



**City of Cedar Rapids
DEVELOPMENT COMMITTEE MINUTES
City Hall Training Room
Wednesday, February 27, 2013
3:00 p.m.**

The meeting was brought to order at 3:02 p.m.

Present: Council members Vernon (Chair), Olson and Shey. Staff members present: Christine Butterfield, Community Development Director, Jennifer Pratt, Community Development Planner; Seth Gunnerson, Community Development Planner; Thomas Smith, Community Development Planner; LaSheila Yates, Housing Programs Manager; Jim Borschel, Leased Housing Specialist; Paula Mitchell, Grants Programs Manager; Caleb Mason, Housing Rehabilitation Specialist; Rob Davis, Engineering Manager; and Alicia Abernathy, Community Development Administrative Assistant.

Council member Vernon stated the Development Committee of the City of Cedar Rapids meets monthly and the purpose of the committee is to look at development and economic issues that involve the community. Items are brought forward to the agenda from Christine Butterfield, other City staff, Council members and sometimes citizens.

Council member Vernon called for a motion to approve the minutes from January 23, 2013. Council member Shey made a motion to approve the minutes from January 23, 2013. The motion passed unanimously with none opposed.

Informational Items and Updates

Council member Vernon stated there is a current sign moratorium and she will be involved in the process of changing the code. Christine Butterfield, Community Development Director, stated staff would like to meet with stakeholders to discuss concerns with the potential code revisions. Council member Vernon stated it needs to be discussed what will be done regarding the core area and the Downtown SSMID.

Council member Olson joined the meeting at 3:06 p.m.

Ms. Butterfield stated the Metro Economic Alliance is looking at creating a plan for downtown signage. In light of the June 1st opening of the Convention Center, City staff has talked about the potential of placing, in five or six locations in the core of the community, wayfinding signage to key locations in the downtown area. The wayfinding signage would be used to direct people from the Convention Center to other sites in the area and then back to the Convention Center. Staff has been looking at a timeline of having signs created and installed by June 1st. Thomas

Smith, Community Development Planner, presented examples of wayfinding signage for basic navigation to people that are not familiar with the area. Mr. Smith presented a map of possible locations stating 3rd Street SE would serve as the spine of the system. Possible wayfinding locations included the Convention Center, Paramount Theatre, NewBo City Market, etc.

Council member Olson asked where the funding would come from. Ms. Butterfield stated there is money in Community Development and staff is looking at insourcing some of the sign production through the Public Works Department. Council member Vernon suggested Diagonal Drive be included for a location as there are a lot of people that get off Interstate 380 at that location. Ms. Butterfield stated the typical competitive call for proposals will be done so a firm can be selected. Council member Vernon stated there are three blocks of 3rd Street that do not have street lights and suggested the lights be put in as 3rd Street is the key street connecting the Convention Center to the NewBo City Market.

1. Stark Development Agreements

Caleb Mason, Housing Redevelopment Analyst, stated this matter was brought before the Development Committee in December 2012 as there were two uncured defaults. The defaults were under two Development Agreements with Stark Real Estate Holdings for the redevelopment of 1501 C Street SW and the former A&W. The defaults were due to a lack of project financing, which did not allow the developer to close on the project or provide the City with money for the escrow or start on the project. At the December meeting, the Development Committee recommended the City Council amend the Development Agreement and establish new performance timelines. The City Council addressed the matter on January 8th establishing closing deadlines of January 21st for the 1501 C Street property and February 8th for the A&W property and the developer agreed to construction within two weeks.

Mr. Mason stated the City is in the same position as in December as the property has not yet closed on nor have the escrow demolition funds been received. Staff understands Stark is working with several local financial institutions, but has not received any firm financial commitments in writing from the financial institutions. Mr. Mason pointed out a critical component for having a timeline in the agreement is due to the properties initially being on a demolition list. They were removed because City Council directed staff to pursue redevelopment of the sites. The federally funded demolition program is coming to a close at the end of 2013 and if the properties do not participate in that program or funds are not escrowed by the Developer the City would need to find an alternative funding source. The Development Committee provided direction to staff in December to bring this item back in the event Stark was unable to meet the timelines in the amended Agreement. Staff understands there is strong interest in saving these properties from the neighborhood as well as preservation stakeholders however at this point in time no other developer has stepped forward and the proposals submitted by Stark were the only responsive proposals the City received.

