



Windsor
Heights
the heart of it all

TO: Mayor & City Council

From: Jeffrey A. Fiegenschuh, City Administrator

Re: Monthly Report

Date: July 21, 2014

Below is a list of projects I have been working for the past month. Let me know if you have any questions

Street Project-Phase I of the project is beginning to wind down and will be completed in the next few weeks. V & K is scheduled to be at the next Public Works committee meeting to give an update on the overall project progress. The committee will also discuss Phase II (80th Street) and III (additional overlay work) implementation will begin next spring. Jason and I will work with V & K to prepare a list of streets we are recommending for the final phase of this project. As we progress my hope is to build and be able to fund a 5-year street overlay program that will make significant inroads in updating our street inventory.

New Building-Please see the staff report included in the council packet. The building committee is recommending we move forward with this contract in order to maintain an October move in date. I will include an updated project expense report at the end of August detailing all the expenses associated. If you have any suggestions regarding the facility feel free to contact any of the members of the building committee.

Community Survey- The survey is completed and ready for you to review and take online. This is the test case only and will not be calculated in the final results. The actual survey will be ready for the public to take on July 19th and will be available for public review through the end of August. Quester will have the final tabulated survey ready to present to the council in early October. If you have any questions let me know.

Strategic Planning- David Unmacht provided staff with the initial draft document of the June 9th Strategic Planning session last week. At our next leadership meeting, the department heads will

formulate goals and action items based on the policy directions discussed at the planning session. Our team will present this document to you for final review and approval at the first council meeting in August.

Streetscape Project-The subcommittee has met three times with Confluence to finalize a recommendation to the Development Committee, which in turn will give its final recommendation to the full City Council. Confluence will be attending and presenting at the July 21st meeting on the progress of the project and the design work the Development Committee is considering. Our group will be seeking final approval in late August or early September for the Council in order to meet our October 2014 bid letting deadline. This project truly emphasizes how resident participation can help to lead a project towards success.

Design & Overlay Guidelines-Sheena and I are working with Zane Muntz (Planning and Zoning) to develop new community wide design standards that will be similar to the Hickman Overlay District. Once approved these new standards will encompass all commercial districts city wide and will replace the Hickman Overlay code. We will make recommendations to the Development Committee. Those recommendations will go to Planning and Zoning and ultimately to the City Council. Our hope is to present the final plan to the City Council in October for final consideration. Sheena and I will keep you updated as the project progresses.

League of Cities Policy Committee-As you know I serve as a member of the IA League of Cities Legislative Policy Committee. Last month our group met to discuss legislative priorities in the coming legislative session. Both Mayor Willits and I completed an online survey of priorities that was completed by cities state wide. Our committee then discussed and categorized the top ten priorities the League should focus on. Attached to this report is the draft list (very preliminary) of priorities our committee is considering. Many of our City's concerns (LOST, Rental Programs, Zoning issues) are included in this list.

Certified Public Manager-Please see the attached report from my first official test in the CPM course. As you can see I scored very well. I very much appreciate your support going through this program. Many of the tools I'm learning in the course are and will be put to use in Windsor Heights.

Other Meetings Attended:

- Meetings with Residents
- Staff meetings & 1:1 meetings with Department Heads
- Chamber board meeting
- Young Professionals Meeting
- Trail Hub Fundraisers
- Drake CPM Course
- Meeting with Mayor and developers regarding potential projects on Hickman
- Coffee with Council Members
- Policy and Admin Committee

- Fire Committee
- Worked 4th of July Celebration
- Building Committee Meeting
- Marketing Committee Meeting
- Meeting with City's financial advisor to discuss debt report and future projects
- City Council Meeting
- Planning and Zoning Meeting

| | | |
|------------------------|---------|---------|
| Name: Jeff Fiegenschuh | CPM #21 | Exam #1 |
|------------------------|---------|---------|

Answer each of the following

Question #1

| | | | | |
|--|-----------------|------------------------------|--------------------|----------------------|
| Introduction to Public Management/Administration: | | | | |
| Directly and thoughtfully answered all aspects of the question and utilized the materials presented in the session | Please Resubmit | Minimally meets Expectations | Meets Expectations | Exceptional Response |
| | | | | |

Question #2

| | | | | |
|--|-----------------|------------------------------|--------------------|----------------------|
| Role of Citizens in Public Sector Management: | | | | |
| Directly and thoughtfully answered all aspects of the question and utilized the materials presented in the session | Please Resubmit | Minimally meets Expectations | Meets Expectations | Exceptional Response |
| | | | | |

Question #3

| | | | | |
|--|-----------------|------------------------------|--------------------|----------------------|
| Leadership Tools Workshop: | | | | |
| Directly and thoughtfully answered all aspects of the question and utilized the materials presented in the session | Please Resubmit | Minimally meets Expectations | Meets Expectations | Exceptional Response |
| | | | | |

Question #4

| | | | | |
|--|-----------------|------------------------------|--------------------|----------------------|
| Ethical Public Sector Management: | | | | |
| Directly and thoughtfully answered all aspects of the question and utilized the materials presented in the session | Please Resubmit | Minimally meets Expectations | Meets Expectations | Exceptional Response |
| | | | | |

Comments:

Great!

IOWA LEAGUE OF CITIES - 2015 LEGISLATIVE PRIORITIES

Local Budget Issues and Decision-Making

City budgets are put under pressure to maintain or increase services and comply with increasing regulations and mandates with fewer resources. Our citizens need and expect cities to provide safe communities and quality infrastructure, in addition to other valued services. Without legislation, cities cannot have an impact on those cost-drivers outside of their control and need additional resources and the ability to make decisions at the local level.

City Finances and Property Tax Backfill: Diversify funding options for cities and continue to ensure the commercial and industrial property tax backfill.

Transportation Funding: Increase funding and resources for road and bridge infrastructure.

Pensions: Pursue systemic changes to the Municipal Fire and Police Retirement System of Iowa (MFPRS) and also make certain fairness for IPERS through ensuring the long term sustainability while controlling costs to cities.

Environmental Regulation: Provide funding for and supportive policies related water and wastewater infrastructure development to meet demands of increased environmental regulation. Assess the need for additional resources or policies to address issues caused by weather and other natural events.

Economic Development and Community Growth

Cities are drivers and partners for economic development projects and provide services that make attractive communities. They need a supportive environment to continue to attract economic development and to provide the types of opportunities that make appealing places to live.

Local Economic Development: Sustain funding levels for economic development programs and preserve economic development policies that are flexible.

Community Growth: Expand resources and provide supportive policies for community development to provide for citizen-supported opportunities.

