval of the final plat.

Motion by Chiarella, second by Pflanzgraf to approve the final plat as submitted. Motion carried 9-0.

OTHER BUSINESS / PUBLIC FORUM / WORK SESSION

Work Session to Discuss Committee Assignments for the Proposed Oskaloosa Street Corridor Redevelopment Plan

The purpose of this work session was to discuss committee assignments for the proposed Oskaloosa Street Corridor Redevelopment Plan. The City Council recently reviewed this plan and directed staff to proceed with the next phases of implementation, which involve potential zoning changes. As a result, Council directed that a subcommittee of both Planning and Zoning Commission members and City Council members be assigned to work with staff and/or consultants on implementation.

City Administrator Mike Nardini gave background on the Oskaloosa Street Corridor Redevelopment Plan and estimated the time commitment for the subcommittee meetings to be approximately one to one and a half hours each. Chiarella and Pflanzgraf volunteered to serve on the subcommittee.

Work Session to Discuss Potential Items for a Proposed Joint City Council and Planning and Zoning Commission Meeting

During this work session, the Commission discussed potential future topics of discussion for a proposed joint City Council and Planning and Zoning Commission meeting. Following discussion, the Commission decided to focus their work session with the City Council on downtown parking requirements, freeway signage, general development issues, and the future Comprehensive Plan update. A proposed meeting date will be sent to the Commission once one has been determined.

Work Session to Discuss Questions from Commissioner Teri Vos Regarding the Pella Market Planned Unit Development (PUD) Process

During the May 24, 2021 Planning and Zoning Commission work session, Vos had asked Nardini to revisit questions she had submitted via e-mail on April 6, 2021. Staff did not respond to these questions via e-mail as a number of commissioners and other parties were included on the e-mail. As general practice, responding to emails that include a large number of board/commission members is discouraged and avoided due to the potential of an open meetings violation. Rather, staff informed Vos that her questions would be discussed during a future Planning and Zoning Commission work session. In addition to answering Vos' questions during this meeting, written answers to her questions were included in the meeting packet.

Throughout the course of this work session, the Commission asked questions about open meetings laws, as well as ex parte communication.

Nardini suggested having the City Attorney attend a future meeting to answer the Commission's legal questions. The possibility of assigning City of Pella email addresses to commissioners will also be investigated. Additionally, staff was directed to look into the possibility of posting draft Commission meeting minutes online prior to their approval.

Nardini explained the process for preparing Council memos and the summarization of the Commission's position on agenda items.

Pflanzgraf asked for an explanation of Dutch design. Nardini explained that the City has a design manual with design guidelines. The Community Development Committee (CDC) will be working on proposed updates to the manual. Nardini answered questions about the appeals process for design permits.

Other: Nardini updated the Commission on development in Pella. He reported that construction on the Pella Market should begin in July 2021. Construction of the Lely North America building is underway. Applications for over 20 homes in the Prairie Ridge development have been approved. There are plans to amend the Prairie Ridge PUD to adjust the setback requirements.

The next regular planning and Zoning Commission meeting is scheduled for July 26, 2021.

Adjourned at 8:22 p.m.

3. Petitions and Communications

a. Renewal of Special Class C Liquor License (Beer/Wine) with Sunday Sales Privileges for Tamory Hall

BACKGROUND: Tamory Hall, at 616 Franklin Street, Suite 201, has applied for renewal of their special class C liquor license (beer/wine) with Sunday sales privileges. The term of the new license is 12 months and, if approved, would expire on August 31, 2022.

The application has been completed online with the state. Staff is recommending approval of this renewal.

ATTACHMENTS: None

REPORT PREPARED BY: City Clerk

REVIEWED BY: City Administrator

RECOMMENDATION: Approve renewal

b. Renewal of Class B Beer Permit with Class C Native Wine Permit for The Wijn House

BACKGROUND: The Wijn House, at 615 Franklin Street, has applied for renewal of their class B beer permit with class C native wine permit. The term of the new license is 12 months and, if approved, would expire on August 31, 2022. The application has been completed online with the state and, at the time of packet publication, is pending dram shop certification. Staff is recommending conditional approval of this renewal pending the receipt of dram shop certification.

