

**REGULAR COUNCIL MEETING, CITY OF STORM LAKE, IOWA, CITY HALL,
FEBRUARY 20, 2017, 5:00 P.M.**

Present: Mayor Jon Kruse, Council Members Bruce Carlson, Dan Anderson, and Bruce Engelmann. Absent: Mike Porsch and Tyson Rice . Staff present: City Manager Jim Patrick, Asst. City Manager Keri Navratil, City Attorney Phil Havens, Police Chief Mark Prosser, Fire Chief Mike Jones, Library Director Elizabeth Huff, Building Official Scott Olesen, Public Works Director Jason Etnyre, Water Plant Superintendent Mike Davis, and Mayra Martinez City Clerk

Mayor Kruse called the meeting to order at 5:00 pm.

Hear the Public –

Consent Agenda – Moved by Council Member Anderson to approve the consent agenda with the removal of the easement approval with the Lange Family for a waterline. Such easement was approved at a prior meetings. The approve consent agenda includes the list of the bills check #54620 through #54760, minutes from the February 6th and February 7th 2017, City Council meetings. Approve liquor license for Casey’s General Store #2497, Dollar General Store and Boathouse. Approve noise variance for BVU Buenafication Day scheduled for Tuesday, May 2, 2017 between the hour of 8:30am and 5:00 pm in the Campus Commons area and at the BVU Football Stadium from 9:00pm to 10:00am. Seconded by Council Member Engelmann. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried

2016 Watermain Mayor opened the public hearing the plans, specs, bids, form of contract, and engineers opinion probable costs for the 2016 Watermain Improvements stating that this was the time and place for any comments

Hearing no comment the Mayor then closed the public hearing.

Moved by Council Member Carlson to adopt Resolution No. 71-R-2016-2017 approving the plans, specs, bids, form of contract, and engineer’s opinion of probable costs for the 2016 Watermain Improvements. Seconded by Council Member Engelmann. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

RESOLUTION NO. 71-R-2016-2017

**RESOLUTION ADOPTING PLANS, SPECIFICATIONS, FORM OF
CONTRACT AND ESTIMATE OF COST FOR THE 2016 WATERMAIN
IMPROVEMENTS**

WHEREAS, the plans, specifications, form of contract and estimate of cost were filed with the CITY for the construction of certain public improvements described in general as the 2016 Watermain Improvements; and

WHEREAS, notice of hearing on plans, specifications, form of contract and estimate of cost for said public improvements was published as required by law:

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA;

Section 1. That the said plans, specifications, form of contract and estimate of cost are hereby approved as the plans, specifications, form of contract and estimate of cost for said public improvements, as described in the preamble of this Resolution.

PASSED AND APPROVED this 20th day of February, 2017.

Jon F. Kruse, Mayor

ATTEST:

Mayra Martinez, City Clerk

Moved by Council Member Anderson to adopt Resolution No. 72-R-2016-2017 approving bid from SCE LLC 2016 Watermain Improvements. Seconded by Council Member Carlson. Vote: All Ayes with Council Member Porsch and Rice absent. Motion carried

RESOLUTION NO. 72-R-2016-2017

RESOLUTION ACCEPTING AND AWARING BID FOR THE 2016 WATERMAIN IMPROVEMENTS PROJECT

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA:

Section 1. That the following bid for the construction of certain public improvements described in general as the 2016 Watermain Improvements, described in the plans and specifications heretofore adopted by this Council on February 20, 2017, be and is hereby accepted, the same being the lowest responsible bid received for said work, as follows:

Contractor: SCE, LLC, Cherokee, IA
Amount of bid: \$220,600.75
Portion of bid: All

Section 2. That the Mayor and Clerk are hereby directed to execute contract with the contractor for the construction of said public improvements, said contract not to be binding on the City until approved by this Council.

PASSED AND APPROVED this 20nd day of February, 2017.

Jon F. Kruse, Mayor

ATTEST:

Mayra Martinez, City Clerk

Zoning Ordinance – Moved by Council Member Engelmann to approve the 2nd Reading of Ordinance 04-O-2016-2017 for the proposed text amendment to the Storm Lake Zoning Ordinance. Seconded by Council Member Anderson. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

28E Agreement for Business 71 Culvert Project – Moved by Council Member Anderson to adopt Resolution 73-R-2016-2017 approving 28E agreement with Buena Vista County for Business 71 Culvert Project. Seconded by Council Member Carlson. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

RESOLUTION NO. 73-R-2016-2017

RESOLUTION APPROVING A 28E AGREEMENT BETWEEN THE CITY OF STORM LAKE AND BUENA VISTA COUNTY SHARING COSTS ASSOCIATED WITH THE BUSINESS 71 CULVERT PROJECT

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA:

To approve an agreement pursuant to Section 28E of the Code of Iowa by and between the City of Storm Lake, Iowa and Buena Vista County for sharing costs associated with the Business 71 Culvert Project.

PASSED AND APPROVED this 20th day of February, 2017.

Jon F. Kruse, Mayor

ATTEST:

Mayra Martinez, City Clerk

Moved by Council Member Engelmann to adopt Resolution 74-R-2016-2017 approving final plans and authorization for Buena Vista County to seek bids to the 2017 Business 71 Culvert Replacement Project.

RESOLUTION NO. 74-R-2016-2017

RESOLUTION ADOPTING FINAL PLANS, SPECIFICATIONS, AND AUTHORIZING THE BUENA VISTA COUNTY TO SEEK BIDS FOR THE 2017 BUSINESS CULVERT REPLACEMENT PROJECT

WHEREAS, the plans, specifications, and authorizing the Buena Vista County to seek bid were filed with the CITY for the construction of certain public improvements described in general as the 2017 Business Culvert Replacement Project; and

WHEREAS, Buena Vista County is responsible of publishing notice of hearing of plans and specifications as required by law:

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA;

Section 1. That the said plans, specifications, form of contract and estimate of cost are hereby approved as the plans, specifications, form of contract and estimate of cost for said public improvements, as described in the preamble of this Resolution.

