

March 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.

Carly Hayden Foster, MEU Task Force Chair, gave an update on committee work to date.

Councilperson Neal requested agenda item K. Purchase of a city travel car, not to exceed \$25,000 be removed from the consent agenda.

Motion by Johnson, second by Zittergruen, to approve the remaining consent agenda as presented.

- a. Minutes of the March 1, 2021 regular meeting
- b. Claims
- c. Change Order #4 Locust Road Project, deduct ~~-\$16,944.59~~
- d. Special Event Application HLMN – November 24, 2021 – December 25, 2021
- e. Renewal Class B Beer Permit for Winneshiek Co. Fair including Sunday Sales and Outdoor Sales Privileges
- f. Renewal Class B Beer Permit for High, Wide, and Handsome including Sunday Sales
- g. Addition to Class C Beer Permit for Kwik Star to include Carryout Wine
- h. Temporary outdoor service area extension Pulpit Rock Brewery
- i. Consider C-3 Commercial Design Review re: 222 West Water Street, *Ethos Design – change in sign design*
- j. Consider C-3 Commercial Design review re: 121 West Water Street, *JKN Properties, LLC, front façade work*
- k. Consider purchase of a city travel car, not to exceed \$25,000 ~~Removed by request~~
- l. Resolution 3177, award of Add-Alternate #1 for the 2021 Dry Run Park Plaza Project

Roll call vote. All voting aye. Motion carried.

Item K. Purchase of a city travel car, not to exceed \$25,000, was opened for discussion. Councilperson Neal stated her desire to purchase an electric vehicle or at least a hybrid, given council commitment to sustainability.

Others voiced concerns with an electric vehicle but thought, at least looking at a hybrid, would be appropriate. Councilperson Carlson stated his apprehension with a hybrid – would like to see more of a plan.

City Engineer Brill noted City Hall is not a location being considered for charging stations.

Motion by Schissel, second by Johnson, to approve the staff recommendation for purchase of a travel car not to exceed \$25,000. Roll call vote. Voting aye: Schissel, Johnson, Zittergruen. Voting nay: Neal, Hadley, Carlson, Luse. Motion failed.

Motion by Hadley, second by Luse, to approve purchase of a hybrid travel car not to exceed \$25,000. Roll call vote. Voting aye: Hadley, Luse, Neal, Zittergruen, Carlson. Voting nay: Schissel, Johnson. Motion carried.

This being the time and place for a public hearing on the proposed FY22 budget the hearing was opened. No public comment. The hearing was closed.

City Clerk, Tr. Hemesath stated overall levy rate will be \$15.26 - \$1.07 over the FY21 rate. Total budget - \$16,134,889.

Motion by Luse, second by Carlson, to approve the FY22 budget as proposed. Roll call vote. All voting aye. Motion carried.

This being the time and place for a public hearing on the proposed plans/specifications, estimate of cost, proposed form of contract and consideration of bids for the construction of the 2021 Valley View Dr. Street Improvement Project the hearing was opened.

No public comment. The hearing was closed.

Motion by Hadley, second by Neal, to adopt Resolution 3172 approving the plans/specifications, estimate of cost, proposed form of contract and award the bid to Skyline Construction - \$365,750.15. Roll call vote. All voting aye. Motion carried.

This being the time and place for a public hearing on the proposed plans/specs, estimate of cost, proposed form of contract and consideration of bids for the construction of the 2021 Ice Cave Steps Improvement Project the hearing was opened.

One bid from Reticulated Stone was received. Staff is still working through the final documentation. Payment, Performance and Warranty bonds are still needed as these are required as part of the project.

John Dingley, Reticulated Stone, explained the challenges with securing these documents. Attorney Anderson explained, due to state bid thresholds, a performance bond is mandatory.

Motion to table by Schissel, second by Zittergruen. Roll call vote. All voting aye. Motion carried.

This being the time and place for a public hearing on a request for rezoning of property at 909 South Mill St. (Mill St. Mocha), Blk 4 Paine and O'Connor Lot 1, except North 2', Section 21, Township 98 North, Range West of the Fifth p.m. from R-3 Multi-family Residential District to C-1 Highway Commercial.

No public comment. The hearing was closed.

Ordinance 1267 rezoning the property at 909 South Mill St. (Mill St. Mocha), Blk 4 Paine and O'Connor Lot 1, except North 2', Section 21, Township 98 North, Range West of the Fifth p.m. from R-3 Multi-family Residential District to C-1 Highway Commercial, was introduced and read for the first time. Motion by Schissel, second by Zittergruen to approve the first reading. Roll call vote. All voting aye. Motion carried.

Motion by Zittergruen, second by Luse, to waive and second and third readings and place the ordinance on final adoption. Roll call vote. All voting aye. Motion carried.

Motion by Neal, second by Zittergruen to approve the site plan at 909 South Mill St., Mill Street Mocha, contingent on Board of Adjustment approval of a North lot line parking space variance. Roll call vote. All voting aye. Motion carried.

This being the time and place for a public hearing on a CDBG activities proposed housing grant.

No public comment the hearing was closed.

Nathan Thompson, UERPC, reviewed the Community Development and Housing Needs Assessment and the 9 points required to be read verbatim and noted verbatim in the minutes to meet application requirements.

Read as follows:

**City of Decorah
Community Development and Housing Needs Assessment**

Community Development and Housing Needs of Low- and Moderate-Income Persons

- Decrease the number of substandard housing units in the city.
- Minimize hardship to LMI homeowners by assisting in the rehabilitation of owner-occupied homes in Decorah.
- Eliminate future deterioration in and stabilize existing housing stock within the city.
- Provide for energy efficiency in homes.
- Support the NEIRHTF, which helps with rehabilitation of owner-occupied homes and provides support for first-time homebuyers.

