

## CITY OF MUSCATINE

## IN-DEPTH COUNCIL MINUTES

May 8, 1980 7:00 p.m.

PRESENT: Mayor Schauland, Ald. Platt, Koehrsen, Rada, Hilton, Kemp, Duncan and Waltman.

ALSO PRESENT: Soren Wolff, City Administrator and Arlen Wiggs, Community Development Director.

The City Administrator informed the Council that a proposal on operating the Weed Park Concession stand had been received from Mr. Robert Griffin for a lump sum payment of \$2,000 and 5% of the gross receipts in excess of \$9,500. It was noted the City had previously advertised for the operation of the concessions, however, no bids had been received for the Weed Park facility. Council was informed that a previous contract had been awarded to Mr. Ted Othmer for operating the concession stands at Kent Stein for a lump sum payment of \$3,000 with 10% of the gross receipts in excess of \$3,000.

#4696 On motion by Alderman Kemp, seconded by Alderman Duncan, Council approved entering into an agreement with Mr. Robert Griffin to operate the concession at Weed Park for a lump sum payment of \$2,000 plus 5% of the gross receipts in excess of \$9,500.

The City Council then discussed the status of the lease with Central Soya for the grain storage elevators on Mississippi Drive. Council was informed that a proposal had been received from the company requesting that the lease be extended for a six month period to June 30, 1981 for a rental fee of \$5,000, and the company would agree to drop the stipulation that the elevators be demolished and removed from the site by December 31, 1981. The company would still pay the City \$35,000 towards the demolition of the grain elevators and the City would make a commitment that the grain elevators would not be leased out for grain storage purposes. The City Administrator indicated no form of action on the request would be required by City Council at this time. At such time a revised agreement could be prepared, it would be presented to City Council for their approval.

City Council was also informed the 4-H Club has again requested permission to lease a parcel of property of approximately five (5) acres on the West side of Houser Street across from Kent Stein Park for a garden. City Administrator indicated the 4-H Club has used the property for the last couple of years at no cost and further noted the proceeds from the gardening has been used by the 4-H Club for civic projects. City Council indicated they had no objections to the continued use of the property by the 4-H Club.

The City Administrator then discussed the overall program of leasing City property. It was noted that currently numerous departments are involved in leasing out City properties for various purposes. This situation has caused poor coordination and lack of centralization with effectively dealing with the leasing program. The City Administrator proposed that all of the leasing activities be centralized in the Community Development Department.

It was further indicated that several of the Advisory Boards who have been involved in this matter could still be kept informed with quarterly reports, and all revenues could still be credited to the various department revenue accounts. Centralization of the program would allow the City Administrator to be better informed of the program and in turn, allow his office to keep the City Council informed on the status of all City owned property. It was also proposed that a complete list of the properties and rental fees be reviewed annually at budget time to assure the City is receiving adequate compensation for the properties.

The City Council then reviewed a proposed contract with the Iowa Department of Transportation whereby the State would turn over the maintenance and ownership responsibilities of old Highway 38 to the City of Muscatine. It was noted the City would receive a lump sum payment of \$4,526 to cover the cost of crack filling, patching, and applying a slurry seal on the existing pavement. Since the Highway Department had requested the agreement be returned prior to May 15, 1980, approval of the agreement at the In-Depth meeting would be required.

#4697 On motion by Alderman Platt, seconded by Alderman Rada, it was recommended that the contract with the Iowa Department of Transportation to turn over old Highway 38 to the City of Muscatine be approved and the Mayor and City Clerk be authorized to sign the document on behalf of the City, and the motion was approved unanimously.

The City Administrator informed the Council that approval by both the State and Federal Government have been received for the City to proceed with the Isett Bridge Replacement Program. It was noted that the Federal Aid Urban System funds would be available to fund the project in conjunction with local matching funds which would require the issuance of a General Obligation Bond. City Council indicated that due to the high traffic volumes on this street, replacement of the bridge would be essential and instructed the City staff to proceed with the project in coordination with the State and Federal Government.

The Mayor then read a proclamation declaring the week of May 12th as "Small Business Week."

#4698 On motion by Alderman Waltman, seconded by Alderman Hilton, the proclamation was approved.

The Mayor also reported that a check in the amount of \$300 had been received from the U.S. Coast Guard Auxiliary to be used towards the construction of a pistol range.