Mr. Mason addressed possible options for the Development Committee to consider and stated staff would recommend the first option, terminate the Agreement and seek other proposals for redevelopment of the property. The Development Agreements are subject to Iowa Code so at the point the developer is served with the public notice of forfeiture the developer is allowed 30 days to respond to the forfeiture before it is considered null and void. If City Council were to agree to terminate the agreement, Stark would have 30 days to cure the default by producing funds and closing on the property. Staff would recommend this process because it would give the time of

the amendment and the additional 30 days. The recommendation of the Development Committee would go to the full City Council on March 12th.

Council member Olson stated the City should not end the demolition period with properties remaining that are abandoned. Council member Olson stated he is leaning toward option one unless there is information from the developer that was not mentioned. Council member Shey asked if there was a way to protect the City if another proposal were to end in the same situation. Mr. Mason stated terms can be negotiated with Stark or other successful developers that would submit proposals. Council member Vernon stated both properties are unique and in great danger of being lost. Council member Vernon addressed Baron Stark and asked him to discuss his current status on the properties. Baron Stark, Stark Real Estate Holdings, introduced Matthew Cervantes with Linn Area Credit Union and stated Mr. Cervantes is securing the financing for the 1501 C Street SW property. One of the hurdles of the A&W redevelopment was securing the franchise and it has been worked on since March 2012 but was finally secured recently.

Council member Vernon stated redevelopment takes time but the City would not like to be left with the cost of demolition should the plans for redevelopment fall apart. Council member Vernon asked if the money would be available in escrow. Mr. Cervantes stated the funding has not yet been approved by their board, vice-president or president and it will take a few days to have a concrete yes on the funding. Part of the loan package was structuring a \$45,000 commitment that would be held at Hills Bank in escrow until the building is completed, at which time the money would be released back to Linn Area. Council member Vernon asked if the A&W money is in escrow and where it would come from. Mr. Stark stated it is currently not in escrow and it would come from Kerndt Brothers Savings Bank.

Ms. Butterfield stated since Mr. Stark is securing the formal notification of resources, staff would recommend to proceed with the notification of the default on March 12th. When the notification is received the Development Agreement and construction timelines would need to be modified. Mr. Mason stated the Development Agreement would not be amended if the default can be cured within the 30 day period then the agreement will be satisfied. Staff would return to the Development Committee with amendments and to establish new timelines.

Council member Vernon stated there is unanimous approval to take option one to City Council on March 12th.

2. HPC Work Plan

Thomas Smith, Community Development Planner, stated this matter came before the Development Committee on January 23rd and changes were requested to the work plan. One of the changes was the creation of more local historic districts and landmarks, which was discussed at the most recent Historic Preservation Commission (HPC) meeting. The commission would like to return to the Development Committee in September with recommendations as there are studies out there and there are areas that have historic structures that could be designated as historic districts. The second change was the development of a criteria list that would include the most valued historic properties in the City. At the last Development Committee meeting it was discussed it could include a certain style of buildings, certain architect, certain periods of time, etc. The HPC will be working on this and will return in September with their recommendation.

Council member Vernon stated she is continuing to request, as she has for three years, to see a list of properties the HPC would like to be saved and/or preserved. The list should be provided to

assist City Council with prioritization of needs and decisions that have to be made. City Council needs to know the properties the community feels passionate about. Mr. Smith stated Todd McNall, HPC Vice-Chair, took the comments to the HPC. Council member Vernon stated she would like the HPC to know City Council would like to work with them.

Ms. Butterfield stated there will be a draft list that will come to the Development Committee in September and then recommended to City Council for approval. The list could be previewed in June or July as a progress report with the expectation the list will be received by Development Committee before the end of the calendar year.

