

Mayor
NELSON P.
CRABB

November 1, 2024

City
Administrator
SCOTT
FLORY

HONORABLE MAYOR & CITY COUNCIL MEMBERS

The next regular meeting of the Clear Lake City Council is scheduled for **Monday, November 4, 2024**, at 5:30 p.m., in the Council Chambers, at City Hall. Please refer to the attached agenda for the items discussed below:

COUNCIL
MEMBERS

MARK
EBELING
Ward 1

BENNETT
SMITH
Ward 2

BETH ANN
SCHUMACHER
Ward 3

CREIGHTON
SCHMIDT
At Large

DANA
BRANT
At Large

ITEM #6B. **Annual Appropriation Development Agreements**. The City currently has various Development Agreements that contain an "annual appropriation clause". In order to obligate funds for payment in the 2026 fiscal year, the City must certify the projected debt estimate to the County Auditor's Office by December 1st of each year; that is 12/1/24 for collection in FY 2026. These payments are from the Tax-Increment Fund and are a portion of the property taxes paid by the Company/Business itself, not from general property taxes otherwise received by the City.

The City entered onto a Development Agreement with Windmill Realty LLC in February 2014, which was later assigned to McKesson Corporation in April, 2015. The City estimates a property tax rebate payment of \$600,000 in FY 2025. The fiscal year of the final rebate payment is 2032.

On November 30, 2020, the Council approved an Agreement that provided an extension of property tax rebate payments to the North Iowa Cultural Center & Museum until June 1, 2026. The Agreement covers both the Surf Ballroom (460 N. Shore Drive) and the Music Enrichment Center (509 Buddy Holly Place). The City estimates a property tax rebate payment of \$18,000 in FY 2025.

On June 30, 2020, the City approved a Development Agreement with JSM Investments for the Marriot Hotel & Event Center Project. The City estimates a property tax rebate payment of \$170,000 in FY 2025. The fiscal year of the final rebate payment is 2033.

On April 30, 2021, the City approved a Development Agreement with Momberg Land LLC for the Starboard Square Project. The City estimates a property tax rebate payment of \$35,000 in FY 2025. The fiscal year of the final rebate payment is 2030.

On October 7, 2022, the City approved a Development Agreement with One TeamQuest Way LLC for the acquisition and improvements to multiple properties including Lake Life rentals (2 N. 8th Street) and The Pritchard Companies Center (1 TeamQuest Way). The City estimates a property tax rebate payment of \$5,000 in FY 2025. The fiscal year of the final rebate payment is 2032.



On September 19, 2022, the City approved a Development Agreement with Sukup Manufacturing Co. and VSA II LLC for the acquisition and improvement of the former Serta Building located at 500 S. 17th Street. The City estimates a property tax rebate payment of \$5,000 in FY 2025. The fiscal year of the final rebate payment is 2032.

ITEM #6D. **FY24 Road Use Tax Financial Report.** The Code of Iowa, Section 321.14, requires that cities receiving an allotment of Road Use Tax (RUT) Funds prepare and submit to the Iowa DOT a financial accounting of the use of funds received. The report provides the Iowa DOT and Federal Highway Administration with a documented record of street receipts and expenditures of Iowa's cities. The report must be completed and approved by the City Council and then filed with the Iowa DOT by December 1st, annually; in the past the date was September 30th.

The RUT Report is prepared on a "cash" basis of accounting. The City received \$1,085,809 in Road Use Tax Funds for FY 24. Total RUT Fund spending was \$927,805. Total overall spending on "street related expenses" was \$1,268,412.

The RUT Fund had an ending cash balance of \$2,896,940 for FY 24, an increase of \$257,116 from the previous fiscal year. The FY 24 ending cash balance in the RUT fund also includes a \$400,000 capital equipment reserve fund balance.

Smart Quote: "Whatever you do, give 100%; unless you're giving blood" – *Bill Murray, actor*

CITY OF CLEAR LAKE

Scott L. Flory
City Administrator
slawrenceflory@cltel.net

PUBLIC NOTICE IS HEREBY GIVEN that the following governmental body will meet at the date, time, and place herein set out. The tentative agenda for said meeting is as follows:

TENTATIVE AGENDA
CLEAR LAKE CITY COUNCIL
CITY HALL – 15 N. 6TH STREET
MONDAY, NOVEMBER 4, 2024
5:30 P.M.

1. Call to Order and Pledge of Allegiance led by Mayor Nelson P. Crabb
2. Approval of Agenda.
3. Approval of Consent Agenda, including the following:
 - A. Approval of City Council meeting minutes of October 21, 2024.
 - B. Approval of **Resolution #24-67**, “A Resolution approving the final obligations and expenditures of SLFRF Funds for the City of Clear Lake
 - C. Approval of an Economic Development Agreement for Emerald Cove Housing Development
 - D. Approval of Professional Service Proposal for Urban Renewal Plan Amendment from PlanScape Partners in an amount of \$3,000
 - E. Approval of the bills & claims.
 - F. Licenses & Permits:
Street Closing Request: Clear Lake Chamber Christmas by the Lake Event, Saturday, December 7th.
4. Citizens opportunity to address the Council on items **not** on the agenda:
 - In conformance with the *City Council's Rules of Procedure and Iowa Open Meetings law*, no action or discussion can occur on items presented during the Citizens forum.
 - Please walk to the lectern, state your name (spell last name), address, and subject of your discussion.
 - Speakers are limited to a maximum of five (5) minutes per person.
5. Unfinished Business:
 - A. Renewal of Natural Gas & Electric Utility Franchise Agreements with Alliant Energy:
 - **Motion to approve Ordinance #885**, “An Ordinance repealing Ordinance #787 and granting to Interstate Power & Light Company, its successors and assigns, a non-exclusive, 15-year franchise to acquire, construct, erect, maintain, and operate an electric system in the City of Clear Lake, Iowa, and to furnish and sell electric energy to the City and its inhabitants, and requiring said company to pay a franchise fee to the City” by City Council (2nd reading)

