



City of Cedar Rapids
DEVELOPMENT COMMITTEE MINUTES
City Hall Training Room
Tuesday, April 30, 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; Thomas Smith, Community Development Planner; Seth Gunnerson, Community Development Planner; Alex Sharpe, Community Development Planner; Kevin Ciabatti, Building Services Manager; Adam Lindenlaub, Community Development Planner; Paula Mitchell, Grant Programs Manager; Jennifer Pratt, Community Development Planner, 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 March 27, 2013. Council member Olson made a motion to approve the minutes from March 27, 2013. The motion passed unanimously with none opposed.

Informational Items and Updates

Christine Butterfield, Community Development Director, stated the City is in the process of redeveloping approximately 20 different parcels and regularly questions are received in regard to developers meeting milestones. A matrix has been included in the packet to provide information regarding the redevelopments.

Council member Shey joined the meeting at 3:05 p.m.

1. Main Street Revitalization Strategy

Jennifer Pruden, Main Street, introduced Heather Lynxwiler, Brady Dorman and Roger Worm from OPN Architects to present the revitalization strategy they developed.

Heather Lynxwiler, OPN Architects, stated the Revitalization Strategy was broken into a three part approach including marketing, education and analysis. The intent of the Revitalization Strategy is to use it as a tool by investors and by tenants for recruitment and updates. Public input was gathered through several surveys and workshops with results showing the City as

growing, historic and fun. The results also showed the City lacking in retail, parking, housing and restaurants. Ms. Lynxwiler went over the district analysis for Czech Village and the New Bohemia areas. The analysis included parking, infill opportunities, gateways, thresholds, intersections and drive paths.

Council member Olson stated hopefully this strategy will provide a consensus as there is a lot of land to redevelop. Housing would be the logical step for infill with some office and commercial. Council member Vernon stated housing drives retail so the housing needs to happen before retail can be supported. Lu Barron, Main Street, stated there was a public input process with 325 surveys filled out and there was strong public influence on the plan.

2. Payday Lending Update

Thomas Smith, Community Development Planner, stated Payday Lending came before the Development Committee in October 2012 and this will be a brief update. The average annual interest rate on a payday loan, in Iowa, is around 300-400% with an average number taken out each year around 13.8. There are currently 13 active payday lenders in Cedar Rapids. Payday Lenders are licensed in the State of Iowa which prevents cities from banning the business from their communities. Cities in Iowa have attempted to limit the interest rates but have been unsuccessful. Alternatives to payday lending include Veridian's payday alternative loans, which charge only 19% interest.

Mr. Smith stated Cedar Rapids currently has no restrictions against payday lenders, but other Iowa cities have enacted regulations within the past few years. Iowa City, Ames, Clive, Des Moines and West Des Moines are all using similar regulations on how to limit payday lenders in their communities. The staff recommendation, presented to the Development Committee previously, was to allow payday lenders as a conditional use in a single zoning district, the C-2, Community Commercial Zone District. This zoning district is less commonly seen than C-3 in major commercial districts and corridors. In addition there would be a requirement of 1,000 foot distance separation between two delayed deposit service uses, as well as uses such as childcare and educational facilities, parks, and religious institutions. There were questions regarding the separation distance between payday lenders and childcare facilities. There is not a direct one to one link between the two but these institutions are usually at the core of neighborhoods and are evident of successful neighborhoods. The separation distance serves as a way of keeping payday lenders out of the core of the City's neighborhoods.

Mr. Smith went through the chronology of the payday lending ordinance change stating the City Planning Commission (CPC) reviewed the staff recommendation in January 2013 and expressed concerns regarding the distance separation. The CPC also expressed concerns about recommending a social policy and felt it should be left to City Council to make the policy change. On March 12th staff met with Citizens for Community Improvement as they work on ordinances similar to this one throughout the State of Iowa. Citizens for Community Improvement worked to gather support from community members. On March 14th staff hosted a phone conference with a couple of CPC members and Scott Crosby a neighborhood leader who was interested in this change. The CPC reviewed this again on April 25th and recommended no change to the ordinances due to concerns addressed at the January meeting. The Community Development Department received three letters of support and four members of the public spoke in favor of the ordinance at the April 25th CPC meeting.

Mr. Smith stated the next steps for the payday lending ordinance would be to proceed to City Council with the recommendation from the Development Committee made in October 2012.

Scott Overland, CPC Chair, stated payday lending was a difficult discussion as it brings in elements the CPC does not normally deal with. The consensus of the commission was this change brings in social elements that the commission was not comfortable making a decision on.

Council member Olson stated ordinance changes like this have an impact on property owners that rent to payday lenders. Council member Olson stated before he would vote for this ordinance change he would like to know if current payday lenders would be grandfathered in. Mr. Smith stated they would be grandfathered in. Council member Olson stated he would like to see, from staff, if the ordinance was enacted as proposed, which of the 13 current payday lenders would still be legal. Council member Olson stated he would also like information on areas in the City a payday lender can be located if the ordinance changes were enacted.