PASSED AND APPROVED this 20th day of February, 2017.

Jon F. Kruse, Mayor

ATTEST:

Mayra Martinez, City Clerk

Storm Lake Marina – Moved by Council Member Anderson to approve the 2017 Land and Water Conservation Fund Grant professional services agreement with ISG. Total cost of \$9,100. Seconded by Council Member Carlson. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

Map-21 Application - Moved by Council Member Engelmann to approve and submit Map-21 Transportation alternative project application for North Central shared use path. Seconded by Council Member Carlson. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

Moved by Council Member Anderson to approve and submit Map-21 for Richland Street from Industry Street to Radio Road. Seconded by Council Member Engelmann. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

North Central Storm Stormwater Project Phase 2 – Moved by Council Member Engelmann approve setting a public hearing for March 20, 2017 for the plans, specifications, form of contract, and engineer's opinion of probable costs for the North Central Stormwater Improvement Phase 2 Project. Seconded by Council Member Carlson. All ayes with Council Member Porsch and Rice absent. Motion carried.

Industrial Park Urban Renewal Amendment #6 - Mayor opened the public hearing the proposed Amendment No. 6 to the Storm Lake Industrial Park Urban Renewal Plan stating that this was the time and place for any comments

Hearing no comment the Mayor then closed the public hearing.

Moved by Council Member Carlson to adopt Resolution No. 75-R-2016-2017 approving Amendment No. 6 to the Storm Lake Industrial Park Urban Renewal Plan. Seconded by Council Member Anderson. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

RESOLUTION NO. 75-R-2016-2017

RESOLUTION DETERMINING AN AREA OF THE CITY TO BE A BLIGHTED AND 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. 6 TO THE STORM LAKE INDUSTRIAL PARK URBAN RENEWAL PLAN

WHEREAS, by Resolution No. 33-R-91-92, adopted September 16, 1991, this Council found and determined that certain areas located within the City are eligible and should be designated as an urban renewal area under Iowa law, and approved and adopted the Storm Lake Industrial Park Urban Renewal Plan (the "Plan" or "Urban Renewal Plan") for the Storm Lake Industrial Park Urban Renewal Area (the "Area" or "Urban Renewal Area") described therein, which Plan is on file in the office of the Recorder of Buena Vista County; and

WHEREAS, by Resolution No. 25-R-2004-2005, adopted October 18, 2004, this City Council approved and adopted an Amendment No. 1 to the Plan; and

WHEREAS, by Resolution No. 07-R-2010-2011, adopted July 19, 2010, this City Council approved and adopted an Amendment No. 2 to the Plan; and

WHEREAS, by Resolution No. 36-R-2013-2014, adopted November 18, 2013, this City Council approved and adopted an Amendment No. 3 to the Plan; and

WHEREAS, by Resolution No. 29-R-2015-2016, adopted August 24, 2015, this City Council approved and adopted an Amendment No. 4 to the Plan; and

WHEREAS, by Resolution No. 33-R-2016-2017, adopted October 17, 2016, this City Council approved and adopted an Amendment No. 5 to the Plan; and

WHEREAS, this Urban Renewal Area currently includes and consists of:

ORIGINAL AREA

A part of the South Half (S1/2) of Section One (1), Township Ninety North (T 90 N), Range Thirty Seven West (R 37 W) of the Fifth Principal Meridian (5th P.M.) lying North of the Illinois Central Railroad, and a part of the Northeast Quarter (NE¼) of Section (12), Township Ninety North (T 90 N), Range Thirty Seven West (R 37 W) of the Fifth Principal Meridian (5th P.M.) lying North of the Illinois Central Railroad, more particularly described as follows:

Commencing at the Northwest Corner of the Southwest Quarter (SW¼) Section One (1), Township Ninety North (T 90 N), Range Thirty Seven West (R 37 W) of the Fifth Principal Meridian (5th P.M.), thence 00°32' East along the West Line of said Southwest Quarter (SW¼) a distance of One Thousand Two Hundred Seven and Seven Tenths Feet (1,207.70') to the Point of Beginning; thence North 90°00' East a distance of Two Thousand Six Hundred Forty Two and Six Hundredths Feet (2,642.06') to the North-South Centerline of said Section One (1); thence South 00°34' East along the North-South Centerline of said Section One (1), a distance of Four Hundred Seven and Eighteen Hundredths Feet (407.18'); thence North 90°00' East a distance of Two Thousand Six Hundred Thirty Eight and Seventy Two Hundredths Feet (2,638.72') to the East Line of said Section One (1); thence South 00°31' East along the East Line of said Section (1) a distance of One Thousand Eighty Seven and Seven Tenths Feet (1,087.7') to the Southeast Corner of said Section One (1), said Point also being the Northeast Corner of Section Twelve (12), Township Ninety North (T 90 N), Range Thirty Seven West (R 37 W) of the Fifth Principal Meridian (5th P.M.); thence South 00°20'20" East along the East Line of said Northeast Quarter (NE¼) Section Twelve (12) a distance of Two Hundred Sixty Six and Five Hundredths Feet (266.05') to the North Right of Way Line of the Illinois Central Railroad; thence North 77°07" West along the North Right of Way Line of said Railroad a distance of Five Thousand Four Hundred Twenty Seven and Seven Tenths Feet (5,427.7') to the West Line of the Southwest Quarter (SW¼) said Section One (1); thence North 00° 32' West along the West Line of said Section (1) a distance of Five Hundred Fifty and Seventy One Hundredths Feet (550.71') to the Point of Beginning.

