



City of Five Seasons®

City of Cedar Rapids

**Development Committee Meeting Agenda**

City Hall Council Chambers

Wednesday, March 9, 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 – February 17, 2016

- Presentations:

1. Housing Programs Overview

Paula Mitchell

*Community Development*

- Recommendation Items:

1. Neighborhood Development Corporation Funding

Caleb Mason

*Community Development*

2. Section 8 Administrative Plan Amendments

Sara Buck

*Community Development*

- Updates

1. Food Trucks Ordinance

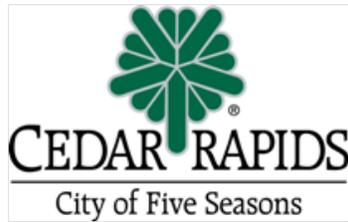
Jeff Hintz/Bill Micheel

*Community Development*

2. Chapter 18 Historic Preservation

Jeff Hintz/Anne Russett

*Community Development*



**City of Cedar Rapids  
DEVELOPMENT COMMITTEE MINUTES  
City Hall Training Room  
Wednesday, February 17, 2016  
3:00 p.m.**

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

Present: Council members Poe (Chair), and Overland. Staff members present: Jennifer Pratt, Community Development Director; Bill Micheel, Community Development Assistant Director; Anne Russett, Community Development Planner; Seth Gunnerson, Community Development Planner; Erica Kubly, Housing and Redevelopment Analyst; Paula Mitchell, Housing and Redevelopment Manager; and Anne Kroll, Community Development Administrative Assistant.

Council members Overland and Poe approved the minutes from January 20, 2016 with unanimous consent.

**Presentations:**

**1. Ed McMahon Video/Zoning Code Update**

Anne Russett, Community Development Planner, stated that a video will be shared of a presentation that Ed McMahon of the Urban Land Institute gave at a Tedx event in Florida. Mr. McMahon came to Cedar Rapids and this video gives a snippet of what was presented. The video can be found here: <https://www.youtube.com/watch?v=qB5tH4rt-x8>.

Bill Micheel, Community Development Assistant Director, stated that about 75 people came to Mr. McMahon's presentation. Mr. McMahon spoke about growth and indicated that Cedar Rapids has a lot of good examples of creating a place that is unique where people would want to live and move to. Mr. Micheel spoke of the following from Mr. McMahon's presentation:

- New construction should enhance community character. What is more important; the character of Cedar Rapids shaping new development or new development shaping the character of Cedar Rapids?
- Different examples were shown of chain businesses and how they do not have to look the same in every town. They can be unique. The town has a choice of what the design will look like.
- Strip mall development is the development for the last century. The new century belongs to main streets, town centers, and mix used development.

Ms. Russett stated that as staff moves forward with the Zoning Code Update and the Neighborhood and Corridor Action Plans, staff will look for opportunities to incorporate some of Mr. McMahon's ideas and expertise to make sure that the new plans and development standards consider the unique characteristics of Cedar Rapids.

Council member Overland stated that NewBo is a great example of old and new that draws people in every day. That same thing on a smaller scale can be created in other areas of City instead of what is traditionally put up where you go and get the service you need and leave. Almost everyone who goes to NewBo goes for a certain reason, but they most likely wonder around first before leaving.

Council member Poe gave an example of a Walmart that is in a log building and it took years for Walmart to be in that community because the community insisted that they be in the log building and not in their standard building. Council member Poe stated that sometimes you have to say no, so as the ordinances are being looked at it is appropriate to say no if these chain businesses are not willing to live up to our design standards. The design of the Flood Control System will also be critically important because it will be left behind for centuries.

### **Recommendation Items:**

#### **1. Parking**

Jennifer Pratt, Community Development Director, clarified that this item is not a recommendation item, but an informational item.