- Discussion and consideration of **Motion** by City Council.
- **Motion** to approve **Ordinance #886**, “An Ordinance repealing Ordinance #795 and granting to Interstate Power & Light Company, its successors and assigns, a non-exclusive, 15-year franchise to acquire, construct, erect, maintain, and operate plant and systems for the distribution of natural gas in the City of Clear Lake, Iowa, and to sell, distribute, and supply natural gas to said City and its inhabitants, and requiring said company to pay a Franchise Fee to the City” by City Council (2nd reading)
- Discussion and consideration of **Motion** by City Council.

6. New Business:

A. Lake Pin & Play (514 Buddy Holly Place) Project Economic Development Agreement Letter of Intent proposal:

- Review of Letter of Intent by Scott L. Flory, City Administrator
- **Motion** to approve Letter of Intent by City Council.
- Discussion and consideration of **Motion** by City Council.

B. Annual Appropriation Development Agreements:

- Review by Jacob Widman, Director of Finance & Administrative Services
- **Motion** to approve **Resolution #24-68**, “A Resolution obligating funds from the Clear Lake Consolidated Urban Renewal Area Tax Fund for the appropriation of payment of annual appropriation tax increment financed obligations which shall become due in the next succeeding fiscal year” (**McKesson**) by City Council.
- Discussion and consideration of **Motion** by City Council.
- **Motion** to approve **Resolution #24-69**, “A Resolution obligating funds from the Clear Lake Consolidated Urban Renewal Area Tax Fund for the appropriation of payment of annual appropriation tax increment financed obligations which shall become due in the next succeeding fiscal year” (**North Iowa Cultural Center & Museum**) by City Council.
- Discussion and consideration of Motion by City Council.
- **Motion** to approve **Resolution #24-70**, “A Resolution obligating funds from the Clear Lake Consolidated Urban Renewal Area Tax Fund for the appropriation of payment of annual appropriation tax increment financed obligations which shall become due in the next succeeding fiscal year” (JSM Investment LLC – **Marriott Fairfield**) by City Council.
- Discussion and consideration of Motion by City Council.

- **Motion to approve Resolution #24-71**, “A Resolution obligating funds from the Clear Lake Consolidated Urban Renewal Area Tax Fund for the appropriation of payment of annual appropriation tax increment financed obligations which shall become due in the next succeeding fiscal year” (Momborg Land LLC –**Starboard Square**) by City Council.
- Discussion and consideration of Motion by City Council.
- **Motion to approve Resolution #24-72**, “A Resolution obligating funds from the Clear Lake Consolidated Urban Renewal Area Tax Fund for the appropriation of payment of annual appropriation tax increment financed obligations which shall become due in the next succeeding fiscal year” (**Pritchard’s Companies**) by City Council.
- Discussion and consideration of Motion by City Council.
- **Motion to approve Resolution #24-73**, “A Resolution obligating funds from the Clear Lake Consolidated Urban Renewal Area Tax Fund for the appropriation of payment of annual appropriation tax increment financed obligations which shall become due in the next succeeding fiscal year” (**Sukup Manufacturing Co.**) by City Council.
- Discussion and consideration of Motion by City Council.

C. Destination Iowa Surf District Streetscape Improvement Project:

- Review of Pay Estimate #4 and project update by Matt Steding, City Engineer
- **Motion to approve Pay Estimate #4** by City Council.
- Discussion and consideration of motion by City Council.

D. FY 24 Road Use Tax Financial Report:

- Review by Jacob Widman, Director of Finance & Administrative Services.
- **Motion to approve Resolution #24-74**, “A Resolution Approving the FY 24 Road Use Tax Report” by City Council.
- Discussion and consideration of motion by City Council.

7. Chief of Police’s Report:

8. Director of Finance & Administrative Services Report:

- Updated Lakeview Room Rental Rates
- Destination Iowa Reimbursement requests update

9. Public Works Director’s Report:

10. City Engineer's Report:

- Project updates: S. Shore Estate Housing Development Subdivision; Surf District Music Enrichment & Immersive Center; and Ludvig Wangberg Municipal Bandshell Improvement Project
- Review of Beach Drive Dock Project plans & specifications

11. Mayor's Report:

12. City Administrator's Report:

13. Motion to Adjourn.

NEXT REGULAR MEETING –NOVEMBER 18, 2024 at 5:30 p.m.

This notice is given pursuant to Chapter 21.4(1) of the Code of Iowa and the local rules of said governmental body