Council member Vernon stated there is a half block across from the Convention Center that is valuable to the community that includes some older buildings and without a list it is hard to know whether the properties should be saved or not. Council member Olson stated there are a lot of properties in Cedar Rapids that are historic and some are not in development areas. It is important to define an area that the City needs to be sensitive to because there are a series of historic buildings in it. Council member Shey stated he spoke with a HPC member about potentially historic properties. Based on the conversation, if the HPC views the First Congregational Church to be as important as a rundown home near New Bohemia, it's difficult to understand what the Commission's priorities are and how seriously those priorities should be taken. Council member Olson stated it would be helpful to start by focusing on the areas of the City where development is occurring.

3. Deaccession Policy

Jim Kern, Visual Arts Commission Chair, stated a deaccession policy was included in the Visual Arts Commission (VAC) 2012 work plan. The draft policy was approved by the VAC on June 14, 2012. A deaccession policy is a standard operating procedure for collections such as the City's public art collection for times when the art needs to be removed from the collection, for example when it is damaged beyond reasonable repair. There are currently a number of pieces in the City's collection that are in bad shape. The VAC is looking at pieces that are in excellent shape and discussing moving off of City property.

Council member Olson asked for a ballpark number of art pieces that the City owns. Seth Gunnerson, Community Development Planner, stated there are 129 pieces in the current collection with an estimated value of \$6.4 million and a few additional pieces of art will be added to the collection this year. Council member Olson asked how many pieces would be deaccessed. Mr. Kern stated it would be less than 10 pieces.

Ms. Butterfield stated the deaccession policy would go to City Council on March 12th.

4. 14th Avenue Alignment

Council member Vernon stated there is a need to figure out the way 14th Avenue is laid out to determine the best way to divide land, what ways buildings should face and where parking should be located. Without understanding 14th Avenue, it is difficult to figure out the details.

Rob Davis, Engineering Manager, stated in 2004 the City looked at extending 14th Avenue from the bridge to St. Wenceslaus Church. Mr. Davis provided a map stating the alignment was based on the red line provided on the map and options included a round-about with a statue in the middle. The City has been discussing the topic with Jeff Speck and determined the road could be

built as a boulevard and on-street parking may not be needed. The street could be built anywhere from 25 ft wide to 60 ft wide with a boulevard down the middle and if parking or shared-use lanes are wanted it could be done. The street design hinges on the development proposal.

Council member Vernon asked how this coordinates with the Southside Investment Board plan. Mr. Davis stated the Southside Investment Board plan included a wider 14th Avenue. Council member Olson stated the concept direction needs to be determined and it depends on how the area develops and how it will be funded. The issue of what the City can afford to build is as big an issue as what the street design is. Council member Vernon stated looking at the big picture 14th Avenue should not be a wide street but something that would encourage redevelopment of the area. Knowing there would be a street there changes the view of the Geonetric plan when determining the front of the building.

Dale Todd, Southside Investment Board, stated Southside staff has met with Geonetrics and Southside is working closely with Hall & Hall Engineers, Inc. There have been discussions for the potential of development on the backside of the land. Financing is an issue but Southside is negotiating with Geonetric that they would assist in the cost. The width of the 14th Avenue alignment is negotiable. Council member Vernon stated the street should be designed as a promenade between the St. Wenceslaus Church and Czech Village; therefore, it should be a tree lined street with sidewalks and amenities.

Mr. Todd stated Southside would suggest, due to sensitivity with the budget, to phase this in two parts with the first part being the Geonetric piece as they will need a back way into their site. The second piece would be from the Czech Slovak Museum to Little Bohemia. Council member Vernon stated something that would help in the discussion of what to build there would be having the understanding of who owns what property in the area.

Council member Olson stated the City needs to determine what type of street and how the design will get done. Mr. Todd stated Southside met with Hall & Hall Engineers, Inc. and the plan that will be presented at the Geonetric meeting is a plan everyone is in agreement on. Ms. Butterfield pointed out the City is calling for proposals and there is no negotiation with anyone at this point.