Seth Gunnerson, Community Development Planner, stated that this discussion is about parking in the core, specifically in downtown and NewBo/Lot 44. Jon Rouse, the General Manager of Park CR, is here to assist with the presentation. Mr. Gunnerson stated that the number of permit parkers continues to increase. Two new ramps have been built in recent years and surface lots are being offered for redevelopment. On street parking (only Luke station and pay-by-phone only) has around 20,000 transactions per month (this only counts daytime Monday – Friday). Monthly permit parking has risen from 2,000 to 4,000 in the last three years.

Mr. Gunnerson shared the following about parking in NewBo and Czech Village:

- Free On-Street Parking
- Limited enforcement of time limits
- New off-street parking is private
- Demand in the neighborhood continuing to rise
- Czech NewBo SSMID created in 2015

Mr. Gunnerson shared the following about parking in Lot 44:

- 1,000 parking spaces along the river between 8<sup>th</sup> and 12<sup>th</sup> Ave SE
- In 2015, averaged between 22-91 paid visitor transactions per month (M-F 8-6)
- Signage added in 2015 to highlight free nights and weekends
- Flexible space for event parking

Mr. Gunnerson shared pictures and maps of the Flood Control System (FCS) and pump house construction. The following are impacts on parking of the FCS:

- Will result in loss of approximately 50% of parking in lot 44
- Future Development Opportunity
  - After construction of Flood Control
  - Parking could be included as part of future development

Council member Poe would like to know how much Lot 44 is used on weekends and nights with a windshield count. Council member Poe would like to see new housing there, but what is the plan for some of the parking that will eventually be lost with the FCS as NewBo continues to be

this wonderful hub? Ms. Pratt stated that it is incremental because we do not know what will be developed so we cannot plan ahead. Since the City owns the property, the approach has been that in the RFP there has to be coordination with the adjacent property owners so that the overflow market has space. The experience has been that there will not be any usage above and beyond what will still be there even with the FCS. Council member Poe asked if there is a sense of cooperation between property owners on parking. Ms. Pratt stated that there has been a lot of coordination and shared lots between property owners and having a SSMID established will only increase that.

Council member Poe asked Mr. Rouse if he felt there was enough parking downtown. Mr. Rouse stated that, today, there is. As growth continues, the area of concern is right around City Hall. With the potential of two buildings going up, parking four or five blocks away could create an issue. As the City continues to grow we will have to be creative with parking options. Council member Overland asked if there are more buildings downtown that could add underground parking. Mr. Rouse stated that there are, but it is extremely expensive and may not be feasible. Mr. Gunnerson stated that there is also private parking that could be leveraged.

## **2. IFA Demonstration Grant Support Request**

Erika Kubly, Housing and Redevelopment Analyst, stated that there is a request for support from Commonbond Communities for a Low Income Housing Tax Credit (LIHTC) project with the following details:

- Housing for the Homeless Demonstration Set-Aside
- New construction of 45 total units
- 5 units will provide permanent supportive rental housing for persons experiencing homelessness
- Partnership with Willis-Dady for onsite case management services
- 5 units will be market rate

Ms. Kubly stated that the site location is 1200 Edgewood Road NW and is 1.98 acres of City-owned property. City Council accepted a bid of \$280,000 for disposition on February 9, 2016 and the sale proceeds go to the Fire Department budget. Ms. Kubly shared a rendering and site plan. This project qualifies for 10 year, 100% tax abatement under City's existing Economic Development policy under "Local Match" program, so staff recommends providing the match through Urban Revitalization Tax Exemption which would be contingent upon award of tax credits. Ms. Kubly provided the next steps.

Council member Overland asked if there is enough demand to fill this project. Ms. Kubly stated that the Market Analysis shows demand for this type of housing. Paula Mitchell, Housing and Redevelopment Manager, stated that for this particular market segment set aside for the homeless is a challenge that is seen frequently; getting subsidy that is deep enough or through a mixed income approach like this one that can serve that population. Council member Overland asked if this is one of the first ones with that component to it. Ms. Mitchell stated that Council did see one other project like this which is the Patriot Place project.

