



City of Five Seasons®

City of Cedar Rapids

Development Committee Meeting Agenda

City Hall Training Room

Wednesday, August 17, 2016

3:00 pm – 4:00 pm

Purpose of Development Committee:

To enable the City Council to discuss and evaluate in greater detail these specific issues that directly impact the physical, social, and economic vibrancy of the City of Cedar Rapids.

City Council Committee Members:

Council member Ann Poe, Chair

Council member Pat Shey

Council member Scott Overland

- Mayor Ron Corbett is an ex-officio member of all Council Committees per City Charter Section 2.06.

Agenda:

- Approval of Minutes – July 20, 2016
- Presentations:
 1. Neighborhood Housing Finance Strategies Erika Kubly *10 Minutes*
Community Development
- Recommendation Items:
 1. Section 8 Housing Choice Voucher Program Public Housing Agency Administrative Plan Amendments Sara Buck *15 Minutes*
Community Development
- Updates
 1. Analysis of City Owned Property Seth Gunnerson *15 Minutes*
Community Development
 2. Cedar Lake Bill Micheel *10 Minutes*
Community Development
 3. ReZone CR Bill Micheel/Seth Gunnerson *10 Minutes*
Community Development
 4. Mt. Vernon Road Corridor Action Plan Adam Lindenlaub *5 Minutes*
Community Development
 5. Northwest Neighbors Neighborhood Association Plan Kirsty Sanchez *5 Minutes*
Community Development
- Public Comment

Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a City program, service, or activity, should contact the Community Development Department at (319) 286-5041 or email communitydevelopment@cedar-rapids.org as soon as possible, but no later than 48 hours before the event.



**City of Cedar Rapids
DEVELOPMENT COMMITTEE MINUTES
City Hall Training Room
Wednesday, July 20, 2016
3:00 p.m.**

The meeting was brought to order at 3:00 p.m.

Present: Council members Poe (Chair) and Shey. Staff members present: Jennifer Pratt, Community Development Director; Bill Micheel, Community Development Assistant Director; Kirsty Sanchez, Community Development Planner; Jeff Hintz, Community Development Planner; Seth Gunnerson, Community Development Planner; Adam Lindenlaub, Community Development Planner; and Anne Kroll, Community Development Administrative Assistant.

Council members Shey and Poe approved the minutes from May 18, 2016 and June 15, 2016 with unanimous consent.

Presentation:

1. Neighborhood Associations

Kirsty Sanchez, Community Development Planner, shared the background, goals, overview, and the work plan and budget summary for the Neighborhood Service Delivery Program. Ms. Sanchez shared the differences between certified and registered neighborhoods and listed the participating neighborhoods. Ms. Sanchez stated that last year and this year two (2) of the neighborhoods went to the Neighborhoods USA Conference where they attended workshops on topics such as grant writing, youth, and crime in the neighborhoods.

Council member Shey stated that the certified neighborhoods have officers and boards, so who makes the decisions for the registered neighborhoods? Ms. Sanchez stated that the registered neighborhoods have boards also.

Council member Poe asked what is stopping the registered neighborhoods from becoming certified. Ms. Sanchez stated that in order to be certified a work plan and a year's worth of workshops is required.

Council member Poe asked if there is a staff liaison for each of the neighborhoods. Jennifer Pratt, Community Development Director, stated that the neighborhoods each have a director as a liaison and they get shuffled every few years. It is about making sure the neighborhoods know that there is someone at the City they can contact to get questions answers. Council member Poe stated that this program is better than it used to be and she is happy with the process.

Council member Poe asked if there are any restrictions for the list of activities. Ms. Sanchez stated that funding cannot be spent on alcohol, newsletters, or political items. Ms. Pratt stated that what has been traditionally spent in the past is all eligible.

Recommendation Items:

1. Four City-Owned Property Dispositions

a) 904 and 908 5th Street SE

Ms. Sanchez shared a map of the location for the properties of 904 and 908 5th Street SE. Ms. Sanchez shared the background, the development objectives, staff's recommendation to initiate the disposition process and invite proposals, and the proposed timeline.

Council member Shey asked if there is a house standing on one of the lots. Ms. Sanchez stated that they are vacant.

b) 68, 72, and 76 15th Avenue SW & 1505 B Street SE

Bill Micheel, Community Development Assistant Director, stated that the City received a request from the National Czech and Slovak Museum and Library to initiate the disposition process for lease of the properties with the idea being to maintain the property for current needs and future development planning. Mr. Micheel shared staff's recommendation to initiate the disposition process and invite proposals and the proposed timeline.