ATTACHMENTS: None
REPORT PREPARED BY: City Clerk
REVIEWED BY: City Administrator
RECOMMENDATION: Conditional approval of renewal pending receipt of dram shop certification

c. Renewal of Class C Liquor License with Sunday Sales Privileges for El Charro Mexican Grill

BACKGROUND: Ramirez MX Food Inc, DBA El Charro Mexican Grill at 514 Main Street, has applied for renewal of their class C liquor license with Sunday sales privileges. The term of the new license is 12 months and, if approved, would expire on September 3, 2022. The application has been completed online with the state and, at the time of packet publication, is pending dram shop certification. Staff is recommending conditional approval of this renewal pending the receipt of dram shop certification.

ATTACHMENTS: None
REPORT PREPARED BY: City Clerk
REVIEWED BY: City Administrator
RECOMMENDATION: Conditional approval of renewal pending receipt of dram shop certification

d. Special Event Permit Request for Fashion Alfresco

BACKGROUND: The Downtown Pella District has requested a special event permit to host a fashion show, Fashion Alfresco, on the back side of the Tulip Toren. The event is requested to occur on Thursday, September 9, 2021 from 6:00 to 7:00 p.m. If approved, set-up would begin at 5:00 p.m. with take down completed by 8:30 p.m. No street or parking space closures have been requested as part of this event. All pertinent City departments have reviewed this application and comments are attached. The fee has been received. At the time of packet publication, the insurance certificate was still pending; therefore, staff is recommending conditional approval of this special event permit pending receipt of the certificate of insurance.

ATTACHMENTS: Application with Map, Department Comments
REPORT PREPARED BY: City Clerk
REVIEWED BY: City Administrator
RECOMMENDATION: Conditional approval as outlined

e. Special Event Permit Request for Outdoor Story Time

BACKGROUND: The Pella Public Library has requested a special event permit to host several outdoor story times in the West Market Park's south shelter house, as outlined below:

- September 20, 21, 27, 28
- October 2, 4, 5, 11, 12, 18, 19, 25, 26

If approved, all of the above story times would be held from 10:30 to 11:00 a.m. with set-up beginning at 9:45 a.m. and take down completed by 11:30 a.m.

All pertinent City departments have reviewed this application and comments are attached. Staff is recommending approval of this special event permit.

ATTACHMENTS: Application, Department Comments
REPORT PREPARED BY: City Clerk
REVIEWED BY: City Administrator
RECOMMENDATION: Approve special event permit

f. Special Event Permit Request for Brown Bag Book Club

BACKGROUND: The Pella Public Library has requested a special event permit to host their Brown Bag Book Club in the West Market Park's south shelter house from noon to 1:00 p.m. on September 30, 2021. Furthermore, the library is requesting a rain date of October 1, 2021. As background, the Brown Bag Book Club is an adult discussion group that meets for the purpose of discussing specific book titles. Refreshments are not served during these events, as participants are encouraged to bring their lunches with them.

All pertinent City departments have reviewed this application and comments are attached. Staff is recommending approval of this special event permit.

ATTACHMENTS: Application, Department Comments
REPORT PREPARED BY: City Clerk
REVIEWED BY: City Administrator
RECOMMENDATION: Approve special event permit

4. Resolution

a. Resolution No. 6331 entitled, "RESOLUTION APPROVING AN APPLICATION AND AGREEMENT FOR FEDERAL ASSISTANCE GRANT"

BACKGROUND: On March 11, 2021, the President signed the American Rescue Plan Act (ARPA) of 2021 into law. The ARPA included \$8 billion in funds to be awarded as economic assistance to eligible U.S. airports to prevent, prepare for, and respond to the COVID-19 pandemic. The allocation of funds, based on the formula for distribution, authorizes the City of Pella a one-time grant of \$59,000. The attached resolution formally approves the grant application and agreement and allows the Finance Director to administer the grant. Additionally, the resolution authorizes the Finance Director to sign any documents related to the grant on behalf of the City of Pella.

ATTACHMENTS: Resolution, Grant Agreement
REPORT PREPARED BY: City Administration
REVIEWED BY: City Administrator, City Clerk
RECOMMENDATION: Approve resolution

E. CLOSED SESSION

1. At 6:02 p.m., De Jong moved to enter into closed session pursuant to Iowa Code Chapter 21.5 1(c) 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, seconded by Hopkins.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

Council reconvened to open session at 6:35 p.m.

