



# City of Cedar Rapids Public Hearings 1-7 April 12, 2016

Series 2016A General Obligation Bonds  
Series 2016B Taxable General Obligation Bonds  
Series 2016C Sewer Revenue Bonds  
Series 2016D Water Revenue Bonds

## Series 2016A General Obligation Bonds Hearings 1-3

CIP Projects	\$10,328,405
(Streets, Parks, Fire, Forestry, Recreation, Riverfront, Ushers Ferry, Library, Aquatics, IT, & Facilities)	
Refunding of Series 2007A	16,105,000
Refunding of Series 2008A	12,750,000
Issuance Costs	<u>431,595</u>
Total Par	\$39,615,000

Expected Net Present Value Saving on the Refundings is \$2,377,589.84.

# Series 2016B Taxable General Obligation Bonds

## Hearing 4-5

CIP Projects	\$ 1,601,595
(ADA-Vets Stadium, ADA-Ice Arena & Parking)	
Issuance Costs	<u>33,405</u>
Total Par	\$ 1,635,000

## Series 2016C Sewer Revenue Bonds Hearing 7

Water Pollution Control Projects	\$ 4,785,000
Debt Service Reserve Fund	211,998
Issuance Costs	<u>138,002</u>
Total Par	\$ 5,135,000

## Series 2016D Water Revenue Bonds Hearing 6

Water Projects	\$13,729,000
Debt Service Reserve Fund	903,487
Issuance Costs	<u>302,513</u>
Total Par	\$14,935,000

# Bond Schedule

- |         |  |
|---------|--|
| 4/12/16 | Public Hearings  |
| 4/26/16 | Set the Sale Date, Approve POS<br>& Electronic Bidding |
| 5/10/16 | Award the Bonds  |
| 5/24/16 | Approve the Final Documents                            |
| 6/15/16 | Official Closing/Delivery of Funds                     |

# Proposed Stormwater Utility Fee Restructuring Public Hearing

**April 12, 2016**

# The Stormwater Program

- Regulated by Clean Water Act
- Current budget:
  - Approx. \$2m in O&M; \$2m in CIP projects
- Current Masterplan Efforts to optimize future years of CIP program
- \$50m of CIP need identified as a result of 2014 flash flood
- Masterplan extrapolates a CIP need \$75m-\$100m citywide – prioritized as follows:
  - Infiltration at the source where possible
  - Detention at the source, where possible
  - Increasing system capacity.



# Public Utilities Serve the Community

- Purpose of a Stormwater Utility Fee
  - Capital Improvements Program (CIP) projects
  - Operations and Maintenance of the stormwater conveyance system
  - Federal/State Permit Requirements



# Purpose for change

- **Equitability**
  - Charged based on impervious area.
- **Incentivizes Infiltration and Flood Mitigation**
  - Reduced run-off
  - Increase in funding for flood mitigation CIP projects
- **Simplifies administration**



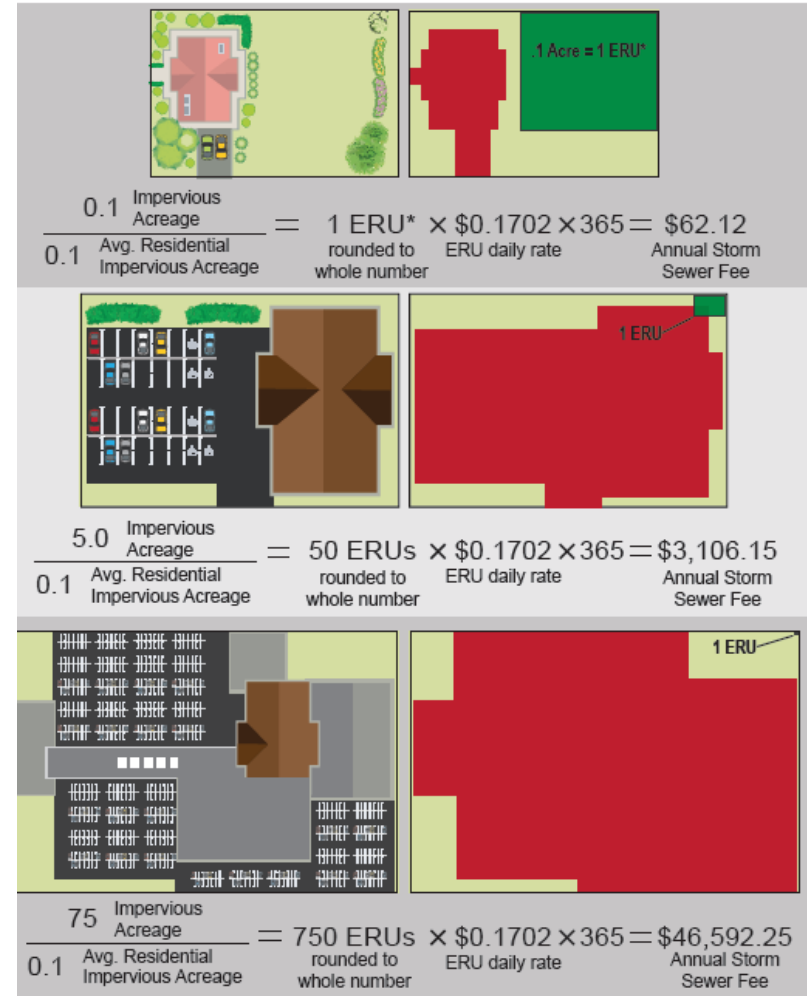
# History of the Stormwater Utility

- Late 1970's
  - Flat rate regardless of property size
- Currently
  - Tier based system based on property size only
  - All properties 40 acre + pay the same rate (\$261/month or \$3133/year)
  - Tiers added and other small changes made in recent years
- December 2015
  - Proposed FY17 Fee Structure published
- Dec 2015 to date
  - Public Input and resulting changes made
- March 1, 2016
  - Infrastructure Committee Recommendation
- **Today**
  - **City Council – Public Hearing**
- Future Council Meetings
  - 1<sup>st</sup>/2<sup>nd</sup>/3<sup>rd</sup> Readings
- July 1<sup>st</sup>, 2016
  - Implementation of new fee structure

