

**PROCEEDINGS OF THE CITY COUNCIL OF THE CITY OF CORALVILLE,
JOHNSON COUNTY, IOWA SUBJECT TO THE APPROVAL BY THE CORALVILLE
CITY COUNCIL AT A SUBSEQUENT MEETING**

A Regular Meeting of the City Council of the City of Coralville, Johnson County, IA was held at City Hall, 1512 7th Street on Tuesday, August 9, 2022 with Mayor Meghann Foster presiding and was called to order at 6:30 PM. Recorded webcasts of this meeting are on Mediacom 118-8 and on-demand at www.coralville.org/coralvision.

The following Council Members were present: Knudson, Huynh, Jones, Goodrich. Absent: Gross.

The following Staff were present: City Attorney Don Diehl; City Administrator Kelly Hayworth; Deputy City Administrator Ellen Habel; City Engineer Scott Larson; Community Development Director Dave Johnson; Police Chief Shane Kron; Production Assistant Wyatt Johnson; Communications Specialist Jon Hines; and City Clerk Thorsten J. Johnson.

Motion by Huynh, seconded by Jones to approve the agenda. Ayes: 4. Absent: 1. Motion Carried.

Votes are 4 Ayes and 1 Absent for Motions, Resolutions, and Ordinances unless otherwise noted.

Resident Dhyana Kaufman of Holiday Road voiced her concerns about the Gather Iowa project during community comments. Kaufman read an article on the development in the Press Citizen and had some questions and concerns. Kaufman thanked Foster for raising some of her questions like what will happen to people in the 37 units that will be displaced by the development. Kaufman noted it will not be easy for them to find a place to live in the price range of the existing units in Coralville. Kaufman is concerned about displacing minority owned businesses on the property. Kaufman noted the developer is from Dallas, Texas and she wondered why local developers were not involved. Kaufman thought the money will not stay in the community and thinks they should support developers who will benefit our community. Kaufman doubted the developer will hire local contractors. Kaufman asked the Council to make sure the developer builds some affordable housing and keeps room for the minority owned businesses. Kaufman wanted a lot of community involvement since this development will affect the look and feeling of the community for a lot of years. Resident Ralph Stephens of Holiday Road thanked the Council for all they do and he also read the article on the Gather Iowa development. Stephens thinks the City needs to look into who is coming into town to build this development and is concerned about who will pay for all the expensive infrastructure improvements because he doesn't want his utility bills or property taxes going up because of it. Stephens thinks the developer should fund this project and not the City. Stephens wants safeguards to protect the City from any costs or being left with a half completed project. Community and local contractors and developers should be able to add some input into this. Nick Hatz with Shive-Hattery and representing the Gather Iowa project offered to answer any questions the Council has. Hatz spoke with CEO Graeme Rael with Rael Development Corporation Community an hour before the meeting about affordability noting Councilperson Mike Knudson mentioned this project will add units to the housing market which will be a benefit. In addition, Rael wanted the Council to know this is not just a student housing development but it will be open to other interested residents and they will build a variety of unit types including smaller studio units and not just larger units to allow a variety of pricing ranges. Rael is open to providing a longer notification period of 60 to 90 days rather than the 30 days the current lease holders are obligated to provide. Rael is willing to work with the minority business owners, and give as much advance notice as possible. Hatz addressed the Dallas developer versus local developer by noting the many different attempts to develop the area and the many complexities of the existing conditions. A development of this grand a scale requires a larger more national developer to pull off the engineering and marketing related items that need to happen to pull off a development of this quality and complexity. Rael targets college towns and this development started as student housing but as they deep dived the market, they changed their unit mix accordingly. Hatz reported Shive-Hattery has done a traffic study coordinating with City engineering, the Iowa DOT, and the MPOJC and they are planning two new traffic signals at the main intersections off of the strip and Hayden Fry Way. Hatz stated a vast majority of the costs will be born by the developer and Shive-Hattery at the developer's expense will do all the construction design documentation for the public infrastructure as well as the sites private infrastructure.

Those costs will be carried by the developer with the caveat that the development agreements are still being worked on.

