State of Iowa City Development Board Meeting Minutes of January 10, 2024 Iowa Economic Development Authority 1963 Bell Avenue, Suite 200, Helmick Conference Room Des Moines, Iowa

Call to order 1:05 p.m.

Board Members Present

Board Member Absent

Dennis Plautz, Board Chairperson Laura Skogman Thomas Treharne* Jim Halverson, Board Vice Chairperson

Others Present

Matt Rasmussen, Administrator, City Development Board Betty Hessing, Administrative Assistant, City Development Board Eric Dirth, Iowa Department of Justice Vicky Clinkscales, IT Department, IEDA Dr. Dennis Woodruff, Owner, VCA Avondale Animal Hospital Kristi Woodruff, VCA Avondale Animal Hospital Ryan Hutton, Building & Zoning Official, City of Nevada Chad Sands, City Administrator, City of Elkhart Leanne Harter, Planning & Development, Story County* Jeff Wozencraft, Community Development, City of Cedar Rapids* Eric Jensen, Director of Community Development, City of Ankeny* Jake Heil, Associate Planner, City of Ankeny* Christopher Higgins, The Des Moines Register* Addison Lathers, The Des Moines Register* Celia Brocker, Ames Tribune* Priscilla Ritchey, VCA Avondale Animal Hospital* Zach Glasser, VCA Avondale Animal Hospital* Bret Vandelune, Director of Public Works, Polk County* Bob Rice, Retired Polk County Public Works Director* Michael Ludwig, Deputy Director, Development Services, City of Des Moines* Lisa Weiland, Assistant City Attorney, City of Des Moines* Jon Hanson, Snyder & Associates, Inc.* Holly Schnur, Verbio* Greg Faith, Verbio* Kelly Krell, City Clerk, Riverdale, Iowa* Lori Judge, IDOT* Anthony Volz, IDOT* Nathan Aronson, IDOT* Jace Mikels, Iowa Senate Democratic Caucus Staff* Rebecca. Guest* Brenda Safranski, Guest* Stacey Martin, Guest*

*Participated via Teams Webinar

Introduction by Chair Dennis Plautz

Chairperson Plautz stated we are a five-member Board, but we are short one member and we have one member who will not be participating in today's meeting. This will not impact anything that requires super majority on our agenda today. Chair Plautz read the introduction to meeting.

Roll Call by Matt Rasmussen, Board Administrator

Plautz, Skogman and Treharne were present. A quorum was established.

Request for amendments to agenda

Motion by	Laura Skogman
Motion	I move to approve the agenda as presented.
Second	Thomas Treharne
Roll Call	All ayes. Motion approved.

Consideration of November 8, 2023 Business Meeting Minutes

Motion by	Thomas Treharne
Motion	I move the Business meeting minutes of November 8, 2023 be approved as printed and distributed.
Second Roll Call	Laura Skogman All ayes. Motion approved.

Elect Board Chair and Vice Chair of City Development Board for 2024

Motion by	Laura Skogman
Motion	I would move Dennis Plautz remain as Chair for 2024 and
	Jim Halverson remain as Vice Chair for 2024.
Second	Thomas Treharne
Roll Call	All ayes. Motion approved.

New Business

UA24-02 Cedar Rapids	Matt Rasmussen stated this is a 100% voluntary annexation for the City of Cedar Rapids consisting of 16.32 acres. The City of Cedar Rapids believes that the proposed annexation area provides for orderly growth and does not create irregular boundaries. The annexation is consistent with the City's Future Land Use Map (FLUM) laid out by Envision CR, the City's Comprehensive Plan which was developed incorporating the State's Smart Planning Principles. The FLUM identifies the land to be annexed as "Urban Medium Intensity". The proposed annexation is comprised of two operating Linn County facilities and no changes are envisioned to those. The proposed annexation includes public-institutional uses. The petition was reviewed by all city departments and no