# Proposed Fee Structure

- ERU system
- 1 ERU = 0.1 acres of impervious surface
- New fee will garner \$5.0m for FY17
  - Currently approx. \$4m annually
  - All new revenue going to CIP projects

## HOW WILL MY STORM SEWER FEE BE CALCULATED



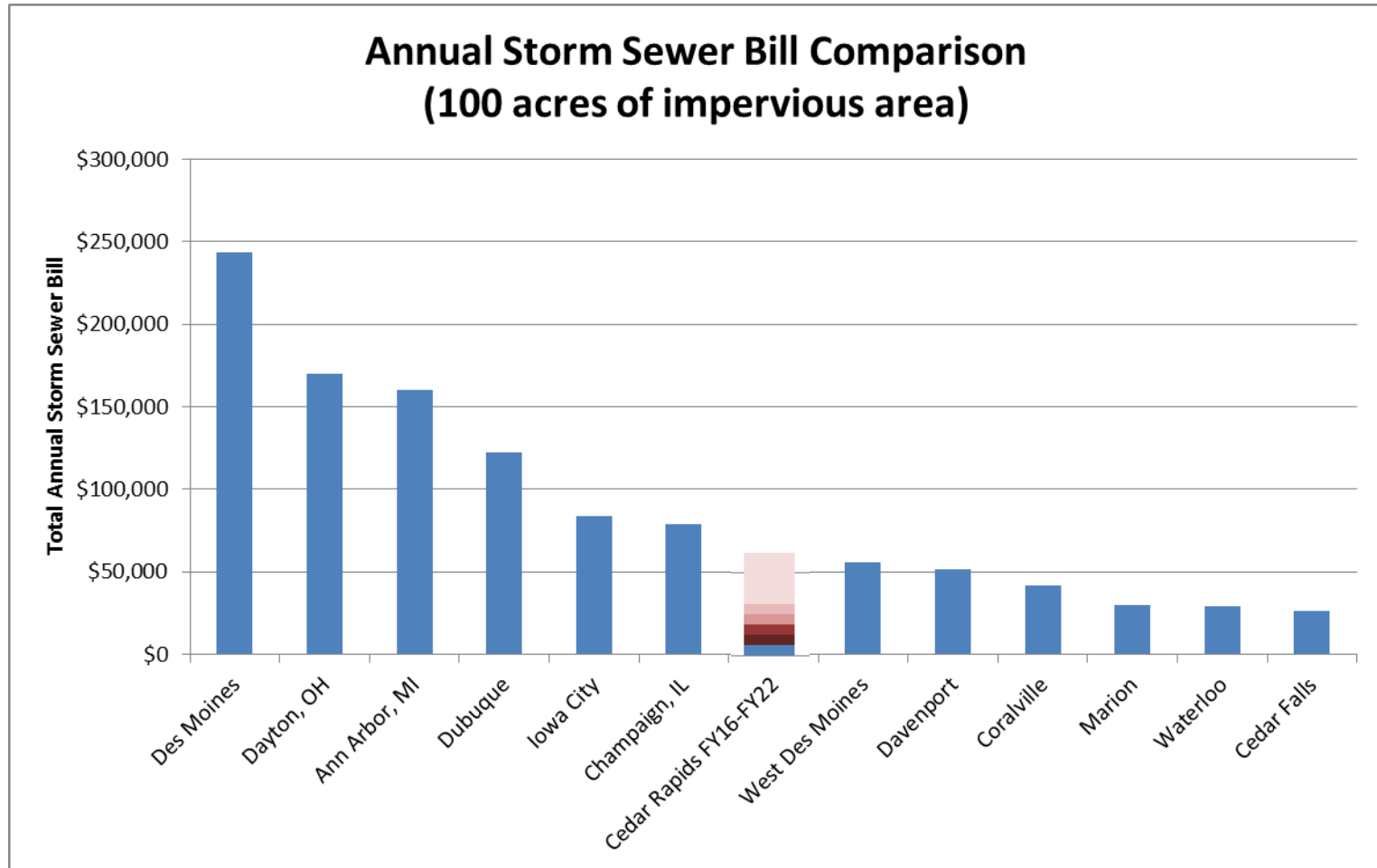
# Outreach

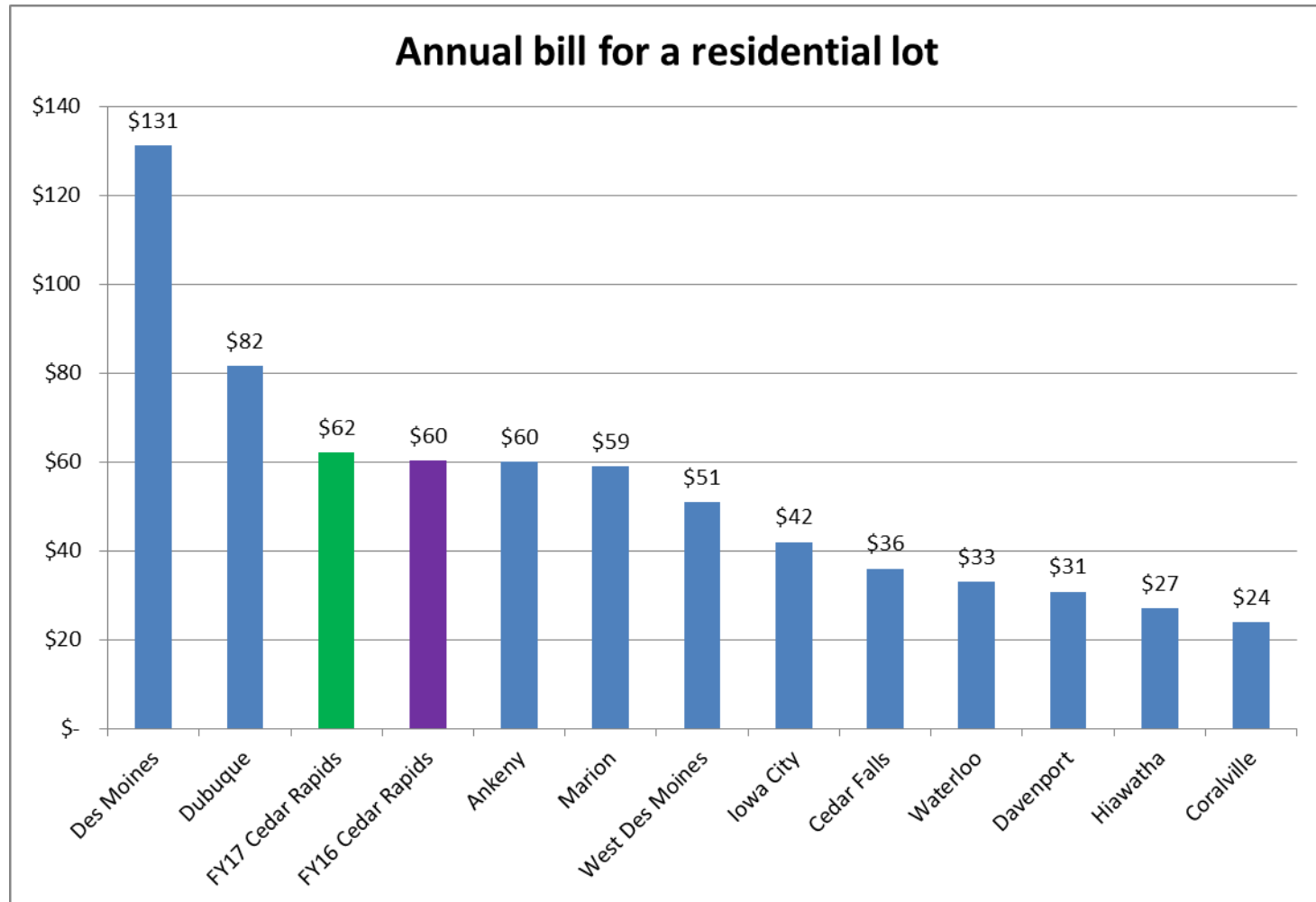
- Original Proposal in late November.
- 1 Public Open House
- 3 User based meetings
  - Industrial Users Group
  - Large Commercial
  - Business Community
- 2 Presentations to Infrastructure Committee
- 102 Individual Inquiries and/or Visits

# Updates from Input Received

- Slowed down the approval process
  - To allow for additional dialogue
- Multi-year transition
  - Capping large property bills
    - Currently – Max bill \$3133/year
    - FY17 – 100 ERU Cap – Max bill \$6,212.30/year – 66 lots capped
    - FY18 – 200 ERU Cap – 23 lots capped
    - FY19 – 300 ERU Cap - 13 lots capped
    - FY20 – 400 ERU Cap - 8 lots capped
    - FY21 – 500 ERU Cap - 4 lots capped
    - FY22 – All lots charged their full ERU rate
- Expanded suite of incentives
  - To allow property owners more flexibility in options to reduce the fee