Council member Vernon stated the round-about idea with the boulevard would slow traffic and if a statue were included it could provide interest to the neighborhood. Mr. Davis pointed out the FY14 budget includes \$100,000 for acquisition of the railroad property where this road would cross. Council member Olson asked if the total cost of the project would be \$1-2 million. Mr. Davis stated it would be more like \$3-4 million. Ms. Butterfield stated staff will return in March with responses and the potential layout of the alignment.

5. Downtown Parklets

Mr. Gunnerson stated in February 2011 the ACE District came before the Development Committee to discuss a concept they would like to see done for streetscape improvements along 3rd Street. In December 2012, Jeff Speck gave a concept that would involve the City constructing removable platforms that could be placed over parking spaces in the downtown area. The advantages include being cheaper than rebuilding the curb line of streets and would be an affordable way to test the idea of having public space in the downtown area. The idea is that these spaces would be used as cafes or possibly parklet areas where people can gather. Since December, City staff has been researching the idea and found Iowa City is doing something similar where they are allowing businesses to lease out part of the street.

Mr. Gunnerson stated staff has met with the Metro Economic Alliance to discuss possible locations and they have a strong desire to see the parklets along the 3rd Street area. Staff would like to use the first year as a way to test out the concept and the City would partner with businesses to lease out portions of the public right of way. The businesses would have certain responsibilities such as carrying insurance, picking up or chaining tables together at night, etc.

Mr. Gunnerson stated staff is still working to figure out the serving of alcohol as the State law requires an outdoor service area be contiguous with the building. Iowa City requires a canopy or a physical structure that links the business to the outdoor area and the covered portion of the sidewalk would be included in the space that is leased by the business.

Mr. Davis stated the City needs to determine the location of the parklets and how many are needed. After these factors are determined the City can look into the need for electricity, railings, etc. If the goal is to have the parklets out in June the bids need to be out in April. Council member Vernon suggested this go to City Council in March and the history is included.

Council member Olson stated an example of the parklets needs to be provided to City Council and asked how many parklets would be installed. Ms. Butterfield stated there would probably be five parklets with 3rd Street as the test subject. Another opportunity to explore is if there are no takers for all five parklets, does the City want to use the parklets as passive space with benches and planters. The ACE District has made a commitment to assist in bringing together people that may be interested in using the parklets.

Mr. Davis pointed out the total budget for the parklets would be approximately \$50,000. Mr. Gunnerson stated in the first year there would be a limited number of parklets based on who will partner with the City to take responsibility for the individual sites. Staff would return in the fall with a report of whether or not the parklets were successful and provide options for future years.

Council member Vernon asked if there would be a charge associated with using a parklet. Mr. Gunnerson stated there would be a charge and in the Iowa City model there is a charge of \$12 a day for each parking space and a charge of \$10 per square foot each year for the lease of the parking space. Currently, the City of Cedar Rapids charges \$10 each year to have a café in front of a business, if it is on the sidewalk. Council member Vernon stated there needs to be a minimum of five parklets in the trial run to ensure the concept is successful.

6. Section 8 Administrative Plan Changes

LaSheila Yates, Housing Programs Manager, stated they would be discussing the Section 8 Housing Choice Voucher (HCV) Annual and Administrative Plans. Annually, the Section 8 Program receives federal funds from the Department of Housing and Urban Development (HUD). The City of Cedar Rapids partners with HUD to provide over \$5 million in rent assistance to families in three categories including very low-income, 62 and over and persons with disabilities. Each year there is an Annual and Administrative Plan and staff is expected to change the plans to address local needs and regulatory changes by HUD. To ensure the City is providing a high quality program, staff works with stakeholders to ensure needs are being met. The program has received the “High Performer” rating for the sixth consecutive year through HUD’s Section 8 Management Assessment Program (SEMAP).

Ms. Yates stated 55% of the families have a person with disabilities, which is an increase from 50% in 2012, and 78% of the families receive an annual income of \$15,000 or less. The average length of time a family stays on the program is 3.4 years. The goals for the 2013 Administrative Plan are to expand the criminal screen to support any local ordinances, provide clear admissions and termination criteria for criminal activity, designate 100 vouchers to persons with disabilities under 62 and ensure low-income families receive vouchers.

