

CITY OF MUSCATINE
IN-DEPTH CITY COUNCIL MINUTES
Council Chambers – 7:00 p.m. – April 14, 2011

Mayor Dick O'Brien called the In-Depth City Council meeting for Thursday, April 14, 2011, to order at 7 p.m. Councilmembers present were Fitzgerald, Natvig, Shihadeh, Bynum, Roby, and Lange. Also present were City Administrator Gregg Mandsager, City Planner Andrew Fangman, Community Development Director Steve Boka, and Greg Jenkins of the Greater Muscatine Chamber of Commerce & Industry.

The first item for discussion concerned Enterprise Zone certification.

Before discussion got underway, City Administrator Gregg Mandsager pointed out that the Enterprise Zone certification and the Urban Renewal Plan update are two separate items.

Greg Jenkins of the GMCCI gave an overview of the application process for obtaining the Enterprise Zone designation. He then listed the five criteria that must be met for this designation. They are as follows:

- The area has a per capita income of \$12,648 or less based on the 2000 census.
- The area has a family poverty rate of 12% or higher based on the 2000 census.
- Ten percent or more of the housing units are vacant in the area.
- The valuations of each class of property in the designated area are 75% or less of the citywide average for that classification based upon the most recent valuations for property tax purposes.
- The area is a blighted area as defined in Iowa Code Section 403.17.

Mr. Jenkins stated the city meets two of the five criteria (first and fourth) required for the Enterprise Zone designation. He stated he would like to take the application information to the May meeting of the Iowa Department of Economic Development. He stated that with the designation, there will be increased state incentives.

There was discussion concerning the tax abatement schedule the city currently has in place. City Council will be required to approve the tax abatement schedule and possibly a letter supporting the designation of an Enterprise Zone. An action item may be on the May 5, 2011 City Council meeting concerning this matter.

The next item on the agenda was an update on the Urban Renewal Plan.

City Administrator Mandsager gave an overview of what has taken place to date. He stated staff would like to combine the six urban renewal areas in the city into one plan making additional economic development and financing tools available.

Community Development Director Steve Boka reviewed the information provided to City Council, blight funding for urban renewal projects, what it actually means, and how it benefits the city by opening up tools for area improvements.

Councilmember Shihadeh asked if the "blighted" area designation would hurt property values, and he was told it would mainly benefit the areas by providing potential tools for area improvements. "Blight" is simply an economic development tool.

City Planner Andrew Fangman explained how the objective criteria was used to determine the blighted area. He stated the criteria includes the presence of a substantial number of slum, deteriorated, or deteriorating structures; defective or inadequate street layout; faulty lot layout in relation to size, adequacy, accessibility, or usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements; diversity of ownership,

tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; or the existence of conditions which endanger life or property by fire and other causes; or a combination of these factors.

Councilmember Lange asked what percentage of the population was represented and he was told 51%. He stated it was unfortunate the term “blight” was used.

Councilmember Shihadeh asked if this designation would make eminent domain useable.

City Administrator Mandsager answered yes, stating it would be easier to use eminent domain within a blighted area.

Councilmember Bynum stated that the term “blight” has a negative connotation. Staff agreed but noted it was a state term and a common economic development term.

The final item on the agenda was a voluntary annexation update.

Community Development Director Boka stated that two voluntary annexations are underway. One request involves 63 acres of land adjacent (east) to Menards. He stated this request will be presented for Council action at a future meeting. The second request involves the Parkview Condominiums located on Colorado Street. He stated that City Council has approved the pre-annexation agreement, and staff will be assisting with the extension of the sanitary sewer to the property.

He stated that owners adjacent to the Parkview Condominiums have been contacted and most are not inclined to annexation. He stated he is still waiting for a few more responses. He stated the Irish Ivy Subdivision was automatically annexed as part of the condominiums’ annexation. He stated staff will take time to see if any additional properties can be annexed.

Councilmember Roby stated that anyone having questions can contact Community Development Director Boka at city hall.

Councilmember Bynum stated the warning end dates for the automated traffic enforcement devices should be placed on the website. He then asked about flood preparations.

City Administrator Mandsager stated the flood projection is 20’. He stated buildings have been closed on the riverfront as of today, and staff is prepared. He stated the public can find more information on the city’s website.

Councilmember Lange stated that the Hayes Hustle will be held this Saturday beginning at 9 a.m.

#21549. Councilmember Shihadeh moved the meeting be adjourned at 8:15 p.m. Seconded by Councilmember Fitzgerald. All ayes; motion carried.

Gregg Mandsager, City Administrator