# Example Rate Comparisons

Example Property	Gross Area	FY16 Fee	ERUs (1 ERU = 0.1 acre impervious)	Rate	FY17 Fee	Actuarial Rate (FY22)	Remarks
Residential Lot	0.2 acres	<b>\$60</b>	1	\$0.1702 /ERU/day	<b>\$62</b>	<b>\$62</b>	The majority of customers
Non-Residential Wooded Lot	5 acres	<b>\$1,446</b>	2	\$0.1702 /ERU/day	<b>\$124</b>	<b>\$124</b>	Accounting for low impervious area
Small Commercial Lot	10 acres	<b>\$2,651</b>	50	\$0.1702 /ERU/day	<b>\$3,106</b>	<b>\$3,106</b>	
Large Commercial Lot	50 acres	<b>\$3,133</b>	250	\$0.1702 /ERU/day	<b>\$6,212</b>	<b>\$15,530</b>	Capped at 100 ERU's for FY17
Large Industrial Lot	100 acres	<b>\$3,133</b>	500	\$0.1702 /ERU/day	<b>\$6,212</b>	<b>\$31,061</b>	Capped at 100 ERU's for FY17

# Example:

## Manufactured Home Park

- Fictitious, but representative example:
- Park: 75 acres; 350 ERU; 450 units
- By comparison, FY17 single family home, 1 ERU; \$62.12/yr; \$5.20/month

Fiscal Year	Chargeable ERU's	Total Property Fee	Annual Fee/unit	Monthly Fee/unit
2016	Based on gross area; capped at 40 acres	\$3,133.20	\$6.96	\$0.58
2017	100 ERU	\$6,212.30	\$13.81	\$1.15
2018*	200 ERU	\$12,424.60	\$27.61	\$2.30
2019*	300 ERU	\$18,636.90	\$41.42	\$3.45
2020*	350 ERU	\$21,743.05	\$48.32	\$4.02

