

February 15, 2021

The regular meeting of the Decorah City Council was called to order by Mayor Borowski at 5:45 p.m.

The meeting was held in the Council Chambers and electronically for those that meeting in person was impossible or impractical due to COVID19 regulations.

The meeting was opened with the Pledge of Allegiance.

Members present: Emily Neal, Ross Hadley, Andy Carlson, Steve Luse, Randy Schissel, Steven Zittergruen, Kirk Johnson.

Motion by Luse, second by Carlson, to approve the consent agenda as presented.

- a. Minutes of the February 1, 2021 regular meeting
- b. Claims
- c. Accept resignation of City Manager with thirty days' notice effective March 24, 2021
- d. Renewal Class B Beer Permit for Winneshiek Co. Fair including Sunday Sales and Outdoor Service Area privileges
- e. Renewal Class C Liquor License for Don Jose' including Sunday Sales and Outdoor Service Area privileges
- f. Renewal Class C Liquor License for Oneota Lanes including Sunday Sales
- g. Resolution 3160 setting March 15, 2021, 5:45 pm as the date and time for a public hearing on proposed plans and specifications, estimate of cost, and proposed form of contract for the construction of the 2021 Valley View Drive Street Improvement project and directing the City Engineer to post notice for taking of bids
- h. Resolution 3161, setting March 15, 2021, 5:45 pm as the date and time for a public hearing on proposed plans and specifications, estimate of cost, and proposed form of contract for the construction of the 2021 Ice Cave Steps Improvement project and directing the City Engineer to post notice for taking of bids
- i. Resolution 3162 setting March 15, 2021, 5:45 pm as the date and time for a public hearing on a request for rezoning of property; 909 South Mill Street, *Mill Street Mocha – commercial building, Block 4 Paine and O'Connor Lot 1, except North 2', Section 21, Township 98 North, Range 8 West of the Fifth P.M all within the City of Decorah, Winneshiek County, Iowa parcels from R-3 Multi-family Residential District to C-1 Highway Commercial District*
- j. Resolution 3165, a resolution of the City Council of the City of Decorah, IA authorizing the submission of a Community Development Block Grant application to the Iowa Economic Development Authority and the expenditure of funds to be applied to a Housing Fund General Application for Housing Sustainability Program
- k. Resolution 3166. Setting March 15, 2021, 5:45 pm as the date and time for a public hearing to review the CDBG activities proposed in the housing grant and receiving public comment

Roll call vote. All voting aye. Motion carried.

Mark Muggli, Chairperson Historic Preservation Commission, reviewed the Annual Certified Local Government Report. Motion by Schissel, second by Neal, to approve the annual report and authorize the Mayor to sign. Roll call vote. All voting aye. Motion carried.

This being the time and place for a public hearing on a request to rezone property along Old Stage Road, Allan J. Dahlen and Patricia J. Dahlen in Section 14 and Section 23, Township 98 North, Range 8 West of the Fifth P.M. from F-1 Floodplain to C-4 Shopping Center Commercial the hearing was opened.

City Manager Bird explained the 3 components recommended by Planning and Zoning for this request:

1. The Right-of-First Refusal
2. The Conditional Rezoning Agreement
3. Actual Ordinance approving the rezoning from F-1 Floodplain to C-4 Shopping Center Commercial

He explained, if the Dahlen's receive an offer to sell, the City has the right of First Refusal to purchase. The City has 60 days to respond at the appraised value or offered value. The Dahlen's may convey to certain family members as covered in the agreement. Current proposal provides for a 10-year period with an extension for an additional 10 years. First refusal option expires in May 2040.

The conditional rezoning agreement is for 16.75 acres out of 135 and is in keeping with the future land use map in the Comprehensive Plan. It requires Board of Adjustment approval for placement of fill in the floodplain within a two-year period of time and approval of a site plan.

Tade Kerndt stated Planning and Zoning Commission passed this on a 6 to 1 vote. They are trying to promote economic growth and with businesses closing down, this is important. Hopes to keep doing good things for the community.

Brian Huinker, 1310 College Dr., wondered, if this did get sold and turned into a major retailer, how would it affect taxes? Feels the financial advantages for a major retailer to be attracted to the community would be beneficial. Would perhaps incentivize more business in the area. Attracting more people to Decorah helps downtown. He stated Decorah Jobs supports with stipulations and language toward building environmentally sound. Though supportive of the miles long Luther dike he has issues with how it was handled. It didn't get any scrutiny. Precedence has been set that if it's good for a current major employer it's good for the community. He encouraged the council to vote in favor.