The above parcel contains 115.46 acres in total

MCS Industrial Addition to Storm Lake, Iowa

AND

A PART OF THE SOUTH EAST QUARTER (SE¼) OF SECTION 2, TOWNSHIP 90 NORTH, RANGE 37 WEST OF THE 5TH P.M., BUENA VISTA COUNTY, IOWA AND BEING MORE FULLY DESCRIBED AS FOLLOWS:

Beginning at the Northeast (NE) corner of the Southeast Quarter (SE $\frac{1}{4}$) of said Section 2; thence South 89°45'20" West along the North line of said Southeast Quarter (SE $\frac{1}{4}$), a distance of 2,131.17 feet to a point on the Easterly right of way line of the Chicago, Milwaukee, St. Paul and Pacific Railroad; thence Southerly along the Easterly right of way line of said railroad on a curve whose short chord bearings are as follows: South 29°31'40" East, a distance of 57.05 feet; thence South 23°07'17" East, a distance of 601.83 feet; thence South 16°32'54" East, a distance of 56.08 feet; thence continuing along the Easterly line of said railroad right of way South 15°59'20" East, a distance of 675.12 feet to a point on the Northerly line of the Illinois Central Railroad right of way; thence South 89°44'44" East, along the Northerly line of said railroad, a distance of 824.23 feet; thence South 1°56'40" West, a distance of 238.22 feet; thence South 76°34'40" East, a distance of 872.88 feet to a point on the East line of said Southeast Quarter (SE $\frac{1}{4}$); thence North along the East line of said Southeast Quarter (SE $\frac{1}{4}$) a distance of 1,759.60 feet to the point of beginning containing 62.91 acres and subject to all easements of record.

The East line of the Southeast Quarter (SE $\frac{1}{4}$) of said Section 2 is assumed to bear due North and South in the above description.

AMENDMENT NO. 1 AREA

All of the property within the corporate limits that is located South of Richland Avenue and East of Flint Drove. The area also includes the full right-of-way of all streets forming the boundary.

AMENDMENT NO. 2 AREA

A parcel in Buena Vista County, Iowa beginning at a point which is at the center of the intersection of the Canadian National Railroad right of way and Radio Road in Storm Lake, Iowa; thence South along the center line of Radio Road to the south right of way line of Highway 7; thence continuing South along the centerline of the County Road just West of the Northwest Quarter (NW $\frac{1}{4}$) of Section Twelve (12), Township Ninety (90) North, Range Thirty-Seven (37) West of the 5th P.M. to a point that the center line intersects with the South line of the Northwest Quarter (NW $\frac{1}{4}$) of Section Twelve (12), Township Ninety (90) North, Range Thirty-Seven (37) West of the 5th P.M.; thence East along a South line of the Northwest Quarter (NW $\frac{1}{4}$), Section Twelve (12), Township Ninety (90) North, Range Thirty-Seven (37) West of the 5th P.M. to the Southeast corner of the Northwest Quarter (NW $\frac{1}{4}$) of Section Twelve (12), Township Ninety (90) North, Range Thirty-Seven (37) West of the 5th P.M.; thence North along the East line of the Northwest Quarter (NW $\frac{1}{4}$) of Section Twelve (12), Township Ninety (90) North, Range Thirty-Seven (37) West of the 5th P.M. to the point where that East line intersects with the South line of Highway 7; thence East along the South line of Highway 7 to the point where it intersects with the center line of Gilbert Street extended South across Highway 7; thence North along the center line of Gilbert Street to the point where that line intersects with the center line of the Canadian National Railroad right of way; thence Northwesterly along the center line of the Canadian National Railroad right of way to the point of beginning.

AMENDMENT NO. 3 AREA

A tract of land located in the Southwest Quarter of the Southeast Quarter (SW¹/₄SE¹/₄) of Section 1, Township 90 North, Range 37 West of the 5th P.M., Buena Vista County, Iowa, and being more particularly described as follows:

Beginning at the Northwest (NW) Corner of Lot Seven (7), Block One (1), of Industrial Park Addition to Storm Lake; thence on a previously recorded bearing of North 90°00'00" East along the North line of said Lot Seven (7), 581.78 Feet to the West line of the East One Hundred Seventy-Five Feet (175') of said Lot Seven (7); thence North 00°10'50" West along the Northern extension of said West line of the East One Hundred Seventy-Five Feet (175'), 186.90 feet; thence South 90°00'00" West, 583.58 Feet to the East line of Lot Six (6), of said Block One (1); thence South 00°43'45" East, along said East line, 186.90 Feet to the point of beginning.

Tract contains 2.50 acres and is subject to all easements of record.

and

A tract of land located in the Southeast Quarter (SE¹/₄) of Section 1, Township 90 North, Range 37 West of the 5th P.M., Buena Vista County, Iowa, and being more particularly described as follows: Commencing at the Northwest (NW) Corner of the Southeast Quarter (SE¹/₄) of said Section 1; thence on a true bearing of South 00°21'07" East along the West line of said Southeast Quarter (SE¹/₄), 930.76 Feet to the point of beginning; thence South 89°10'02" East 838.14 Feet; thence South 00°21'07" East, 645.29 Feet to the North line of the Industrial Park Addition to the City of Storm Lake; thence North 89°50'14" West, along said North line, 255.00 Feet; thence North 00°02'17" East, 186.90 Feet; thence North 89°47'21" West, 583.58 Feet to the East line of Lot Six (6), Block One (1) of said Industrial Park Addition; thence North 00°32'05" West, along said East line, 220.28 Feet to the Northeast (NE) Corner of said Lot Six (6); thence North 00°21'07" West, along the West line of the Southeast Quarter (SE¹/₄), 247.44 Feet to the point of beginning. Hereafter referred to as Lot C of Lot B in Section 1, Township 90 North, Range 37 West of the 5th P.M., Buena Vista County, Iowa.

Tract contains 10.00 acres and is subject to all easements of record; and

AMENDMENT NO. 4

Added no new land.

AMENDMENT NO. 5

Added no new land.