*\*Doesn't account for annual rise for inflation (typically ~3%)*

# Available Incentives

- Available Credits
  - Water Quality and Quantity – 40% max
  - Education Credit – 25% max (50% max for tax-exempt)
  - Discharge to a Major Waterway – 10% max
  - Pervious, Non-compacted Gravel – 25% max
  - Zero Discharge for 100-year/24hr storm – 75%
- Additive, up to 75%
- Application Process

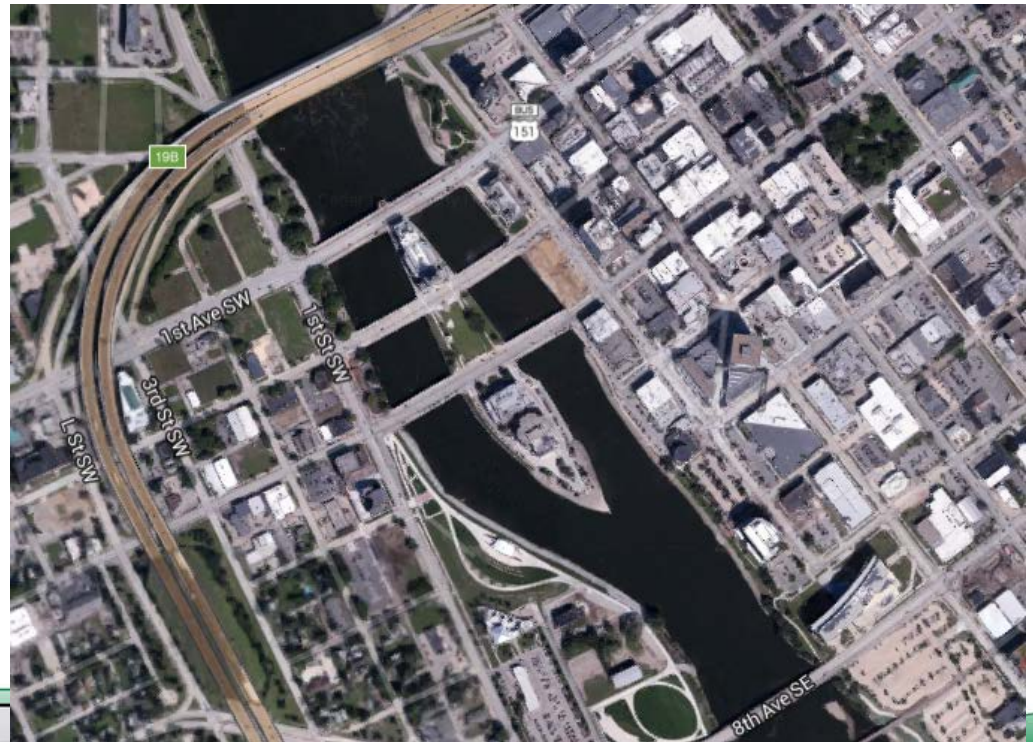
# Incentive Examples

- Infiltration Practice
  - Bioswales
  - Permeable Pavement
- Education
  - Educational Site Visits
  - Community Engagement
- Zero Discharge



# Incentive Examples

- Discharge to a Major Waterway
- Pervious, Non-compacted gravel





# Purpose of Change

- Equitability
- Incentivizes Infiltration and Flood Mitigation
- Simplifies administration
- To increase Resiliency and Sustainability
- Questions?





# Incentivizing Infiltration





# Incentivizing Infiltration





# CDBG & HOME Annual Action Plan

## Public Hearing April 12, 2016



## Purpose of the Annual Action Plan

- Implementation of Consolidated Plan for current program year, including:
  - activities to meet Consolidated Plan goals
  - budget allocations for CDBG and HOME funds



## Annual Funding

- CDBG – \$986,254
- HOME – \$267,772

## Proposed HOME Program Budget

Agency	Activity	Proposed Funding
Affordable Housing Network, Inc.	Housing Rehabilitation	\$75,000
Cedar Valley Habitat For Humanity	New Construction	\$29,575
City Housing Services	First Time Homebuyer	\$78,865
City Housing Services	Administration	\$26,777
Hope CDA	New Construction	\$24,645
Hope CDA	Housing Rehabilitation	\$32,910
		<b>\$267,772</b>

## Proposed CDBG Program Administration & Planning Budget

Agency	Activity	Proposed Funding
City Housing Services	Administrative Overhead	\$81,601
City Housing Services	Administrative Staff Costs	\$73,637
City Housing Services	Analysis of Impediments Consultation	\$24,500
		<b>\$179,738</b>

## Proposed CDBG Public Services Budget

Agency	Activity	Funding Amount
Catherine McAuley Center	Transitional Housing Services	\$4,430
City of Cedar Rapids	Neighborhood Certification Program	\$32,600
Community Health Free Clinic	Specialized Staff	\$33,311
HACAP	Transitional Housing	\$36,672
Olivet Neighborhood Mission	Youth Programs	\$7,614
Tanager Place	YouthPort	\$3,807
Waypoint Services	Case Management	\$19,035
Willis Dady Emergency Shelter	Case Management	\$10,469
		<b>\$143,508</b>

# Proposed CDBG Non-Public Service / Non-Planning and Admin Budget

Agency	Activity	Proposed Funding
<b>Housing Activities</b>		
Aging Services	Chore Services	\$13,372
City Housing Services	Owner-Occupied Rehab	\$206,118
City Housing Services	Service Delivery	\$347,557
Five Seasons Senior Housing	HVAC Supply Project	\$36,737
		<b>\$603,784</b>
<b>Other Community Needs</b>		
Waypoint Services	Security Enhancements	\$49,313
		<b>\$49,313</b>

## Next Steps:

- April 12, 2016 – Public Hearing
- 
- April 26, 2016 – City Council consideration of plan adoption.
- May 15, 2016 – Annual Action Plan due to HUD



## Public Hearings

- Consider draft Annual Action Plan with proposed budget allocations.