STATUS OF FUNDED ACTIVITIES ~ PUBLIC HEARING

Deputy City Administrator Ellen Habel gave the presentation of Status of Funded Activities ("SOFA") for the Community Development Block Grant (CDBG) Program Contract No. 20-HSB-003 as follows"

THE PURPOSE OF THIS HEARING IS TO CONSIDER THE STATUS OF FUNDED ACTIVITIES FOR THE HOMEBUYER ASSISTANCE PROGRAM FOR CORALVILLE, IOWA, AS ASSISTED BY THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM (CONTRACT #20-HSB-003)

As required for this hearing, it is noted that:

- a. For a general description of accomplishments to-date, **a CDBG Housing contract in the amount of \$195,495 was awarded to the City of Coralville from the Iowa Economic Development Authority. Fifty-four applications were received and processed. Two homebuyers have been assisted to date.**
- b. For a summary of expenditures to-date, through July 31, 2022, **a total of \$59,599.55 has been invoiced; \$30,950.05 for homebuyer assistance, and \$28,649.50 for grant administration and technical services. Homebuyer assistance expenses include down payment, eligible closing costs, and a home inspection fee.**
- c. For a general description of remaining work, **two homebuyers have been assisted and a third homebuyer has a projected closing date at the end of August. A completion date is anticipated for September 30, 2022.**
- d. For a general description of changes made to the project budget, performance targets, activity schedules, project scope, location, objectives or beneficiaries, **A contract amendment was approved by IEDA extending the contract performance period for an additional 60 days to accommodate the upcoming closing. Due to the extremely tight housing market conditions, the number of homebuyers assisted is projected to be 3, rather than the original 5 that were anticipated.**

If anyone have comments in addition to those heard during the public hearing this evening, they can send those to City Clerk Thor Johnson at tjohnson@coralville.org or by calling 319-248-1700.

Public in attendance: Mayor Meghann Foster; Council Members Mike Knudson, Hai Huynh, Keith Jones, and Laurie Goodrich; City Attorney Don Diehl; City Administrator Kelly Hayworth; Deputy City Administrator Ellen Habel; City Engineer Scott Larson; Community Development Director Dave Johnson; Police Chief Shane Kron; Production Assistant Wyatt Johnson; Communications Specialist Jon Hines; City Clerk Thorsten J. Johnson; Dhyana Kaufman; Ralph Stephens; Nick Hatz; Ana E. Eseorcia; Steven Larson, Terri Larson and one other person.

Mayor Meghann Foster declared this the time for a public hearing for the Community Development Block Grant (CDBG) Program Contract 20-HSB-003 Status of Funded Activities (SOFA). There were no public or written comments. Foster closed the public hearing.

Foster thanked Habel for all the work she did on this grant and looks forward to having all the applications completed. Councilperson Hai Huynh asked if the reason only three of the five homebuyers is receiving assistance is because they can't find homes that will qualify. Habel responded that they discussed this some the last meeting which Huynh couldn't be at and explained they filed for a two-month extension to finish a third applicants' application for assistance but the Iowa Economic Development Authority was not willing to extend the grant for two more homebuyers to complete the process who had not found homes

yet. ECICOG processed 54 applications which shows people were interested in the program and had heard about it but the entirety of the program was during the pandemic. In the beginning there were not a lot of homes on the market, then there were not a lot of open houses during the pandemic and when something came on the market there was a lot of competition resulting in bidding wars. It was difficult for people to purchase a home in their price range. The housing market is getting a little bit better now but we could not get an extension for the program. Huynh asked if there is a shortage of housing in the price range for this program. Habel thought there was a perfect storm in the housing market with people working from home and wanting a different set up so houses that came up on the market were bought very quickly nationwide. Huynh asked what the price range was for housing this covered. Habel stated the program is based on the median income in Johnson County which is about \$80,000.00 for a family of four. Habel added a bank would look at a 30-year amortization and figure out what price of home that income can support. Hayworth noted all of the houses Blaine Thomas recently built in Summit Hills would be eligible so there are a significant number of affordable homes. Habel thinks there have been a lot more "For Sale" signs going up this last month.