Council member Olson asked the total number of vouchers the City currently has. Ms. Yates stated the City currently has 1,260 families on the voucher program. Ms. Yates stated one of the significant changes to the plan includes expanding criminal screenings for new admissions and active participants from twenty-four months to thirty six months. Another change would be the addition of a policy to terminate and deny assistance for any felonious activity within the past sixty (60) months. Most other public housing agencies have a minimum of 5-10 years for felonious activities and in the City of Cedar Rapids' current policy it is not defined except for situations where HUD mandated the policy.

Council member Shey asked if the first change meant people would be screened when they first apply and periodically on an ongoing basis. Ms. Yates stated families are screened during their annual reexamination and the City currently looks back 24 months but it will be expanded to look back 36 months. Council member Shey asked what the 60 months represented in the second change. Ms. Yates stated it is for any type of felonious activity as the current plan has no provision for felonies. It is also to ensure the City has better consistency with the Nuisance Abatement Program and other public housing agencies. The policies have been reviewed with the City Attorney's Office, Legal Aid and HUD so all issues have been addressed. The main concern is that the regulatory requirements are not removed and there needs to be a policy for drugs and violent activities. As long as the minimum threshold is met, HUD gives the City leverage for further defining the requirements.

Council member Olson asked if this was a positive thing for landlords because not all landlords want to accept the vouchers due to concern with quality of clients. Jim Borschel, Leased Housing Specialist, stated landlords should still conduct their own background checks on tenants as the City's background checks are not all inclusive. Council member Olson asked if the families on the voucher have to lease within the City. Mr. Borschel stated they have to lease within Linn and Benton Counties. Council member Olson asked how many people are on the waiting list. Ms. Yates stated there are currently 2,000 individuals on the waiting list. When the waiting list was initially closed there were 3,600 on the waiting list.

Ms. Yates stated another significant change to the voucher policy includes the expansion of criminal screening categories to include a pattern of theft, forgery, prostitution, and any other criminal activity that violates federal, state or local law. Council member Vernon asked if staff would use the criminal background checks that the Police Department is securing for the Nuisance Abatement program. Ms. Yates stated discussions have taken place regarding who the Police Department is selecting and there is consideration of using the same program.

Ms. Yates stated the draft plans will be available for public comment until March 18th and then the plans will go to the March 26th City Council meeting as a Public Hearing. The deadline for submission to HUD is April 15th and if HUD approves the plan it will go into effect July 1st. Ms. Yates addressed the Family Self Sufficiency Program stating the City continuously provides support of services to 157 families in the form of ensuring families have goals for education, can move to home ownership and building escrow accounts. Recently staff submitted the final report

to HUD showing the largest disbursement of escrow of \$19,000 to a family. The families can use the escrow disbursements for a down payment on a home, to repair credit or for transportation.

Council member Vernon stated this will go before the City Council on March 26th.

7. Multi-Family New Construction Proposals

Paula Mitchell, Grants Programs Manager, stated the Multi-Family New Construction (MFNC) Round Five proposals have been received. The City of Cedar Rapids has participated in two previous rounds of the MFNC. Through the first two rounds of the program the City currently has 438 units under construction. This round allows the City to compete for \$18 million that is available statewide for entitlement cities. One of the things the State did in this round was create an allocation for entitlement communities and a separate allocation for smaller, non-entitlement communities that were disaster impacted.

Ms. Mitchell stated the Administrative Plan was reviewed by the Development Committee and then taken to City Council in November 2012. The criteria established through the Administrative Plan included a targeted area that the City now refers to as the Expanded Tier 1 Boundary area. It includes the core Urban Renewal Areas and an expanded area that covers some of the school district boundary areas that City Council had an interest to support. The criteria established for the Administrative Plan included an experienced developer, financial and market feasibility, design standards and compatibility with the neighborhood. The final criterion, shovel ready projects, is not a local consideration but is the highest consideration for the state.