WHEREAS, a proposed Amendment No. 6 to the Storm Lake Industrial Park Urban Renewal Plan ("Amendment No. 6" or "Amendment") for the Storm Lake Industrial Park Urban Renewal Area described above has been prepared, which proposed Amendment has been on file in the office of the City Clerk and which is incorporated herein by reference, the purpose of which is to add and/or confirm the list of proposed projects in the Urban Renewal Area; and

WHEREAS, this proposed Amendment No. 6 to the Urban Renewal Area adds no new land; and

WHEREAS, it is desirable that the Area be redeveloped as part of the activities described within the proposed Amendment No. 6 to the Storm Lake Industrial Park Urban Renewal Plan; and

WHEREAS, by resolution adopted on January 17, 2017, this Council directed that a consultation be held with the designated representatives of all affected taxing entities to discuss the proposed Amendment No. 6 to the Storm Lake Industrial Park Urban Renewal Plan and the division of revenue described therein, and that notice of the consultation and a copy of the proposed Amendment No. 6 to the Storm Lake Industrial Park Urban Renewal Plan be sent to all affected taxing entities; and

WHEREAS, pursuant to such notice, the consultation was duly held as ordered by the City Council and all required responses to the recommendations made by the affected taxing entities, if any, have been timely made as set forth in the report of the Assistant City Manager, or her delegate, filed herewith and incorporated herein by this reference, which report is in all respects approved; and

WHEREAS, by resolution this Council also set a public hearing on the adoption of the proposed Amendment No. 6 to the Storm Lake Industrial Park Urban Renewal Plan for this meeting of the Council, and due and proper notice of the public hearing was given, as provided by law, by timely publication in the Storm Lake Times, which notice set forth the time and place for this hearing and the nature and purpose thereof; and

WHEREAS, in accordance with the notice, all persons or organizations desiring to be heard on the proposed Amendment No. 6 to the Storm Lake Industrial Park Urban Renewal Plan, both for and against, have been given an opportunity to be heard with respect thereto and due consideration has been given to all comments and views expressed to this Council in connection therewith and the public hearing has been closed.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, STATE OF IOWA:

Section 1. That the findings and conclusions set forth or contained in Amendment No. 6 concerning the area of the City of Storm Lake, State of Iowa, described in the preamble hereof, be and the same are hereby ratified and confirmed in all respects as the findings of this Council for this area.

Section 2. This Council further finds:

a) Although relocation is not expected, a feasible method exists for the relocation of any families who will be displaced from the Storm Lake Industrial Park Urban Renewal Area into decent, safe and sanitary dwelling accommodations within their means and without undue hardship to such families;

b) The Plan, as amended, and Amendment No. 6 to the Storm Lake Industrial Park Urban Renewal Plan conform to the general plan for the development of the City as a whole; and

c) Acquisition by the City is not immediately expected, however, as to any areas of open land to be acquired by the City included within the Storm Lake Industrial Park Urban Renewal Area:

i. Residential use is expected, and, with reference to those portions thereof which are to be developed for residential uses, this City Council hereby determines that a shortage of housing of sound standards and design with decency, safety and sanitation exists within the City; that the acquisition of the area for residential uses is an integral part of and essential to the program of the municipality; and that one or more of the following conditions exist:

a. That the need for housing accommodations has been or will be increased as a result of the clearance of slums in other areas, including other portions of the urban renewal area.

b. That conditions of blight in the municipality and the shortage of decent, safe and sanitary housing cause or contribute to an increase in and spread of disease and crime, so as to constitute a menace to the public health, safety, morals, or welfare.

c. That the provision of public improvements related to housing and residential development will encourage housing and residential development which is necessary to encourage the retention or relocation of industrial and commercial enterprises in this state and its municipalities.

d. The acquisition of the area is necessary to provide for the construction of housing for low and moderate income families.

ii. Non-residential use is expected and with reference to those portions thereof which are to be developed for non-residential uses, such non-residential uses are necessary and appropriate to facilitate the proper growth and development of the City in accordance with sound planning standards and local community objectives.

Section 3. That the Storm Lake Industrial Park Urban Renewal Area, as amended, continues to be a blighted and economic development area within the meaning of Iowa Code Chapter 403; that such area is eligible for designation as an urban renewal area and otherwise meets all requisites under the provisions of Chapter 403 of the Code of Iowa; 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 this City.

Section 4. That Amendment No. 6 to the Storm Lake Industrial Park Urban Renewal Plan of the City of Storm Lake, State of Iowa, attached hereto as Exhibit 1 and incorporated herein by reference, be and the same is hereby approved and adopted as "Amendment No. 6 to the Storm Lake Industrial Park Urban Renewal Plan for the City of Storm Lake, State of Iowa"; Amendment No. 6 to the Storm Lake Industrial Park Urban Renewal Plan of the City of Storm Lake, State of Iowa, is hereby in all respects approved; and the City Clerk is hereby directed to file a certified copy of Amendment No. 6 with the proceedings of this meeting.

Section 5. That, notwithstanding any resolution, ordinance, plan, amendment or any other document, Amendment No. 6 to the Storm Lake Industrial Park Urban Renewal Plan shall be in full force and effect from the date of this Resolution until the Council amends or repeals the Plan. The proposed Amendment No. 6 to the Storm Lake Industrial Park Urban Renewal Plan

shall be forthwith certified by the City Clerk, along with a copy of this Resolution, to the Recorder for Buena Vista County, Iowa, to be filed and recorded in the manner provided by law.

Section 6. That all other provisions of the Plan not affected or otherwise revised by the terms of Amendment No. 6, as well as all resolutions previously adopted by this City Council related to the Plan be and the same are hereby ratified, confirmed and approved in all respects.

PASSED AND APPROVED this 20th day of February, 2017.