Council member Shey shared his concerns of leasing land in a primary area where there is a lot of interest that land is going to go to a nonprofit that could be otherwise developed, so what is the City giving up with this proposal. Ms. Pratt stated that the terms of the Development Agreement would be up to City Council. Council member Shey asked what the Czech Museum wants to use this land for. Ms. Pratt stated that they do not have a set master plan for this area, so what staff is proposing is that in the interim it would be a lease arrangement until they have a master plan. Council will decide if there is a time limit for the lease.

Mr. Micheel stated that the Czech Museum suggested using this land for current programming for larger events as things become clearer related to the Flood Control System adjacent to their property. Council member Shey stated that he does not have a problem moving this item onto the full Council, but he still has concerns. Council member Poe stated that they heavily use the area where the Flood Control System will be located, so there may not be anywhere else but these lots that they can use for their larger events. Council member Poe will like to get full City Council discussion on this item.

c) City Parking Lots 8, 30, 31, and 32

Mr. Micheel stated that this is focused on the City-owned parking lots that primarily service the Czech Village. There has been an agreement in place for a long time in which the City owns these lots and takes care of the major maintenance. The City received two letters of request to initiate disposition process for the lease of the properties. Mr. Micheel shared staff's recommendation to initiate the disposition process and invite proposals and the proposed timeline. Ms. Pratt stated that the Czech Village Association will take care of three (3) of the lots and the National Czech and Slovak Museum and Library will take care of the remaining lot.

Council member Shey asked why someone would want the lots when the City is taking care of them. Ms. Pratt stated that the two (2) organizations have been working with the City on this for a while as the City is not in the business of owning and operating surface lots that serve businesses. Council member Poe noted that these lots need to remain free and open to the public.

d) 535 1st Avenue SW

Jeff Hintz, Community Development Planner, shared a map of the location for the lot at 535 1st Avenue SW. Mr. Hintz shared the background, RFP development objectives, evaluation criteria, and the proposed timeline. Ms. Pratt stated that the first three (3) proposals on this agenda were actual proposals and this one has gotten interest, but there have not been any plans given to the City.

Council member Shey asked how much land the City still has that is development worthy. Ms. Pratt stated that staff is working on that now and there are few that are outside of the 100 year floodplain and buildable. There is a handful left in the NewBo are and fewer left in Kingston. Council member Shey requests this item on a future agenda. Council member Poe requested this as a future agenda item and mentioned that there is also a viable commercial district along Ellis Boulevard.

Council members Shey and Poe approved the four (4) city-owned property dispositions to move forward to City Council with unanimous consent.

2. Historic Rehabilitation Program

Mr. Hintz stated that based on the Historic Preservation Plan, City staff requested an additional \$25,000 for historic preservation activities. This was approved by City Council as part of the FY17 budget (July 1, 2016 – June 30, 2017). The program will have \$25,000 as a new budget item and also the \$25,000 from the existing Paint Rebate Program (within Urban Renewal Area boundaries) to equal a total of \$50,000. Mr. Hintz discussed the program proposal, the process to apply and receive grant/loan, eligible projects, eligible activities, and the grant/loan structure. The Historic Preservation Commission recommended the program and the income based funding approach at their July 14, 2016 meeting.

Council member Shey asked what the cap per ask is. Mr. Hintz stated that the proposed cap is \$5,000. Ms. Pratt stated that you receive 50% of the total project, so if the funding received is \$5,000 then the project would have to be at least \$10,000 total. Council member Shey clarified that funding is only available to the local historic districts. Mr. Hintz stated that local landmarks can apply as well. Ms. Pratt stated that there was an HPC discussion about this program becoming an incentive for someone to make their building a local landmark or to have a neighborhood become a local historic district.

Council member Poe is happy to see this program for the Local Historic Districts because she does not like unfunded mandates. This is a great opportunity to get people in to Community Development and the Historic Preservation Commission and get their permits ahead of time.

Council members Shey and Poe approved the Historic Rehabilitation Program to move forward to City Council with unanimous consent.

Updates:

1. ReZone CR

Mr. Micheel shared the project overview, accomplishments to date, the stakeholder outreach program, project committees, and June outreach activities. Seth Gunnerson, Community Development Planner, shared the technical audit of the current code, community character analysis, the character area map, character area development classifications, and open house results. Mr. Gunnerson will send the results of the open house and the online survey to City Council per Council member Poe's request.

