The meeting was brought to order at 8:05 a.m.

Present: Councilmember Vanorny; Councilmember Poe; Councilmember Hoeger; Jennifer Pratt, Community Development Director; Bill Micheel, Community Development Assistant Director; Seth Gunnerson, Community Development Planner; Caleb Mason, Economic Development Analyst; Sara Buck, Housing Programs Manager; Lauren Freeman, Community Development Program Coordinator; Jillane Shultz, Community Development Administrative Assistant;

1. Approval of Minutes
Councilmember Vanorny motioned to approve the minutes from the September 18, 2018 meeting. Councilmember Poe seconded the motion. The motion passed unanimously.

2. Recommendation Items

a. ReZone
Seth Gunnerson, Community Development Planner, shared a presentation to highlight ReZone accomplishments since January 2018, as well as introduce the next steps of the adoption phase. The last zoning code update was in 2006 before core redevelopment took place. ReZone contains clear, updated standards for all areas of town that are flexible, predictable, and modern.

Public Outreach
- Project Start – Early 2016
- Open House #1 – June 2016*
- Open House #2 – May 2017*
- Open House #3 – October 2017*
- Open House #4 – June 2018
- Farmer’s Markets, Resident Appreciation Night, EcoFest, and other events

Stakeholder Involvement
- User Groups
  - Design Professionals
  - Realtors
  - Sign Companies
  - Historic Preservation
• Core Districts
• Others
• Developer’s Council
• Local Non-Profits

**Urban Form Stakeholder Outreach**
• Downtown
• Kingston Village
• NewBo/Czech Village
• MedQuarter
• Northwest Neighborhood*
• College District*
(* In conjunction with Action Plans)

**Draft Review**
• Public Review Draft released July 3
• Public Comment Period through August 3, over 200 comments received
• This Fall:
  – Staff editing
  – Further stakeholder outreach

Mr. Gunnerson shared that there will be a broader mix of zones, which include urban, traditional, and suburban. These three zone districts are reactive to different character areas of the community and define the types of structures desired in these districts. Mr. Gunnerson stated that mixed-used zoning would replace commercial and additional flexibility granted in multi-unit developments. Along with revisions to the use table, updated parking standards include reduced urban parking requirements, new maximum parking guidelines, and secure bicycle parking that is both short and long term. Mr. Gunnerson shared that new urban design standards include parking lot placement and building form standards.

Major design exception will provide project flexibility and replace the Preliminary Site Plan. A zoning review committee will form to help review and prioritize amendments to the code. As the City moves into the adoption phase, staff will focus on the informational and application materials.

**Adoption Schedule**
• **October 16** – Development Committee
• **October 23** – Motion Setting a Public Hearing
• **October 26** – Final Draft Released
• **November 1** – City Planning Commission Review
• **November 13** – City Council Public Hearing
• **November 27** – 2nd and possible 3rd Reading
• **December** – Related Council Action
• **January 1** – Effective Date of New Ordinance
Councilmember Vanorny asked how ReZone adapts to shelters.

Mr. Gunnerson stated that within the use tables, shelters are permitted in a number of districts. Some may be a conditional use within a mixed-use district. Currently, for a conditional use in a residential neighborhood, there is a separation requirement. This requirement means there cannot be a similar use within a quarter mile of the shelter. The zoning code update will remove the separation requirement, but it will remain a conditional use.

Councilmember Poe asked if rear parking would be required if a building addresses the street under the new urban design standards.

Mr. Gunnerson stated that it is handled by zone district. Urban districts, for example, are a form-based code. In areas where a building has to go to or very near to the sidewalk, parking is required on the side or the rear. Situations where this may not be feasible are recognized.

Councilmember Poe asked if parking should be encouraged in the rear, within traditional zones, and how the City can sustain and maintain alleyways.

Mr. Gunnerson stated that rear parking is an option, but not a requirement in traditional zones. A developer could take a traditional zone district and incorporate alleyways at the edge of town, for example. Alleys are not required in traditional zones, but allowed. If the City wishes to make it a requirement, it could be accomplished through future updates.

Councilmember Vanorny asked how ReZone applies to parking requirements for developments, such as Westdale and Lindale.

Mr. Gunnerson stated that parking minimums have been reduced, as well as maximums. There is not a set maximum, however, additional elements such as landscaping are required, which may reduce an overabundance of parking. If it is an existing paved condition, it can pose a greater challenge. The code itself does not require compact development, but will encourage growth and effective use of space.