Legislative Policy Committee 2014

June 25, 2014

Des Moines, IA



Legislative Policy Committee June 25, 2014

2014 AGENDA

- 10:00 a.m. – 10:10 a.m. Welcome and Introductions
- 10:10 a.m. – 10:30 a.m. League Legislative Update
- 10:30 a.m. – 11:00 a.m. Pensions
 - Gretchen Tegeler – Central Iowa Tax Payer's Association
- 11:00 a.m. – 11:30 a.m. Environmental Issues
 - Ralph Rosenberg – Iowa Environmental Council
- 11:30 a.m. – 11:35 a.m. Small City Finance Update
- 11:35 a.m. – 12:00 p.m. Grab Lunch and Open Discussion
- 12:00 p.m. – 12:20 Working Lunch - Land Use Issues (Eminent Domain, Special Assessments, Cell Tower Siting, Residential Occupancy Restriction)
- 12:20 p.m. – 12:50 p.m. Economic Development Policies
 - Craig Patterson, Professional Developers of Iowa
- 12:50 p.m. - 1:20 p.m. Transportation
 - Dave Scott, Good Roads Association
- 1:20 p.m. - 1:30 p.m. Property Tax Reform Update
 - Erin Mullenk
- 1:30 p.m. – 2:00 p.m. Develop priority options for consideration at next meeting



LEAGUE LEGISLATIVE UPDATE

Overview of Policy Committee

- Thank You!
- Expertise
- Ask Questions
- Broad Priorities

NOVEMBER ELECTIONS

National Elections: Nov. 4, 2014

- **United States Senate (Currently 53 D, 2 I & 45 R)**
 - Bruce Braley (D) versus Joni Ernst (R)
- **United States House of Representatives (Currently 233 R & 199 D)**
 - 1st District: Rob Blum (R) versus Pat Murphy (D)
 - 2nd District: Dave Loebsack (D) [Incumbent] versus Marinette Miller-Meeks (R)
 - 3rd District: Staci Appel (D) versus David Young (R)
 - 4th District: Steve King (R) [Incumbent] versus Jim Mowrer (D)

State Elections: Nov. 4, 2014

- **Governor**
- **Secretary of State**
 - Matt Schultz (R) [Running for US House]
- **Attorney General**
- **State Treasurer**
- **Iowa Senate (Currently 26 D & 24 R)**
 - Dennis Black (R) [Retirement]
 - Nancy Boettger (R) [Retirement]
 - Sandy Greiner (R) [Retirement]
 - Jack Hatch (D) [Running for Governor]
 - *Joni Ernst (R) [Running for US Senate]
- **Iowa House (Currently 53 R & 47 D)**

2014 LEGISLATIVE SESSION

2014 Session Atmosphere

- **Goal of a Short Session**
 - Passage of SF295 and other compromises in 2013
 - Election Year
- **Differing Budget Ideologies**
 - Commercial and Industrial Backfill
 - One-Time Spending-Bill
- **Oversight Committee on Employee Settlements**
- **Limited Impact to Cities**

2014 Priorities: Infrastructure

Increase existing funding and develop new funding resources for city infrastructure needs, which include maintaining Iowa's roads and bridges and water and wastewater compliance.

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Road and Bridge Infrastructure

- **HSB514** Gas tax The bill increases the rate of the excise taxes on motor fuel and most diesel fuel by a total of 10 cents over three years
- **Additional Bills Related to Excise Taxes**
- **Additional Amendments**
 - DOT and Standings
- **DOT Funding Options**

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Water and Wastewater Infrastructure

- **Water Quality Grant Protection Fund and Nutrient Reduction Strategy Point Source Cost Share Program**
 - Would have created a Water Quality Protection Grant Fund (\$23 million) at Iowa Finance Authority to award grants of not more than \$500,000 to municipalities or industries for water infrastructure
- **Iowa Nutrient Research Center Additional Funding**
- **Winter Weather**

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Emerald Ash Borer

- SF2212 Yard Waste
- SF2159 Woodland Health Advisory Committee

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2014 Priorities: Pensions

Ensure long-term sustainability and fairness of the Municipal Fire and Police Retirement System of Iowa (MFPRSI). Enact changes to MFPRSI that result in a more balanced system and control costs to cities.

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Pension Bills

- HF2047—increases responsibilities of MFPRSI Board of Trustees; Creates new appeals process for injured employees
- SSB3159—Multiple Provisions and 3.79%
- PQRS Bill on increasing from 1.5 to 2.5 times for maximum payout
- SF2089—Would provide a benefit not being paid for during the working life of the IPERS employee (thus increasing the rates for employers and employees); Would allow someone who was in special service for at least 22 years and then went to work in position covered by regular IPERS to have that time calculated as if they were still in special service, without paying the higher rates associated with that type of retirement.
- Several bills to add groups to the IPERS protected class;
- HSB576—IPERS bill

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2014 Priorities: Economic Development and City Finances

Support essential and diversified funding options, including property tax backfill for local revenue losses and diversified revenue options; support progressive economic development policies and maintain funding for key economic development programs.

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City Finances

Property Tax

- **HF2473 - Backfill from SF295**
 - Mechanics with Counties and Department of Revenue
- **HF2466 - Addition of Section 42 to Multi-Residential**

Diversified Funding Options

- **SF2331 - Single City Election and Formula for Local Option Sales Tax (LOST)**

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Economic Development Programs

High Quality Jobs and Work Force Housing

- **HSB542 & SSB3129 - Changes Wage Thresholds and Expands from 1% of Eligible Area**
- **Redevelopment Tax Credit**
 - **SSB3050 & HSB540 - Allows Refundability for Non-profits and Public Buildings**

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Economic Development Policies

- HF2192 - Rural Water Territory
- ~~Broadband Expansion~~
- ~~Local Option Sales Tax (Single City Election)~~
- ~~City Self-Funded Debt~~
- ~~Tax Increment Financing~~
 - ~~Public buildings prohibition~~
 - ~~Annual appropriation restriction~~
 - ~~Phase-out of TIFs beyond 20 years~~
 - ~~Restriction to 20 years for all future~~

2014 Priorities: Local Decision Making

Ensure legislation enhances a city's ability to make decisions at the local level to operate efficiently and to deliver city services more effectively.