2. Northwest Neighbors Neighborhood Association Plan

Ms. Sanchez stated that a second open house was held for the Northwest Neighborhood Action Plan on June 20, 2016 and there were forty (40) people in attendance. Boards were set up to show the feedback from the first open house and a dot exercise was done to show what was most important for each element of the plan. Ms. Sanchez shared the top two (2) items for each element. The interns in the Community Development Department put together an existing conditions report that is focused on the demographics, the neighborhood history, and housing and they are working on the character analysis. Staff is working on defining goals and action steps using all of the input received. Once that is finished staff will meet with different departments that would be responsible for the action steps to make sure what is proposed is feasible and to come up with a timeline to complete the action steps. After a third open house the plan will go to Council in September or October 2016. Ms. Sanchez will send the feedback from the second open house to the Development Committee per Council member Poe's request.

3. Mt. Vernon Road Corridor Action Plan

Adam Lindenlaub, Community Development Planner, shared details from the report that summarizes the feedback received from the visioning workshop on June 16, 2016. There were 210 people in attendance at the visioning workshop. All of the comments from the workshop can be found at the end of the report which is posted online. The second open house will take place in September 2016.

Council member Shey asked what will take place at the next open house. Mr. Lindenlaub stated that staff will show boards with draft goals and action steps and get feedback from the public. Staff will then have a third open house to take the feedback and formalize what is being proposed.

Council member Shey asked how staff is managing expectations. Ms. Pratt stated that having the small group discussion was helpful and staff will focus on how the City can make improvements that attract the kinds of businesses that people want. There is clearly a huge interest in this area and what is going to be important for the City is that staff identifies, early on, projects that can be done and completed quickly to keep the momentum going. Progress needs to be shown quickly on projects so that the public is seeing transformation in a meaningful way.

Council member Poe walks the sidewalks on Mt. Vernon Road and they are very dangerous. There is no traffic calming feeling at all and it feels like people are rushing in and rushing out. The streets should be narrowed to slow traffic and the sidewalks should be widened to make it more attractive. Council member Poe is excited to see what the public wants and what staff comes up with.

Public Comment:

Robin Kash stated that he went to the Neighborhood USA Conference representing the Wellington Heights Neighborhood Association and he would like to see a city-wide youth program developed that would include recreational and educational opportunities. Ms. Pratt will be in touch with Mr. Kash on which staff members he will need to speak with.

The meeting adjourned at 4:16 p.m.

Respectfully submitted,

Anne Kroll, Administrative Assistant II
Community Development

DRAFT



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To: City Council Development Committee
From: Paula Mitchell through Jennifer Pratt, Director of Community Development & Planning
Subject: Neighborhood Housing Finance Strategies
Date: August 10, 2016

Since 2008, the City of Cedar Rapids has been a recipient of over \$40 million in disaster recovery replacement housing funding to revitalize neighborhoods and provide replacement single family replacement housing as the community rebuilds from the flood. The current round of the “ROOTs” single family replacement housing program provided \$11.1 million in funding, which is anticipated to conclude at the end of 2016. The conclusion of this program creates a need to examine strategies to continue investment in core neighborhoods.

The purpose of this memo is to provide an update regarding the progress of the work effort to date, forecast next steps, and seek feedback from City Council Development Committee members as to any additional interests they would like to see addressed in the analysis.

One such strategy to which consideration is being given is the Neighborhood Finance Corporation (NFC) in Des Moines. The Des Moines NFC provides both forgivable and amortizing loans for home purchases and home improvements in targeted neighborhoods, to encourage investment by private owners. NFC’s loan products are provided on a targeted geographic basis, but without restrictions as to household income, which provides a mechanism to attract a mix of incomes to the neighborhood while promoting investment in the housing stock. For example, a homeowner may qualify for a primary mortgage which they repay over time in addition to up to \$10,000 as a forgivable loan that may be used for home repairs. The primary loans are “sold” to a bank loan pool that spreads the risk across multiple lenders. In addition, existing property owners may qualify for home improvement loans.

To date, staff has completed the following steps:

- Background research regarding the offerings of the Des Moines Neighborhood Finance Corporation.
- Secured consultant services to assist with program feasibility analysis
- Review of the most recent Housing Market Analysis to determine existing conditions and potential transaction demand volume.
- Focus group discussion with local affordable housing providers.