Jon F. Kruse, Mayor

ATTEST:

Mayra Martinez, City Clerk

EXHIBIT 1

STORM LAKE INDUSTRIAL PARK URBAN RENEWAL PLAN

AMENDMENT #6

CITY OF STORM LAKE, IOWA

Original Area Adopted –1991

Amendment #1 – 2004

Amendment #2 – 2010

Amendment #3 – 2013

Amendment #4 – 2015

Amendment #5 – 2016

Amendment #6 - 2017

AMENDMENT #6
to
STORM LAKE INDUSTRIAL PARK
URBAN RENEWAL PLAN
CITY OF STORM LAKE, IOWA

The Storm Lake Industrial Park Urban Renewal Plan ("Plan") for the Storm Lake Industrial Park Urban Renewal Area ("Area" or "Urban Renewal Area"), adopted in 1991, and amended in 2004, 2010, 2013, 2015, and 2016 is being further amended to add and/or confirm the list of proposed projects to be undertaken within the Urban Renewal Area ("Amendment #6" or "Amendment"). No land is being added to the Urban Renewal Area by this Amendment.

Except as modified by this Amendment, the provisions of the original Storm Lake Industrial Park Urban Renewal Plan, as previously amended, are hereby ratified, confirmed, and approved and shall remain in full force and effect as provided herein. In case of any conflict or uncertainty, the terms of this Amendment shall control.

AREA DESIGNATION

The Urban Renewal Area has been designated as a mixed area for the remediation of blight and promotion of economic development (commercial and industrial). The Urban Renewal Area continues to be appropriate for a mixed area for the remediation of blight and promotion of economic development (commercial and industrial).

PROJECT OBJECTIVES

No changes are made by this Amendment.

TYPES OF RENEWAL ACTIVITIES

No changes are made by this Amendment.

ELIGIBLE URBAN RENEWAL PROJECTS (Amendment #6)

1. Public Improvements:

Project	Estimated Date	Not to Exceed Cost	Rationale
<i>King's Pointe Resort.</i> Remodel and renovate King's Pointe Resort. The renovations include, but are not limited to, electrical upgrades,	2017-2022	\$4,500,000	This project promotes economic development. King's Pointe Resort is almost 10 years old and in need of remodeling and renovations. It is industry

<p>mechanical upgrades, information and technology upgrades, interior finishes, furniture, and lighting upgrades for the entire property.</p>			<p>standard to remodel and renovate hotel rooms and public spaces every 7 years. Further, King's Pointe Resort is a leading recreational and tourism feature in the City and is used by members of the City, County and School communities as well as attracting tourists and business related travelers from outside of the community. King's Pointe Resort spurs tourism and commercial business activity in the community and is a key component to attracting employers, employees and economic development.</p>
<p><i>Outdoor Waterpark.</i> Remove and replace outdoor waterpark concrete.</p>	<p>2017-2020</p>	<p>\$800,000</p>	<p>This project promotes economic development. The outdoor waterpark is a leading recreational and tourism feature in the City and is used by members of the City, County and School communities to enhance quality of life and promote livability that is essential to attracting employers, employees and economic development. Increased employment opportunities and enhanced livability are necessary factors in sustaining the population of the City. An attractive, vibrant and developing community, in turn, will benefit the School District and County. Improving the outdoor waterpark, therefore, enhances the community's attractiveness to employers and employees, and provides benefits to the citizenry of the City, County</p>

			and School.
<i>Memorial Park Storm Water Improvements.</i> Construction of various storm water improvements including, but not limited to, detention pond, rain garden, and other storm water mitigation improvements.	2017-2021	\$750,000	This project remediates blighting influences and promotes economic development. The project is intended to reduce flooding occurrences along Highway 7 and protect neighboring retail establishments from flooding. The City expects that part of the site may be available for commercial space subsequent to the storm water improvements being complete.

2. Development Agreements:

A. *Storm Lake Chamber and Area Development, Inc. (aka Storm Lake United):* The proposed project involves the acquisition of approximately six parcels of land within the urban renewal area by Storm Lake United. It is anticipated that Storm Lake United will transfer two of the six parcels to the City for use in the Memorial Park Storm Water Improvement project and Storm Lake United will market and sell the other four parcels for commercial and/or tourism related development. The acquisition is expected to occur in 2017-2018. The City expects to provide incentives to Storm Lake United in the form of a one-time grant not to exceed \$500,000 to assist with the acquisition. All incentives will be subject to the terms and conditions of a detailed development agreement between the City and Storm Lake United.

3. Planning, Engineering Fees (for Urban Renewal Plans), Attorney Fees, Other Related Costs to Support Urban Renewal Projects and Planning:

Project	Date	Estimated Cost
Fees & Costs	Undetermined	Not to Exceed \$50,000

DEBT

1.	Current constitutional debt limit:	\$23,140,673
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2.	Current outstanding general obligation debt:	\$18,379,000
3.	Proposed amount of loans, advances, indebtedness or bonds to be incurred. A specific amount of debt to be incurred for the Eligible Urban Renewal Project (Amendment #6) has not yet been determined. The projects authorized in this Amendment are only proposed projects at this time. The City Council will consider each project proposal on a case-by-case basis to determine if it is consistent with the Plan and in the public's best interest to participate in the project. These projects, if approved, will commence and be concluded over a number of years. In no event will debt be incurred that would exceed the City's debt capacity. It is further expected that such indebtedness, including interest on the same, may be financed in whole or in part with tax increment revenues from the Urban Renewal Area. Subject to the foregoing, it is estimated that the cost of the Eligible Urban Renewal Projects described above will be approximately as stated in the next column:	Up to \$6,600,000

PUBLIC BUILDING ANALYSIS

1. Outdoor Waterpark.

This project involves a public building. This project involves the removal and replacement of concrete at the outdoor waterpark. If this project is ultimately approved by the City, the City intends to finance a portion of the cost of the project through tax increment financing. For the costs of this project to be paid with tax increment funds, the City proposes to issue general obligation bonds and abate a part of the principal and interest payments utilizing available incremental tax revenues within the Area, if available. The City anticipates that tax increment revenues, if available, will fund up to 100% of the total project costs. Total project costs for removal and replacement of the concrete are estimated to be not in excess of \$800,000. Specifically, under these circumstances, Iowa law requires an analysis of alternative development options and funding for the project and reasons why such options would be less feasible than the use of incremental tax revenues for the projects.