Ms. Mitchell stated once the proposals were received, they were reviewed by a stakeholder committee. Staff put together a cross functional team that included non-profit and for-profit developers, neighborhood association members and design professionals from the Czech Bohemia Overlay District and a Save CR Heritage member. Through the process, the group made a recommendation of seven projects that were considered priority projects and three additional projects were considered qualified projects. The projects that are qualified through the process represent \$14 million in MFNC funding out of \$18 million that is available state wide.

Ms. Mitchell presented a map of the geographic distribution of the proposals. All proposed projects are located within the tier 1 area and include city-owned properties along with privately-owned properties. Ms. Mitchell went through 10 proposed projects providing location maps, elevation photos and project details.

Council member Vernon asked what the state is expecting from the City. Ms. Mitchell stated the state requested a prioritized list from the City of Cedar Rapids. Staff recommends forwarding all applications to the state as it may position the City to get more units of development, and in the event the State finds one of the larger projects non-fundable, Cedar Rapids would still have smaller projects in the queue. Council member Olson asked if it would hurt the City to submit more projects versus submitting fewer projects. Ms. Mitchell stated it would not hurt and the state understands the City has gone through a process of evaluating the projects to ensure they meet the program minimum standards.

Council member Olson asked what the success rate was in previous rounds of MFNC. Ms. Mitchell stated in round one and two, all Cedar Rapids proposals were funded and the City did not participate in round three due to short timelines and high City matching requirements.

Projects submitted in round four were not funded but were resubmitted for round five. The developers received feedback from the state and staff worked with them to make changes.

Council member Shey asked if there was a disadvantage for using City-owned land. Ms. Mitchell stated the state is aware if it is a City-owned property rezoning can happen expeditiously and this would be favorable in terms of shovel readiness. If a development is on private property and there is support from the neighborhood the state tends to look at this more favorably.

Council member Vernon suggested staff keep track of the submitted projects and which projects were funded. If there are future rounds of MFNC staff can work with the developer to determine what elements need to be improved and get changes made for resubmittal.

Council member Olson made a motion to submit all 10 projects with the changing of the order to put the Sugar Creek project as item 10. Council member Shey seconded the motion. The motion passed unanimously with none opposed.

8. CDBG Owner-Occupied Rehabilitation Program Changes

Ms. Mitchell stated the City has operated a program similar to the Community Development Block Grant (CDBG) Owner-Occupied Rehabilitation Program for over 30 years. The program is intended to improve the housing stock in neighborhoods, support the tax base and to help lower income home owners maintain their properties. The way of improving the programming would be to improve program design changes and increase education and outreach.

Ms. Mitchell stated as part of the commitment to improving efficiency, staff looked into issues they are encountering when administering the program. Staff researched best practices in other communities to see how other entitlement cities are addressing the issues. The issues identified include the following:

- Declining funds for CDBG means decreased funding for the Owner-Occupied Rehabilitation Program.
- 134 households waiting for Comprehensive Rehabilitation assistance.
- 10 year waiting time for Comprehensive Rehabilitation assistance.
- Foreclosures, flipping, and forfeitures result in CDBG aiding unintended beneficiaries without protecting the City's interests.
- Lack of homeowner financial participation at certain AMI levels sometimes means less personal investment in the maintenance of improvements.
- Trend toward lack of savings for home repair needs.

Ms. Mitchell stated the recommended changes to the Emergency Assistance Program include requiring applicants to be current on mortgage payments, adding a minimum one year forgivable lien and one year residency requirement. Additional changes would include changing limits to two emergencies per year, three emergencies lifetime total or \$10,000 per applicant, eliminating stand-alone roof assistance and treating roof repairs under this program.

Ms. Mitchell stated the recommended changes to the Comprehensive Rehabilitation Program include disallowing contract sales from receiving the assistance, adding a 1% owner contribution requirement for households in the 0-50% AMI range and closing the waiting list until a time when the list is manageable.

Ms. Mitchell stated the next steps include City Council consideration on March 12th with communication and outreach from March 13th to June 30th. The adopted changes would go into effect on July 1st.

Council member Olson asked what the maximum grant was. Ms. Mitchell stated for the Comprehensive Rehabilitation Program the maximum grant is \$24,999 related to the lead based paint requirements. Council member Olson asked what is the total available amount of money for the Comprehensive Rehabilitation Program. Ms. Mitchell stated the amount available varies each year depending on what the Grants and Programs Committee recommends but the amount is typically around \$300,000.

