

OTTUMWA CITY COUNCIL MINUTES

REGULAR MEETING NO. 28
Council Chambers, City Hall

September 21, 2021
5:30 O'Clock P.M.

The mtg. convened at 5:30 P.M.

Present were Council Member Berg, Dalbey, Roe, Meyers, Johnson and Mayor Lazio.

Mayor Lazio presented Holly Berg with the Rhonda Wood Smith Outstanding Young City Official award that she received during IA League of Cities Conference.

Roe moved, seconded by Meyers to approve the following consent agenda items: Mins. from Regular Mtg. No. 26 on Sept. 7, 2021 as presented; Ack. of August financial rpts. and pymt. of bills as submitted by the Finance Dept.; Recommend re-appointments of Tom Hull and Dan Quinn to the Airport Adv. Brd., terms to exp. 10/1/2024; Canvasser/Solicitor application for Workingman's Christmas Party to solicit donations within City Limits Oct. 30 to Dec. 31, 2021; Res. No. 180-2021, approving contract, bond, and cert. of ins. for Forrest Ave. Flood Wall Project; Res. No. 185-2021, auth. three-yr. maintenance and services contract renewal with Technology Services & Solutions, Inc. for IBM Finance Server totaling \$14,283; Beer and/or liquor applications for: Ottumwa Grocery Store, 129-131 E. Second; Bubba-Q's, 1110 N. Quincy Ave.; Aldi, Inc., #73, 940 Quincy Ave.; transfer of temp. OSA for Hotel Ottumwa, for event being held in Canteen Alley on 9/24/2021; Appanoose Rapids Fine Dining, 332 E. Main., temp. premise transfer to 529 E. Main for an event on 10/2/2021; all applications pending final inspections. All ayes.

Meyers moved, seconded by Berg to approve the agenda as presented. All ayes.

City Admin. Rath reported IA League of Women Voters Forum – Sept. 30, starting at 6:00 P.M., in Council Chambers. Forum for candidates running for Mayor and Council; will be streamed on YouTube and recorded. He reminded everyone, Primary Election 10/5/2021 and City Election 11/2/2021. He also noted the Beach recorded their highest revenue during the month of July.

Fred Zesiger provided update on Main Street Iowa Partnership Visit in Ottumwa. Kathy La Plante, Senior Program Officer, cited Main Street Ottumwa is running a highly effective program with a board that is fully engaged and a top-notch executive director that is respected by the Main Street Iowa network combined with great support from the City as a partner.

Mayor Lazio inquired if there was anyone from the audience who wished to address an item on the agenda. There were none.

This was the time, place and date set for a public hearing approving the plans, specs., form of contract and est. cost for the Richmond Ave. Pump Station Improvements Project. Rath reported this project consists of improvements to connect an existing 16-inch sanitary sewer force main to the Richmond Ave. Pump Station. Bids due Oct. 13, 2021. Est. cost \$82,100. No objections were rec'd. Dalbey moved, seconded by Berg to close the public hearing. All ayes.

Roe moved, seconded by Meyers that Res. No. 179-2021, approving the plans, specs., form of contract and est. cost for the Richmond Ave. Pump Station Improvements Project, be passed and adopted. All ayes.

This was the time, place and date set to approve a Perpetual Electric Line Easement for Lot 17 in Highland Park, an ADDN to the City of Ottumwa, Wapello County, IA. No objections were rec'd. Johnson moved, seconded by Roe to close the public hearing. All ayes.

Berg moved, seconded by Dalbey that Res. No. 181-2021, approving and auth, the Mayor to execute a perpetual Electric Line Easement for Interstate Power & Light Company, an IA Corp. for Lot 17 in Highland Park, an ADDN to the City of Ottumwa, Wapello County, IA, be passed and adopted. All ayes.

This was the time, place and date set to approve a Perpetual Electric Line Easement for the Northwesterly 37 feet of Lot 11 in Dixon & Hutchinson's ADDN to the City of Ottumwa, Wapello County, IA. No objections were rec'd. Roe moved, seconded by Dalbey to close the public hearing. All ayes.

Meyers moved, seconded by Roe that Res. No. 182-202, approving and auth. the Mayor to execute a perpetual Electric Line Easement for Interstate Power & Light Company, an IA Corp. for the Northwesterly 37 feet of Lot 11 in Dixon & Hutchinson's ADDN to the City of Ottumwa, Wapello County, IA, be passed and adopted. All ayes.

