

Floyd County Board of Supervisors Meeting
April 29, 2019, 9:00 AM

UNAPPROVED MINUTES

The Floyd County Board of Supervisors met in the Board Room of the Floyd County Courthouse with the following in attendance: Supv Doug Kamm, Supv Linda Tjaden, and Supv Roy Schwickerath.

Tjaden/Schwickerath moved to approve the agenda as presented. Motion carried 3-0.

Public comment: none.

Updates on various boards/commissions/activities: Supv Tjaden attended an Airport Authority meeting, a Fossil & Prairie Center volunteer training session, Juvenile Detention Center meeting. Supv Schwickerath attended a County Social Services quadrant meeting and SW Bypass TIF Board meeting. Supv Kamm attended Area Development Corp and Business Improvement meetings.

The Board discussed acquisition of the Schwartzrock property for purposes of the Area Development Corp (ADC) to own the property and market it as an Iowa Certified Site. At the March 29 SW Bypass TIF Administrative Board meeting, a motion was made to move forward with purchasing the property, having ADC own it, and request the county incur the debt for the purchase, a 3-1 vote with Auditor Carr opposed due to lack of answers to questions. At its April 26 meeting, discussion included additional information from an analysis of Iowa's 24 sites with 23 sites owned privately and one by a city, and the majority of the 23 sites owned by private residents rather than a development corporation with development corporations as contact representatives and some having transferrable options to purchase. It cost approximately \$55,000 to certify a site with certification expiring at five years or less if limited by the term of an option to purchase; upon expiration, recertification is an option if desired. Tim Fox, ADC executive director, stated that the next step for certification is wetland delineation.

ADC currently has an option to purchase the property until August 31, 2022. In order for the county to bond for the acquisition, the S Grand Urban Renewal Area (URA) would need to be amended to remove the property and SW Bypass URA would need to be amended to add the property. Under current law, both URAs are perpetual but amended areas would be limited to 20 years. ADC currently owns 28 acres in SW Bypass URA; 92 acres have been sold, developed, and have significantly increased in value.

Carr suggested that since there are no infrastructure needs at this time and an option to purchase is in place that the property could remain in S Grand with the perpetuity benefits, requiring no need to amend URAs, no need for the county to bond, and ADC can market the property the same without owning it. Connie Parson, ADC/site certification representative, stated that a certified site is ready to go for a business within six months and expects this prime property to be acquired within five years. Mark Kuhn, citizen, expressed concerns on the debt placed on all the tax payers of the county. Fox responded to Kuhn's question regarding if transferrable option was possible, eliminating the need of a \$2.156 million debt plus interest, was that ADC was not aware of the transferable option to purchase until after meeting with the site certification staff. Dick Herbrechtsmeyer, ADC/site selection representative, commented that interest rates are likely lower now than they will be in three years if the county was acquired at that time. Schwickerath is leaning toward leaving the property with the option to purchase rather than property acquisition due to learning more information at the April SW Bypass TIF board meeting. Jim Erb suggested getting a group such as the city administrator, county auditor, Parson and Fox to come up with a plan to resolve issues and tie up some loose ends. Dean Andrews, Charles City mayor, believes this has been studied at length and not necessary to form another group. Fox stated that with ADC owning the property, they would be more prepared and ready to step up to meet industries with a suitable timeframe to develop.

With respect to having an appraisal conducted, Kuhn suggested that an independent appraiser be hired to verify the price as a state certified site to determine a fair market value due to Parson acting as an agent of ADC to negotiate a purchase by the county for a speculative land deal. Parson commented that ADC spent a year visiting 11 different development sites and although she is not an appraiser she has 41 years of experience in real estate, and ADC has already negotiated a fair price for both parties. Schwickerath commented that an appraisal is justified before acquiring the property and provides an independent starting point. Jerry Joerger, city councilman, commented that whatever is done with respect to selling the property is a risk but believes it is important for ADC to own the property, become a site certified property, have the appraisal done if the county thinks it is necessary, and have the county finance the acquisition. Andrews commented that ADC will pay for an appraisal if the city or county deem it is appropriate.

Schwickerath would like to have the SW Bypass TIF Administrative Board meet again to vote on whether or not to expand the URA. The administrative board reviewed a draft of the Development Agreement at the April meeting but took no action on recommendations to the City or County. Andrews will have the city administrator set up another administrative board meeting. The county will act on their recommendations at its May 14 meeting.

Tim Fox, Area Development Executive Director, presented the Floyd County Housing Trust Fund Annual Report 2019. There were 49 total installations for the recent program.

Update on law enforcement center (LEC)/courthouse project: The Core Team continues to meet with Prochaska and Samuels Group representatives on the project and have come up with another design and reduction options. Supv Tjaden presented a Power Point highlighting changes from the original design to a proposed IH design. The board reviewed two options for the atrium/lobby area, soft cost reductions in the courthouse and LEC areas, eliminating windows on the south side of the LEC, courthouse office remodel reductions with some being considered for alternate bids and some for a 5-year plan, other funding considerations, and moving DHS to the courthouse. With no objections, Tjaden will provide the information to Samuels Group to start initializing bid plans. The city zoning commission is considering residential angled parking for 500 N Grand and may include this city-wide for residential refurbishment but has not discussed angled parking for business. Andrews commented that he was originally opposed to angled parking in front of the courthouse but has changed his position. Jim Classe, Prochaska rep, has concerns of inadequate handicap parking if angled parking on Court St is not allowed; Classe will redraw the layout per John Fallis's request. Andrews will verify the status of angled parking with respect to action that may or may not have been taken by the city. The agreement to allow parking at Casey's on Gilbert St was approved.

Future agenda items: Veteran Affairs Commissioner resignation and Two Rivers partial self-funding and Flex accounts.

Schwickerath/Tjaden moved to adjourn. Motion carried 3-0.

ATTEST: _____

Gloria A. Carr
Floyd County Auditor

Douglas A. Kamm, Chair
Floyd County Board of Supervisors