Council member Poe would like to see the sidewalk on Edgewood extended to O Avenue. Ms. Pratt stated that if there is development up from there where they maybe received a deferral until such time, which is typical, this could help with a chain reaction where the City can ask for those other sidewalks to be finished. That is believed to be what has happened in the past.

Council member Poe asked if there are specific units that are designated for homeless. Ms. Mitchell stated that the units have not been identified yet, but it would be a requirement that 10% of the units be set aside for homeless units. Council member Poe asked if they would be segregated or placed throughout the unit. Ms. Kubly stated that they would be disbursed throughout. Ms. Mitchell stated that is an IFA requirement.

Council member Poe asked if the neighbors have been informed of this project and what their reaction was. Ms. Kubly stated that there was a neighborhood meeting and they had a lot of questions about tenant selection which the developer was able to answer. There was one concern about surface water management and the developer will speak with Development Services about that.

Council member Poe asked if there was bus transportation route nearby. Ms. Kubly stated that part of the site selection was the proximity to the bus stops.

Council members Overland and Poe approved staff's recommendation to recommend approval to provide match through Urban Revitalization Tax Exemption contingent upon award of tax credits by City Council with unanimous consent.

### **Informational Items:**

#### **1. Chapter 18 Update**

Ms. Russett shared a map of the City's historic districts. The local historic districts are subject to Chapter 18. There are two review processes that apply in Chapter 18. The first one is the historic review process which is applicable to properties in the City's two local historic districts and local landmarks. These properties are required to go through historic review process for any exterior modifications that require a building permit. The second review process is the demolition review process which is applicable to primary buildings fifty (50) years or older city-wide. These properties are required to go through the demolition review process and currently, there is no administrative review process for demolitions. With the Chapter 18 update, staff is looking for opportunities to ensure consistency and clarity in the process, while also streamlining the processes (e.g. allow for administrative review); incorporate best practices in historic preservation; and address concerns raised by the HPC, property owners, and other stakeholders. Staff has been working with the HPC on this update since the Historic Preservation Plan was adopted in September 2015. There is an HPC sub-committee that meets monthly for this update. The following policy issues are being explored:

- Historic Review Process:
  - Requiring historic review for all exterior modifications, not just those that require a building permit
  - Expanding administrative permitting
- Demolition Review Process:
  - Allowing for the administrative review of primary structures 50 years and older
  - Adding a review process for accessory structures
  - Adding a review process for partial demolitions

Council member Overland asked what would be a partial demolition. Ms. Russett stated that is unknown at this time. The only demolitions that go through the process is if it is completely gone, so you could take away 75% of the building and it would not be subject to the demolition

review process. It is unknown what would trigger that partial demolition process, but it needs to make sense and be easily implemented to make sure that it is clear what meets that definition.

Ms. Russett shared stakeholder outreach activities and the anticipated timeline.

Council member Overland asked if any analysis has been done to measure the success factor of having these local historic districts. Are the districts having the intended effect of improving values and shifting the neighborhoods to people who would like to restore the value of the homes? Council member Poe stated that it is a snowball effect because one house starts to improve their property and then the next house does the same. That activity has increased over the last four (4) years.

Council member Poe stated that part of this review process is the funding associated with that. The City requires certain historical structures to fit within the district and they have to have certain features and replacements. While all of that is wonderful, we have to help find ways to help the community as we redevelop. There is a newly forming organization called Cedar Rapids Friends of Historic Preservations and it will include members from every aspect of historic preservation for the sole purpose to raise money to fund people who come before the HPC.

Ms. Pratt stated that the HPC is interested in creating new local historic districts. In order to get the district created education needs to be given to the property owners. Without the Chapter 18 update finished it is hard to tell the property owners what rules and regulations they would be subject to, so this update is a key step as well as funding options in looking at additional districts.