Councilmember Vanorny motioned to move ReZone to City Council for a November 13 Public Hearing. Councilmember Hoeger seconded the motion. The motion passed unanimously.

b. Historic Rehab Guidelines
Lauren Freeman, Community Development Program Coordinator, shared a presentation on the Historic Rehabilitation Program Guidelines and application updates.

The Historic Rehab Program is a grant and loan program that provides funds in the Local Historic Districts and owners of Local Landmarks.

- Fiscal Year 2017 - $50,000 budgeted
  - Program committed $43,647
  - Program paid out $38,461
- Fiscal Year 2018 - $50,000 budgeted
  - Program committed $11,980
The purpose of revising the guidelines was due to $38,020 of uncommitted funds remaining at the end of Federal Fiscal Year (FFY) 2018. The City advertised the program via their website, as well as with postcards sent to residents in the two, local historic districts. City staff drafted revisions to help make the program more accessible to interested participants and increase number of applicants.

Ms. Freeman stated that the revisions allow commercial properties, as well as residential, to take advantage of the program. Loans previously offered will be eliminated, and two tiers of grants will be available based on household Area Median Income (AMI). Ms. Freeman shared that eligibility for re-roofing projects will broaden and funding prioritization will be more clearly defined. If the applications received exceed $50,000, the Historic Preservation Commission can better understand how to prioritize funding. New construction will also become an eligible project for funding.

Councilmember Vanorny asked why interested residents who received postcards did not follow through on their applications. Ms. Freeman stated that the specific projects were discussed with the residents, and although they may have qualified for the loan, they often did not wish to move forward because they may have secured financing already. Roofing project restrictions also played a factor. Ms. Freeman stated that revisions will increase successful applications.

Councilmember Hoeger asked if a home must be designated as historic to qualify if it is in a historic district. Ms. Freeman stated that all local historic district homes qualify.

Councilmember Hoeger asked if commercial properties qualify for the new construction portion. Ms. Freeman stated that they are eligible based on AMI, as long as it is in a local historic district or designated as a local landmark.

Councilmember Hoeger asked if the uncommitted funds carry over into 2019 and if the Historic Preservation Commission can use these for other projects, such as the Bever Park Bridge.

Ms. Freeman stated that the funds will be granted on a first come, first serve basis. Once the uncommitted 2018 funds are awarded, staff will apply for funding again in 2019.

Jennifer Pratt, Community Development Director, stated that the goal is to award uncommitted funds first, which will position the program well until July 1, 2019 when FFY20 begins. Ms. Pratt shared that half of the $50,000 is from the Tax Increment Finance (TIF) district, which makes use of the funds geographically limited. Ms. Pratt is confident the remaining funds will be awarded after the revisions are made.

Councilmember Poe asked if there is any difference between residential or commercial for new construction. Ms. Freeman stated that it did not make a difference, as it is based on AMI.

Councilmember Vanorny asked if the City is confident that realtors are aware of this program, as well as the Neighborhood Finance Corporation (NFC). Ms. Pratt stated that NFC attends realtor
meetings, and City staff are constantly looking for ways to share information about the Historic Rehabilitation program with residents at a time when it is relevant to them.

Councilmember Vanorny motioned to move the Historic Rehab Guidelines to City Council on October 23. Seconded by Councilmember Hoeger. The motion passed unanimously.

c. CDBG/HOME Priorities
Sara Buck, Community Development Housing Programs Manager, shared a presentation on the Federal Fiscal Year (FFY) 2019 CDBG & HOME Priorities. This is an annual process adopted to establish priorities to CDBG & HOME funds. Ms. Buck shared that it is an effort to target limited entitlement resources. Recommendations are based on current allocation amounts. FFY 19 numbers will not be available until Spring 2019. CDBG & HOME priority recommendations are consistent with statutory limits and requirements.

**CDBG Percentage Recommendations:**

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<th>Percentage</th>
<th>Estimated Amount</th>
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<td>Public Service</td>
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<td>Housing</td>
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<td>Other Eligible Community Needs</td>
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<td></td>
<td>100 %</td>
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**HOME Percentage Recommendations:**

Ms. Buck shared that the Neighborhood Certification Program has up to $50,000 set aside for activities carried out by CDBG-eligible certified neighborhoods. The fourth year of this program creates funding consistency among Neighborhood Associations. Activities must be consistent with Neighborhood Associations Work Plan, as adopted by City Council.