The City Administrator then reviewed the 1979-80 Capital Improvement Program consisting of thirty six (36) different projects. The City Administrator stated the City had made excellent progress in the first year of the five year program, especially considering the current economic conditions. Council was informed that several projects could not be completed during the first year due to a lack of funds and/or design problems. The City Administrator noted that the Asphalt Overlay Program had been completed in the Summer and Fall of 1979, however, funds would not be available for the Overlay programs in 1980. Instead it was proposed that the City pursue an aggressive curb replacement and surface preparation program with the anticipation of funds being available for an Overlay Program in 1981.

After reviewing each of the various Capital Improvement projects, the City Administrator summarized that in order to complete several projects, bonds would have to be issued to complete the financing. These projects included Bidwell Bridge, Isett Bridge, Houser Street, new sidewalk construction, Weed Park Pool, and the Airport construction and acquisition program. General Obligation Bonds to be issued would amount to approximately \$822,000. In addition, if the Houser Street project is approved by Council at the June 5th meeting, it is anticipated an additional \$210,000 of Special Assessment Bonds would also have to be issued.

The City Council indicated they were in general agreement with the program as outlined by the City Administrator and instructed the City staff to proceed with the projects as outlined.

The City Council then discussed the status of the Senior Citizen project to be constructed on the old Central Jr. High site at 6th and Iowa Streets. Council was informed that the proceeds from the sale of the property would go towards renovating Bruner Field and a portion of the money would have to be returned to the Parking System Fund. The City currently has an option with the Seldin Development Company to purchase the property in the amount of \$15,650 plus the cost of demolition funded from the Community Development Block Grant Program in the amount of \$47,872. Mr. Wiggs, Community Development Director, indicated he had been in contact with Seldin Development Company in an attempt to get the project moving. Mr. Wiggs indicated the contractor had stated he is approximately \$150,000 short of putting the total package together. As a result, the developer has asked the contractor to review his bid on construction, has requested HUD to consider adding an additional \$2.00 or \$3.00 to the monthly market rent, and is requesting the City to consider decreasing the sales price of the property. Mr. Wiggs indicated if the developer could solve the three items to make up the \$150,000 deficit, the project would move ahead immediately.

The City Administrator indicated the City should consider selling the property for the \$15,650 to recoup the local funds in the project. Mr. Wiggs indicated the City could forego the Community Development funds used for construction, and noted the Senior Citizen project is essential to the City's overall housing program. The new project would be a privately owned facility which would pay taxes to the various governmental units in Muscatine and provide affordable housing for the elderly in accordance with the Section 8 Rent Subsidy Program.

The City Council expressed their desire to get the project moving and noted they would have no objections to selling the property for the \$15,650. Mr. Wiggs indicated he would forward the information to the Seldin Development Company. Council was informed that if the developer could put the package together, Council would be requested to take formal action on the request.


The City Council then discussed the status of the City's Rehabilitation Program. Mr. Wiggs indicated that additional rehabilitation funds were available from the Federal Government through the 312 Program. The City currently funds 100% of the rehabilitation cost through the City's Community Development allocation. Mr. Wiggs indicated an additional rehab specialist in his department could provide substantial additional funds through low interest loans from the 312 Program to supplement the existing Community Development Rehab Program. Mr. Wiggs noted the 312 Program uses considerably higher income levels, allowing moderate income families to participate in the 3% low interest loans. Mr. Wiggs also indicated that absentee landlords for multi-family units would be eligible for the program. Several members of Council expressed their concern over this section of the program and requested the Community Development Director to provide additional information prior to authorizing the hiring of an additional rehab specialist. Council was informed that no local funds would be required to pay for the salaries of the new position as these funds were available through the Community Development Block Grant Program.

The City Administrator then reviewed a request from Carver Pump for the City to issue approximately \$2.7 million in Industrial Revenue Bonds for the expansion of their plant. Council was also provided with a copy of a proposed application form to be used for future applications under the Industrial Revenue Bonds Program. The City Administrator further recommended that a filing fee of \$300 be established to cover staff time and other incidental costs associated with reviewing the projects. Council was informed that the new application would provide the City staff and Council with comprehensive information on future projects and help assure that all state, local and federal requirements are met during the development phase. The City Council indicated they were in favor of using the application and filing fee concept for future projects.

#4699 On motion by Alderman Waltman, seconded by Alderman Kemp, it was recommended that Council move to Executive Session to discuss the lawsuit involving Shoemaker and Pape versus the City of Muscatine. Mr. Pat Ryan would be present and discuss the case with City Council.

#4700 On motion by Alderman Waltman, seconded by Alderman Rada, the Council moved out of Executive Session. It was reported that no action was required as a result of the Executive Session.

#4701 On motion by Alderman Platt, seconded by Alderman Waltman, the meeting adjourned at approximately 9:40 p.m.

  
Soren Wolff, City Administrator