In open session, De Jong moved to approve Resolution No. 6321 entitled, "RESOLUTION APPROVING AND AUTHORIZING CONDITIONAL SETTLEMENT AGREEMENT AND APPROVING WATER SUPPLY, SERVICE, AND TERRITORY AGREEMENT WITH IOWA REGIONAL UTILITIES ASSOCIATION," seconded by Schiebout.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

F. PETITIONS & COMMUNICATIONS

1. Proclaim Saturday, October 30, 2021 as Beggar's Night in Pella.

De Jong moved to approve, seconded by Hopkins.

On roll call the vote was: AYES: 6, 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 Saturday, October 30, 2021 as Beggar's Night. The hours identified for this activity are from 6:00 to 8:00 p.m.

The following organizations were solicited for input regarding Beggar's Night events:

- City of Oskaloosa – Designated October 28 as Beggar's Night with activities on the square and a parade beginning at 4:00 p.m. and city-wide Beggar's Night from 6:00 to 8:00 p.m.
- City of Knoxville – Designated October 31 as Beggar's Night.
- Pella Area Community and Economic (PACE) Alliance – No significant PACE Alliance sponsored events are scheduled on October 30.
- Pella Community Schools – No conflicts.
- Pella Christian Schools – The fall musical is on the calendar for October 28, 29, and 30.

ATTACHMENTS: None

REPORT PREPARED BY: Shane McSheehy, Chief of Police

REVIEWED BY: City Administrator, City Clerk

RECOMMENDATION: Proclaim Saturday, October 30, 2021 as Beggar's Night for the City of Pella from 6:00 to 8:00 p.m.

- 2a. Special Event Permit Request for Wyatt Earp Days.

Branderhorst moved to approve, seconded by Sporrer.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

BACKGROUND: Pella Historical Society and Museums (PHSM) has requested a special event permit to host a street theater as part of their Wyatt Earp Day events scheduled on September 25, 2021. It is important to note that the remainder of the programs associated with this event will be held on PHSM's property. In order to accommodate the proposed street theatre, the promoter is requesting to close Franklin Street, from East 1st to East 2nd, from 11:30 a.m. to 1:00 p.m., as shown on the attached map.

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

Staff is recommending approval of this special event permit and associated resolution.

ATTACHMENTS: Resolution, Application with Map, Department Comments

REPORT PREPARED BY: City Clerk

REVIEWED BY: City Administrator

RECOMMENDATION: Approve special event permit and resolution

- 2b. Resolution No. 6332 entitled, "RESOLUTION TEMPORARILY CLOSING PUBLIC WAYS OR GROUNDS IN CONNECTION WITH A SPECIAL EVENT KNOWN AS WYATT EARP DAYS."

Schiebout moved to approve, seconded by De Jong.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

G. RESOLUTIONS

1. Resolution No. 6333 entitled, "RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A SECOND 2021 AMENDMENT TO THE REAL ESTATE PURCHASE AGREEMENT BY AND BETWEEN THE CITY OF PELLA AND SECOND CHRISTIAN REFORMED CHURCH OF PELLA, IOWA."

Bandstra moved to approve, seconded by De Jong.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

BACKGROUND: This resolution approves a second amendment to the real estate purchase agreement with Second Christian Reformed Church. As background, in 2019, the City acquired a portion of the Second Christian Reformed Church property, including the parking lot directly north of the church at 611 East 1st Street. The City is scheduled to purchase the remainder of the Second Christian Reformed Church property (609 East 1st Street and 606 Union Street) on September 1, 2021; however, the church is now requesting to amend the purchase agreement to delay the closing date to November 1, 2021 as their new facility will not be completed in time for the scheduled closing date.

In summary, staff is recommending approval of this resolution and the second amendment to the real estate purchase agreement with the Second Christian Reformed Church.