	the existing parcels. The annexation is in conjunction with a RISE grant to improve Walford Road to support new development in the area.
	The area to be annexed is subject to and aligns with an annexation agreement with the City of Swisher. However, there is no such agreement with the City of Shueyville.
	Mr. Rasmussen stated the packet appears to be complete and properly filed. Matt Rasmussen noted that the Board is not used to seeing an annexation like this—if you look at the map the blue area is the county area and the green area is road right-of-way so this extends beyond that area that is adjacent to the annexation territory—they are taking all of the road right-of-way and intersection. Chairperson Plautz stated there is no prohibition that we know of against that, it is just out of the ordinary from what we usually see.
Motion by	Tom Treharne stated the primary reason for that was because of the RISE Grant and the ability to make improvements in that area. Matt Rasmussen agreed and Jeff Wozencraft stated that was correct—with the RISE Grant there will be improvements made to the intersection to accommodate growth in this area of town. Laura Skogman
Motion	I move the Board finds UA24-02 as complete and properly filed and in the public interest and that it be approved.
Second Roll Call	Thomas Treharne All ayes. Motion approved.
NC24-03 Ankeny	Matt Rasmussen stated this is an 80/20 voluntary annexation for the City of Ankeny with a total of 39.678 acres, which includes right-of-way. The amount that does not include right-of-way is 35.521 acres of which 1.58 acres is non-consenting or 4.45% of the total.
	The annexation area is zoned Low Density Residential District on the Polk County Zoning Map and is identified as Low Density Residential on the Polk County Future Land Use Map. The annexation area is identified in The Ankeny Plan 2040 Comprehensive Plan as being suitable for Light Industrial. If the annexation request is approved by the City Development Board, it will be initially zoned R-1, One-Family Residential District, consistent with all newly incorporated properties into the City of Ankeny. If the property owner intends to develop the property as anything other than single family residential, a rezoning would be required. The City of Ankeny has a need for developable land—for both residential and commercial

growth.

	The City of Ankeny presently provides no municipal services (other than fire and EMS) to the annexation territory, but has the immediate fiscal and physical capability of extending substantial municipal services to the annexation territory. Those services would include Sanitary Sewer; Water; Law Enforcement; Fire & EMS; Public Works; Community Development; Municipal Utilities; Library, Parks & Recreation. This annexation is not subject to a moratorium agreement. There is county road right-of-way included and the County Attorney has been properly noticed and I can report to the Board that the packet does appear to be complete and properly filed.
	Eric Jensen was present to answer questions, but no questions were asked.
Motion by Motion	Laura Skogman I move the Board finds NC24-03 as complete and properly filed and that a date for a public hearing be scheduled.
Second Roll Call	Thomas Treharne All ayes. Motion approved.
	A public hearing was scheduled for 1:15 p.m. on February 14.
NC24-04 Ankeny	Chairperson Plautz stated we did receive a letter and a signed petition in regard to this case just before the meeting. Mr. Rasmussen stated he had not had a chance to read it, but the Board does have a copy of it and it will be addressed at the public hearing next month. Chairperson Plautz stated the normal process is to hold a public hearing on these 80/20 annexations if they are in order and when that hearing is held, it would require a super majority or four affirmative votes to approve it. That is why it is significant in regard to having four or five members. What they are saying in the documentation is the wrong procedure is being used to forcibly annex the non-conforming property and that the people who are opposing it live there and no one else actually lives within the petition.
	Eric Dirth stated they can speak today on whether it is properly filed. No one was present at the meeting to speak on this matter.
	Chairperson Plautz asked Matt Rasmussen to explain this annexation case. Matt Rasmussen stated that Betty Hessing forwarded a copy of the letter and petition to the

Board and we can consider it at the public hearing if the filing is found to be complete and properly filed today. In regard to the annexation request, this is an 80/20 voluntary annexation for the City of Ankeny.

The City of Ankeny has received a request for annexation of certain territory adjacent to the City's northeastern boundary, generally located north of NE 126th Avenue, west of NE Delaware Avenue and east of N. Ankeny Boulevard. The annexation area abutts up to the City of Alleman.

