

A regular session of the Grundy Center City Council was called to order at 6:30 p.m. on Monday, February 19, 2018, in the Council Chambers by Mayor Kiewiet. Present: Grineski, Stefl, Miller and Hamann. Absent: Kuester.

Hamann moved and Miller seconded the approval of the meeting agenda as written with one conflict of interest on the BIG Grant for Hamann Enterprises. Motion carried four ayes.

Miller moved and Hamann seconded the consent agenda consisting of: approval of the minutes of the work session and regular session held February 5, 2018; Approval of liquor licenses for Dollar General, 2009 Commerce Drive; Scotty's Saloon, 806 G Avenue; and Landmark Bistro license for Spring Fling-Sip & Shop, March 10, 2018 located at 609 G Avenue. Motion carried four ayes.

Mayor Kiewiet opened the public forum at 6:32 p.m. No public comments.

Hamann moved and Stefl seconded action to approve the Mayor's appointment of Jason Kuester as City Council Member for the two year term ending December 31, 2019 to correct being missed in last City Election. No discussion, motion carried four ayes.

Stefl moved and Miller seconded action to approve the Mayor's appointment of Jamie Sadler as Park Board Member for the term ending December 31, 2023 to fill the vacancy left with resignation of James Mutch. No discussion, motion carried four ayes. Mayor Kiewiet then swore in Sadler.

Hamann moved and Stefl seconded action open the public hearing for the Community Development Block Grant Upper Story Housing Pilot Program at 6:35pm. Motion carried five ayes. Brian Schoon and Jacob Tjaden, INRCOG representatives discussed the following:

**RE: CDBG-Upper Story Housing Pilot, City of Grundy Center**

**Date: February 19, 2018**

**Location: Grundy Center Council Chambers**

**Public Hearing Comments Submitted by INRCOG**

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Nature of the proposed activities:

- The nature of the proposed activities is the conversion of an underutilized commercial property to multi-residential upper-story housing. Proposed design calls for the construction of two, 2-bedroom units; and two, 1-bedroom units.

Location of activities:

- The location of the proposed residential conversion is the "Frederick Furniture" building located at 703 G Ave. Grundy Center, IA 50638 (Parcel ID: 871712285004)

How the need for the activities was identified:

- In September 2017 the City of Grundy Center submitted a proposal to the Iowa Economic Development Authority (IEDA) requesting to participate in the Community Development Block Grant (CDBG) Upper Story Residential Pilot Project. Specifically, seeking grant assistance to aid in the development of upper story residential development within the central business district of the City.
- On January 16, 2018 IEDA invited the City of Grundy Center to complete an application for the Upper Story Pilot Project. The invitation is limited to only for the Frederick Furniture building – one of the five building identified as potential projects sites in the City's initial proposal.

<u>Funding sources:</u>	<u>Estimated Budget</u>
CDBG (5-year Forgivable Loan)	\$475,000
CDBG (Administration – INRCOG)	<u>\$ 25,000</u>
CDBG Subtotal	\$ 500,000
Local Match – Matthew Bockes	\$ 80,000
Local Match – City of Grundy Center	<u>\$ 20,000</u>
Local Match Subtotal	\$100,000

**Total Estimated Project Cost: \$600,000**

- Total requested amount of CDBG federal funds: \$500,000
- Estimated portion of federal funds that will benefit persons of low and moderate income: \$375,000 ( $\$500,000 \times 75\%$  (3 of 4 proposed units are identified by the developer as being LMI)).
- Grundy Center has committed to providing \$20,000 in local funding through the City's Business Investment Grant (BIG) Program
- The project developer, Matthew Bockes, has committed to providing \$180,000 in local match dollars derived from cash and a loan.
- The location of the proposed activities is the Frederick Furniture building referenced above. The commercial building is currently vacant. No one is expected to be displaced by the CDBG activities. If there were anyone being displaced the city would follow the HUD Relocation and Displacement Policy.
- Project application will be submitted on or before February 23, 2018.