# **IGD Industries (Vspec, LLC)**

## **Urban Revitalization Tax Exemption**

**April 12, 2016**

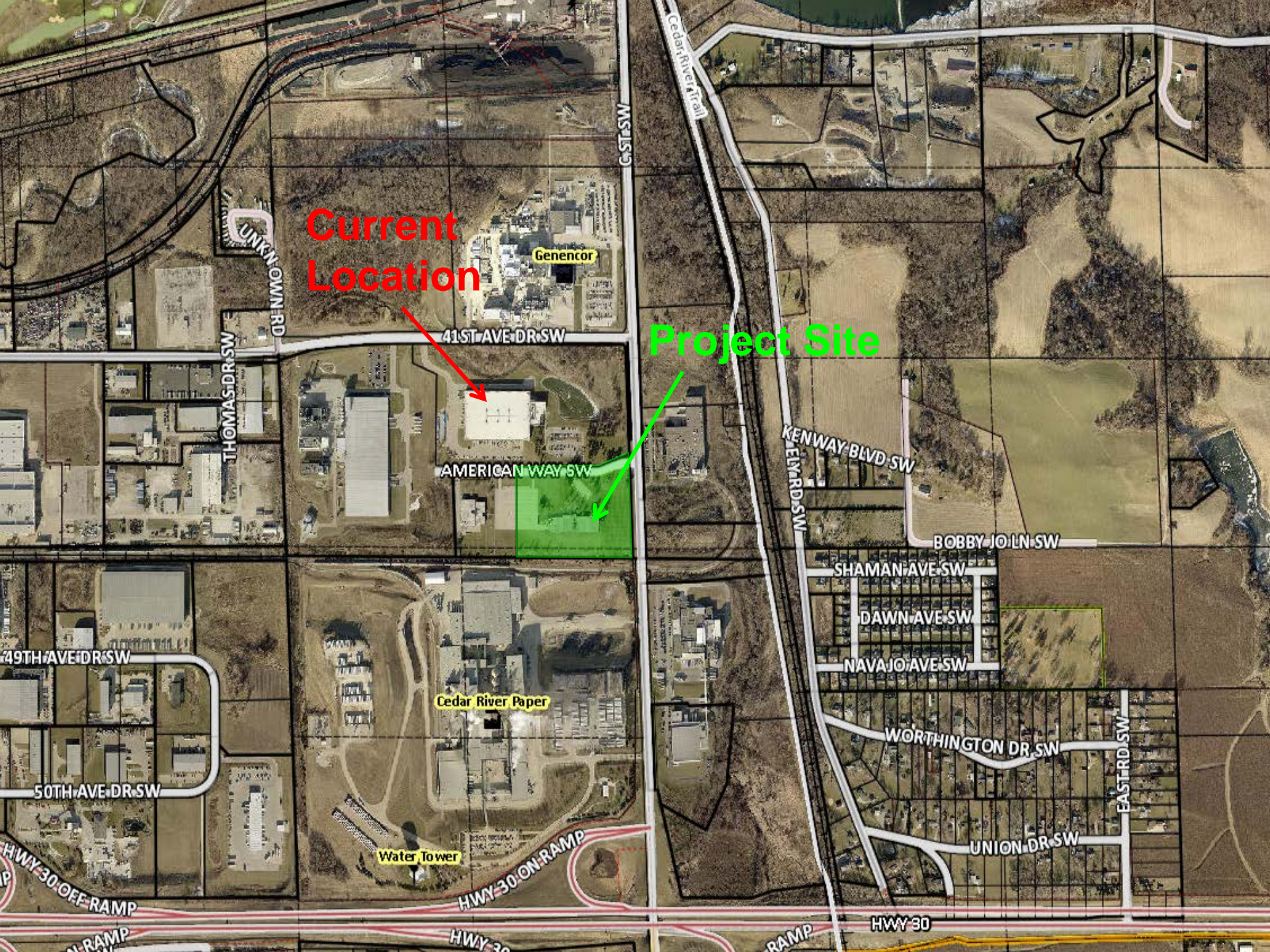
# Background

- **March 22** - Council Adopts Resolution of Support for Vspec, LLC project
  - Sponsorship of application to State High Quality Jobs Program
  - Provide local match through URTE
- **March 29** – IEDA awards Vspec, LLC funding through High Quality Jobs program
- Project qualifies for City’s Local Match Economic Development Program based on leveraging State resources

# Project Overview

- Acquisition and renovation of vacant 38,000 SF commercial building at 4200 C Street SW
- \$3.6 Million investment
- Retention of 50 jobs
- Creation of 30 new jobs
- 21 jobs above High Quality Jobs wage threshold with wages at \$26.44 per hour or \$55,0000 annually
- Leveraging \$240,000 in State funding