ATTACHMENTS: Resolution, Second 2021 Amendment to Real Estate Purchase Agreement

REPORT PREPARED BY: City Administration

REVIEWED BY: City Administrator, City Clerk

RECOMMENDATION: Approve resolution

2. Resolution No. 6334 entitled, "RESOLUTION APPROVING AN ENGINEERING SERVICES AGREEMENT WITH GARDEN & ASSOCIATES, LTD. FOR THE 250TH AVENUE RECONSTRUCTION PROJECT."

Schiebout moved to approve, seconded by Hopkins.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

BACKGROUND: This resolution approves an engineering services agreement with Garden & Associates Ltd. for the 250th Avenue Reconstruction project.

As background, Vermeer Corporation paved 250th Avenue back in the early 1980's with their own crews. Some of the pavement is only 4" thick and hasn't stood up as well under heavy truck traffic. The new pavement will continue to be a rural section 24' wide 8" thick concrete with load transfer baskets and improved 6' gravel shoulders. This project is planned for construction in the summer of 2022.

The following is a summary of the engineering fees for this project:

Design, Plans/Specifications, Permitting/Bidding Services	\$19,900
Construction Administration, Resident Review, Final Review	<u>36,500</u>
Total Engineering Fees (not-to-exceed)	<u>\$56,400</u>

Staff has estimated the construction cost of this project to be approximately \$585,250 which includes the engineering fees. This cost estimate will be further refined as part of this engineering contract.

In summary, staff is recommending approval of this engineering services agreement with Garden & Associates for the 250th Avenue Reconstruction project.

ATTACHMENTS:	Resolution, Map, Engineering Services Agreement
REPORT PREPARED BY:	Public Works Department
REVIEWED BY:	City Administrator, City Clerk
RECOMMENDATION:	Approve resolution

3. Resolution No. 6335 entitled, "RESOLUTION FIXING DATE FOR A PUBLIC HEARING ON THE PROPOSAL TO ENTER INTO A DEVELOPMENT AGREEMENT WITH RDP HOLDINGS, LLC, AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF."

Branderhorst moved to approve, seconded by De Jong.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

BACKGROUND: This resolution establishes September 7, 2021 as the public hearing date on the proposal to enter into a development agreement with RDP Holdings, LLC. As background, on May 18, 2021, Council approved a conditional resolution in support of the proposed terms to be included in a development agreement for the Prairie Ridge commercial development located northeast of the Washington Street and Fifield Road intersection.

Proposed Commercial Development

The developer is proposing to construct a Smash Park recreation center. This facility is intended to be a regional entertainment center with a variety of recreational amenities and activities including pickleball courts, sand volleyball, outdoor turf games, a restaurant, an indoor/outdoor bar and patio area, meeting rooms, and an area dedicated for miniature golf. This proposed building, which is approximately 22,000 square feet in size, is tentatively scheduled to open in the spring of 2022. In addition, the developer is willing to commit to construction of a fast-casual restaurant by December 2024.

To support the development, the developer will be required to construct on-site public infrastructure improvements including a new commercial roadway within the development of approximately 600 linear feet and an extension of the City's sanitary sewer system. The estimated cost of this public infrastructure is \$1,157,000.

Comprehensive Plan

The City's Comprehensive Plan identified a shortage of restaurants and drinking establishments in the community. The Comprehensive Plan identified this area as a 'service gap' where the local demand exceeds the retail supply. In addition, the Comprehensive Plan identified the development's location as an economic development opportunity for commercial development. Furthermore, the City Council rezoned this property in July of 2019 and at the time made a determination this commercially zoned area was in conformance with the Comprehensive Plan. Staff believes the proposed Smash Park recreation center and fast-casual restaurant align strongly with the Comprehensive Plan. In addition, staff believes it will help address the shortage of eating and drinking establishments in Pella.

Recommended Off-site Public Improvements

As part of the site planning process for the proposed Smash Park, the City's engineering consultant, Veenstra & Kimm (V&K), updated their traffic analysis for the Prairie Ridge development. Based upon their review, V&K is recommending a right-turn lane on westbound Washington Street approaching Fifield Road be installed in 2022. V&K also recommends installation of traffic signals at the intersection of Washington Street and Fifield Road prior to the fast-casual restaurant opening in 2024.