Feedback from affordable housing providers indicates that absence of ROOTs funding will reduce their annual production capacity, which is information that will be considered in developing a preferred strategy.

The next steps include:

- Review best practices and complete data analysis

- Identify options and recommendation for a preferred strategy
- Complete financial analysis to determine startup costs and ongoing operational needs.
- Complete a proposed financial plan for public and private participation.
- Outreach to stakeholders in lending community.
- Present findings and recommendations at October Development Committee meeting.



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To: City Council Development Committee
From: Sara Buck, Housing Programs Manager, through Jennifer Pratt Director of
Community Development & Planning
Subject: Section 8 Housing Choice Voucher – Administrative Plan amendments
Date: August 17, 2016

Background: The City of Cedar Rapids Housing Services Office administers the Section 8 Housing Choice Voucher (HCV) Program as the Public Housing Agency (PHA) of Linn and Benton Counties. The program is federally funded by the U.S. Department of Housing & Urban Development (HUD) and is designed to accommodate very low-income families and individuals with rental assistance for decent, safe, and sanitary housing, provided by private owners and rental agents. On average, the program assists 1,200 families with rent assistance per year.

Proposed Changes:

Per HUD recommendation, proposed changes in PHA policy would allow the Housing Programs Manager to close the waiting list once it is determined to contain an adequate pool of applicants for use of available program funding and removal of time frame of public notice.

HUD permits the PHA to establish local preferences at its discretion, but must be consistent with the PHA plan, consolidated plan, and based on local housing needs and priorities that can be documented by generally accepted sources. Proposed changes to the Local Preferences are based on HUD recommendation and changes in community need.

Recommendations: Community Development Staff recommends Development Committee forward the amendments of the Section 8 HCV Administrative Plan on for approval by City Council.

Timeline and Next Steps:

July 14, 2016 – Shelter and Transitional Housing Provider Meeting
July 19, 2016 – Resident Advisory Board Meeting
July 26, 2016 – City Council Motion Setting a Public Hearing
July 30, 2016 – September 12, 2016 – Notice & Public Comment Period
August 17, 2016 – Development Committee Meeting
September 13, 2016 – City Council - Public Hearing and Resolution



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To: City Council Development Committee
From: Seth Gunnerson through Jennifer Pratt, Director of Community Development & Planning
Subject: Analysis of City Owned Property
Date: August 17, 2016

At the July 2016 Development Committee meeting, Staff was asked to provide an update on City owned property acquired after the 2008 flood and options for future development. Staff is evaluating City owned parcels which are eligible for redevelopment by being in either a Viable Commercial Corridor or a recognized Historic District.

Analysis of parcels currently owned by the City within flood affected areas will include:

- **Current Zoning.** This will include determining if the property meets the current zoning ordinance and what uses would be allowed.
- **Allowable intensity of development under EnvisionCR.** EnvisionCR allows for a range of development intensity within each Land Use Typology Area. The purpose of this analysis is to evaluate whether the current zoning of the property allows for the property to develop to its highest and best use.
- **Development Options.** Much of the land acquired by the City is planned for either the Greenway or the Flood Control System. Properties acquired with federal funds, such as CDBG, have deed restrictions which limit redevelopment within the 100 year flood plain. The City has worked with the State and Federal interests to identify key districts, such as Kingston Village and Ellis Boulevard, as “Viable Commercial Corridors”. This designation allows for commercial or mixed-use development to stabilize existing neighborhoods. In these areas residential development on the ground floor has been discouraged and all development must meet the City’s Flood Control Ordinance.
- **Other Factors.** Identifying key projects which will help development, such as construction of the Flood Control System, the Greenway and the Ellis/6th Street Connection.

Staff will present an overview of this analysis at the August 17 Development Committee meeting. By the October 19, 2016 Development Committee meeting staff will provide a full report on this analysis along with recommendations on next steps.

Outcomes from this analysis, and the Northwest Neighborhood Action Plan, will be used as part of the ReZone Cedar Rapids initiative. The comprehensive rewrite of the Zoning Ordinance provides an opportunity to shape redevelopment of City Owned properties. Issues with current zoning such as non-conforming lots or limited options for land use can be addressed as part of the new zoning code. The code update also offers to the opportunity to place design standards which would be required of all development. The ReZone Cedar Rapids initiative is seeking to ensure that new construction meets the goals of City Council and the neighborhood while providing a shorter and more predictable review process for developers.