A PORTION OF LOT 3, AUDITOR'S PLAT NO. 20 (802 1ST AVENUE)

After the ordinance was read, Councilperson Keith Jones asked about the landscaping on the southside of the lot to differentiate it from the restaurant. Community Development Director Dave Johnson responded the escape lane for the drive through will be south of the building and south of the escape lane will be layered landscaping to define the lot's boundaries. Huynh asked if the gas station is still in operation. Johnson responded it is. Huynh asked if the site will be cleaned up because of the underground tanks. Johnson responded the site will be cleaned up and they will make sure no fuels or oils have been leaked. Huynh asked if the City will pay for it. Johnson responded no the developer will pay it all because they have taken on the risk. Knudson asked if any due diligence has been done to determine if there is contamination. Johnson was not sure even if there has been due diligence. Huynh asked how long the location has been a gas station. Johnson wasn't sure and deferred to other staff. It was thought over 30 years. Jones added some testing was done by the current owner when tanks were replaced. The owner of the gas station Ralph Stephens reported the State had no further action on the site in 1987 and the building has been there since 1972.

ORDINANCE NO. 2022-1008 An ordinance amending the Coralville Zoning Ordinance, the same being Ordinance No. 2020-1009, as previously amended, rezoning certain property located within the corporate limits of the City of Coralville, Johnson County, Iowa and generally known as a Portion of Lot 3, Auditor's Parcel No. 20, from C-2, Arterial Commercial District, to C-PUD 2, Commercial Planned Unit Development Two District, was introduced by Knudson, seconded by Jones for 2nd consideration. A roll call vote was taken. Motion carried.

LOT 7, FOLSOM'S SUBDIVISION

After the ordinance was read, Foster thanked everyone who has reached out to her and given her feedback which has been unanimous in wanting to preserve affordable housing and affordable commercial rents because there are a lot of BIOPIC businesses in that area. Foster is also concerned about displacing the current residents. Foster appreciates all of the developer's work and is glad to hear they are listening and responding to these concerns by having a mixture of housing types. Foster cannot support any development that does not provide true affordability in that area and she hopes they can come up with some solutions for how to preserve the affordable housing even though it will be challenging. Foster can't displace residents without providing them an alternative. Foster added discussions of preserving the affordability and feedback they have received to do so goes back four years. Foster wants a concrete plan as they move forward to maintain affordability in the development; not displace residents without an alternative; and make sure they are communicating with the residents living there and businesses located there. Huynh apologized for missing the discussion of this item at the last Council Meeting. Huynh has spoken to several if not all of the business owners in that area some who have been there for 17 years. All of the businesses are minority owned and most of the residents are minorities working for business there and along the strip because of walkability. Rent right now is affordable for the businesses. Huynh supports economic development but she works for the people who