Other Community Development and Housing Needs

- Provide additional housing opportunities.
- Provide ongoing job creation.
- Continue to enhance retail/commercial business in the community
- Continue street and infrastructure improvements.
- Continue new housing construction in subdivisions.
- Eliminate blighted structures and redevelop parcels.
- Continue to promote tourism within the community as an economic driver.
- Encourage housing development in underdeveloped or infill lots within city limits.

Planned or Potential Activities to Address Housing and Community Needs

- Application for Housing Sustainability Grant through IEDA.
- Review and modify successful tax abatement program to incentivize construction or rehabilitation of housing units within the city.
- Plan for removal of substandard housing units and redevelopment of lots.

9 Proposed Activities:

(a) how the need for the proposed activity or projects were identified

City and economic development officials have identified a need for housing sustainability assistance for LMI homeowners through the UERPC 2017 Winneshiek County Housing Needs study and analysis of housing trends in Decorah, including median home value, employment data, and wage data. While Decorah has a higher median household income than the state average, LMI households in the city have limited access to housing that is both of high quality and affordable. In addition, Decorah has a high percentage of homes that were built prior to 1980 and are more likely to need expensive repairs or rehabilitation. The city is proposing to make XXXXX improvements to 6 owner-occupied homes.

(b) how the proposed activity or projects will be funded and the sources of funds

The proposed activity will utilize \$254,100 of Community Development Block Grant Housing Sustainability program funds to rehabilitate six homes.

(c) the date the Housing Fund applications will be submitted

The Housing Fund Owner-Occupied applications will be submitted on or before May 1, 2021 to the Iowa Economic Development Authority (IEDA).

(d) requested amount of federal funds (Housing Fund)

The City of Decorah requests \$254,100 from the CDBG Housing Sustainability program, payable as a grant for each participant as a means to help meet IEDA's Iowa Quality Housing Standards, lead safe housing regulations, or other guidelines approved by the Iowa Economic Development Authority. No matching funds are proposed.

(e) estimated portion of federal funds that will benefit persons of low and moderate income

The City has proposed assisting six (6) LMI households with rehabilitation of their homes. All six of these households will be verified to be at or below 80% of the area median income. It is estimated that approximately 80% of the requested federal funds will be used to directly benefit low- and moderate-income persons. Administrative costs, including technical services and lead hazard reduction carrying costs, total approximately 20% of the requested funds., and 100% of project funds will benefit LMI persons.

(f) where the proposed activity or project will be conducted

The projects will be conducted within the city limits of Decorah.

(g) plans to minimize displacement of persons and businesses as a result of funded activities or projects

No businesses or persons will be displaced during this process.

(h) plans to assist persons actually displaced, and

There are no plans to displace any persons.

(i) the nature of the proposed activity or project.

The nature of the proposed projects within Decorah is to provide funds and technical assistance for the rehabilitation of 6 existing homes owned and occupied by low- to moderate- income households. Any additional information can be obtained by contacting Upper Explorerland Regional Planning Commission at 563-864-7551 or by emailing nthompson@uerpc.org.

Motion by Schissel, second by Luse, to adopt Resolution 3174 approving the submission of a Community Development Block Grant (CDBG) application to the Iowa Economic Development Authority and the expenditure of funds to be applied for housing fund general application for Housing Sustainability Program. All voting aye. Motion carried.

This being the time and place for a public hearing on designation of the Decorah Commerce Drive Urban Revitalization Area the hearing was opened.

No public comment. The hearing was closed.

Motion by Luse, second by Neal, to approve Resolution 3176 adopting the proposed plan for the Decorah Commerce Drive Urban Revitalization Area. Roll call vote. All voting aye. Motion carried.

Ordinance 1268 designating an area of Decorah, Iowa as the Decorah Commerce Drive Urban Revitalization Area was introduced and read for the first time. Motion by Neal, second by Hadley, to approve the first reading. Roll call vote. All voting aye. Motion carried.

Motion by Schissel, second by Hadley, to waive the second and third readings and place the ordinance on final adoption. Roll call vote. All voting aye. Motion carried.

Ordinance 1269 increasing water rates 2% was introduced and read for the first time. Motion by Luse, second by Neal, to approve the first reading. Roll call vote. All voting aye. Motion carried.

Ordinance 1270 increasing sewer rates 2% was introduced and read for the first time. Motion by Hadley, second by Luse, to approve the first reading. Roll call vote. All voting aye. Motion carried.

Ordinance 1272 creating Chapter 13.44 Stormwater Management and Amending Chapters 13.49 and 16.04 of the municipal code was introduced and read for the first time. Motion by Luse, second by Hadley to approve the first reading. Roll call vote. All voting aye. Motion carried.

Motion by Luse, second by Neal, to waive the second and third readings and place the ordinance on final adoption. Roll call vote. Voting aye: Luse, Neal. Voting nay: Schissel, Zittergruen, Hadley, Johnson, Carlson. Motion failed.

Motion by Schissel, second by Johnson, to appoint Greg Swanson, Zoning Administrator. Roll call vote. All voting aye. Motion carried.

Motion by Luse, second by Neal, to approve submittal of a USDA Rural Development Business Grant for the municipal electric utility process. Motion by Zittergruen, second by Hadley to amend the motion to include authorizing Mayor to sign.

Roll call vote on the amendment authorizing the Mayor to sign. All voting aye. Motion carried.

Roll call vote on the amended motion as follows: To approve submittal of a USDA Rural Development Business Grant for the municipal electric utility process and authorize the Mayor to sign. All voting aye. Motion carried.

It was noted any matching funds would need to come from Sustainability funds.

Meeting adjourned on motion.



Wanda Hemesath, MMC
City Clerk, Tr.