The City of Ankeny is seeking approval of this 80/20 voluntary annexation. The annexation territory consists of 434.67 acres (including 12.51 acres of right-of-way) and 422.16 acres (not including right-of-way). 345.10 acres are owned by property owners who consent to the annexation and 77.06 acres (18.25%) are owned by non-consenting property owners. They are including non-consenting property to avoid the creation of islands and to provide for uniform boundaries.

Currently, the annexation territory is zoned Agricultural District. The annexation area is currently identified in Ankeny's Comprehensive Plan as primarily Low Density Residential with an area of Neighborhood Mixed Use and Medium Density Residential located west of NE 22nd Street and north of NE 126th Avenue. The Ankeny Plan 2040 defines those uses as Low and Medium Density Residential and Neighborhood Mixed Uses. If annexed, the properties will be initially zoned R-1, One-Family Residence District, as is all newly annexed land. The current land uses may continue in their current capacities, however, any proposed development or redevelopment must align with the allowable uses in the R-1 zoning district (single-family residential, churches, schools, public facilities, or non-retail agricultural uses). If a property is to be developed as anything not allowed in the R-1 zoning district, appropriate rezoning will be required.

The City of Ankeny presently provides no municipal services, other than Fire and EMS, to the annexation territory, but has the immediate fiscal and physical capability of extending substantial municipal services to the annexation territory. Those services would include Sanitary Sewer; Water; Law Enforcement; Fire & EMS; Public Works; Community Development; Municipal Utilities; Library, Parks & Recreation.

Mr. Rasmussen stated the annexation is not subject to a moratorium agreement. County road right-of-way was

	included and the County Attorney was properly noticed and the packet appears to be complete and properly filed.
Motion by Motion Second Roll Call	Eric Jensen was present to answer questions, but no questions were asked. Laura Skogman I move the Board finds NC24-04 as complete and properly filed and that a date for a public hearing be scheduled. Thomas Treharne All ayes. Motion approved. A public hearing was scheduled for 1:45 p.m. on February 14.
UA24-05 Elkhart	Matt Rasmussen reported this is a 100% voluntary annexation petition for the City of Elkhart consisting of 3.173 acres. The proposed land use would be light industrial and the plan is to build a flex-space building and other storage buildings for the two grading companies. This would continue to be adjacent to the industrial park and be consistent with the Industrial Park's design standards and uses. A proposed site plan has been included in the packet. The existing building on site would be removed for the future buildings and appropriate storm drainage would be developed into the property. Services to the territory would include city water, sewer and storm utilities. MidAmerican would provide electrical and gas service and Huxley Communications would provide internet. City utilities are adjacent to the territory and would not create a need of extending utilities a great distance.
	The territory requested to be annexed into the City of Elkhart is not subject to any moratorium agreements and Mr. Rasmussen stated that the packet appears to be complete and properly filed.
Motion by Motion Second	Chad Sands, City Administrator for the City of Elkhart, was present to answer questions. Laura Skogman I move the Board finds UA24-05 as complete and properly filed and in the public interest and that it be approved. Thomas Treharne
Roll Call	All ayes. Motion approved.
UA24-06 Nevada	Matt Rasmussen explained this is a 100% Voluntary annexation petition for the City of Nevada consisting of 73.57 acres which includes 2.89 acres of existing public right-of-way. Current land use in much of the area presented for annexation is industrial. Other land uses

	currently include public right-of-way and agricultural land. The ultimate land use will be for industrial purposes. Verbio is acquiring the land to continue the production of renewable gas energy and create a biorefinery. The area is currently served by the Iowa Regional Utilities Association for water services, whom supports the proposed annexation. The City of Nevada services to be provided are ambulance, police and fire.
	There is no moratorium agreement in place for this annexation and Mr. Rasmussen reported to the Board that this packet appears to be complete and properly filed.
Motion by Motion	Ryan Hutton, Building & Zoning Official for the City of Nevada, was present to answer questions. Laura Skogman I move the Board finds UA24-06 as complete and properly filed and in the public interest and that it be
Second Roll Call	approved. Thomas Treharne All ayes. Motion approved.