Local Decision Making

- **Clarification of city election process**
 - HF2065 - Allows Absentee Ballot for City Elections
- **Unmanned Aerial Vehicles**
 - HF427 - Study and Traffic Enforcement Prohibition
- **Cell Tower Siting**
 - HF2472 - Broadband Expansion
- **Residential occupancy zoning**
 - SSB3069 - Restricts Use of Zoning for Rental Property
- **ATVs on Secondary Roads**

Other Important Legislation

- Iowa Public Information Board (IPIB) Appropriation – Additional FTE
- SF2310 – Host Liability for Underage Possession
- HF2109 – E-Cigs
- HF2408 – Underground Excavation



Gretchen Tegler, Central Iowa Taxpayers Association

PENSION SYSTEMS



Ralph Rosenberg, Iowa Environmental Council

ENVIRONMENTAL ISSUES



League Staff

**SMALL CITY FINANCE
WORKGROUP UPDATE**



2014 Small City Finance Recommendations

- Support of additional resources for road and bridge improvements
- Update winter water main break survey for more accurate information
- Abandoned school and derelict buildings
- Protection of TIF as an economic and community development tool.
- Funding of township fire service with a focus on equipment costs
- Subject capital improvement levy to reverse referendum with disclosure of the projects being funded.
- Protect special assessments.
- Ambulance/EMS costs are difficult to fully cover, need additional tools to fund services, particularly in rural areas.
- Changes to the Iowa Law Enforcement Academy structure.



League Staff

LAND USE ISSUES



Land Use Issues

- Eminent Domain
- Special Assessments
- Cell Tower Siting
- Residential Occupancy Restriction



Craig Patterson, Professional Developers of Iowa

ECONOMIC DEVELOPMENT POLICIES



Dave Scott, Good Roads Association

ROAD AND BRIDGE INFRASTRUCTURE



Erin Mullenix, Research and Fiscal Analyst

PROPERTY TAX UPDATE



City Property Tax Impacts

- **Fiscal Conditions:**
 - Valuations and trends
 - New League Fiscal Conditions Report
- **Tracking Impacts Over Time**
 - League Property Tax Tracking Project
 - IDR/ISAC Working Group Update
 - Rollbacks
 - Multi-residential/telecommunications phase-ins
 - State backfill
- **Questions Remaining Unanswered**
 - Data not yet available
 - Backfill amounts
 - 2014 residential rollback order (2015 will be more interesting with ag-land trends)
 - Multi-residential valuations/impacts
 - Telecommunication exemption impacts



2014 LEGISLATIVE PRIORITIES DISCUSSION



Legislative Priority Themes 2008-2013

- Transportation Infrastructure
- Alternative Revenues
- Water and Waste Infrastructure
- Pension Systems
- Economic Development



2014 Legislative Priority Survey Ranking

Below are the results of the Legislative Priorities Survey. The table at left are the results as ranked by the League Board and Policy Committee (30 responses). The table at right the most frequently noted categories from the all-membership survey.

| Ranking based upon Survey Mean | Most Frequent Responses (All-Members) |
|--|--|
| Property Tax & Backfill Security (including Multi-Family Reform) | Roads/Bridges/RUIF/Gas Tax or Alternatives |
| Roads/Bridges/RUIF/Gas Tax or Alternatives | Property Tax & Backfill Security (including Multi-Family Reform) |
| Tax Increment Finance (TIF) | Water/Stormwater/Wastewater Issues |
| Pension Systems (including MFPRSI & IPERS) | Tax Increment Finance (TIF) |
| Water/Stormwater/Wastewater Issues | Eliminate Government Mandates |
| Alternate City Revenues | Pension Systems (including MFPRSI & IPERS) |
| Home Rule | Economic Development |
| Economic Development | Home Rule |
| Abandoned Buildings/Nuisance Properties | Local Option Sales Tax |
| Local Option Sales Tax | Alternate City Revenues |
| Eliminate Government Mandates | Abandoned Buildings/Nuisance Properties |