Listed below is the estimated cost of the off-site public improvements:

Traffic signals	\$ 282,700
Westbound turn lane on Washington Street	<u>73,150</u>
Total estimated cost	<u>\$ 355,850</u>

The traffic signal portion of the off-site public improvements will be eligible for funding the City's Central Iowa Regional Planning Association's transportation allocation; therefore, the City's initial estimated costs for the improvements is approximately \$129,690.

Development Agreement Responsibilities

RDP Holdings Responsibilities

- Construct all on-site public infrastructure according to City standards.
- Dedicate on-site public infrastructure to the City of Pella upon completion.
- Construct the Smash Park facility by December of 2022.
- Sign a minimum tax assessment of \$5.0 million with a 2% annual increase for Smash Park
- Construct a fast-casual restaurant by December of 2024.
- Sign a minimum tax assessment of \$2.0 million with a 2% annual increase for the restaurant.

City of Pella

Provide developer a construction grant in the amount of \$2.0 million paid as follows:

- \$1,500,000 paid within 150 days of issuing a certificate of occupancy for Smash Park.
- \$500,000 paid within 30 days of issuing a certificate of occupancy for the restaurant.

In addition, the development agreement includes a \$300,000 pass through grant to the developer. The City anticipates receiving these grant funds prior to formal consideration of the development agreement.

Finally, the developer is eligible to receive tax increment rebates of up to \$2.0 million in the aggregate, but only after the City of Pella retires its debt associated with funding the construction grants as outlined above. The rebates are funded exclusively from tax increment from development in the proposed urban renewal area and are subject to annual appropriation.

Financial Analysis

In order to fund the proposed construction grant, the City of Pella will likely need to issue a \$2.2 million urban renewal general obligation bond. In addition, the City of Pella will need to adopt a tax increment financing ordinance to capture incremental property taxes generated from the new development in the urban renewal area. The City of Pella hired its financial advisor, Michael Maloney, to analyze the tax impact from the development. In summary, Mr. Maloney analyzed two scenarios for the development. The first scenario was the base case which includes no additional development other than the proposed Smash Park and fast-casual restaurant. The second scenario was an additional \$2.0 million of commercial development occurring in 2026. In both scenarios, the City of Pella would have a small deficit of \$41,000 to fund in fiscal year 2023-24, otherwise it appears the tax increment revenues generated from the development would cover the cost of the proposed bond issue. In addition, the projected tax increment rebates to RDP and excess TIF revenues available for future projects within the urban renewal area would be as follows:

	Projected Rebate to RDP	Unobligated TIF Revenues
Base scenario	\$1,666,576	None
Modest growth scenario	\$2,000,000	\$498,370

Summary and Staff Recommendation

Staff believes the proposed development addresses a critical shortage in the community of eating and drinking establishments. In addition, it appears the tax increment revenues generated from the development in the urban renewal area would fund the City's indebtedness to be incurred to make the construction grant. Finally, if the development has modest growth, it appears the tax increment revenues from the urban renewal area would also reimburse the City for the cost of the off-site public improvements after the rebates to the developer are fully funded. As a result, staff recommends approval of this resolution which simply establishes September 7, 2021 as the public hearing date to consider the proposal to enter into a development agreement with RDP Holdings, LLC.

ATTACHMENTS: Resolution, Development Agreement
REPORT PREPARED BY: City Administration
REVIEWED BY: City Administrator, City Clerk
RECOMMENDATION: Approve resolution

4. Resolution No. 6336 entitled, "RESOLUTION APPROVING ENGINEERING SERVICES AGREEMENT WITH KLINGNER & ASSOCIATES FOR THE BOS LANDEN CONFERENCE CENTER RESTORATION PROJECT."

Schiebout moved to approve, seconded by De Jong.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

BACKGROUND: This resolution approves an Engineering Services Agreement with Klingner & Associates for the Bos Landen Conference Center Restoration project. As background, the Bos Landen Conference Center facility sustained substantial water damage due to a frozen water pipe in early 2020. While repairs were made to restore the facility to an operational status, complete restoration has yet to be accomplished.

The City's insurance policy provides for actual cash value of covered property at the time of loss until the repairs are completed. To-date, the City has received the replacement cost value of the facility at the time of loss, less depreciation, which amounts to approximately \$475,000. Nearly \$200,000 has been paid to vendors for disaster recovery services, leaving approximately \$275,000; however, our insurance policy covers complete restoration costs less the deductible. It is important to note that additional modifications to the facility that are not directly related to the damage may not be covered under the policy.