Avondale Veterinary Clinic Discussion

Chairperson Plautz asked Matt Rasmussen and Eric Dirth to share what they found since the November meeting. Matt Rasmussen stated that Avondale originally contacted him about their water issue. They were annexed involuntarily into the City of Des Moines in 2009. It is the Vet Clinic's contention that the City is in violation of the annexation. There is a provision in Iowa Code that if municipal services are not provided within three years, a party can bring it to the Board and the Board can sever that property. Eric Dirth and I are not sure if that provision of Iowa Code is pertinent or if this falls within that, but in review of the annexation proposal that was approved by the City Development Board in 2009, the portion that Avondale was in, the provision of water was that water would be provided to the territory as development occurs. It does not appear to me as though the City is in violation of that proposal. Avondale obviously disagrees with that. That gets us to where we are today. Dr. Woodruff represents the Avondale Animal Hospital/Vet Clinic and he requested to be put on the agenda today for further discussion.

Chairperson Plautz asked Eric Dirth if he had anything to add. Eric Dirth stated that Matt Rasmussen did a good job of summarizing. It is important to note that today, this is a discussion item and what is before the Board is whether or not the Board wants to create an action item in the future pertaining to this. There is no vote today—this is simply an information gathering exercise. As far as I am aware, there has been no petition, application or any other formal request to the Board to undertake any specific activities. Mr. Rasmussen replied that was correct. Mr. Dirth stated there is no review for a petition for a severance or boundary adjustment. What Matt Rasmussen said is important—the City Development Board does not have any authority to require municipal services be provided. At most, Section 368.25 allows the Board to sever if there were

promised municipal services that were not met or the Board could put a moratorium on new annexations for that city until the promised services have been provided. But there has been no request for the Board to take that action so there is no decision happening today.

Eric Dirth stated that when Matt Rasmussen eluded to whether or not Section 368.25 is applicable, the law was enacted in 2002 and this Des Moines petition was filed in 1998, so the law would not apply then, but only to future annexations—not retroactive annexations. If it did apply, the petitioner—the individual who is claiming they are not getting the municipal services—would need to show that those municipal services were promised and they are not being provided and there has been no evidence that this water was promised as part of this application. For those two reasons, my legal counsel would be to take no action further on this.

Matt Rasmussen stated that the Avondale Animal Hospital/Vet Clinic would like the City of Des Moines to be ordered to provide them with water and we do not think the Board has the authority to order a city to do such a thing. Is that correct? Dr. Woodruff agreed. The other thing in the involuntary annexation, the City of Des Moines made very specific reference to fire services and so forth . . . that they would provide and assured the area that they had tankers, ladder trucks, pumpers etc. . . . currently, houses that are being built in that annexation area, are being required to put tanks in their basement and then fire sprinkle their whole house. Although we would love to see development in that area, it is not very likely to take place if you have to put in a sprinkler system in your home in order to feel safe. Something has changed because the building inspectors will not offer an occupancy permit until that has been done. Chairperson Plautz asked if that was a requirement beyond outlying areas of Polk County. Dr. Woodruff replied it is part of the City of Des Moines and when it was involuntarily annexed, those services were promised and laid out very specifically. They talked about Fire Station 10 being built and it has been and it is approximately 3 miles from the Vet Clinic and 3¹/₄ mile from these two houses that were required to be sprinkled. I would say Des Moines has not fulfilled what they said they were going to do in that regard.

Tom Treharne stated that it is a very unfortunate situation. Mr. Treharne stated that the City of Des Moines probably does not have water service running out that far, so there are no hydrants. However, they may have a 28E Agreement with the County as well. Mr. Treharne stated he finds it difficult for the Board to move forward with anything if we do not have the legal ability to do so.