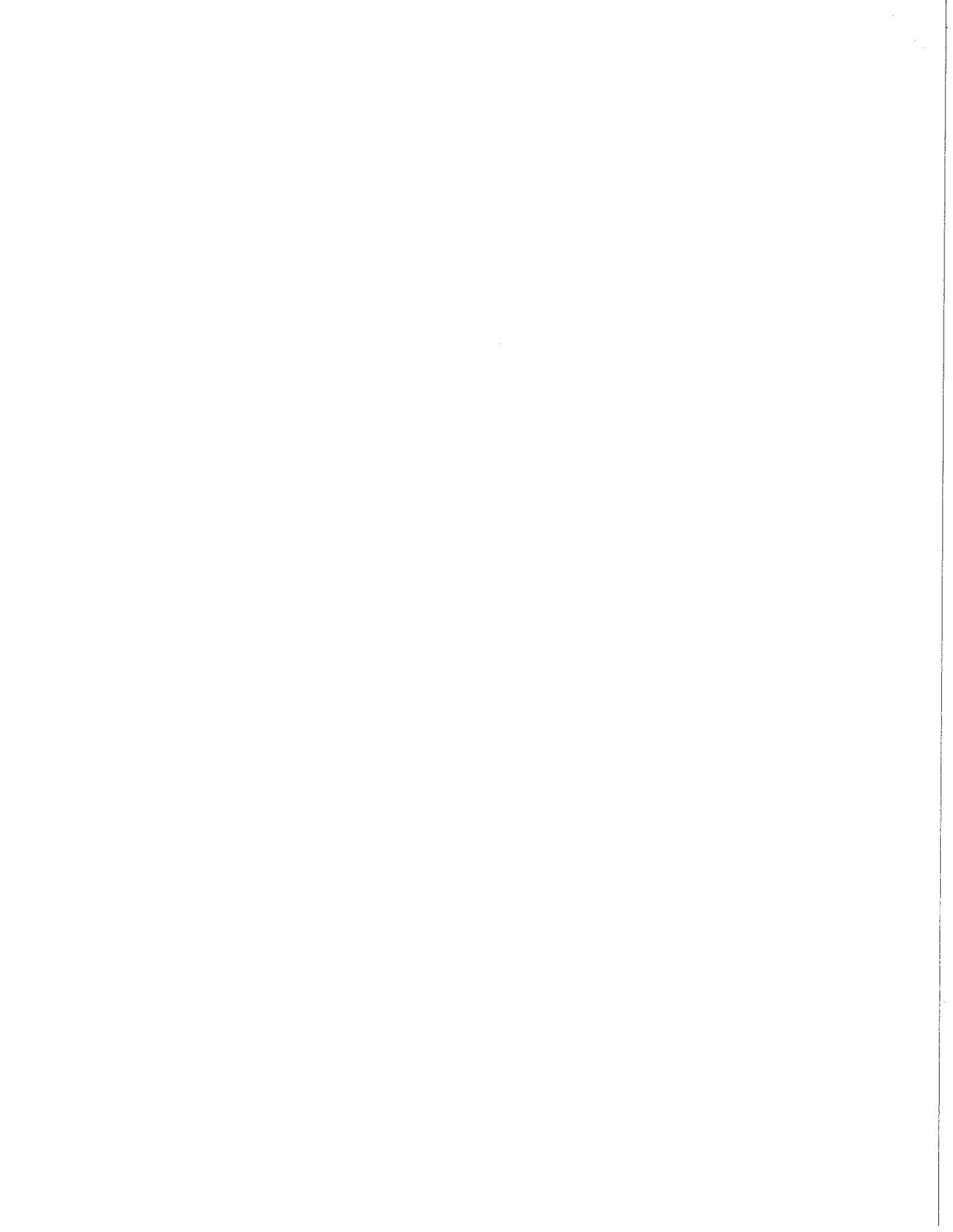


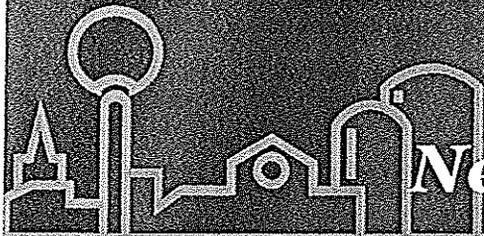
2014 Small City Finance Recommendations

- Support of additional resources for road and bridge improvements
- Update winter water main break survey for more accurate information
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- Funding of township fire service with a focus on equipment costs
- Subject capital improvement levy to reverse referendum with disclosure of the projects being funded.
- Protect special assessments.
- Ambulance/EMS costs are difficult to fully cover, need additional tools to fund services, particularly in rural areas
- Changes to the Iowa Law Enforcement Academy structure









Iowa League of Cities

New Laws of Interest to Cities

June 2014

Reminder:

Unless otherwise noted,
the effective date of the
legislation is July 1, 2014.

The text of each bill is
accessible from the General
Assembly's Web site:

[https://www.legis.iowa.gov/
Legislation/Find/findLegisla-
tion.aspx](https://www.legis.iowa.gov/Legislation/Find/findLegislation.aspx)

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The 85th General Assembly adjourned *Sine Die* Friday, May 2, 2014. Following a 2013 session that culminated in major compromise and reform to property tax, Medicaid expansion and education, the goal at the beginning of the 2014 session was to finish well before April 22, the scheduled 100th day. However, instead of finishing early, the legislative session stretched into May, coming to a politically-charged close. This report covers the legislative highlights and bills the legislature passed that affect cities.

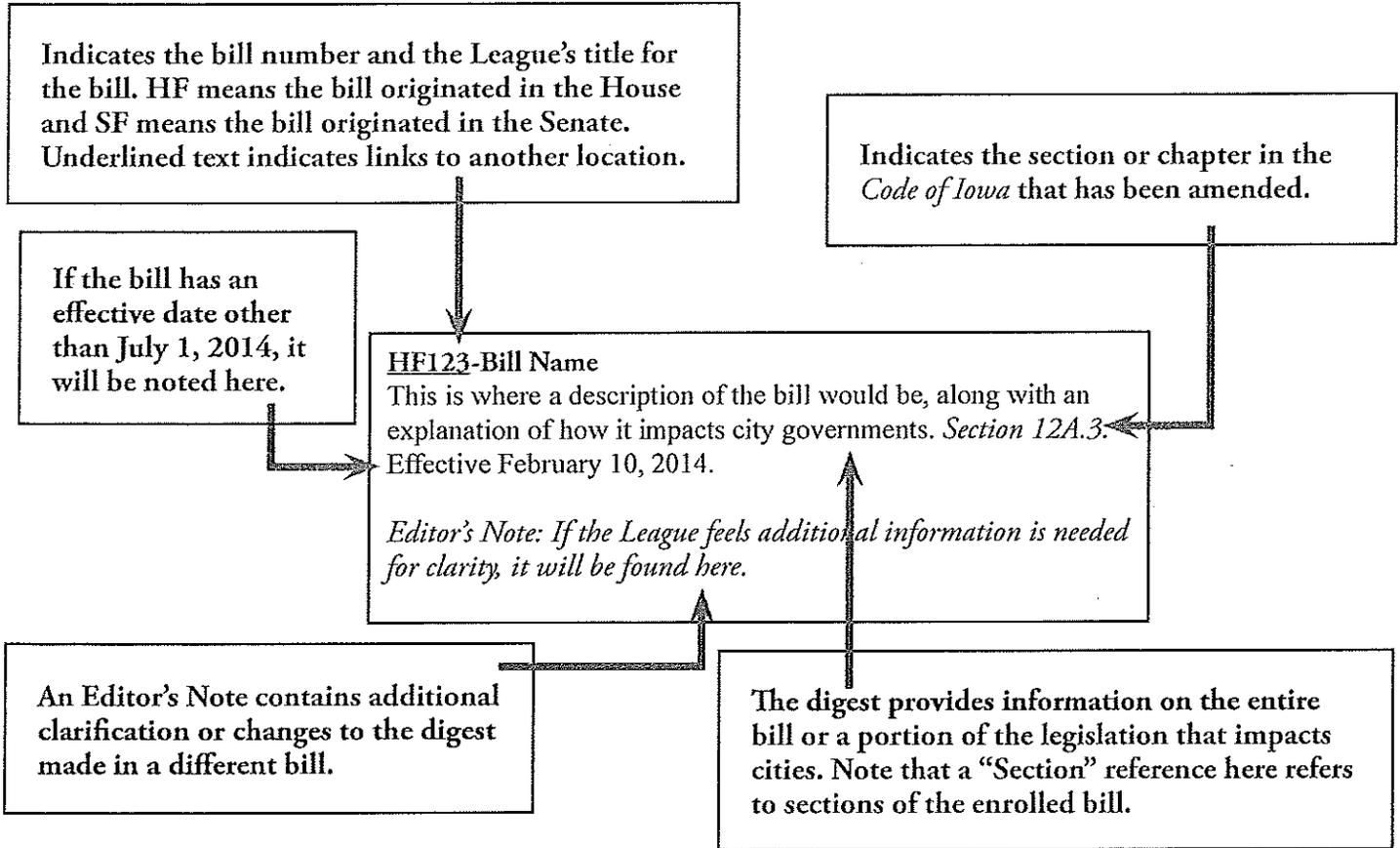
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Reader's Guide to New Laws Summaries

This Special Report outlines legislation passed during the 2014 session that affects cities and is categorized in subject areas for easier reading. The sample entry below explains what type of information this report contains.