This was the time, place and date set to approve and auth. execution of a Development Agt. by and between the City of Ottumwa and Cobblestone Hotel Development, LLC. Community Development Dir. Simonson reported yrs. of effort by City staff, Legacy Found., Meet Ottumwa, BVC staff and other partners have been put into growing the event capacity at Bridge View Center with an on-site hotel. The 2040 *Our Ottumwa* Comp. Plan identified the goal of enhancing and improving the Riverfront by establishing a hotel to support BVC. This development agt. with Cobblestone Hotel Development, LLC will advance that goal by providing land and appropriate incentives for a \$9.9 Million, 45,916 square foot, 84 unit, 4-story hotel along Church St. in the BVC parking lot. The hotel is from the Main Street line of Cobblestone Hotels and with the street-front design will help with the long-term goal of bridging the divide between downtown and Church St. with a consistent Main Street feeling. The development agt. transfers the property for the hotel bldg. and guarantees exclusive access to 35 parking spaces. BVC and the hotel will share parking for the remainder of the hotel's parking needs. The agt. also commits the City to providing an addn 110 spaces of parking by paving the south portion of the BVC lot. The project includes appropriate development incentives. The project is in an URA and the agt. includes a Tax Increment Financing rebate up to \$120,000 per year for 20 yrs. not to exceed \$2.4 Million. These are taxes paid on the added value that will be rebated to the developer. The City will also provide a \$500,000 site improvement allowance which is money from the Ottumwa Regional Legacy Foundation that passes through the City and not a direct spending of City funds. The agt. commits up to \$75,000 from the City to address unforeseen site issues. The agt. also provides for the City to pay permit fees for the project and reimburse those fees from the TIF district. The agt. includes a min. assessment agt. ensuring the assessed value of the development remains at least \$3.5 Million for the duration of the agt. That ensures the captured tax increment is sufficient to finance the rebate.

Scott Hallgren, Exec. Dir. BVC; reported this proposal is a game changer for BVC; this will help level the playing field when completing RFP's for events to come to Ottumwa. Having a hotel on site will allow us to book new events; increase business for BVC. Truly grateful to all that want to invest in our community and make this happen.

Andy Wartenberg, Exec. Dir. CVB; we just finished hosting the Babe Ruth World Series that provided an economic impact to our community of over \$2.6 Million, in order for us to attract other events like this, we cannot have an aging hotel inventory. If this agt. is approved, the partnership between CVB, BVC and Cobblestone will allow us to aggressively market this plan.

City Staff and council members discussed this project in great length. Increased LOST funding from people staying in Ottumwa for events could help us with street repairs as 90% of the funding goes into street maintenance. Hotel/Motel tax continues to increase of which 10% goes to the general fund and 35% to CVB. RUT funds go right back into our streets programs too.

Nathan Overberg and Jenna Sabroske were also present from Ahlers & Cooney to answer any legal questions concerning this development agt.

No objections were rec'd. Meyers moved, seconded by Dalbey to close the public hearing. All ayes.

Meyers moved, seconded by Berg that Res. No. 184-2021, approving and authorizing execution of a Development Agt. by and between the City of Ottumwa and Cobblestone Hotel Development, LLC, be passed and adopted. All ayes.

Berg moved, seconded by Roe that Res. No. 177-2021, auth. the Mayor to sign a grant application from the IDOT for runway lighting repairs at the Ottumwa Reg. Airport, be passed and adopted. Airport Mgr. Wheaton reported this will replace the Runway End Identifier Lights (REIL) located on the 22 Runway. Our current REIL are no longer being manufactured and parts no longer available. With advice from IDOT, we decided to upgrade to match our newer lighting system on Runway 13. Total cost for project \$14,338.42; IDOT Grant \$10,000; City's responsibility \$4,338.42. All ayes.

Dalbey moved, seconded by Johnson that Res. No. 178-2021, removing two special assessments applied to 1202 Castle St. from Res. No. 12-2021 on Jan. 19, 2021 and Res. No. 260-2020 on Dec. 15, 2020, be passed and adopted. Simonson reported in July, the City obtained a default judgement awarding the City title to an abandoned property at 1202 Castle. This res. removes the two outstanding assessments applied to the property before the City had possession. All ayes.

Mayor Lazio inquired if anyone from the audience wished to address an item not on the agenda. Mike McGrory, Superintendent, Ottumwa Schools, wished to address the council. Mike expressed his gratitude for all of the support the City has shown to the Ottumwa Schools. We have made the initiative to invest in our facilities and we want to be the best. What council did tonight will help attract people to our community. No matter what the project, the City has always collaborated with us and aided in whatever timeline is presented. This is an exciting thing for Ottumwa.

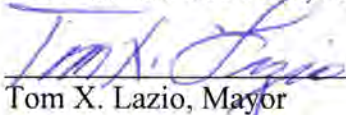
There being no further business, Berg moved, seconded by Dalbey that the meeting adjourn. All ayes.

Adjournment was at 6:51 P.M.

ATTEST:


Christina Reinhard, CMC, City Clerk

CITY OF OTTUMWA, IOWA


Tom X. Lazio, Mayor