The City has considered alternative funding sources, including the following:

- One alternative funding source for this project is the issuance of general obligation bonds that would be paid by the City's debt service levy (i.e. without using incremental tax revenues). This option would mean that only taxpayers of the City would be responsible for payment of the bonds/notes. However, the project benefits not only City residents, but also County and school district residents. In such case, the use of tax increment financing to pay a portion of

the principal and interest payments from debt associated with the projects is the most appropriate funding mechanism.

- A second alternative is to consider Local Option Sales Tax (LOST) funding received by the City. LOST revenues are not available for this project, as the City has already obligated available LOST revenues to fund other projects and tax relief.
- A third alternative is grant funding. The City anticipates pursuing grants from local agencies, as well as from state and federal sources if they become available. However, funding from most grant programs is extremely competitive and, even if successful, generally only provides a small percentage of the total capital needed for a project.

Regional Impact of Outdoor Waterpark:

The Outdoor Waterpark provides recreational opportunities expected by employers and employees and will promote economic development. Use of the Outdoor Waterpark will be open to rural residents as well as residents of neighboring communities. The facility draws people from the rural areas, nearby communities and is expected to be an attraction as part of the overall tourism related activity in the community.

Economic Development Potential:

The availability of recreational activities is an important quality-of-life factor for existing residents and companies choosing to locate or expand their business. Facilities such as the Outdoor Waterpark are also important factors for employees when choosing a place to live. The City recognizes a need to attract and retain a workforce of adequate size in order for existing and potential employers to locate and expand within the City and the region.

By fostering a more attractive business climate in the City, the development potential of the area will be enhanced. An attractive, vibrant, and diverse community, in turn will benefit the Storm Lake Community School District, as well as Buena Vista County. The project will have a positive impact on the quality of life in the City of Storm Lake and the surrounding area, and in turn will help promote economic development and generate new employment opportunities.

Feasibility of Using Tax Increment:

Because the proposed Urban Renewal Project benefits County and school district residents, the use of tax increment to pay for a portion of the project is appropriate. The Outdoor Waterpark project demonstrates regional benefit to both the County and the school district. As a result, it is fair for the school district and the County to share in the cost of the project. For the aforementioned reasons, the use of tax increment revenue (debt abated by incremental tax revenues) for this project is the most feasible, fair, and equitable mechanism for helping to fund the proposed project.

2. King's Pointe Resort.

This project may involve a public building. This project involves the remodeling and renovation of King's Pointe Resort. If this project is ultimately approved by the City, the City intends to finance a portion of the cost of the project through tax increment financing. For the costs of this project to be paid with tax increment funds, the City proposes to issue general obligation bonds and abate a part of the principal and interest payments utilizing available incremental tax revenues within the Area, if available. The City anticipates that tax increment revenues, if available, will fund up to 100% of the total project costs. Total project costs for remodeling and renovation of King's Pointe Resort are estimated to be not in excess of \$4,500,000. Specifically, under these circumstances, Iowa law may require an analysis of

alternative development options and funding for the project and reasons why such options would be less feasible than the use of incremental tax revenues for the projects.

The City has considered alternative funding sources, including the following:

- One alternative funding source for this project is the issuance of general obligation bonds that would be paid by the City's debt service levy (i.e. without using incremental tax revenues). This option would mean that only taxpayers of the City would be responsible for payment of the bonds/notes. However, the project benefits not only City residents, but also County and school district residents. In such case, the use of tax increment financing to pay a portion of the principal and interest payments from debt associated with the projects is the most appropriate funding mechanism.
- A second alternative is to consider Local Option Sales Tax (LOST) funding received by the City. LOST revenues are not available for this project, as the City has already obligated available LOST revenues to fund other projects and tax relief.
- A third alternative is grant funding. The City anticipates pursuing grants from local agencies, as well as from state and federal sources if they become available. However, funding from most grant programs is extremely competitive and, even if successful, generally only provides a small percentage of the total capital needed for a project.

Regional Impact of King's Pointe Resort:

King's Pointe Resort provides expanded recreational opportunities, as well as, space for local and regional events including receptions, reunions, and other get-togethers. Events at this facility are expected to draw people from the rural areas as well as other nearby communities. The availability of a renovated and updated facility would enhance and potentially expand current events and possibly encourage other events. Use of the facility is open to rural residents as well as residents of neighboring communities.

Economic Development Potential:

The availability of tourism and recreational activities is an important quality-of-life factor for existing residents and companies choosing to locate or expand their business. Facilities such as King's Pointe Resort are also important factors for employees when choosing a place to live. The City recognizes a need to attract and retain a workforce of adequate size in order for existing and potential employers to locate and expand within the City and the region.

By fostering a more attractive business climate in the City, the development potential of the area will be enhanced. An attractive, vibrant, and diverse community, in turn will benefit the Storm Lake Community School District, as well as Buena Vista County. The project will have a positive impact on the quality of life in the City of Storm Lake and the surrounding area, and in turn will help promote economic development and generate new employment opportunities.

Feasibility of Using Tax Increment:

Because the proposed Urban Renewal Project benefits County and school district residents, the use of tax increment to pay for a portion of the project is appropriate. The King's Pointe Resort project demonstrates regional benefit to both the County and the school district. As a result, it is fair for the school district and the County to share in the cost of the project. For the aforementioned reasons, the use

of tax increment revenue (debt abated by incremental tax revenues) for this project is the most feasible, fair, and equitable mechanism for helping to fund the proposed project.