Council member Vernon stated she would like to see where bank and credit unions are located in Cedar Rapids as a number of them are moving to offer similar loans. If the neighborhoods have banks and credit unions nearby it is easier to make ordinance changes to increase regulations of payday lenders.

Council member Shey stated it is easy to be against payday lending but sometimes people are in a bind and need something sooner rather than later. Also, pushing payday lenders out to other areas of the City is not going to help those that do not have transportation and need the payday lending services. Council member Vernon agreed payday lenders help those in a bind but they are highly predatory and it is very difficult to come out debt and can cause bankruptcy.

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

3. Kingston Village Recommendation

Seth Gunnerson, Community Development Planner, stated staff previewed the Kingston Village plan with stakeholders in the area on April 26th and received good feedback regarding the plan. Staff has been working with JLG Architects to complete a plan for the Kingston Village area. Mr. Gunnerson went over what is unique about Kingston Villages, the challenges, current development, plan elements and feedback from stakeholders received regarding the plan. The plan elements include placemaking, land use, connections and flood protection. Mr. Gunnerson gave a staff recommendation to take the plan to City Council in May.

Council member Vernon stated the proposed casino will change the Kingston Village Plan so it needs to be addressed. Council member Olson asked if JLG was at a final plan or if they needed feedback before finalizing the plan. Ms. Butterfield stated the community has contributed in creating the final plan and the next step is to bring the plan to City Council. It is important to get the plan approved by City Council as there are a number of proposed projects in this area and the plan will be used as part of the development agreements. Also, the State needs the request to create Viable Business Corridors in order to switch out deed restrictions that prohibit development in the 100 year flood plain.

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

4. Parklet Update

Mr. Gunnerson stated staff would like to confirm with the Development Committee the direction of how the program will operate for the first year. The bid documents for the parklets are out and will be opened on May 7th with the City Council action on May 14th to enter into a contract to purchase the parklets. Community Development staff has been meeting with the Metro Economic Alliance, A+C+E Committee, and downtown businesses to gauge interest in the parklets. Staff has been working with the businesses to determine where the parklets could go as there are certain restrictions as to where the parklets can be placed.

Mr. Gunnerson stated the parklets would create additional pedestrian space in the public right of way and the leases would be treated as sidewalk cafes. There is a priority to place the parklets on 3rd Street SE so they are visible from the Convention Center. After looking into the possible locations some of the parklets may need to be located on an adjacent avenue as there are restrictions that prevent placement on 3rd Street. Council member Vernon stated 3rd Street is ideal but if the parklets are visible from 3rd Street that is acceptable.

Mr. Gunnerson went over the recommended criteria for the parklets including the recommendation that businesses participating this year have the first right of refusal for 2014. Staff will monitor the parklets in 2013 and bring recommendations for future plans to the Development Committee in November. Three options for the parklets lease fees were presented to the Development Committee for consideration.

Council member Olson stated the purpose of the parklets is to prove it can work for less than what it would cost to redo 3rd Street. If the parklets work it will be tremendous savings for the City so it is worth experimenting with. Council member Vernon stated 2013 is a trial year and fees should be forecasted to businesses for future years. The fee would be an operations fee for set-up, take down, etc. Council member Shey asked if existing restaurants were the only considerations for parklets or if street vendors could use them as well. Mr. Gunnerson stated based on the bids the City is requesting four parklets with the option to add or remove one, therefore, the number one priority is restaurants. Restaurants would be more intense users of the parklets and would be able to monitor the parklets all day.

5. Sign Ordinance Update

Mr. Gunnerson defined and provided examples of different types of signs including pole, monument, marquee, wall, off-premise, menu-board and gas station price signs. In 2010 the City held open houses and asked the community about urban design principles and the feedback received prioritized development that is in line with a traditional or green city.

Mr. Gunnerson stated staff would like to know if there aspects of the moratorium that could be changed in respect to digital signs. Staff is asking to modify the moratorium to either remove the moratorium on on-premise digital signs or modify moratorium to exempt menu-boards and gas station price signs. Staff has received an appeal regarding menu-board signs and it will go before City Council on May 14th. There have been a couple of appeals on gas station price signs that the City Council has granted relief for.

Council member Vernon stated the second option allows for exemption of the menu-boards and gas price signs but allows for more work to be completed on other digital signs. Council member Olson asked if there were current restrictions on sign height and sign content. Mr. Gunnerson stated the City of Cedar Rapids currently has no specific restrictions on digital signs but staff will bring forward options in the near future.

Council member Olson made a motion to modify the moratorium to exempt menu-boards and gas station price signs. Council member Shey seconded the motion. The motion passed unanimously with none opposed.

Mr. Gunnerson stated for off-premise signs staff is looking for a recommendation on the separation of billboard signs and directional signs. Mr. Gunnerson gave a recommendation to include the following:

- Directional Signs allowed in Commercial, Industrial and O-S zoning districts
- Within freestanding signage area permitted on property
- Up to 200 sq ft
- Must advertise business(es) location on parcel within 300 feet of sign
- May display business or organization name, location, logo

Mr. Gunnerson described a Sign Master Plan which gives the developer an opportunity to define their own signage and have it reviewed by City Council.