Council member Poe stated that just because a house is over fifty (50) years does not mean that it is historic. It is important to get the houses that are relevant and important to the HPC to get their expertise on. Council member Overland agreed and thinks there should be different criteria than the number of years such as different benchmarks of architecture. Ms. Russett stated that the HPC reviewed at least two or three demolitions a month last year and out of those only two structures were considered historic. Council member Poe stated that should be streamlined because she wants the HPC, who has so many talented people and are an asset to the community, to be able to do what they do best and looking at structures that are not historic is not the best use of their time.

Council members Overland and Poe adjourned the meeting at 4:19 p.m. with unanimous consent.

Respectfully submitted,

Anne Kroll, Administrative Assistant II  
Community Development



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**To:** City Council Development Committee  
**From:** Paula Mitchell through Jennifer Pratt, Director of Community Development & Planning  
**Subject:** Overview of City Housing Programs  
**Date:** March 2, 2016

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The City of Cedar Rapids has been a recipient of Community Development Block Grant (CDBG) funding for over 40 years, and a participating jurisdiction in the HOME Investment Partnership Program since 1994. Throughout this period, the City has offered a variety of programs to assist in meeting the community’s ongoing need for affordable housing. Currently the City administers an Owner-occupied Rehabilitation Program using CDBG, and a First Time Homebuyer Program using HOME funds.

In addition to the programs funded by CDBG and HOME, the City is periodically the recipient of other types of grants that support housing. Current examples include a \$2.4 million Lead Hazard Control Grant Program and disaster recovery housing programs such as the ROOTs Program and the Multi-family New Construction Program. For purposes of this presentation, the focus will be CDBG and HOME-funded programs, however, it should be noted that the program design process takes into account coordination between all of these programs in order to enhance services, avoid duplication, and address a continuum of local needs.

All programs assisted with CDBG and HOME funding must meet income targeting requirements, as the primary objective established by Congress is to provide benefit to low and moderate income citizens, defined as those households earning at or below 80% of the Area Median Income (AMI), adjusted for household size.

The current income limits are as follows:

Family Size	30% AMI Very Low Income	50% AMI Low Income	80% AMI Low-Mod Income (CDBG Eligible)	100% Median Income
1	\$16,450	\$27,350	\$43,750	\$54,700
2	\$18,800	\$31,250	\$50,000	\$62,500
3	\$21,150	\$35,150	\$56,250	\$70,300
4	\$23,450	\$39,050	\$62,500	\$78,100

Income is a federal requirement that cuts across all programs, but many other factors influence program design. Staff will provide an overview of the programs that make up the City’s housing strategy and answer some frequently asked questions about the programs during the presentation.



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**To:** City Council Development Committee  
**From:** Caleb Mason, Community Development  
**Subject:** Neighborhood Development Corp. Funding  
**Date:** March 9, 2016

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### **Introduction**

In January of 2009 the City Council directed staff to pursue establishing a nonprofit neighborhood development corporation based on successful national models to aid in the redevelopment of flood impacted and other core neighborhoods of the City. In March 2009 the City Council accepted the Articles of Incorporation and By-laws of the Neighborhood Development Corporation of Cedar Rapids (NDC) and established a public-private partnership. In June 2009 the NDC was approved as a sub recipient of \$1.5 million in Community Disaster Grant program funds as the seed money to fund the NDCs projects, operations and overhead.

Since its inception in 2009 the NDC has worked to provide catalytic investments in several key projects within the City's core:

- Former Village Bank at 1201 3<sup>rd</sup> St SE (now NewBo Alehouse)
- JP Gasways site at 1113 6<sup>th</sup> St SE (Sky's Edge Development)
- Former Foursquare Church site at 601 1<sup>st</sup> Ave SW
- Former school warehouse on 605 G Ave NW
- 7 ROOTs homes

### **NDC Funding Request**

The NDC has requested City funding to assist with its continued work on core redevelopment projects. Specifically, NDC is requesting to capture a portion of the increased taxes being generated by projects it has completed to fund operations and project costs for additional projects.