DEVELOPMENT PLAN

Storm Lake has a general plan for the physical development of the City as a whole, outlined in the Comprehensive Plan – Storm Lake 2030, adopted by the City in February, 2013. The goals and objectives identified in this Amendment #6, and the urban renewal projects described herein, are in conformity with the goals, objectives, and recommendations identified in Comprehensive Plan – Storm Lake 2030.

This Urban Renewal Plan does not in any way replace the City’s current land use planning or zoning regulation process. The City doesn’t anticipate any change in zoning as a result of the proposed development.

The need, if any, for improved traffic, public transportation, public utilities, recreational and community facilities, or other public improvements within the Urban Renewal Area are set forth in this Amendment. As the Area continues to develop, the need for public infrastructure extensions and upgrades will be evaluated and planned for by the City.

PROPERTY ACQUISITION/DISPOSITION

The City will follow any applicable requirements for the acquisition and disposition of property.

URBAN RENEWAL PLAN AMENDMENTS

The Plan may be amended from time to time for a variety of reasons, including but not limited to, adding or deleting land, adding urban renewal projects, or to modify goals or types of renewal activities. The City may amend this Plan in accordance with applicable state law.

EFFECTIVE DATE

This Amendment #6 will become effective upon its adoption by the City Council. No changes are expected in the effective period of this Urban Renewal Area.

REPEALER

Any parts of the Plan, as previously amended, in conflict with this Amendment are hereby repealed.

SEVERABILITY CLAUSE

If any part of the Amendment is determined to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity of the previously adopted Plan as a whole or the previous amendments to the Plan, or any part of the Plan not determined to be invalid or unconstitutional.

7th and Geneseo St. Sanitary Sewer Improvements – Moved by Council Member Engelmann to approve agreement professional Services with WHKS for the 7th and Geneseo Street Sanitary Sewer Improvements. Cost is not to exceed \$10,500. Seconded by Council Member Anderson. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

Golf Season Pass Sale – Moved by Council Member Carlson to approve special rate for the Golf season pass starting March 11, 2017 through March 17, 2017. Season pass at \$125. Seconded by Council Member Engelmann. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

FY 17/18 Budget – Moved by Council Member Anderson to set Monday, March 6, 2017 for a public hearing on the FY 2017-2018 Budget. Seconded by Council Member Carlson. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

5-Year CIP - Moved by Council Member Engelmann to set Monday, March 6, 2017 for a public hearing on the FY 2018-2022 5-Year Capital Improvement Plan. Seconded by Council Member Anderson. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

Franchise Fees - Moved by Council Member Anderson to approve setting a public hearing for Monday, March 6, 2017 on franchise fees revenue purpose statement on gas and electric franchise fees. Seconded by Council Member Carlson. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

Moved by Council Member Engelmann to adopt Resolution No. 76-R-2016-2017 setting a public hearing for March 6, 2017 on updated franchise agreement with MidAmerican Energy. Seconded by Council Member Carlson. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

RESOLUTION NO. 76-R-2016-2017

RESOLUTION SETTING PUBLIC HEARING ON PROPOSED ORDINANCE REPEALING CURRENT ELECTRIC FRANCHISE, GRANTING A NEW FRANCHISE TO MIDAMERICAN ENERGY COMPANY, AND IMPOSING A FRANCHISE FEE

WHEREAS, the City Council will consider a proposed ordinance repealing Ordinance No. 09-O-2012-2013 and granting to MidAmerican Energy Company, its successors and assigns, the right and non-exclusive franchise to acquire, construct, erect, maintain and operate in the City of Storm Lake, Iowa, an electric system and communications facilities and to furnish and sell electric energy to the City and its inhabitants for a period of twenty (20) years;

WHEREAS, pursuant to Iowa Code section 364.2(4) (f), the proposed ordinance imposes a franchise fee. The franchise fee provision of the ordinance provides, “There is hereby imposed upon and shall be collected from the retail electric customers of the Company receiving service, pursuant to the tariff, located within the corporate limits of the City and remitted by the Company to the city, a franchise fee of three percent (3%) of the gross revenue generated from

the sales, minus uncollectible amounts, within the corporate limits of the City from and after the effective date of this Ordinance until July 1, 2017, and a franchise fee of five percent (5%) of the gross revenue generated from the sales, minus uncollectible amounts, within the corporate limits of the City from and after July 1, 2017. Franchise fees shall be remitted on or before the last business day of the month following the close of the calendar quarter in which fees were charged.”;

WHEREAS, the City shall be solely responsible for the proper use of any amounts collected as a franchise fee, and shall only use such fees as collected for purposes as allowed by applicable law; and

WHEREAS, pursuant to Iowa Code § 364.2(4)(a), the City Council is required to hold a public hearing upon the proposed Ordinance after public notice thereof.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Storm Lake, Iowa, that this Council shall meet at 5:00 o’clock P.M. on the 6th day of March, 2017, in the Council Chambers, City Hall, 620 Erie Street, Storm Lake, Iowa to hear public comments on the proposed ordinance repealing its current electric franchise with MidAmerican Energy Company, and granting a new franchise to MidAmerican Energy Company, under which a franchise fee will be assessed.

BE IT FURTHER RESOLVED, that the Clerk is hereby instructed to cause a Notice of Public Hearing to be published in the manner required by Iowa Code § 362.3.

Adopted the 20th day of February, 2017.

