

**State of Iowa
City Development Board
Meeting Minutes of August 12, 2020
Iowa Economic Development Authority/IFA
1963 Bell Avenue, Suite 200
Des Moines, Iowa
TELEPHONIC MEETING DUE TO CORONAVIRUS**

Call to order 1:00 p.m.

Present

Dennis Plautz, Board Chairperson*
Mari Bunney**
Chris McKee*
Mackenzie O'Hair*

Absent

Jim Halverson

Others Present

Matt Rasmussen, Administrator, City Development Board*
Betty Hessing, Administrative Assistant, City Development Board*
Emily Willits, Iowa Department of Justice*
Janet Berte, City Clerk, City of Pioneer*
Whitney Baethke, City Administrator, City of Peosta*
Karen Snyder, City Clerk, City of Peosta*
Ted Nellesen, Iowa Department of Management*

*Participated via teleconference

Introduction by Chairperson, Dennis Plautz

Roll Call by Matt Rasmussen, Board Administrator

Plautz, McKee and O'Hair were present via teleconference at start of meeting.

Request for amendments to agenda

Motion by Mackenzie O'Hair
Motion I move to approve the agenda as presented.
Second Chris McKee
Roll Call All ayes. Motion approved.

Consideration of July 8, 2020, business meeting minutes

Motion by Mackenzie O'Hair
Motion I move the minutes of July 8, 2020, be approved as printed and distributed.
Second Chris McKee
Roll Call All ayes. Motion approved.

New Business

D20-01

Pioneer

Matt Rasmussen stated that the City of Pioneer submitted paperwork for a discontinuance. Matt Rasmussen explained the procedure for a discontinuance since Board members Mackenzie O'Hair and Chris McKee have not been through a discontinuance case before. The City passed a Resolution of Intent to Discontinue and set a date for a public hearing; they held that public hearing and at that hearing or subsequent meeting they decided to pass a resolution to discontinue and in this case, they did. They have a significant amount of money in their bank account—there is just apathy in the City, so before you today is a request to discontinue the City of Pioneer.

Janet Berte, City Clerk for Pioneer, was present via teleconference to explain further and answer questions. Ms. Berte explained the reason why they had that money was because they were going to try to set-up a water district but that failed to happen. This money will eventually go to the County and the County will take care of the well so that is why the money was left there. The Mayor of Pioneer went into rehab at a care center and then COVID hit and his rehab did not happen, so she does not think he will ever come home. The City doesn't have enough members to hold a City Council meeting the way it should be held.

Chairperson Plautz asked Matt Rasmussen and/or Emily Willits to explain the process and how assets are handled and how streets are assumed when a city discontinues. Matt Rasmussen explained that if the Board were to approve the discontinuance, what happens is ultimately the County would assume the assets of the then former city. If the Board approves the discontinuance today, technically the City would be discontinued as of today's date. Then there is a six-month period after today's date within which any claim against the City is to be adjudicated by the Board. We are required to post two notices in a local newspaper, letting them know that if anyone has a claim against the City, they need to submit it to the City Development Board and then Matt would bring those claims to the Board and then the Board would decide what to do with those claims. Basically, the City Development Board assumes financial position of the City for that six-month period. When that six-month period is up and if there are any claims, the Board would direct staff what to do with those claims—presumably pay those claims—and then at the end of the six-months, any money that's left over would be deposited in the treasury of the County—in this case it would be Humboldt County. The financial process is the City submits a check for the

balance of their account to the City Development Board and then we hold onto that money and act as a financial agent for the City, adjudicating those claims and when the six-month period is up, we would submit a check to the County for any remaining balance.

Chairperson Plautz thanked Mr. Rasmussen and asked Emily Willits if she had anything to add. Emily Willits asked Ms. Berte if she knew there was a typo in the public hearing notice—it said 2019 instead of 2020—Ms. Berte replied that currently there are three families in town. Two of those families are on the Council and the third family did receive a written notice. Ms. Berte stated she did notice there was a typo on the notice because they were going to try and do it earlier and she missed it. Emily Willits said that was okay since it said June 30, 2020, for the public hearing further down in the notice. Ms. Berte stated she felt confident that everyone in town knew about the public hearing and knows this discontinuance is going on. We went to that third family to see if they wanted to be on the Council so we could continue, and they said they did not want to be on the Council.

Emily Willits stated that in Iowa Code 368.3 after the Resolution of Discontinuance, there is an opportunity for anybody in town to request that the question be submitted to the voters for a vote. Did you receive a request for a vote? Ms. Berte replied they did not. Ms. Willits stated she just wanted to make sure those two statutory requirements had been filled.

Chairperson Plautz thanked Ms. Willits. Chairperson Plautz stated that based on the brief we were given, all the other procedures seem to fit the requirements, Matt? Matt Rasmussen read from a letter the City submitted, “The City has a well as a source of water for the current residents and elevator. Humboldt County Supervisors and I have discussed this matter and they are prepared to assume the care of the well.” Mr. Rasmussen explained he and Janet Berte will work with the County in taking over the well.

Ms. Berte stated she already has the well legally described off when we were trying to set-up the water districts—so she already has the legal description of that land so she is guessing that should be fairly simple.