At the Policy and Planning meeting on July 20, Council directed staff to secure engineering services to restore the facility to its original (or similar) condition. The cost of engineering services is eligible for reimbursement via the insurance policy. Staff received the attached quote from Klingner & Associates to conduct the required engineering services in the lump sum amount of \$40,000.

In summary, EMC, the City's insurance company, has reviewed and approved the attached agreement with Klingner & Associates. Staff recommends approving this engineering services agreement in the amount of \$40,000 for the restoration of the Bos Landen Conference Center. It is important to note that staff will seek Council approval prior to commencing the construction phase of the restoration.

ATTACHMENTS: Resolution, Engineering Services Agreement
REPORT PREPARED BY: Community Services Director
REVIEWED BY: City Administrator, City Clerk
RECOMMENDATION: Approve resolution

H. ORDINANCES

1. Ordinance No. 996 entitled, "AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF PELLA, IOWA, BY AMENDING THE PUD ORDINANCE FOR THE PROPERTY LOCATED EAST OF HWY 163 AND NORTH OF HWY G-28, CITY OF PELLA, MARION COUNTY, IOWA."

De Jong moved to place ordinance no. 996 on its second reading, seconded by Hopkins.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

It was moved by De Jong that the statutory rule requiring said ordinance to be considered and voted on for passage at two Council meetings prior to the meeting at which it is to be finally passed be suspended, seconded by Schiebout.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

De Jong moved that ordinance no. 996 be adopted, seconded by Branderhorst.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

Mayor DeWaard declared the ordinance duly passed and adopted.

BACKGROUND: This ordinance amends the previously approved Prairie Ridge Planned Unit Development (PUD) (Ordinance 960). As background, in 2019, the City approved a PUD for Prairie Ridge which allowed for a master planned community to be built. Recently, the applicant expressed a desire to adjust the setbacks for the single-family residential properties included in the PUD. Given the change in the proposed development, the original PUD must be amended to accommodate and document this change.

Development: Phases 2 and 3 of the Prairie Ridge residential development are currently under construction and include a mix of one- and two-story single-family residential homes. The original development approval granted zoning requirements to be waived or amended which included the rear yard setbacks. The approved setbacks for Phase 2, Lots 2-21, and Phase 3 were set at 25 feet.

Through the building permit application process, the developer and the City became aware that proposed decks on certain homes would encroach into the previously approved 25-foot rear yard setbacks (see attached building permit exhibits). The solution is to reduce the approved rear yard setbacks from 25 feet to 15 feet. This would allow the construction of decks by the developer and not encroach into the setbacks. This modification will also allow future homeowners the same considerations and use of property.

Planned Unit Development (PUD): A PUD is 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.

Key Requirements of the Proposed Ordinance

Exhibit A – Ordinance 960: The proposed amended ordinance is not changing any of the restrictions placed on the property; the proposed PUD simply revises the rear property setbacks for Phase 2, Lots 2-21, and Phase 3.

Zoning District Modifications: The proposed ordinance does not change any of the previously approved zoning district modifications included with the original PUD other than what is stated below:

Zoning Requirements Waived or Amended:

2. For property identified as being included in Phase 2, Lots 2-21, and Phase 3:

g. The requirements of Table 165.12-3, Rear Yard, shall be reduced from 25 feet to 15 feet.

Comprehensive Plan: Providing additional housing in the community is a key priority goal of the Comprehensive Plan. The reason the plan stresses the need for additional housing is because it was identified as a primary concern of stakeholders and the general public during the plan's public input phase. This modification to the original Prairie Ridge PUD will not affect the original finding that the Prairie Ridge PUD is compatible with the Comprehensive Plan.

Staff Recommendation: Staff believes the proposed ordinance meets the requirements of the City's zoning code. In addition, staff 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 that the Planning and Zoning Commission unanimously approved this proposed ordinance during their meeting on July 26, 2021.