call this community home as a Councilperson. Huynh cannot support economic development without advocating for true affordability. Huynh wants developers to understand they want people to be able to work and live here and she knows this is a policy issue. Huynh stated they have to look at the City's ordinances and regulations to accomplish this. Huynh cannot support this development without more concrete plans moving forward that will allow 100% that the businesses and residents to have the same chance to stay in the area if they choose to. Huynh noted the residents and businesses didn't even know they will have to move until they read it in the paper which is not fair or right. Huynh is all for the area looking better but she thinks if we work together, we can find a solution that lifts up everyone instead of just those that can afford it. Councilperson Laurie Goodrich will vote yes to this and looks forward to affordable housing. Goodrich thinks Coralville is still a small community where they can find an affordable place in town for these residents to live even though it may not be in the same location and reminded the Council there are other affordable housing projects like the Sands project on Holiday Road. Goodrich reminded the Council the properties in this area have not been inspected for a while and may not pass them. Goodrich is all for giving people a hand up but there are more properties in this area that can be looked at for affordable housing. This location has had flooding and utility issues. Huynh noted we can not guarantee affordable housing and business rents. Foster stated we need to come up with something that is concrete and Huynh wants the language in place before moving forward. Goodrich noted this property has been looked at for over thirty years and it is exciting they have a developer that will move forward with this development. Hayworth reminded the Council how they got to this point with this developer because the land owner was going to tear everything down and put in a gas station and fast-food restaurant and they can still do that today. That is when the City tried to get something more out of that property. Huynh acknowledged the property owner has the right to sell the land anytime they want but it is common courtesy to notify the people that have been putting money in the landlord's pocket and the landlord would not have income without those businesses. Huynh noted by law they have thirty days' notice but asked how you move a business in that amount of time and where do they go. Huynh asked isn't it their job to advocate for the people. Huynh is excited for the area to gain some traction from the developer and she has kept an eye on the area and participated in the study to develop it but she cannot move forward without language in place. Huynh asked Hatz what will happen to other business in the area that have not agreed to sell when they raise it a foot above the flood plain. Hatz stated the development would be raised to that level but not the other properties. Huynh asked if those properties will need to build flood walls in order to not get flooded. Hatz responded no they would remain at existing conditions. The 1st Street grade will be unchanged and not affect current access to the other property. Knudson asked if the 34 residents included property not owned by the developer. Johnson responded it does not and only include properties owned by Brian Ho. Knudson asked if the project can be staged so housing can be preserved as long as possible. Knudson noted the project may not be eligible for State or Federal subsidies for affordable housing but he would be receptive to providing City funds to go towards affordable housing. Hatz noted they are working with City engineering to run hydraulic modeling and currently there is a levy system in place that flows to three pump stations. They are looking at what will happen at 100-year or 500-year events and where there will be ponding. The developer doesn't want to be impacted by a storm water event and they don't want to impact neighboring properties because that is not good for them. They will use those studies when they improve the infrastructure at the location that is in really bad shape right now. Huynh asked what the closing day is. Hatz didn't know. Huynh would like to know before they move forward. Knudson noted it will be at least 30-days but he would prefer 90-days. Hatz noted this is one level of the process and there is a whole other level of the process which will take several months after this. It will not be tomorrow but more like five to six months. Foster emphasized they do still have time and this is the first step. They need to ask the questions and get the answers as they move forward. Johnson noted there are several more steps but this is an important step that will approve the concept with a PUD-A Site Plan. They will look at landscaping and specific building design in the next step. Johnson added inspections are scheduled within the next two weeks to gauge the quality and make sure everything is safe and sanitary in those units. Johnson noted this request is consistent with the comprehensive plan and Southeast Commercial District subarea which calls for a whole sale redevelopment of this gateway into the community. Johnson noted the discussion on affordability and relocation are very important and are happening in a lot of communities nationwide but he is not sure that can be addressed as part of an individual project. In all likelihood, it will have to be addressed in a larger policy discussion to define affordability and address it, which is a complicated thing worth researching and looking at. Huynh asked how the lease agreements are being honored with notifications and adhering to

the leasing period. Hatz responded he spoke with Rael and knows the commercial lease agreements have a longer notification period than resident leases but he doesn't know the details. Knudson asked if Hatz can assure the leases will be upheld and Hatz responded he can't answer that. Jones noted that a lease is a legal document and if they don't have one that is a landlord issue. Knudson asked what the City will contribute. Hayworth responded they have not decided at this time and the City does not have any agreements right now. Knudson noted we have given TIF funds back to the developer to make the developments possible. Hayworth confirmed this is a TIF area. Knudson added the City will be able to have more input when City TIF assistance is discussed.

ORDINANCE NO. 2022-1009 An ordinance amending the Coralville Zoning Ordinance, the same being Ordinance No. 2020-1009, as previously amended, rezoning certain property located within the corporate limits of the City of Coralville, Johnson County, Iowa and generally known as part of Lot 7, Folsom's Subdivision, from C-2, Arterial Commercial District and I-2 Light Industrial District, to C-PUD 1, Commercial Planned Unit Development One District, was introduced by Huynh, seconded by Goodrich for 2nd consideration. A roll call vote was taken. Ayes: Jones, Knudson, Goodrich. Nays: Huynh. Absent: Gross. Motion carries.