Editor's Note: The report is intended as a reference guide to new laws that may interest your community. This report should not act as a substitute for the actual final enrolled legislation, nor should it substitute for advice from an attorney.



League's Priority Outcomes

The League's Legislative Policy Committee worked over the interim to develop four legislative priorities for cities in Iowa to advocate for during the 2014 Legislative Session: Infrastructure Funding, Public Pension Systems, City Finances and Economic Development Resources and Local Decision-Making.

Infrastructure Funding

As cities continue to face increasing infrastructure costs, the Legislative Policy Committee developed a priority to focus on additional infrastructure resources that included both road and bridge needs along with water and wastewater. Two additional issues developed within this priority area during session: the harsh winter led to a large number of water and sewer main breaks across the state, and the continued spread of emerald ash borer infestation also highlighted costs that will be borne by citizens.

In the area of road and bridge infrastructure resources, multiple bills were filed to raise the fuel tax with some bills proposing a shift from a tax at the pump to a tax on the wholesale distribution of gasoline. Most notably, the Chairman of the House Transportation Committee moved a bill through the committee that received support but did not come to the House floor. Members of both chambers also brought forth amendments to raise the fuel tax to multiple bills at the end of session, but these bills were procedurally struck down and none received an actual vote in either chamber.

The League has worked hard to raise awareness of the cost of implementation of the Iowa Nutrient Reduction Strategy and compliance with other various environmental requirements. The summer drought and harsh winter also brought attention to the infrastructure costs resulting from extreme weather conditions. This led to the League developing SSB3202 which would have created a grant program to address these infrastructure costs. The bill did not move forward in the Senate, but helped begin to educate more members of the legislature on the infrastructure costs that the communities they represent will face in future years.

Advocates for conservation funding were also successful in advocating for \$25 million from the Legislature for the Resource Enhancement and Protection (REAP) Fund to celebrate the 25th anniversary of the program. Governor Branstad line-item vetoed \$9 million of this appropriation but the program will be funded at the \$16 million level. This flexible program that is administered by four separate agencies has been successfully utilized by cities to improve soil and water quality, add outdoor recreation opportunities and create economic development.

During the session, some cities identified the presence of the emerald ash borer. The city of Waterloo has identified more than 4,500 ash trees on public property and estimates the cost of removal at over \$2 million. A similar cost analysis will need to be performed by cities as this pest further pervades the state. The League supported the passage of SF2212 that allows sanitary landfills to accept trees that are infested with emerald ash borer, which is a first step to address this issue.

Editor's Note: SF2212 is fully reviewed on [page 6](#).

Public Pension System

Pensions are traditionally taken up in even-numbered years and the League prioritized addressing the increasing costs and inequities of the Municipal Fire and Police Retirement System of Iowa (MFPRSI). While pensions are typically addressed in the second session, there was little legislative activity related to the pension systems, with no bills passed that impacted them. The two chambers continue to disagree on a path forward for the state's pension systems, stymying efforts to push for change.

The Senate put forward SSB3159, a bill the League supported, that included some provisions that impacted all pension systems, but also included a state appropriation for the MFPRSI system of 3.79 percent of the covered earnable compensation of those participating in the MFPRSI. This percentage is a restoration of a former annual contribution by the state, but the House did not take up the bill. There were also amendments filed to the standing appropriations bill pertaining to the 3.79 percent contribution in both chambers, but were ruled out of order or not germane and did not pass. An amendment the League opposed in the House which would have slightly expanded benefits under MFPRSI also failed, leaving MFPRSI at status quo.

City Finances and Economic Development Resources

The League also approved a priority that would look more holistically at city finances and included advocating for the backfill promised in last year's property tax reform, diversified revenue options and economic development policies and programs. While there was activity in all areas, not all of the subcategories saw bills pass that would benefit city finances.

The 2013 property tax reform bill, SF295, included a “standing unlimited” appropriation for the amount necessary to cover the local government property tax replacement claims (see *Code of Iowa* Section 441.21A(1)(a)) for property tax revenue losses due to the commercial and industrial rollback. The fiscal analysis for the Standing Appropriations bill, HF2473, included a listing of the unassigned appropriation and the information relating to the backfill (see page 4 of the analysis) as well as an estimated amount that will be appropriated to the Department of Revenue to cover property tax replacement claims.

Under SF295, this backfill does not include the new multi-residential class, and a new law will narrowly expand that definition. The Legislature passed HF2466, which allows the owner of Housing and Urban Development (HUD) Section 42 Housing to make a one-time, irrevocable election to be included within the new multi-residential class created by SF295. This bill will have varying effects for individual cities based on the amount of Section 42 Housing in each community and the tax benefit to the owner from their election.

During the session, several bills were filed that would impact economic development policies used by cities to foster business growth. A bill the League opposed focused on reforms to parts of *Code of Iowa* Chapter 403 that included changes that would have hindered the purpose and use of tax increment financing (TIF). The bill focused on prohibition of TIF funds for public buildings, a restriction against the usage of annual appropriation debt, a phase-out of TIFs that do not have a statutory end debt and a limitation of all future TIF districts to 20 years. Despite a push by the bill’s proponents, it did not pass.

The Governor also supported a priority that looked to expand Iowans’ access to broadband, with a focus on unserved and underserved communities. The Senate also pushed a bill with a similar goal. The League worked hard at removing cell tower siting provisions from the House’s version of the broadband bill, but was extremely supportive of the overall goal of both bills as an important economic development and educational tool for cities. The League supported a tax incentive for new broadband infrastructure that looked similar to a 10-year tax abatement that cities would utilize to support other new businesses in the community. None of the bills made it to the Governor for signature but the issue of broadband expansion will likely return next legislative session.

The League, along with other water utility groups, pushed hard through a long lobbying process to successfully change the law regarding the interaction between rural water systems and cities in the two-mile-limit outside the city. The existing law had been a hindrance to economic development to cities in certain areas. HF2192 was a compromise developed by the Iowa Association of Municipal Utilities and the Iowa Rural Water Association, along with input from the League, to attempt to level the playing field between rural water districts and cities and increase communication when water utility service needs to be provided in the two-mile area outside the city limits.

Editor’s Note: HF2192 is fully reviewed on page 9.

Other economic development program incentives continued to receive support and expansion this session. SF2339, a Governor’s priority of repurposing abandoned public buildings, made changes to the redevelopment tax credit program by allowing the credits to be used for abandoned public buildings and making them refundable for nonprofit entities. The League successfully supported the bill as part of its infrastructure priority, to address abandoned or derelict buildings.