Dr. Woodruff stated the reason they came back to the Board is because the Board approved the annexation initially as an involuntary annexation and I believe later on it was considered a voluntary—not sure of all the legalities of that, but regardless, it is something we did not have control over. Everyone is hauling water in the area and they are getting it primarily from the City of Carlisle. It is because the water table is so low, there is just no water available. It is an unfortunate situation and it has hit Avondale particularly hard because we have over twenty-five employees and therefore, IDNR requires us to become a public water system. So, we are a public water system within the City of Des Moines, who has their own public water system operated through Des Moines Water Works. The IDNR and others have never seen this sort of thing happen before and I think that is why IDNR has been as lenient with us as possible because we are still filling our wells. We are in the process of building a public water system—we have the tanks in-place and the tanks are plumbed together. Tom Thorpe, with Thorpe Well Company from Ankeny, is continuing to work on this. He will tie the two wells together underground and then we will have a single source entry coming in. At that point, we will be dumping water directly into the holding tanks instead of dumping them into the well. That is an advantage because we will not be losing as much water in the ground. We have no way of measuring how much of the water that is delivered is actually going back into the ground. It is far from an ideal situation. Currently, we have a young man who is using my stainless-steel tank wagon to haul 1,250 gallons of water five days a week to the Vet Clinic, putting it in the wells. Since he has been doing that, the Vet Clinic has not run out of water. Once the tanks are in-place. we will know exactly how much water we are using. This takes care of our immediate needs, but we want to look at the long-term also. Long-term, we need to be hooked-up to city water.

The other things I brought-up in the previous letter, were we cannot apply for grants if we wanted to run the water down there because we are annexed by the City of Des Moines. We cannot get water from Carlisle or Warren Water because we are annexed to the City of Des Moines. It is an unfair situation. It is not just hurting Avondale—I am representing Avondale—but we have a lot of neighbors out there that have the same problem. Chair Plautz asked how many parcels are impacted by this situation and Dr. Woodruff replied, "Approximately fifty parcels." Chair Plautz stated that first, we do not have any authority without a request to do something; second, I am not sure we have any authority anyway because the language adopted in 2002 apparently does not apply at all; third, what did the petition actually say—was it or was it not promised? Chair Plautz stated he thought there should be some kind of legislative resolve to this situation. That may be your best avenue to resolve this. You are also hurt by the drought and things that are abnormal.

Matt Rasmussen stated that if not being in the City of Des Moines could potentially be a solution and you could get water from the City of Carlisle or another entity instead, you could talk to the City of Des Moines with a request to be severed and what would be required is the property owner and the City agree to the severance. If the City and the property owner agree to the severance and it would not create an island, a severance is a pretty straightforward process. That would not require City Development Board approval. Dr. Woodruff stated he did not think that Des Moines would agree to that. He has talked to Scott Sanders and he has indicated that would not be in their interest to do that. Dr. Woodruff stated he has talked to Scott Sanders; Joe Gatto; reached out to Mayor Boesen, but was not able to get a meeting with her prior to this; Des Moines Water Works, State Ombudsman and others.

Michael Ludwig, Deputy Planning Director for the City of Des Moines, stated he had Lisa Weiland, Assistant City Attorney for the City of Des Moines, and Lisa would like to address the Board. Lisa Weiland said she would like to state the City's position on this issue. First, the City agrees the Board has no authority to take formal action on this issue based on the statute and the retroactive application to this particular annexation. The Board does not have the authority to require municipal services. Since the last meeting, Mr. Ludwig has provided additional documentation reflecting the annexation details and my understanding from Matt Rasmussen is that it has been reviewed and the conclusion was reached that the City was in compliance with all the requirements set forth in the annexation. This is an unfortunate situation, however, when the property owners built their properties, they did so with the assumption that they would be able to access their wells and that was an assumed risk at the time they acquired their property. To the point that the City has the responsibility or obligation to provide water-any indication of that would be outside the scope of the annexation that was previously approved. Also, the issue of fire is a bit of a red herring. The City would request that the Board does not take any formal action at the next or future meetings related to this discussion and to the extent that no additional new issues are right for Board consideration, that we would attempt to resolve this outside of the scope of a City Development Board meeting in the future.

Chairperson Plautz thanked Ms. Weiland and asked if anyone had any questions. Dr. Woodruff replied that you are saying that regarding the fire issue and the discussion there—you want to try and resolve that on your own outside of the City Development Board. Is that correct? Lisa Weiland replied that there is no one in front of the Board right now facing that fire issue; that is a lack of standing issue. Also, one of the Board members had mentioned the lack of fire hydrants and that is correct—there is not water extended to allow for those fire hydrants and so that is the reason, by Building Code requirements, they are having to take those extra precautions.