To-date the projects which NDC has undertaken or facilitated have not participated in any City Economic Development program, although most of the commercial or mixed-use projects would qualify. Staff estimates that the projects undertaken by NDC provide for an increase in taxes of approximately \$75,000 annually.

### **Staff Recommendation**

Staff recommends providing a 3-year commitment of \$50,000 per year of increased taxes generated by the redevelopment projects. Additionally, staff is recommending an agreement with the NDC memorializing this financial commitment as well as outlining performance expectations of NDC to complete and undertake projects not feasible for private developers in underserved areas of the core.





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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 – 5-Year Plan, Annual Plan, and Administrative Plan; including the Family Self-Sufficiency Action Plan and Homeownership Option Plan amendments.  
**Date:** March 9, 2016

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**Background:** The City of Cedar Rapids Housing Services Office has been administering the Section 8 Housing Choice Voucher (HCV) as the Public Housing Authority (PHA) of Linn and Benton Counties for approximately the last 39 years. This 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 rent 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.

Annually HUD requires Public Housing Authorities to amend their 5-Year, Annual, and Administrative Plans to meet current regulation. Amendments must be listed and submitted to HUD along with any discretionary policy changes.

The proposed changes to these plans have been available for public review since February 1, 2016, with no objections to date. The Section 8 Advisory Board reviewed the proposed changes on January 26, 2016 and there were no objections.

**Proposed Changes:** The City of Cedar Rapids administers the Housing Choice Voucher Program and the functions and responsibilities of the PHA through the HCV Administrative Plan. The purpose of the Administrative Plan is to establish policies for carrying out the program in a manner consistent with HUD requirements and local goals and objectives.

- Annual Plan – update Goals
- Administrative Plan Changes – Regulatory
  - Update definition of “Family” to reflect HUD’s updated definition.
  - Updates required per the Final Portability Ruling of 2015
  - Update section on applying utility allowances per Section 242 of the 2014 Appropriations Act.
- Administrative Plan Changes – Discretionary
  - Denial of Assistance – update for consistency
  - Family Obligations – add policy to give further guidance pertaining to the assisted unit being the family’s only residence.
  - Annual HQS Inspection – replace “missed inspection” with “not available, or refuse entry” to give further clarification.
  - Annual HQS Inspections – update to state the PHA will not determine who is responsible for the HQS violation, rather stipulate the timeframe the violation needs to be repaired.

- Moving Process – update policy to allow a tenant to rescind a notice to move and the requirements for approval.
- Terminations – updating policy to be consistent with other policies in reference to criminal terminations.
- Owner Qualifications – update policy to reflect regulation pertaining to reasons the PHA may bar an owner from participating in the Section 8 program.
- Repayment Policy – update policy to be consistent with the promissory note that is signed when a tenant enters into a repayment agreement for monies owed.
- Family Self Sufficiency Action Plan
  - Update to reflect current funding allocation of 75 participants.

**Recommendation:** Staff recommends Development Committee forward 5-Year Plan, Annual Plan, and Administrative Plan; including the Family Self-Sufficiency Action Plan and Homeownership Option Plan amendments on for approval by City Council.

**Timeline:**

January 26, 2016 – Presentation to Section 8 Resident Advisory Board

February 1, 2016 – March 21, 2016 – Public Comment Period

March 22, 2016 - City Council Public Hearing & Resolution

April 17, 2016 – Deadline for submission to HUD

July 1, 2016 – Effective date of approved changes



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**To:** City Council Development Committee  
**From:** Bill Micheel and Jeff Hintz, Community Development  
**Subject:** Food Truck Update  
**Date:** March 9, 2016

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In January and February of 2016, Community Development Staff met with City Departments and external stakeholders to obtain feedback about food trucks and trailers. During the meeting, staff will outline what groups have been engaged and what the next steps in the process are.