Chairperson Plautz asked if there were any questions from Board members or anyone else. Ted Nellesen from the Iowa Department of Management, stated he handles

city budgeting. Mr. Nellesen stated that it looked like Ms. Berte had spoken to the County and the Board of Supervisors. Have they taken any official action to recognize what their duties are going to be post discontinuance? Janet Berte replied they have not—they are waiting for a letter stating we are officially closed. We have done everything we possibly could to make it ready for the County. Ted Nellesen stated he and Janet have been talking about this for years. It is not like this is poorly conceived. The thing I want to make sure of is that the County's responsibilities are outlined, and they understand what they are supposed to do. Ms. Berte stated she has talked to the County and they know they are assuming the well and streets. Janet Berte stated she has paid six-months up—estimating all the streetlights and water care—like Mr. Rasmussen recommended. Ted Nellesen asked if the County has the wherewithal to take care of the well and Janet Berte replied they do. The County may even drill a new well with the \$100,000 the City has left. Mr. Nellesen thanked Ms. Berte.

Chairperson Plautz asked if there were any other questions or comments from anyone and there was none. He then asked for a motion.

Motion by
Motion

Chris McKee

I move the City Development Board find the City of Pioneer to be discontinued under Iowa Code Section 368.3 and direct staff to carry out procedures to complete the discontinuance of the City pursuant to Section 368.21, Code of Iowa, and to take the appropriate steps to complete the process for adjudication of claims.

Second

Mackenzie O'Hair

Mari Bunney stated she had joined the meeting and she heard the discussion regarding Pioneer's discontinuance.**

Roll Call

All ayes. Motion approved.

NC20-20
Peosta

Matt Rasmussen explained this is an 80/20 annexation petition for the City of Peosta. The total annexation territory is 66.87 acres with 2.35 acres being from non-consenting owners. The proposed annexation is the result of the submittal of eight executed applications for a voluntary annexation to the City. Two additional, non-consenting properties were included at the outset of the process to allow for efficiency in utility installation and uniform boundaries.

MSA Engineering Consultants was retained in early 2020 to provide conceptual plans and cost opinions which have been since programmed into budget, capital and finance

plans. Their existing comprehensive plan identifies the annexation properties as potential small commercial, residential and public spaces. There is sufficient access to housing, transportation and infrastructure, although additional site and subdivision walkability will be considered as updated comprehensive plan process continues. The area is undeveloped, so revitalization strategy is not necessary. The proposed annexed territory is projected to play a large role in both development of community character and identity and stewardship of natural resources. Both small commercial and open spaces are proposed by the landowner/developer.

Thirty acres directly to the south of the proposed annexation has been identified as a potential regional stormwater project site; current comprehensive plan review is evaluating the relationship and collaboration opportunities between the two properties. There is sufficient access to housing, transportation and infrastructure, although additional site and subdivision walkability will be considered as updated comp plan process continues. The area is undeveloped, so revitalization strategy is not necessary. Two additional, non-consenting properties were included at the outset of the process to allow for efficiency in utility installation and uniform boundaries. The proposed annexation includes Dubuque County road right-of-way along Cox Springs Road to the centerline and Burds Road to the centerline.

Matt Rasmussen reported that their packet appears to be complete and properly filed.

Whitney Baethke, City Administrator, and Karen Snyder, City Clerk, for the City of Peosta, participated via teleconference to explain further and answer questions from Board members. No questions were asked.

Motion by
Motion

Mackenzie O'Hair

I move the Board find NC20-20 as complete and properly filed and that a date for public hearing be set.

Second
Roll Call

Chris McKee

All ayes. Motion passed.

A public hearing was scheduled for September 9, 2020, at 1:30 p.m. via audio/video.

Staff Reports

Matt Rasmussen had nothing to report except we will plan to meet on September 9th in this manner again unless you hear otherwise.

Emily Willits stated that litigation is going on following the discontinuance of Mount Union. As you will recall, the Board approved a claim stemming from a defamation

lawsuit in which the District Court issued a judgement in favor of a couple of residents against the City. A group of residents filed a lawsuit quite a while ago, seeking to overturn that defamation judgement. They named the Board as a defendant in that lawsuit, along with the former Mayor. We got dismissed early on because we are not a proper party to that lawsuit. That is not the proper way to challenge the Board's decision. That case is up on appeal and there is an oral argument that has been set for September 10th in front of the Iowa Court of Appeals. If anyone is interested in watching that on U-Tube, I can get you that information. Our piece of that is relatively small. The dismissal of the Board is a pretty minor part of that lawsuit so she doesn't anticipate there will be a lot of time devoted to that particular issue but wanted to let you know that's going on. Chairperson Plautz thanked Emily Willits for the report.

Future Meeting & Public Hearing

September 9, 2020, at 1:00 p.m., City Development Board Business Meeting via Teleconference only.

September 9, 2020, at 1:30 p.m., Public Hearing for NC20-20, Peosta via Teleconference/Virtual only.

Adjourn

1:27 p.m.

Respectfully Submitted,
Betty Hessing, Administrative Assistant