**Current Location**

**Project Site**

Genencor

41ST AVE DR SW

AMERICAN WAY SW

49TH AVE DR SW

50TH AVE DR SW

HWY 30 OFF-RAMP

Cedar River Paper

Water Tower

HWY 30 ON-RAMP

HWY 30

RAMP

HWY 30

KENWAY BLVD SW

BOBBY JO LN SW

SHAMAN AVE SW

DAWN AVE SW

NAVAJO AVE SW

WORTHINGTON DR SW

UNION DR SW

EAST RD SW

UNKNOWN RD

THOMAS DR SW

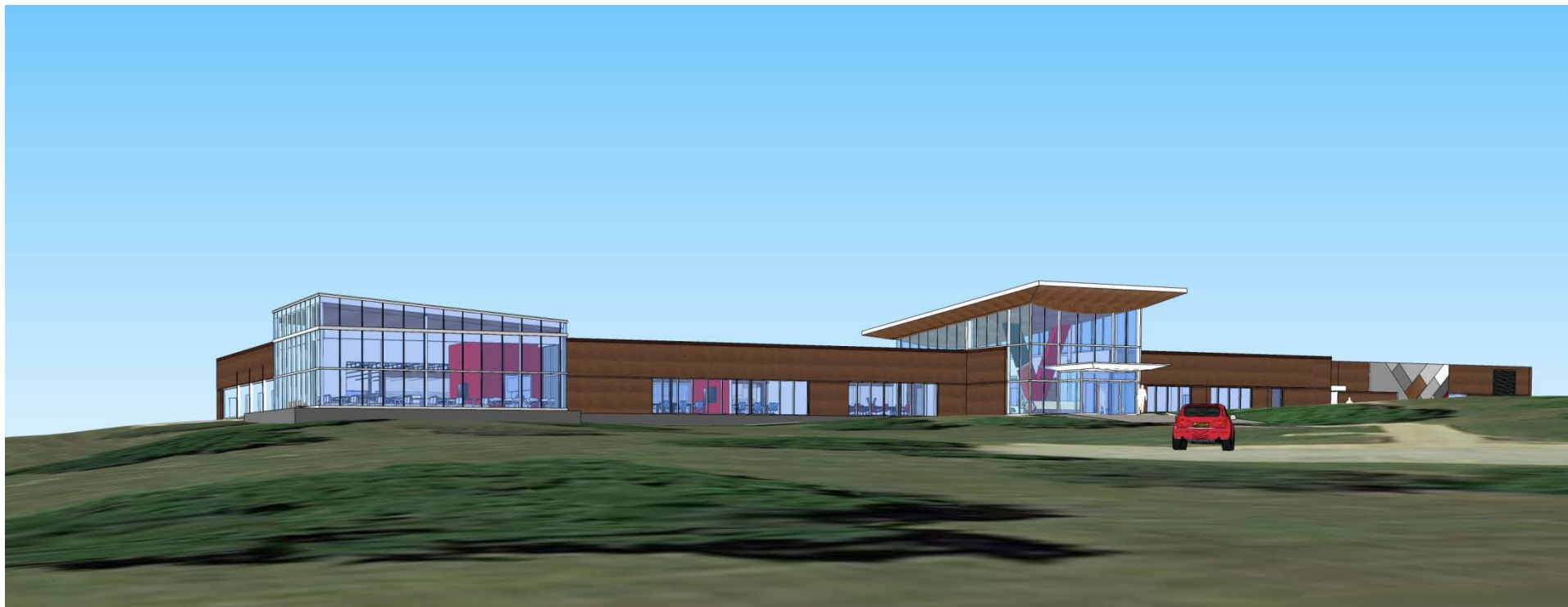
G ST SW

Cedar River Trail





Existing Building



View from C Street SW

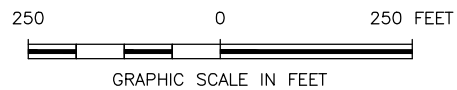
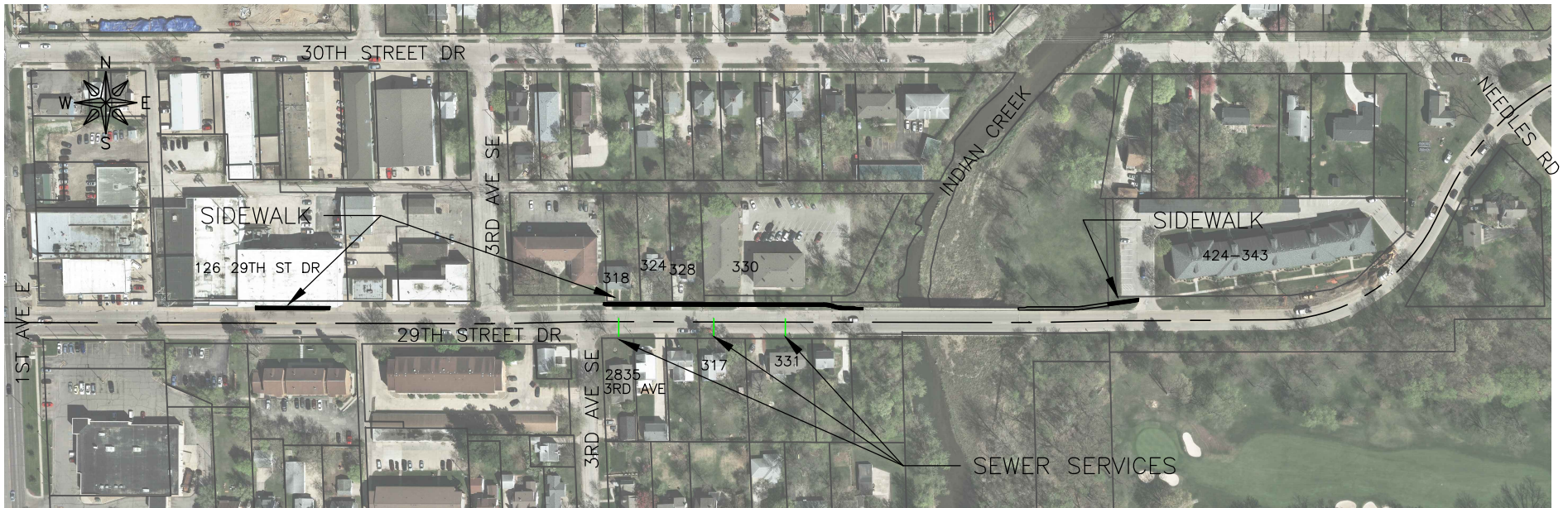
## Next Steps