The Iowa Economic Development Authority (IEDA) worked last summer with the League and other stakeholders to develop a compromise that made changes to the Enterprise Zone Program that was due to sunset July 1, 2014. HF2448 created an enhanced High Quality Jobs Program and Workforce Housing Tax Incentives Program, while HF2460 funded the program. Both bills passed. The major provisions of the bill change the wage thresholds for projects on “brownfields” and “grayfields,” expanding the one percent limitation of the county’s area to the entire county and expansion of the housing tax credits as long as they fit within four criteria.

Editor’s Note: HF2448 is fully reviewed in Appendix A, page 9.

The League successfully supported a bill, HF2453, brought forward by the Department of Cultural Affairs to improve the administrative efficiency of the Historic Preservation Tax Credit Program. The changes to the program will eliminate the lottery-based reservation system to create a more predictable application process, transition from a three-year reservation system to a “use when ready” system and retooling of the review process.

Local Decision-Making

The League had a successful year in advocating for Home Rule and avoiding legislation that threatened local decision-making. This included both stopping harmful legislation and assisting in the passage of legislation that helps cities make local decisions.

The League helped to develop and support HF2366 that clarified the law surrounding city elections in regards to filling vacancies. The law provides 60 days to fill a vacancy by appointment and clarifies that the seat will be placed on the next city election ballot. Historically, city elections for city offices have been held in odd-numbered years while general elections for state and county offices were held in even-numbered years. An Iowa Court of Appeals ruling in 2011 caused confusion by holding that when an appointment was made to fill a vacancy in an elective city office, that office would be put up for election at the next city election or at the next general election, whichever occurred first. With the passage of HF2366, it is again clear that the seat will be filled at the next city election.

Editor’s Note: HF2366 is fully reviewed on page 6.

The League advocated against legislation that would have had a detrimental impact to cities and neighborhoods. This included bills that would have restricted cities’ ability to regulate the occupancy of residential rental property based upon the existence of familial or non-familial relationships between the occupants of the property. Also, because the League raised concerns, both chambers stripped out most of the harmful provisions related to cell tower siting in the broadband expansion bills, HF2472 and SF2324, which would have negatively impacted local government oversight of wireless infrastructure development. These provisions were an extremely complicated intertwining of state and federal law that would have restricted the ability of local governments to have oversight in cell tower siting. Both of these bills would have significantly reduced local control but were successfully stopped.

Bills of Interest, by category

Economic Development

HF2448 – High Quality Jobs Program Creation

Creates the High Quality Jobs and Workforce Housing Tax Credit Programs while phasing out the Enterprise Zones program. *Amends Multiple Sections.*

Editor's Note: HF2448 is fully reviewed in Appendix A, page 9.

HF2453 – Changes to Historic Preservation Tax Credit Program

Eliminates the lottery-based reservation system to create a more predictable application process, transitions from a three-year reservation system to a “use when ready” system and retools the review process. *Amends Sections 16.188 and 404A.2 through 404A.6.*

HF2460 – High Quality Jobs Program Appropriation

The appropriations bill for the IEDA gives \$16.9 million for assistance under the newly created High Quality Jobs program that was passed with HF2448 (*See Appendix A*). Also, up to \$1 million of this can be used for infrastructure grants to Main Street Communities under the Main Street Iowa program.

HF2466 – HUD Housing Property Class Election

Allows the owner of Housing and Urban Development (HUD) Section 42 Housing to make a one-time, irrevocable election to be included within the new multi-residential class created by the 2013 property tax bill. *Amends Sections 426C.4 and 441.21.*

SF2339 – Abandoned School Building Redevelopment

Changes the redevelopment tax credit program by allowing the credits to be used for abandoned public buildings and making them refundable for nonprofit entities. *Amends Sections 15.291, 15.293A, 15.293B and 15.294.*

Elections

HF2366 – Policy Administration of Elections and City Elections

Provides 60 days to fill a vacancy by appointment for city office and clarifies that the seat will be placed on the next city election ballot. Various provisions replace city clerks with county commissioners for election for overall administration of city elections. Makes other administrative changes to elections not directly related to city elections which includes storage of electronic voter registrations. *Amends Sections 426C.4 and 441.21.*

Environment

SF2212 – Yard Waste

Allows sanitary landfills to accept yard waste under the following circumstances: when the yard waste is collected for disposal to control, eradicate or prevent the spread of insect pests, tree and plant diseases, or invasive plant species, including trees that are infested with emerald ash borer, when the yard waste is collected for disposal as a result of a severe storm and originates in an area declared to be a disaster area by the President of the United States or the Governor, or when the yard waste is separated at its source from other solid waste and is accepted by the sanitary landfill for the purposes of soil conditioning and composting. *Amends Section 455D.9.*

Liability

SF2255 – Architects and Engineers as Employees of the State for Purposes under the Iowa Tort Claims Act

Brings architects or engineers, who act voluntarily and without compensation at the request of the commissioner of public safety and in coordination with the local emergency management commission to provide structural or building inspection services at a disaster scene, within the definition of an “employee of the state”, making them eligible for defense and indemnification by the state if they are sued for damages in connection with the provision of those services. *Amends Sections 669.2.*

Open Meetings Open Records

SF2342 – Iowa Public Information Board (IPIB) Appropriation

IPIB receives an appropriation of \$350,000 for FY2015 for the office’s ongoing operation. This allows for an additional full-time equivalent position (FTE).

Public Safety

HF2289 – Regulation and Use of Unmanned Aerial Vehicles

Prohibits the state or political subdivisions from using unmanned aerial vehicles (drones) for traffic law enforcement. Makes information obtained as a result of using an unmanned aerial vehicle (drone) inadmissible in a criminal or civil proceeding unless the information is obtained pursuant to a search warrant or is otherwise obtained in a manner consistent with state and federal law. *Creates New Sections 321.492B and 808.15.*

SF2310 – Underage Possession or Consumption of Alcohol

Prohibits a person who is the owner or lessee or otherwise has control of property that does not have a liquor control license, wine permit or beer permit from allowing an under-legal-age person from the possession or consumption of an alcoholic beverage on that property. Amends current law to specify that a person under age 21 is prohibited from consuming alcoholic liquor, wine or beer, subject to certain exceptions: consumed in a private home with the knowledge, presence and consent of the underage person’s parent or guardian; administered by a physician or dentist for medicinal purposes, and to the extent that a person under legal age may handle alcoholic beverages, wine and beer during the regular course of employment by a liquor control licensee. Also provides penalties. *Amends Sections 123.47, 123.47B, 232.52 and 805.8C.*

HF2109 – E-Cigarettes, Alternative Nicotine or Vapor Products

Expands provisions under Chapter 453A related to cigarette and tobacco taxes to include alternative nicotine and vapor products. This includes prohibiting persons under the age of 18 to smoke, use, possess, purchase, or attempt to purchase alternative nicotine and vapor products. This also includes those products being subject to the permitting provisions of the chapter. *Amends Multiple Sections of 453A.*

Rebuild Iowa Infrastructure Fund

SF2349 – Rebuild Iowa Infrastructure Fund

Section 1(2). Appropriates \$1 million in FY2014-2015 for the Iowa Great Places Fund program projects that meet the definition of “vertical infrastructure” in *Code of Iowa* Section 8.57.