Council member Olson made a motion to forward recommended changes to City Council. Council member Shey seconded the motion. The motion passed unanimously with none opposed.

9. Core Area Development Patterns

Mr. Gunnerson stated staff came before the Development Committee in January with information on population distribution in Cedar Rapids. The population was compared to other communities in Iowa and other communities in the Midwest. Mr. Gunnerson presented a chart stating the Development Committee requested information on Cedar Rapids neighborhoods.

Council member Shey asked for an explanation as to how the density numbers were determined. Mr. Gunnerson stated density is persons per square mile. Council member Vernon asked what the City's danger zone density is. Mr. Gunnerson presented maps of Cedar Rapids compared to other cities and explained the density variations. Mr. Gunnerson presented an additional chart stating the Development Committee requested information on Des Moines' downtown. Compared to Cedar Rapids, Des Moines has fewer people living within a mile of the downtown but has more people within the ½ mile of downtown.

Mr. Gunnerson stated the Development Committee requested information on what ideal density is and what makes a great neighborhood. The American Planning Association (APA) recognizes 10 neighborhoods each year that are considered to be great neighborhoods. Mr. Gunnerson presented photos of example neighborhoods. Ultimately ideal density is difficult to define because it is based on the City's objectives. The Cleveland Federal Reserve Study found the denser metro areas tend to be more production and policymakers should consider individual desires for housing options.

10. KHB Request to Acquire the Knutson Building – Proposed Disposition

Council member Vernon stated there was a request to acquire the Knutson Building from KHB from the City through the structured competitive proposal process. Jennifer Pratt, Community Development Planner, stated staff would need a recommendation to move forward with a disposition process. Ms. Pratt presented a map of the property stating the proximity of the building to the river and the City's newly constructed amphitheatre is unique. The issues include alignment of the flood management system and coordination as there has been interest from Parks and Recreation for use of a portion of the building for the amphitheatre.

Ms. Butterfield stated based on conversations with the Parks and Recreation Department, staff would delineate the specifications and let the developer build to the specifications under the

terms of an agreement. Council member Olson asked if the City would fund the costs of the build-out. Ms. Butterfield stated the City would lease the property.

Council member Olson made a motion to move forward to City Council. Council member Shey seconded the motion. The motion passed unanimously with none opposed.

11. Request for City Participation in the Mixed-Use Redevelopment of the Averill House

Ms. Pratt stated this is a proposed amendment to the Consolidated Central Urban Renewal Area in regard to the renovation of the A.T. Averill House located at 1110-1120 2nd Avenue SE. The City received a request from Bill Olinger in December 2012 and the project includes historic renovation of the Carriage House, construction of new buildings and a creation of the courtyard. The request included a partial property tax reimbursement to off-set increased cost of retaining the historic character. Since the project area is in an existing TIF district, the Urban Renewal Plan needs to be amended to include this specific activity.

Ms. Pratt presented a concept for the site pointing out existing structures and proposed changes. Ms. Pratt presented elevations of the proposed development pointing out the developer is interested in retaining the historic character as the property is on the National Register of Historic Places. Ms. Butterfield stated this is typically not the type of project the City has provided TIF but there is historic character, the potential mixed-use of the site and the developer has stated the assistance would be for funding the preservation. The development agreement will require the developer meet the National Register of Historic Places criteria.

Ms. Pratt stated the next steps include a Resolution of Support on March 12th and a Resolution initiating the amendment of the Consolidated Central Urban Renewal Plan on March 26th.

Council member Shey made a motion to move forward to City Council. Council member Olson seconded the motion. The motion passed unanimously with none opposed.

Council member Vernon called for a motion to adjourn the meeting. Council member Olson made a motion to adjourn the meeting. Council member Shey seconded the motion. The motion passed unanimously with none opposed.

Meeting adjourned at 5:34 p.m.

Respectfully submitted,

Alicia Abernathey, Administrative Assistant II
Community Development