- April 12 Public Hearing, Resolution and 1<sup>st</sup> Ordinance Reading for URTE
- April 26 2<sup>nd</sup> and possible 3<sup>rd</sup> Ordinance reading establishing URTE









EXHIBIT

SPECIAL ASSESSMENTS

29TH STREET DRIVE SE

FROM 1ST AVE TO TAMA ST

**FEHR GRAHAM**

ENGINEERING & ENVIRONMENTAL

ILLINOIS

IOWA

WISCONSIN



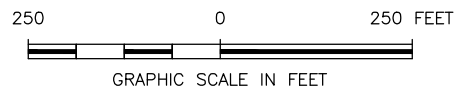
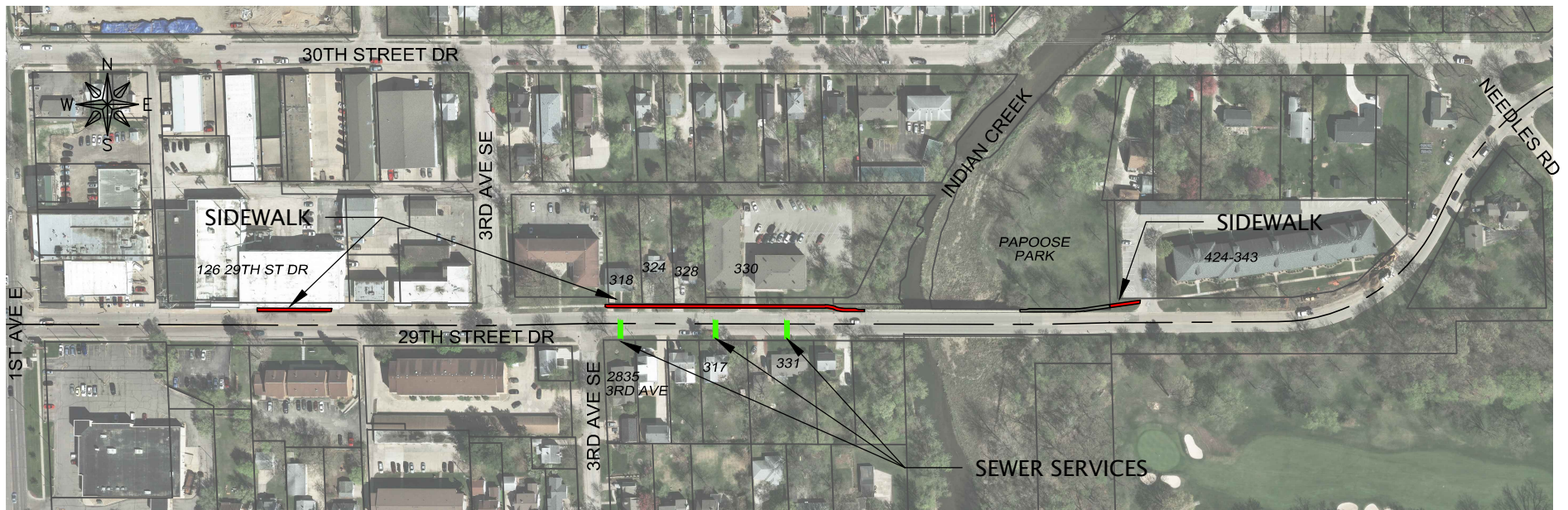


EXHIBIT  
SPECIAL ASSESSMENTS  
29TH STREET DRIVE SE  
FROM 1ST AVE TO TAMA ST

**FEHR GRAHAM**  
ENGINEERING & ENVIRONMENTAL

ILLINOIS  
IOWA  
WISCONSIN

**2016 Sidewalk Infill Project, Phases 1 & 2**  
**Contract Number 3012074-02**  
**Bid Date: March 30, 2016**

Midwest Concrete, Inc., Peosta, IA	\$404,010.25
Curtis Contracting Corp., Ely, IA	\$445,625.35
Eastern Iowa Excavating & Concrete, LLC, Cascade, IA	\$504,102.25
Central States Concrete, LLC, Marion, IA	\$531,439.20
Ti-Zack Concrete, Inc., LeCenter, MN	\$544,934.00

**Seminole Valley Road NE – Sanitary Sewer  
Improvement Project, 42<sup>nd</sup> Street from Seminole  
Valley Road NE to Edgewood Road NE**

**Contract Number 3012116-02**

**Bid Date: March 23, 2016**

Rathje Construction Company, Marion, IA	\$1,349,895.08
Iowa Erosion Control, Victor, IA	\$1,398,791.74
Tschiggfrie Excavating, Dubuque, IA	\$1,516,545.33
Pirc Tobin Construction, Inc., Alburnett, IA	\$1,573,225.72

**8<sup>th</sup> Avenue SW Roadway Improvements  
from L Street SW to 7<sup>th</sup> Street SW  
Contract Number 3012151-02  
Bid Date: March 30, 2016**