Section 1(5)(a). Appropriates \$9.6 million for implementation of lake projects that have established watershed improvement initiatives and community support in accordance with the department’s annual lake restoration plan and report.

Section 1(5)(b). Appropriates \$2 million for the administration of water trails and low head dam public hazard statewide plan.

Section 1(9)(a). \$6 million for acquisition, construction and improving recreational trails with \$1 million earmarked for trail bridges that have documented historical or architectural significance.

Section 3(3). \$400,000 for implementation of statewide mass notification and emergency messaging system.

VETO ~~*Section 19.* \$4 million for Iowa Resources Enhancement and Protection (REAP).~~

~~*Division VIII, Sections 23-25.* Creates mass notification and messaging system to be operated by the Department of Homeland Security.~~

HF2458 – Agriculture and Natural Resources Budget

Section 21. Appropriates \$16 million out of the Environment First Fund for the Resources Enhancement and Protection (REAP) fund and program.

Section 35. \$1,325,000 for research at the Iowa Nutrient Research Center on research related to the Iowa Nutrient Reduction Strategy.

Section 48(10). \$200,000 for the Keep Iowa Beautiful Initiative to assist communities in developing and implementing beautification and community development plans.

Standing Appropriations (Standings Bills)

HF2473 – Standings Bill

Section 3. Appropriates \$416,702 for operational support grants and community cultural grants under Section 99F.11.

Division VI, Sections 53-58. Amends law related to operation of snowmobiles on public lands for residents and nonresidents of Iowa.

Section 76. Increases tax reduction available for solar tax credit from fifty percent to sixty percent under the federal energy credit.

VETO ~~**SF2363 – Standings II (One-time appropriations of State Surplus)**~~

~~*Section 7.* Appropriates an additional \$5 million for the Resources Enhancement and Protection (REAP) fund and program.~~

Utilities

HF2408 – Underground Excavation

Extensively amends Iowa's One Call Law. *Amends Sections 480.4 and 480.10.*

Editor's Note: HF2408 is fully reviewed in [Appendix B, page 10](#).

HF2192 – Rural Water 2-Mile Territory

Clarifies rural water associations, such as rural water districts, are subject to two-mile-limit notification requirements. Requires a water plan to be filed with the governing body of a city utility. Shortens time a city has to provide water service to a customer from four to three years, and shortens a city's response time to a rural water plan from 90 days to 75 days. The city may request additional time or information to study the plan. Creates protection from liability for failure to provide fire protection outside city limits—allows a city to put in lower capacity pipes to provide service. Provision of service is defined to mean

delivering water in sufficient quantity and quality to meet the customer's desired need. *Amends Sections 357A.1, 357A.2, 357A.21 and 388.11.*

Appendix A: High Quality Jobs Program Absorbs Enterprise Zone Program, HF2448

Over the past three years, the Iowa Legislature has considered proposals by the IEDA to revise economic development incentive programs, including elimination of the Enterprise Zone ("EZ") program which has been viewed by IEDA as having significant overhead and substantial overlap with the High Quality Jobs program ("HQJ"), and substantially folding the non-duplicative elements of the EZ program into the HQJ program. Finally, [HF2448](#) was signed into law by the Governor on May 30, 2014.

How HF2448 affects existing law:

Division I – High Quality Jobs Program

Division I makes changes to the HQJ program including a new emphasis on urban core areas and incentives for redevelopment of sites that contain brownfields or grayfields. The changes were made to provide additional capability due to the repeal, in this bill, of the EZ program.

- The HQJ program had only provided tax incentives or project completion assistance for a project that would create or retain jobs that would pay 120 percent of the laborshed wages, unless the project was located in a county that was economically distressed. Under current law, there is a 100 percent wage threshold for projects in distressed areas.
- The bill increases the number of counties which are eligible under HQJ economic distress criteria from 25 to 33, based on the county being in the bottom 33 for either short term unemployment or long term unemployment measures.
 - » It appears that a total of 41 counties would now be eligible as economically distressed, being ranked in the bottom 33 for either short-term or long-term unemployment, according to the IEDA: Allamakee, Appanoose, Cerro Gordo, Chickasaw, Clarke, Clayton, Clinton, Davis, Des Moines, Dickinson, Fayette, Floyd, Guthrie, Hamilton, Hancock, Hardin, Henry, Howard, Jackson, Jasper, Jefferson, Jones, Keokuk, Lee, Louisa, Madison, Mahaska, Marshall, Monona, Monroe, Montgomery, Muscatine, Page, Scott, Tama, Van Buren, Wapello, Webster, Winnebago, Worth and Wright.
- The bill also allows for a 90 percent wage threshold for projects that are developed on a brownfield site and for a 100 percent wage threshold for projects developed on a gray-field site.

Division II – Workforce Housing Tax Incentives Program

Division II creates a new Workforce Housing Tax Incentives Program, which replaces the Housing Enterprise Zone (HEZ) tax credits, which are repealed. Although the new program is similar to the HEZ program, it is different in a number of ways.

- Projects must include at least one of the following:
 - » Four or more single-family dwelling units
 - » One or more multiple-dwelling unit buildings each containing three or more individual dwelling units
 - » Two or more dwelling units located in the upper story of an existing multi-use building

- A project can be developed anywhere in Iowa as long as the project meets one of these criteria:
 - » Repair, rehabilitation or redevelopment of a brownfield or grayfield site
 - » Repair, rehabilitation or redevelopment of dilapidated dwelling units
 - » Repair, rehabilitation or redevelopment of dwelling units located in the upper story of an existing multi-use building
 - » New construction, rehabilitation, repair or redevelopment of dwelling units in a distressed workforce housing community
- IEDA determines whether a community is a “distressed workforce housing community,” based upon whether the community has a severe housing shortage relative to demand, low vacancy rates or rising housing costs combined with low unemployment.
- The average dwelling unit cost in the project must not exceed \$200,000, unless it is a historic preservation project, in which case the average dwelling unit cost must not exceed \$250,000.
- Tax incentives may be awarded on the costs used for the first \$150,000 of value per unit.
- New credits to a housing business for a project are limited to \$1 million per recipient and cannot exceed \$20 million in the aggregate.
- Unlike the HEZ program, the tax credits under the Workforce Housing Tax Incentives Program are fully transferable. The carry-forward period on the tax credits is limited to five years.
- Division III of the bill provides for the termination and transition of the enterprise zone program.