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**To:** City Council Development Committee  
**From:** Anne Russett, Community Development  
**Subject:** Update to Chapter 18 – Historic Preservation of the Municipal Code  
**Date:** March 9, 2016

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### **Introduction**

The City Council adopted the City's first Historic Preservation Plan in September 2015. The Plan is a component of EnvisionCR, the City's comprehensive plan, and outlines goals, policies, and initiatives related to historic preservation. With the adoption of the Plan, the Community Development staff is moving forward with Plan implementation, which includes updating Chapter 18 – Historic Preservation of municipal code.

At the Development Committee's February 17, 2016 meeting, the staff provided the Committee with an overview of Chapter 18 and the current processes, as well as some potential updates to the ordinance that are being considered. On March 9, 2016, the staff will provide an update on the stakeholder outreach process and some feedback received to date.

### **Stakeholder Outreach**

As part of this process the Community Development staff is reaching out to a variety of different stakeholders. To date we have held focus group meetings, scheduled one-on-one meeting with key stakeholder groups, and sent out a survey to property owners in the local historic districts. The following summarizes the feedback received to date.

### ***Focus Groups***

In November, the staff organized two focus group meetings. One focused on the demolition review process, while the other focused on the historic review process.

The demolition review focus group included developers, demolition contractors, and preservation advocates. The following is a summary of the key points:

- Concerns expressed about length of process when hold is placed
- Concerns expressed about inconsistency of applying a hold (i.e. placing hold on non-historic property)
- Concerns expressed regarding photo documentation – need to clarify the process and ensure the photos are taken in a timely manner
- Mixed feelings on applying a demolition review to accessory structures – group agreed that the criteria would need to be different (more narrow) than primary buildings 50 years and older
- Mixed feelings on partial demolitions – concerns regarding property owners ability to make modifications, expressed a need for a clear definition for partial, opportunity for photo documentation
- Supportive of expanded administrative permitting
- More than anything the group expressed a need for clear and concise rules and consistency in the process

The historic review focus group included property owners, and one contractor. The following is a summary of the key points:

- More education is needed in district on the requirements (for property owners, realtors, etc.)
- Concerns expressed regarding requiring a COA/CNME for projects that *do not* require a building permit
- Concerns regarding situations of no investment due to economic realities (e.g. vinyl windows)
- Supportive of expanding administrative permits
- Some concerns regarding requiring additional materials with application, but feel that sample photos or brochures are reasonable

### ***Meetings with Key Groups***

Community Development staff met with the following key stakeholder groups:

- 2/3/2016: Developer's Council
- 2/5/2016: Economic Alliance
- 2/9/2016: Czech Village / New Bohemia Main Street Design Committee
- 2/10/2016: Affordable Housing Network

Upcoming meetings include:

- 3/3/2016: Save Cedar Rapids Heritage
- 4/12/2016: Wellington Heights Neighborhood Association

### ***Survey Results***

In early February, the staff mailed a survey to all property owners in the City's local historic districts. The purpose of the survey was to get input from property owners on potential changes to the historic review process. Here is a summary of the survey results:

- Received 53 surveys back for a response rate of 15%
- 50% of respondents have gone through the historic review process. Some concerns expressed regarding this process include the time involved in the review, unfamiliarity with the process, and the need for consistency in the process. Some positives expressed about the process include that although it was time consuming, it was not difficult and staff's helpfulness throughout the process.
- 76% of respondents do not support a change that requires historic review for any exterior modifications (i.e. modifications that do not require a building permit)
  - Survey respondents expressed concerns regarding additional requirements and regulations
  - Cost of potential historic modifications were also identified as a concern
- The top 5 modifications that respondents felt should be subject to administrative review include: 1) Roofing, 2) General Repair, 3) Fences, 4) Garage Door Installation, and 5) Rear Yard Decks.

### ***Public Workshop***

On March 8, the staff is holding a public workshop to obtain additional input on potential changes to Chapter 18. At your meeting on March 9, the staff will provide a verbal update on the workshop.

### **Next Steps**

In terms of next steps, the Community Development staff will continue to meet with the Historic Preservation Sub-Committee and stakeholder groups. A draft of the ordinance is anticipated in April.

**Recommended Actions:**

None