Councilperson Hadley noted when Menard's was looking at the property \$300,000 annually was discussed as an estimate in Local Option Sales Tax (LOST) revenues, which was based on sales volume and speculative at this point.

Russel Novak, 2036 Grand View Road, would love to see growth and future business.

Ted Schacherer, 1787 Old Stage Road, sympathizes with decision makers. He doesn't believe rezoning will be beneficial in the long term. Filling in the floodplain is not wise. Flooding was very real in 2016 to the Freeport Area as it was to their homes. Old Stage Road is the county's busiest road. There are numerous houses along the road. He wondered who would pay to redirect the bike trail and make improvements to the road to include a turning lane. He encouraged the council to vote no.

Randy Imoehl, 1684 Saw Grass Road, urged the council to vote in favor saying we need business to keep coming to town or we will be a historic city.

Kevin Lee, 526 173<sup>rd</sup> Ave., feels the best use of the land is wetland prairie. C-4 zoning does not follow intent of the comprehensive plan. He stated there is a lot of developable land in and surrounding the business park. This land should be used for flood mitigation. There isn't any information available as to what would potentially go here. Tremendous damage in last flood. Freeport doesn't have the protections in place that the City of Decorah does. It leaves Freeport open to susceptibility of flooding.

City Manager Bird stated receipt of letters/statements from the following which are in the drop box:

Winneshiek Co. Development and Tourism  
Decorah Jobs  
Decorah Sustainability Commission

He also advised there are studies from the Iowa Flood Center and the Woodwell Climate Research Center in the drop box with the Iowa Flood Center information specific to this land parcel and the Woodwell study more basic in its review of climate predictions for Decorah.

Councilperson Hadley advised receiving an email from Gail Keefe.

He also received one from Peter Van der Linden, who couldn't attend the meeting, suggesting he has concerns with rezoning.

Tade Kerndt addressed comments by Kevin Lee. He stated the comprehensive plan does identify this as an area for development. He stated it is extremely costly to develop farmland. Businesses want to be closer to town and obviously Wal-Mart attracts a lot of people. They want to be in those areas. Needed improvements would ultimately depend on what business wants to develop it. Improvements can be negotiated into a site plan. Further, Old Stage Road is not the busiest in town. Traffic studies show others, in residential areas, are busier and residents manage to get in and out of those streets.

There being no further comments the hearing was closed.

Agenda Item 7 – approving a right-of-first refusal was opened for discussion

Motion by Schissel, second by Johnson to adopt Resolution 3163 approving a right-of-first refusal for land along Old Stage Road and in Section 14 and Section 23, Township 98 North, Range 8 West of the Fifth p.m. all within the City of Decorah.

Councilperson Zittergruen stated he had heard from both sides and feels this item should be tabled to negotiate a better deal. He doesn't feel the value of right-of-first refusal is worth much to the city. The land may not even become available. He thanked the Planning and Zoning Commission for their hard work on this.

Councilperson Hadley supports a potential motion to table. Believes both sides have valid concerns. The letter from Decorah Jobs promoting smart planning principles and smart growth prompted him to support Zittergruen. Iowa Code Chapter 18B.1 speaks of revitalization, clean renewable, and efficient energy, efficiency, transparency, consistency, collaboration and natural resources/agricultural protections. Recognizes the economic benefit that rezoning can bring. The figure of \$300,000 in LOST could repair two blocks of streets every year that we don't currently have. What the city doesn't have with the right-of-first refusal is an option to buy. The area could be used for needed recreational facilities or a solar field in addition to responsible development. Without a written option to buy this is premature.

Councilperson Neal agrees with Hadley. Believes there are ways to lower the impact and we could do business better than usual. We need to use our due diligence on how to best use that land. There are no firm commitments from Dahlen's to sell. No firm plan for the area right now – what it will be utilized for. No hurry to do this. We have the opportunity to do a win/win for the environment, economic development, Freeport, and City residents. We are just not ready. Agrees we should table.

City Manager Bird stated he proposed the right-of-first refusal because the City was able to secure that document in exchange for the possibility of rezoning. Usually, an option to buy would come with a price tag. An option to buy agreement for some amount of land or an agreed upon amount of time but you might pay for that up front. He has explored the most economical way to accomplish this. Suggested sustainability funds could be used to purchase land. Need clear direction for purpose and how much the city is willing to spend.