ZONING CODE AMENDMENT

ORDINANCE NO. 2022-1010 An ordinance amending the Code of Ordinances of the City of Coralville (2011), as previously amended, making changes to Chapter 165, the Coralville Zoning Code, was introduced by Jones, seconded by Huynh for 2nd consideration. A roll call vote was taken. Motion carried.

ENGINEERING SERVICES AGREEMENT

RESOLUTION NO. 2022-130

After the resolution was read, Knudson asked if this means the property will be redeveloped soon. Hayworth responded this goes back to 2018 when monitoring the wells were stopped by the landowner. This is the next step to continue the monitoring process and hopefully getting a clean bill of health. Knudson asked if a developer is interested in the property. Hayworth responded not really but the City needs to get this process started again to get a clean bill of health because the City had an agreement with the State to do this work back in 2018. It was noted this agreement is not to exceed \$10,500.00.

Resolution approving an Engineering Services Agreement with Terracon Consultants, Inc. for the Pathry Property Monitoring Well Study, was introduced by Goodrich, seconded by Jones. A roll call vote was taken. Resolution declared adopted.

RESOLUTION NO. 2022-131

It was noted this agreement is not to exceed \$15,500.00

Resolution approving an Engineering Services Agreement with Terracon Consultants, Inc. for the 4th Avenue Place Land Assembly Phase II Environmental Assessment.

LANDSCAPE ARCHITECTURAL CONTRACT

After the resolution was read, Hayworth explained this for a grant the Convention and Visitors Bureau is putting together in conjunction with Johnson County, Iowa City and Coralville focusing on the Iowa River and trails. This will give them the information they need for the grant application. Knudson asked how much the grant is for. Hayworth responded \$5 million in total with a significant portion coming to Coralville. The grant requires a 60% match and Coralville can use things already committed like the trail that is part of the I-80/1st Avenue Interchange and work on Clear Creek. A majority of the match will come from Coralville. Jones asked how big of an area is covered and Hayworth responded it covers mostly the old concrete plant. They have a preliminary plan for the general concept but need more details because of the old bunkers that need to be removed and those kinds of things. Knudson asked if there are any

plans for the electrical substation out there which is an eyesore. Hayworth responded that is a major substation not only for Coralville but the University of Iowa Hospital and they have spent a lot of money flood proofing it. They will do their best to screen it but there is only so much they can do. It was noted this agreement is not to exceed \$20,511.00.

RESOLUTION NO. 2022-132

Resolution approving a Landscape Architectural Agreement with Bolton & Menk for a park at the point of Clear Creek and the Iowa River for purposes of a future grant application, was introduced by Huynh, seconded by Jones. A roll call vote was taken. Resolution declared adopted.

IOWA RIVER LANDING RETAIL LEASE

RESOLUTION NO. 2022-133

Resolution approving Amendment No. 2 to that Certain License Agreement with Coffee Emporium, LLC was introduced by Jones, seconded by Huynh. A roll call vote was taken. Resolution declared adopted.

MOTION BY HUYNH TO APPROVE CONSENT CALENDAR items a-n inclusive:

- a) Approve minutes for the July 26, 2022 Coralville City Council Regular Meeting.
- b) Approve Class E Liquor License with Sunday Sales for **Smokin' Joe's Tobacco & Liquor Outlet #6**: Eff. 08/22.
- c) Approve Class C Beer Permit with Sunday Sales for **Trader Joe's #728**: Eff. 09/01.
- d) Approve Class C Liquor License with Sunday Sales for **Chili's Southwest Grill**: Eff. 09/05.
- e) Approve Class B Liquor License for **Best Western Plus**: Eff. 09/01.
- f) Approve payment of Draw #10 to **Marcus Hotels & Resorts** for the Hyatt Regency Coralville Hotel & Conference Center Improvements Project Invoices: \$22,019.62 (These funds will be reimbursed from the 2022H PIP Loan at West Bank.)
- g) Approve payment to **CivicPlus** for the annual SSL Certificates and fees for the City, CCPA and Brown Deer websites (#229390): \$17,662.40.
- h) Approve payment to **Musco Lighting** for Coralville Youth Sports Complex (#19101): \$10,323.00.
- i) Approve payment to **Applied Safety** for Coralville Parking Department Stairway Evaluation (#6792219): \$11,634.36.
- j) Approve payment to the **United States Geological Survey** for Annual Streamgaging Operation and Maintenance (#90995785): \$11,110.00
- k) Approve payment to **Creative Software Services, Inc.** for Brownfields website updates (#23301): \$210.00
- l) Approve payment to **MMS Consultants, Inc.** for Oakdale Boulevard Extension (#33725): \$1,348.89.
- m) Approve payment to **Veenstra & Kimm, Inc.** for:
 - i) WWTP Biosolids Transfer Pump Replacement (#11): \$514.59
 - ii) Well 15 Improvements (#1): \$76.00
 - iii) Well 15 Improvements (#7): \$1,147.00
 - iv) Central Trunk Sewer – Upper Reach (#5): \$1,990.00
 - v) Central Trunk Sewer – Lower Reach (#3): \$15,190.97
- n) Approve Bill List for August 9, 2022.

Seconded by Goodrich. A roll call vote was taken. Motion carried.

City Administrator Kelly Hayworth reminded everyone the 5th Street Social is this Saturday, August 13th from 4:00 PM to 10:00 PM and there are lots of activities planned for families, kids and adults. Hayworth noted they can still use volunteers and encouraged people to go to the www.coralville.org website and see where they might fit in.

Mayor Meghann Foster thanked everyone who participated in National Night Out last week. Foster enjoys going out and meeting neighbors and chatting with folks. Foster went with Jones and a group of kids at one location gave them a sign saying "Thank you City Council." Foster offered her condolences to the family and friends of Wegayewu Faris who died rescuing an 8-year-old from drowning in the Iowa River. Foster extended condolences to the City High community where Faris was a custodian and a very important part of their community. Foster encouraged everyone to attend the 5th Street Social because it is a great way to check out the businesses in that area and it is a great tradition that extends back 101 years when the first street dance happened when 5th Street was first paved.

City Attorney Don Diehl had nothing to report.

Councilperson Laurie Goodrich enjoyed National Night Out with Knudson and they attended six events. Goodrich is looking forward to the 5th Street Social and suggested people bring their lawn chairs. Goodrich reported the Friends of the Library had 525 customers and raised \$4,817.44 in free will offerings at their book sale last weekend.

Councilperson Keith Jones offered his condolences to the Faris family noting it was a very tragic thing. Jones thanked the 12 groups who organized National Night Out gatherings and the event exceeded his expectations.

Councilperson Hai Huynh was sorry to have missed National Night Out because she enjoyed it last year and she will make sure she plans better so she can attend next year. Huynh noted back to school is around the corner and there is a lot to get ready for it so she encouraged people to attend Servolution at LIFEchurch in Coralville on Wednesday, August 17th from 6:00 PM to 8:00 PM. It is open to anybody who lives in Coralville and they provide backpacks, school supplies, shoes and haircuts. It is first come first serve. Huynh announced the free produce stand will be in the parking lot of the Coralville Community Food Pantry next Friday, August 19th from 4:30 PM to 6:00 PM. Anybody can come by and pick up some free produce.

Councilperson Mike Knudson was glad to see Hayworth back and recovered from RAGBRAI. Knudson reported he spoke with Solid Waste & Recycling Coordinator Aaron TeBockhorst about an article in the Press Citizen about ways to compost food waste and found you can put the food waste in your yard waste bags even though they don't have that written on them. TeBockhorst noted the new yard waste bags will state food waste is allowed. Knudson noted the Inflation Reduction Act is a big deal in reaching national goals for greenhouse gas emissions. Knudson wants the City to take advantage of the funds that will be available to provide infrastructure for electric cars and encourage developments like the one tonight and the City to look at funds to put in charging stations. Knudson thinks it will be important to take advantage of the Act to help with sustainability.

Motion by Huynh, seconded by Knudson to adjourn at 7:48 PM. Motion carried.

Meghann Foster, Mayor

Thorsten J. Johnson, City Clerk