

CITY OF MUSCATINE
IN-DEPTH CITY COUNCIL MINUTES
Council Chambers – 7:00 p.m. – December 8, 2011

Mayor Dick O'Brien called the In-Depth City Council meeting for Thursday, December 8, 2011, to order at 7 p.m. Councilmembers present were LeRette, Fitzgerald, Natvig, Shihadeh, Roby, and Lange. Also present were City Administrator Gregg Mandsager and Community Development Director Steve Boka.

The first item on the agenda was a presentation by the Daveri Development Group LLC concerning the proposed development of The Glen at Cobblestone Ridge.

Larry Pusateri, representing the Daveri Development Group, reviewed the information that had been provided to City Council. He stated the proposed development would benefit working families earning less than 60% of the area median income for Muscatine County. He stated the preliminary project cost is \$7,950,000. He then reviewed the proposed funding sources for the project. He told Council that in order to make the project financially feasible and attractive to the Iowa Finance Authority, Daveri Development Group is requesting the city's support through a \$360,000 local match and a Letter of Support from the Mayor.

Councilmember Natvig asked if TIF funds could be used for residential development.

City Administrator Gregg Mandsager stated that it can be used for either commercial or residential development. He stated that historically, the city has only used it for one other residential project which was the apartments at the Muscatine Mall. He stated that apartments are technically commercial property.

Councilmember Shihadeh stated he would agree to a Letter of Support but not the financial support.

Councilmember Roby stated it was her understanding that after 15 years the investors can sell the development.

Mr. Pusateri stated it could be sold; however, the restrictions would not go away.

Councilmember Roby stated she was concerned about appearance issues. She stated she is also concerned the city would end up taking care of empty buildings which it already has enough of.

Councilmember Natvig stated the city's highest priority for TIF right now is job retention.

Councilmember Fitzgerald stated the information indicates the development would be duplexes. He asked what they are being called, and Mr. Pusateri stated they were apartments.

City Administrator Mandsager then explained the TIF process.

Councilmember LeRette stated he had his concerns about providing TIF funds for residential development.

Mr. Pusateri stated Daveri would look for more private funding. He stated he was getting a clear sense that City Council is not comfortable with providing any type of funding for the proposed development.

The next item on the agenda was an update on the Blue Zones Project currently underway.

Ms. Odell touched on five specific questions. They are:

- What are Blue Zones?
- Why are they important?
- Who is involved?
- What are the next steps?
- What can the city do?

Mr. Phelan through the power point presentation described the healthiest state initiative and then talked about the collaboration between the different folks involved in the application process.

Mr. Carlson explained why the Blue Zones Project was important to the City of Muscatine.

City Council was told that a Blue Zones Taskforce has been working on the application, which is due January 4, 2012, for the past seven months. They were told the taskforce is seeking City Council's support of their efforts. They were also told that in order to have a strong application 75% of the population must pledge its support of the Blue Zones Project. They were told that to date 58 cities have been invited to submit an application, and only 10 communities will be selected to participate in the Blue Zones Project.

The next item on the agenda was a presentation by Fridley Theatres. Russell Vannorsdel, Director of Operations for the theatres, stated that property located at the intersection of Mulberry Avenue and the Bypass has been purchased for the development of a state-of-the-art theatre. He explained the various amenities the proposed theatre would have to offer. He stated the current theatre has 15 employees and that the new facility would have approximately 30 to 40 employees with 10 to 12 of them as full-time positions.

Councilmember Fitzgerald asked about the salary range, and Mr. Vannorsdel stated it will be approximately \$9 to \$10 per hour.

Councilmember Shihadeh thanked Mr. Vannorsdel for his presentation and for keeping Fridley Theatres in Muscatine. He stated it will be a good way to keep our young adults and adults local versus the Quad Cities.

Councilmember Roby asked if the facilities could be rented, and Mr. Vannorsdel answered yes. She then thanked him for staying in Muscatine.

Councilmember LeRette stated he liked the presentation. He stated the development of this new theatre complex will address the "nothing to do" perception in our community.

Councilmember Lange stated he was very interested in endorsing the project. He then asked if there would be senior discounts, and Mr. Vannorsdel answered yes.

Mr. Phelan thanked Fridley Theatres for staying in Muscatine.

The final item on the agenda was an update on the current land leases with farmers at the airport.

Community Development Director Steve Boka reviewed the maps showing the agricultural areas at the airport that cannot be used. He also reviewed the negotiated lease terms to date. He stated the same tenants have been farming/renting the approximately 120+ acres since the 1990s. He stated the city is proposing to amend the existing lease to allow for a 10-year term, to change the amount of the paid compensation, and to provide for an annual review. He stated that in order to start the process, it will be necessary to set a public hearing which can be done at the December 15th City Council meeting.

There was further discussion from City Council concerning this matter.

Under comments, Councilmember LeRette thanked Fridley Theatres for keeping their business local.

Mayor O'Brien stated that Councilmember Bynum is currently under the weather and wished him a speedy recovery.

#21879. Councilmember Shihadeh moved the meeting be adjourned at 8:35 p.m. Seconded by Councilmember Fitzgerald. All ayes; motion carried.

Gregg Mandsager, City Administrator