ATTACHMENTS: Ordinance, Letter from Developer, Ordinance 960, Building Permit Exhibits

REPORT PREPARED BY: Planning and Zoning Director

REPORT REVIEWED BY: City Administrator, City Clerk

RECOMMENDATION: Approve ordinance

2. Ordinance No. 997 entitled, "AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF PELLA, IOWA, BY AMENDING THE PUD PLAN FOR PROPERTY LOCATED AT 413 MAIN STREET, CITY OF PELLA, MARION COUNTY, IOWA."

Hopkins moved to place ordinance no. 997 on its second reading, seconded by De Jong.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

It was moved by De Jong that the statutory rule requiring said ordinance to be considered and voted on for passage at two Council meetings prior to the meeting at which it is to be finally passed be suspended, seconded by Schiebout.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

Branderhorst moved that ordinance no. 997 be adopted, seconded by De Jong.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

Mayor DeWaard declared the ordinance duly passed and adopted.

BACKGROUND: This ordinance amends the previously approved South Main Planned Unit Development (PUD). As background, the City Council adopted a PUD ordinance for South Main in 2019. The ordinance is being amended at the request of the developer, RDP Holdings, to accommodate the proposed mixed-use development which is located on approximately 2.89 acres at 403 Main, 413 Main, and 400 Broadway.

Zoning District Modifications: The proposed ordinance requires the development to be in conformance with the base Commercial – Mixed Use Urban Center (CUC) zoning district except for the modifications previously approved as part of the original PUD. Recently, the developer requested to modify the design and layouts for Buildings 4 and 5. Therefore, staff is proposing to amend the previously approved PUD ordinances to include new exhibits, as shown. Additionally, the PUD exhibits show the site plan with the building layout and architectural elevations.

Staff Recommendation: Staff believes the proposed ordinance meets the requirements of the City's zoning code. In addition, staff also believes the proposed ordinance does not impact conformance with the City's Comprehensive Plan. Therefore, staff is recommending approval of the proposed ordinance which would formally amend the development regulations for the proposed development. Finally, it is important to note that the Planning and Zoning Commission unanimously approved this proposed ordinance during their meeting on July 26, 2021.

ATTACHMENTS: Ordinance, Exhibit A, Exhibit B-2-a, Exhibit B-2-b, Ordinance 947, Ordinance 954

REPORT PREPARED BY: Planning and Zoning Director

REPORT REVIEWED BY: City Administrator, City Clerk

RECOMMENDATION: Approve ordinance

I. CLAIMS

1. Abstract of Bills No. 2085.

Branderhorst moved to approve, seconded by Bandstra.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

J. POLICY AND PLANNING

From 7:02 p.m. to 8:10 p.m., Council adjourned to the Policy and Planning meeting to hold a discussion regarding the following items, with no formal Council action taken:

1. Spirit of Pella proposal regarding additional holiday lighting in Central Park
2. Review and discussion of American Rescue Plan Funding
3. Long-term Facilities Plan

K. CLOSED/EXEMPT SESSION

1. At 8:11 p.m., Hopkins moved to enter into closed session pursuant to Iowa Code Chapter 388.9(1) to discuss marketing and pricing strategies or proprietary information of a city utility if its competitive position would be harmed by public disclosure not required of potential or actual competitors, and if no public purpose would be served by such disclosure, seconded by Bandstra.
On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

Council reconvened to open session at 8:40 p.m.

No action was taken regarding this closed session.

2. At 8:41 p.m., Hopkins moved to enter into exempt session pursuant to Iowa Code Chapter 21.9 to discuss employment conditions of employees not covered by collective bargaining agreements, seconded by Sporrer.
On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

Council reconvened to open session at 8:42 p.m.

In open session, De Jong moved to approve Resolution No. 6337 entitled, "RESOLUTION AMENDING INFECTIOUS DISEASE ACTION PLAN/POLICY RELATED TO THE COVID-19 PUBLIC HEALTH CRISIS," seconded by Sporrer.

On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

L. OTHER BUSINESS/PUBLIC FORUM (any additional comments from the public)

Comments were received and addressed.

M. ADJOURNMENT

There being no further business claiming their attention, Schiebout moved to adjourn, seconded by Sporrer.
On roll call the vote was: AYES: 6, NAYS: None. Motion carried.

Meeting adjourned at 9:06 p.m.