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*Statutory Limitation

**Minimum Requirement**
Ms. Buck shared that under the Neighborhood Certification Program, up to $50,000 is set aside for activities carried out by CDBG-eligible certified neighborhoods. This program is in its fourth year, creating funding consistency among Neighborhood Associations. Activities must be consistent with the Neighborhood Association’s Work Plan, as adopted by City Council.

Next Steps:
- **October 23, 2018** – City Council consideration
- **October 30, 2018** – Pre-application workshop
- **December 3, 2018** – Applications due to the City
- **February 2019** – Grants and Programs Committee
- **March 2019** – Public Hearing on draft Annual Action Plan
- **April/May 2019** – City Council adoption of Annual Action Plan

Councilmember Vanorny asked Ms. Buck to elaborate on CDBG activities. Ms. Buck stated that for public service, it is dependent on type of application. Waypoint, funding for services rendered, facility projects, and providing housing are included. Section 8 is the Housing Choice Voucher program, and separate from these funds.

Councilmember Vanorny asked if this program can be used in conjunction with the Historic Rehab program. Ms. Buck stated that they meet with applicants ahead of time to discuss eligibility, and both can be used in conjunction if they choose.

Councilmember Hoeger asked if transportation would be listed under public services. Ms. Buck stated that it would.

Councilmember Hoeger asked if it applies to public transit. Ms. Buck stated that they can apply for funding, and City staff can view who has applied for both categories for eligible community needs.

Councilmember Hoeger asked if bike share vouchers will be available when it is ready to launch. Ms. Pratt stated that it will be based on applications received. If a non-profit is interested, they are encouraged to apply.

Councilmember Vanorny motioned to move the CDBG/HOME Priorities to City Council. Seconded by Councilmember Hoeger. The motion passed unanimously.

### 3. Updates
#### a. Affordable Housing Commission
Ms. Buck shared an update on the Affordable Housing Commission (AHC). The AHC held its first official meeting on October 10, 2018. After introductions and discussion of the commission’s role, members reviewed a proposed meeting schedule and agreed to meet six times a year. The group reviewed and provided comments on two proposed Low-Income Housing Tax Credit projects. The next meetings will be held in November for by-law approval and again in January for discussion of the Housing Market Study.
Councilmember Vanorny shared that she would like to work with the Affordable Housing Commission on felony barriers, as well as minimum standards for neighborhoods in need of affordable housing for new projects.

Ms. Pratt stated that reducing barriers would be in the purview of the continuum of care for transitional housing. Specifically, for Section 8 vouchers, there is an advisory board that meets quarterly. It is a HUD requirement that those participants make recommendations.

Ms. Pratt stated that inclusionary zoning is a requirement for the Affordable Housing Commission. Annual housing market surveys are indicators for when it is necessary to increase affordable housing at the appropriate times and must be timed correctly.

b. First & First West
Caleb Mason, Economic Development Analyst, provided an update on First and First West.

**Actions To Date**
- June 2018
  Development Committee
- July 24, 2018
  Development Committee
- September 2018
  RFQ Released
- November 9
  RFQ Responses Due

**Next Steps**
- November 2018
  Development Team Finalists
- December 2018
  Interviews with Finalists
  City Council selects Master Developer
- January-March 2019
  Agreement with Master Developer
- April – July 2019
  Community Visioning Initiative
- August – September 2019
  Master Plan Approval & terms for Development Agreement

Councilmember Hoeger asked how this was advertised to local developers. Mr. Mason shared that direct mailings were sent to developers, as well as to those who communicated interest. In order to broaden the reach of the City, other major cities like Des Moines and Omaha were contacted for developer information. The Urban Land Institute and International Economic Development Corporation also advertise via their email distribution lists.

Councilmember Hoeger asked if there will be informational meetings. Mr. Mason stated that a comprehensive RFQ was carefully drafted for interested developers to review. The City
understands that there may be questions, and when received, they are documented and answers are shared with all interested parties to ensure consistency.

Councilmember Poe asked what questions have been received so far. Mr. Mason stated that there have been questions regarding the Community Visioning Initiative and structured, formal responses were provided.

4. Public Comment

Public comments were heard. Please see attached.

5. Future Discussion Items

Councilmembers Vanorny and Hoeger adjourned the meeting at 9:04 a.m. with unanimous consent.

Respectfully submitted,

Jillane Shultz, Administrative Assistant II
Community Development