Dr. Woodruff stated that when the annexation took place, Des Moines made it very clear that fire services and so forth were available and they listed out Station 10 and all of their equipment and that sort of thing, to control fires in that area knowing there was no water or water hydrants there. So, what has changed? Michael Ludwig replied that nothing has changed their other than the jurisdiction and the Building Code that is applicable for any new construction. We still provide fire service to the property—the Fire Department responds to the property. The sprinkler requirement is a suppression to limit property loss/damage. The sprinkler requirement is a life safety question; it is intended to give a person an opportunity to get out of the structure in a timely manner, but it is not necessarily to prevent or stop the fire entirely. That is why we have a fire department that does respond to the property and we are meeting that requirement. Basically, what has happened is because there is not a hydrant within 150 feet of the house or whatever has been built, they are required to provide a suppression system on their property and then if they don't have a water service to the property, they have to have a reservoir or something on the property to provide that water for the suppression system under the Building Code. I do not think anything has changed and I would emphasize that the Animal Clinic and some of those other residents were built on well systems in the County at the time, with a risk that wells dry-up and wells either have to be re-dug or other alternatives have to be achieved. I believe I provided the information after the last meeting that explained his sewer service-I think there was a statement at the last meeting that there was no sewer service in the area—I believe we have clarified that for the Board and that had been

previously provided to the Animal Hospital as well. I do not believe there is anything that the City has not met based on the petition that we submitted and which was approved by the City Development Board. Thank you.

Chairperson Plautz thanked Mr. Ludwig and asked if anyone else had comments. Chairperson Plautz stated that he agreed with what our Counselor said today—there is nothing we can take action on today. It is a hearing on input gathering. If we were to take action, it would require subsequent action on the part of the property owner or the City of Des Moines.

Tom Treharne asked Dr. Woodruff if he has talked to the Des Moines Water Works about extending water to his property and if there was a price tag associated with that and Dr. Woodruff replied it would cost \$1.5M to \$2M.

Dr. Woodruff asked Eric Dirth if there was anything else this Board could do and Mr. Dirth replied that he represents the City Development Board so he can't give him legal counsel. All I can share with you is that after reviewing the statue, the Board cannot proceed with any action at this time. If you believe the Board can or should take action, you need to file a petition or application with the Board for them to review. The Board can review that and judge it based on the merits you presented. As far as action outside of the Board, I can't provide you with any legal counsel other than I think Mr. Chairperson has been around a lot longer than I have on this Board and I think any guidance he has is worth listening to.

Chairperson Plautz replied he didn't have a specific idea, but a lot of these things get resolved politically because they are willing to, at a higher level, put money in to help Des Moines or help property owners mitigate a problem that was nobody's fault specifically. Eric Dirth stated he does not have authority to provide a solution because it is not within the City Development Board's purview. Dr. Woodruff thanked the Board for their time and appreciated them listening.

Staff Reports	Matt Rasmussen stated we currently do not have any new business for the February agenda, but it is possible that we could get something. We will have the two Ankeny public hearings on February 14. Eric Dirth stated that two appeals are on-going and briefings have been filed. One relates to the City of Sageville and City of Dubuque and the other is for the
	City of Ankeny.
Future Meeting/ Public Hearing	February 14, 2024 at 1:00 p.m., City Development Board Business Meeting at IEDA, 1963 Bell Ave., Suite 200, Helmick Conference Room, Des Moines or via Teams Webinar
	February 14, 2024 at 1:15 p.m., NC24-03, Ankeny Public Hearing at IEDA, 1963 Bell Ave., Suite 200, Helmick Conference Room, Des Moines or via Teams Webinar

February 14, 2024 at 1:45 p.m., NC24-04, Ankeny Public Hearing at IEDA, 1963 Bell Ave., Suite 200, Helmick Conference Room, Des Moines or via Teams Webinar

Adjourn 2:05 p.m.

Respectfully Submitted, Betty Hessing, Administrative Assistant