Vieth Construction Corp., Cedar Falls, IA	\$697,655.45
Dave Schmitt Construction Co., Inc., Cedar Rapids, IA	\$849,316.28
Rathje Construction Co., Marion, IA	\$994,432.97



# **NW Transit Garage Solar**

City Council  
4-12-16

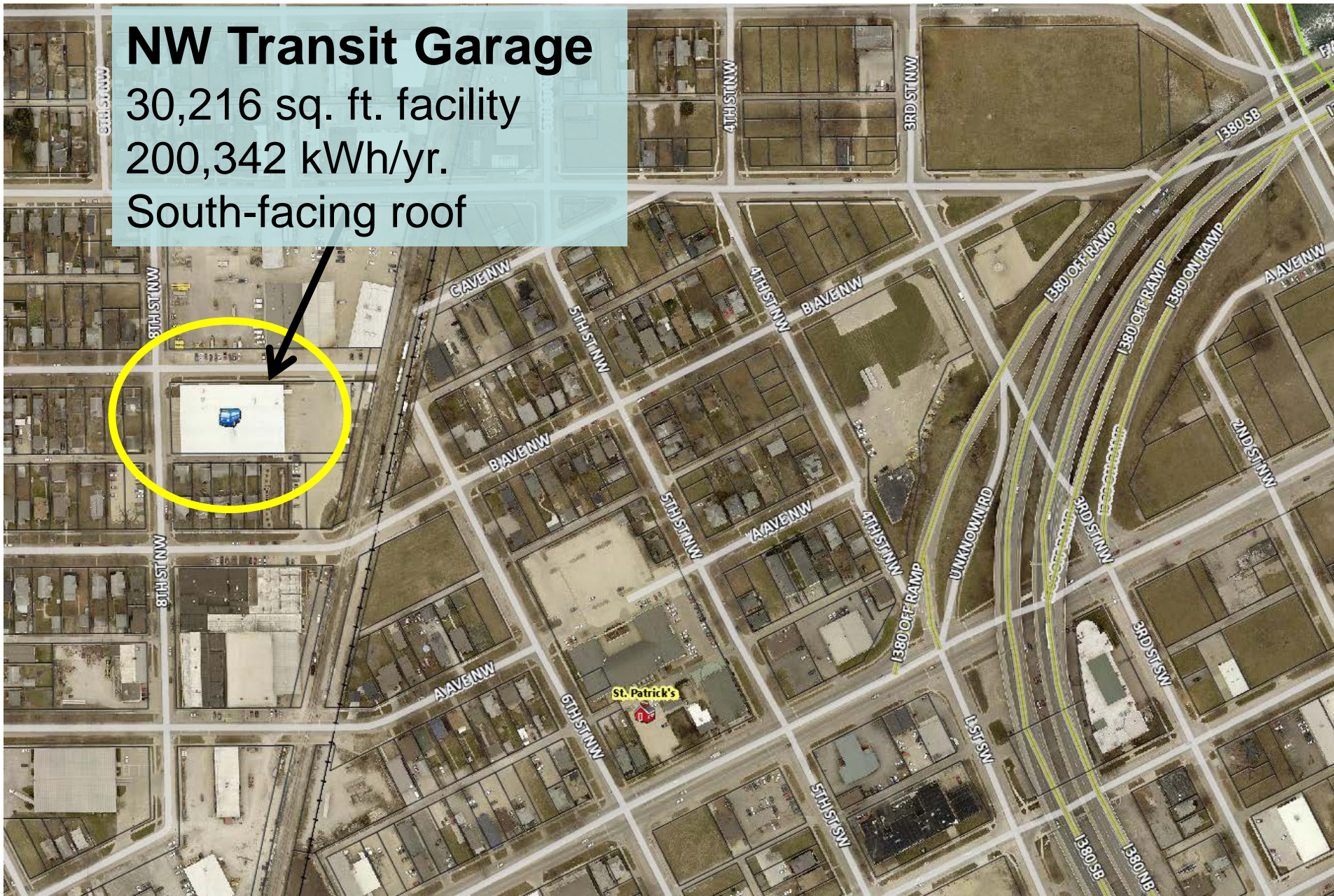


# NW Transit Garage

30,216 sq. ft. facility

200,342 kWh/yr.

South-facing roof





# Background

- Bid process
  - RFP issued 7/16/2015
  - Proposals due 8/27/2015
  - 8 proposals received
- Evaluation criteria
  - Cost-benefit
  - Experience
  - Materials
  - Warranty
  - Certifications
  - Service cost
  - Connection cost
  - Buyout options

# Outcome

- Eagle Point Solar awarded contract
  - They own equipment
  - They claim renewable energy
- We pay for electricity at lower rate

# Production

- 90kW DC
- 125,000 kWh/yr out of 200,342 kWh/yr (62%)
- \$0.085/kWh, 2% annual escalator
- \$38,000 savings over 25 years

# Solar trends

- 2010 to 2013, \$0.21/kWh to \$0.11kWh (US DOE)
- 1 out of 83 new jobs in US is in solar (The Solar Foundation)
- 30% of all new electric generation is solar (SEIA)
- US's total capacity will double in 2016 (SEIA)
- 15% state tax credit, 30% federal tax credit (IA DOR)
- 25MW in Iowa and 369 jobs (The Solar Foundation)
- Clean, renewable energy with modest investment

# Benefits

- Comparison [\(EPA Greenhouse gas equivalence calculator\)](#)
  - 92,582 lbs of coal
  - 11.9 homes' electricity usage
  - 9,699 gallons of gasoline
  - 70.7 acres of forest
- Showcase and lead
- Clean, renewable energy with modest investment