Councilperson Hadley spoke of how city negotiated the sale of Fox and Coon Club property. That land wasn't terribly viable to the city but the Dahlen property, next to the bike trail, dog park and adjacent to our WWTP would be beneficial. Use of sustainability funds would be appropriate to put toward this.

Councilperson Schissel believes we need to look to the future. Need to be open to development so when something comes along, we are ready for it.

Councilperson Johnson agreed.

Councilperson Carlson stated he sees both sides of the argument. Understands strategic planning and wanting to know what we are going to do moving forward versus where it may be advantageous to rethink this. Is pro-development but being in the floodplain doesn't make it an easy decision.

Councilperson Luse voiced concerns about there not being flood mitigation measures included in this process.

Councilperson Johnson withdrew his second saying he doesn't think it has a reasonable chance of passing at this time and doesn't want to have a negative vote this evening.

City Manager Bird stated there was no plan for the remaining 100 acres. Didn't want to do more planning if council was not in favor. Felt it should be some type of conservation practice. In response to questions regarding how many acres of flood mitigation area would it take to counterbalance development on the 16.75 acres, Bird stated it was a non-issue as the Iowa Flood Center stands by its' initial report that this much development would have minimal effect on flooding. They did advise putting into wetland would improve water quality.

Councilperson Zittergruen would like to see Smart Development Principles in place for the entire area and a plan should be formed for the entire site.

Original motion by Schissel died for lack of second after Johnson withdrew his second.

Motion by Zittergruen, second by Johnson to table Resolution 3163 approving the right-of-first refusal document. Roll call vote. Voting aye: Zittergruen, Johnson, Hadley, Neal. Voting nay: Schissel, Carlson, Luse. Motion carried.

Motion by Neal, second by Zittergruen to table Resolution 3164 approving a conditional rezoning agreement for same property. Roll call vote. Voting aye: Neal, Zittergruen, Hadley, Carlson, Luse, Johnson. Voting nay: Schissel. Motion carried.

Motion by Luse, second by Hadley, to table Ordinance 2164 approving a rezoning request for same. Roll call vote. Voting aye: Luse, Hadley, Neal, Carlson, Johnson, Zittergruen. Voting nay: Schissel. Motion carried.

Discussion was held on sending to Economic Development/Property Committee for continued discussion with the property owners.

Ordinance 2163 approving zoning code amendments, Chapter 17.140-Floodplain Management Ordinance 17.120 – F-1 Floodplain District was introduced and read for the second time. Motion by Schissel, second by Luse to approve the second reading. Roll call vote. All voting aye. Motion carried.

Motion by Schissel, second by Carlson, to waive the third reading and place the ordinance on its' final adoption. Roll call vote. All voting aye. Motion carried.

Councilperson Hadley requested reconsideration of Ordinance 1264. He was in the prevailing vote when the second reading failed to give department heads the opportunity to speak to the language.

Ordinance 1264 was re-introduced and read for the first time. Motion by Johnson, second by Luse, to approve the first reading as proposed.

Mayor Borowski spoke about the department head statement.

Department heads met February 4, 2021 and made the following statement:

"It is our collective opinion that we are in agreement with the proposed language as written."

"However, in an effort to support Chief Smutzler, with this transition, we would support adding the following – Department Heads have the authority to establish department standard operating procedures (SOP) as needed to accomplish the operations of their respective departments."

After discussion it was moved by Neal, second by Johnson, to amend the motion to reflect the addition of the following language "Department Heads have the authority to establish department standard operating procedures (SOP) as needed to accomplish the operations of their respective departments."

Roll call vote for motion to amend. All voting aye. Motion carried.

Motion by Neal, second by Johnson to approve the first reading as amended. Roll call vote. All voting aye. Motion carried.

Motion by Neal, second by Luse, to waive the second and third readings placing the ordinance on its' final adoption. Roll call vote. All voting aye. Motion carried.

Motion by Hadley, second by Luse, to authorize issuance of Request for Proposals (RFP) for an executive search consultant. Roll call vote. All voting aye. Motion carried.

Motion by Schissel, second by Luse, to approve Resolution 3167 appointing City Clerk, Tr., Wanda Hemesath as Interim City Manager from March 22, 2021 to July 2, 2021 and setting the compensation package with the understanding this may need to be extended if the new city manager is not in place by July 2. Roll call vote. All voting aye. Motion carried.

Meeting adjourned on motion.



Wanda Hemesath, MMC  
City Clerk, Tr.