Jon F. Kruse, Mayor

ATTEST:

Mayra Martinez, City Clerk

Moved by Council Member Anderson to adopt Resolution No. 77-R-2016-2017 setting a public hearing for March 6, 2017 on updated franchise agreement with Interstate Power & Light Company. Seconded by Council Member Carlson. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

RESOLUTION NO. 77-R-2016-2017

**RESOLUTION SETTING PUBLIC HEARING ON A PROPOSED ORDINANCE
REPEALING CURRENT FRANCHISE, GRANTING A NEW FRANCHISE TO
INTERSTATE POWER & LIGHT COMPANY, AND IMPOSING A FRANCHISE FEE**

WHEREAS, the City Council will consider a proposed ordinance repealing Ordinance No. 02-O-2007-2008, as amended by Ordinance No. 10-O-2012-2013, and granting to Interstate Power & Light Company, its successors and assigns, the right and non-exclusive franchise to acquire, construct, erect, maintain and operate in the City of Storm Lake, Buena Vista County, Iowa, a natural gas system and related facilities and to furnish and sell natural gas to the City, its inhabitants, and persons and corporations beyond the limits thereof for a period of twenty (20) years;

WHEREAS, pursuant to Iowa Code section 364.2(4) (f), the proposed ordinance imposes a franchise fee. The franchise fee provision of the ordinance provides, "There is hereby imposed a franchise fee of three percent (3%) upon the gross revenue generated from sales of natural gas by the Company within the corporate limits of the City from the effective date of this ordinance to July 1, 2017, and a franchise fee of five percent (5%) upon the gross revenue generated from sales of natural gas by the Company within the corporate limits of the City from and after July 1, 2017. The franchise fee shall be remitted by the Company to the City on or before the last business day of the calendar month following close of the calendar quarter in which the franchise fee is charged, with the first remittance due July 31, 2017.

WHEREAS, the City shall be solely responsible for the proper use of any amounts collected as a franchise fee, and shall only use such fees as collected for purposes as allowed by applicable law; and

WHEREAS, pursuant to Iowa Code § 364.2(4)(a), the City Council is required to hold a public hearing upon the proposed Ordinance after public notice thereof.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Storm Lake, Iowa, that this Council shall meet at 5:00 o'clock P.M. on the 6th day of March, 2017, in the Council Chambers, City Hall, 620 Erie Street, Storm Lake, Iowa to hear public comments on the proposed Ordinance repealing its current natural gas franchise with Interstate Power & Light Company and granting a new natural gas franchise to with Interstate Power & Light Company, under which a franchise fee will be assessed.

BE IT FURTHER RESOLVED, that the Clerk is hereby instructed to cause a Notice of Public Hearing to be published in the manner required by Iowa Code § 362.3.

Adopted this 20th day of February, 2017.

Jon F. Kruse, Mayor

ATTEST:

Mayra Martinez, City Clerk

Moved by Council Member Carlson to adopt Resolution No. 78-R-2016-2017 setting a public hearing for March 6, 2017 on updated franchise agreement with Iowa Lake's Electric Cooperative. Seconded by Council Member Anderson. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

RESOLUTION NO. 78-R-2016-2017

**RESOLUTION SETTING PUBLIC HEARING ON A PROPOSED ORDINANCE
REPEALING CURRENT FRANCHISE, GRANTING A NEW FRANCHISE TO IOWA
LAKES ELECTRIC COOPERATIVE, AND IMPOSING A FRANCHISE FEE**

WHEREAS, the City Council will consider a proposed ordinance repealing Ordinance No. 11-O-2012-2013 and granting to Iowa Lakes Electric Cooperative, its successors and assigns, the right and non-exclusive franchise to acquire, construct, erect, maintain and operate in the City of Storm Lake, Iowa, an electric system and communications facilities and to furnish and sell electric energy to the City and its inhabitants for a period of twenty (20) years;

WHEREAS, pursuant to Iowa Code section 364.2(4) (f), the proposed ordinance imposes a franchise fee. The franchise fee provision of the ordinance provides, "There is hereby imposed upon and shall be collected from the retail electric customers of the Cooperative receiving service, pursuant to the tariff, located within the corporate limits of the City and remitted by the Cooperative to the city, a franchise fee of three percent (3%) of the gross revenue generated from the sales, minus uncollectible amounts, within the corporate limits of the City from and after the effective date of this Ordinance until July 1, 2017, and a franchise fee of five percent (5%) of the gross revenue generated from the sales, minus uncollectible amounts, within the corporate limits of the City from and after July 1, 2017. Franchise fees shall be remitted on or before the last business day of the month following the close of the calendar quarter in which fees were charged.";

WHEREAS, the City shall be solely responsible for the proper use of any amounts collected as a franchise fee, and shall only use such fees as collected for purposes as allowed by applicable law; and

WHEREAS, pursuant to Iowa Code § 364.2(4)(a), the City Council is required to hold a public hearing upon the proposed ordinance after public notice thereof.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Storm Lake, Iowa, that this Council shall meet at 5:00 o'clock P.M. on the 6th day of March, 2017, in the Council Chambers, City Hall, 620 Erie Street, Storm Lake, Iowa to hear public comments on the proposed Ordinance repealing its current electric franchise with Iowa Lakes Electric Cooperative and granting a new electric franchise to Iowa Lakes Electric Cooperative, under which a franchise fee will be assessed.

BE IT FURTHER RESOLVED, that the Clerk is hereby instructed to cause a Notice of Public Hearing to be published in the manner required by Iowa Code § 362.3.

Adopted this 20th day of February, 2017.

Jon F. Kruse, Mayor

ATTEST:

Mayra Martinez, City Clerk

Study Session – Harlan Arians from CN railroad presented to the council the possibility of closing railroad crossings or agreements for installing railroad crossing gates at Barton, Hudson, and Oneida Street. Council and Mayor informed Mr. Arians that the city is not willing to sign the agreements as it does not specify an amount of the maintenance cost. Council asked for CN, DOT, and City Manager to meet again to discuss the railroad crossing.

Tom McClinton, 529 College, expressed his opinion of not wanting any of the crossings closed.

Adjournment – Moved by Council Member Anderson to adjourn the meeting at 6:18 pm. Seconded by Council Member Engelmann. Vote: All ayes with Council Member Porsch and Rice absent. Motion carried.

Jon F. Kruse, Mayor

ATTEST:

Mayra A. Martinez, City Clerk