## **COMMUNITY DEVELOPMENT AND HOUSING NEEDS ASSESSMENT**

**Community Name: City of Grundy Center, Iowa**

### **COMMUNITY DEVELOPMENT AND HOUSING NEEDS ASSESSMENT OF LOW AND MODERATE INCOME PERSONS**

1. Construction of sanitary sewer infrastructure improvements and compliance with sanitary sewer requirements and compliance permit.
2. Looping of water lines, which allows for maintenance of service if/when a waterline breaks. Specifically, looping also allows for maintenance of fire services and provision of potable water to residents.
3. Housing rehabilitation and conversion for Low and Moderate Income (LMI) persons in the central business district and throughout the community
4. Provide adequate and affordable housing.
  - a. Low Rent Housing
  - b. First time buyer housing
  - c. Multi-family housing
5. Provide job opportunities for LMI persons.

### **PLANNED OR POTENTIAL ACTIVITIES TO ADDRESS HOUSING AND COMMUNITY NEEDS**

1. Seek funding through the Community Development Block Grant Program, specifically for sanitary sewer improvements.
2. Seek funding through the Community Development Block Grant Program, specifically for housing rehabilitation activities in the community.
3. Work with city economic development professionals to assist with economic development activities and other improvements.

Date and location of assessment: February 19, 2018 Grundy Center City Council Chambers.  
Matt Bockes, developer for the Upper Story Housing Pilot Program, introduced himself and commented that his wife, Tara, and he are alumni of Grundy Center. This has always been their dream to return to Grundy Center and complete a project like this. If Grundy Center is chosen as a

grant recipient, they look forward to working together with the City to complete this project. Hamann moved and Stefl seconded action to close the public hearing at 6:50pm. Motion carried four ayes.

Stefl moved and Miller seconded action on Resolution 2018-06, a resolution to select Matthew Bockes as the developer for the Community Development Block Grant Upper Story Housing Pilot Project application. No further discussion, motion carried four ayes.

Stefl moved and Hamann seconded action on Resolution 2018-07, a resolution approving a Community Development Block Grant Application; accepting the project location; designating the Mayor as the official Representative of the City and authorizing the Mayor to sign said application and certain assurances for the Upper Story Housing Pilot Program. No further discussion. Motion carried four ayes.

Miller moved and Hamann seconded action on Resolution 2018-08, a resolution granting the Iowa Economic Development Authority certain financial assurances in conjunction with the CDBG-Upper Story Housing Pilot Program. No further discussion, motion carried four ayes.

Stefl moved and Miller seconded action on Resolution 2018-09, a resolution awarding a BIG Grant to Hamann Enterprises, LLC for \$3430.00 for electrical upgrades at 905 7<sup>th</sup> Street apartments. Motion carried three ayes (Stefl, Miller, and Grineski) and one abstain (Hamann).

Miller moved and Hamann seconded to open the public hearing at 7:00pm for the FY2018 budget amendments. Motion carried four ayes. No public present. Hamann moved and Stefl seconded to close the public hearing. Motion carried four ayes.

Hamann moved and Miller seconded action on Resolution 2018-10, a resolution amending the current FY2018 City Budget as published. No further discussion, motion carried four ayes.

Hamann moved and Stefl seconded action on Resolution 2018-11, a resolution to publish for a public hearing notice for FY 2019 City Budget for March 5, 2018. Clerk Sawyer discussed the four different scenarios based on long term debt and levy analysis. Stefl commented that the infrastructure needs will require more debt to be taken on by the City, hence the need to keep the levy as is. Hamann and Miller commented that the Finance Committee is recommending the City levy for more long term debt that required by the amortization schedules and prepay on principal to decrease the amount of interest the City is paying. Hamann then moved and Miller seconded action to amend the previous action to publish the budget showing the tax levy at \$15.26260/\$1000 property valuation. Motion carried four ayes.

Finance Committee made no further comments

Public Safety Committee made no comments.

Public Works Committee commented on repairs needed at aquatic center; diffusers for waste water facility; and sports complex roofing bids.

Stefl moved and Hamann seconded adjournment of the meeting at 7:20pm. Motion carried four ayes. Next regular meeting will be Monday, March 5, 2018 at 6:30pm.

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Al Kiewiet, Mayor

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Attest: Kristy Sawyer, City Clerk