Council member Shey made a motion to approve the recommendation as presented. Council member Olson seconded the motion. The motion passed unanimously with none opposed.

Mr. Gunnerson stated staff came up with some options for billboards when they were initially discussed in November 2012. The three options for billboards included increased review, increased zoning standards and establishing a cap on signs. Feedback received from sign meetings included no interest to see additional review but there was interest in zoning solutions to meet City Council goals. Mr. Gunnerson pointed out there are currently 80 billboard signs in Cedar Rapids and broke down the number in each zoning district.

Mr. Gunnerson provided three options for Development Committee consideration including an option for increased separation and two options for capping signs. Mr. Gunnerson presented proposed changes to the size and height of billboard signs based on their location. Council member Olson stated he feels the proposed changes are appropriate to the traffic patterns.

Council member Olson asked if staff had a recommendation for which of the three options to use. Mr. Gunnerson stated if the desire is to not see additional billboards in the community staff would recommend the cap options. If there is a desire to see a reduction in the number of billboards staff would recommend option three. Either cap option would provide an incentive to see the distribution move toward what the 2006 ordinance set with separation distance.

Council member Shey asked if any citizen studies were completed in regard to billboards. Ms. Butterfield stated feedback was received before the 2008 flood and after the flood. In general staff received several comments regarding the sign clutter but staff has not done any independent surveying of residents.

Council member Shey made a motion to approve the proposed height and size changes. Council member Olson seconded the motion. The motion passed unanimously with none opposed.

Mr. Gunnerson pointed out the separation option would make the majority of the billboards legal non-conforming within the City and would provide an incentive for billboard companies to preserve what they currently have. Under a cap option, as new areas for sign placement open there would be an incentive to remove a legal non-conforming billboard sign. Mr. Gunnerson stated staff would recommend either of the cap options.

Council member Olson made a motion to approve Option B – Cap Option #1. Council member Shey seconded the motion. The motion passed with a vote of two to one.

6. Ellis Plan

Adam Lindenlaub, Community Development Planner, stated the Ellis Boulevard area is an area City Council expressed interest in for a Viable Business Corridor. Staff would like to move forward with the continued coordination with the Economic Alliance to use JLG Architects to create an Ellis Boulevard Plan. The goals and plan elements would include placemaking, connections, land use and flood protection. Next steps include developing the plan from May to August and returning to Development Committee in September with a recommendation. The plan would go to City Council in October for adoption.

Council member Shey made a motion to proceed with development of the Ellis Plan. Council member Olson seconded the motion. The motion passed unanimously with none opposed.

7. NDC/NFC

Council member Shey stated a meeting was held with Four Oaks, Matthew 25, and Habitat for Humanity to discuss current initiatives. Single family rehabilitation funding sources was identified as a need for Cedar Rapids. Multi-family new construction provides challenges for affordable housing tax credits.

8. NewBo Dispositions – Additional Lots

Paula Mitchell, Grant Programs Manager, stated on March 26th City Council authorized negotiation of Development Agreements for 1018 2nd Street SE with Acme Electric and 1301 3rd Street SE with Tom and Beth DeBoom. Both proposals involved use of an adjacent parcel. Acme Electric has requested 1024 2nd Street SE and 208 11th Avenue for relocation of the 1018 2nd Street SE structure. 1008 2nd Street and 1012 2nd Street were also requested for new construction of row house condominiums. Tom and Beth DeBoom have requested 1305 3rd Street SE for future commercial development with interim use as urban garden. Ms. Mitchell pointed out all parcels on a map and went over next steps for the process.

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

9. NewBo Volleyball

Ms. Butterfield stated the development agreement has been in default for several months and will be going to City Council as provisions have not been met. Jennifer Pratt, Community Development Planner, stated there are no identified resources to complete the work and if the City has another reuse the property would have to be put back to its previous state. Staff recommends terminating the development agreement that will come before City Council. Staff will reach out to stakeholders in the area to help find a solution.

10. Cedar Rapids Low Income Housing Tax Credit Policy and Process

Ms. Mitchell stated the purpose of the policy and process is to formalize the standard operating procedures that staff currently uses for these types of request. Ms. Mitchell went over the

background of the program, issues with the program, elements of the proposed policy and other potential considerations.

Council member Shey asked what cities, developers and projects are receiving these awards. Ms. Mitchell stated staff looked at a number of sources in regards to what IFA requires and what other communities are doing. Des Moines is very successful at giving tax credit allocations so staff used their policy as a guide.

11. CDBG Neighborhood Certification Process

Council member Vernon stated the CDBG Neighborhood Certification Process will be moved to the May agenda.

Meeting adjourned at 5:15 p.m.

Respectfully submitted,

Alicia Abernathey, Administrative Assistant II
Community Development