Appendix B: Iowa One Call Revisions, HF2408

By amending *Code of Iowa* Sections 480.4 and 480.10, HF2408 changes Iowa’s One Call Law significantly:

- Provides that an excavator’s “locate request notice” is valid for a period of twenty days from the date the notice is received by Iowa One Call, allowing the excavator to conduct excavations during that period, but requiring the excavator to submit a new locate notice request to continue excavations after the initial twenty-day period;
- Allows the excavator to commence excavations as soon as the excavator is notified by Iowa One Call that all underground facility operators have responded and completed their location and marking of underground facilities (excavator not required to wait until the end of the 48-hour locate period if all facility operators have sooner responded and completed their location and marking of underground facilities);
- Provides that locate notices received by Iowa One Call after 5:00 p.m. shall be deemed received as of 8:00 a.m. on the next business day, at which time the 48-hour locate period will commence;
- Requires excavators to pre-mark the proposed area of excavation in white (paint, flags, stakes), unless the precise location can be clearly described during the phone call to Iowa One Call, or is electronically white lined on the new electronic system being developed by Iowa One Call;
- Requires all operators to notify Iowa One Call Notification that the marking is complete within 48 hours after receiving the locate request notice;
- Prohibits excavation within 25 feet of an underground natural gas transmission pipeline unless a representative of the operator of the natural gas transmission line is present, or unless otherwise agreed upon by the operator and the excavator in writing; and

- Does not preclude an excavator, an operator, or the One Call Notification Center from having or engaging in communications in addition to the notification requirements specified in the law.

Prior to the July 1 effective date of the new law, Iowa One Call will implement a direct mail campaign to all Iowa One Call Member Operators and all of the major contractor and excavator association/groups, and will make available interactive tutorials and user guides on the forthcoming new Iowa One Call Web site and by other social media channels.

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Dear Jeff,

As Bravo Greater Des Moines begins its new fiscal year, enclosed please find an update on our recent grant cycle and our Board of Directors meeting schedule for the year. We are so grateful for our partnership with the City of Windsor Heights and are pleased to provide this information as part of our 28E agreement.

By way of reminder, the Cultural Enrichment Grant cycle that was completed in June provides operating support to qualified arts, culture and heritage organizations that are based within our local partner communities. These organizations combined bring approximately 755,765 annual visitors to our region, increasing hotel-motel and sales taxes and spurring economic development. **Because of your contribution, Bravo awarded more than \$3.1 million last month to 60 Central Iowa organizations.**

Bravo is actively engaged in strategic planning and our Board remains busy shaping the future of the organization. The enclosed meeting schedule is posted on our website and we are meeting at the Metropolitan Planning Organization offices this year.

Finally, Bravo staff will be in contact soon to schedule our annual presentation to the city council. We appreciate the opportunity to share our progress and thank you in person for your contribution. Together, we are making a positive impact in the region.

Thank you again for your continued support of Bravo and the arts, culture and heritage organizations that make Central Iowa a vibrant community.

Best,

Sally Dix
Executive Director
Bravo Greater Des Moines

*Thank you so much
for your support!*

FY15 Cultural Enrichment Grant Awards

| # | Organization | Total FY15 Award |
|----|---------------------------------------|------------------|
| 1 | After School Arts Program | \$5,000 |
| 2 | Altoona Area Historical Society | \$250 |
| 3 | Ankeny Area Historical Society | \$4,000 |
| 4 | Ankeny City Band | \$1,300 |
| 5 | Ankeny Community Chorus | \$1,000 |
| 6 | Ankeny Community Theater | \$3,500 |
| 7 | Ballet Theatre of Des Moines | \$35,000 |
| 8 | Blank Park Zoo Foundation | \$440,000 |
| 9 | Central Iowa Wind Ensemble | \$750 |
| 10 | City Voices | \$3,200 |
| 11 | Civic Music Association of Des Moines | \$13,000 |
| 12 | Clive Historical Society | \$8,000 |
| 13 | Clive Public Arts Advisory Commission | \$6,000 |
| 14 | CultureALL | \$12,000 |
| 15 | Des Moines Art Center (Edmundson) | \$280,000 |
| 16 | Des Moines Arts Festival | \$65,000 |
| 17 | Des Moines Choral Society | \$3,000 |
| 18 | Des Moines Community Orchestra | \$570 |
| 19 | Des Moines Community Playhouse | \$125,000 |
| 20 | Des Moines Diversity Chorus | \$500 |
| 21 | Des Moines Gay Men's Chorus | \$3,750 |
| 22 | Des Moines Metro Opera | \$150,000 |
| 23 | Des Moines Performing Arts | \$504,000 |
| 24 | Des Moines Social Club | \$55,000 |
| 25 | Des Moines Symphony Association | \$165,000 |
| 26 | Des Moines Vocal Arts Ensemble | \$1,500 |
| 27 | Downtown Events Group | \$6,000 |
| 28 | Gateway Dance Theatre | \$12,500 |
| 29 | Global Arts Therapy | \$500 |
| 30 | Greater Des Moines Botanical Garden | \$245,000 |

| # | Organization | Total FY15 Award |
|------------------------------|--|--------------------|
| 31 | Greater Des Moines Music Coalition | \$40,000 |
| 32 | Greater Des Moines Public Art Foundation | \$18,000 |
| 33 | Heartland Youth Choir | \$10,500 |
| 34 | Historic Valley Junction Foundation | \$25,000 |
| 35 | Hoyt Sherman Place Foundation | \$50,000 |
| 36 | I'll Make Me a World in Iowa | \$12,500 |
| 37 | Iowa Architectural Foundation | \$4,000 |
| 38 | Iowa Asian Alliance | \$15,500 |
| 39 | Iowa Gold Star Museum | \$25,000 |
| 40 | Iowa Hall of Pride | \$52,000 |
| 41 | Iowa Shakespeare Experience | \$26,000 |
| 42 | Iowa Youth Chorus | \$10,500 |
| 43 | Jewish Federation of Greater Des Moines | \$10,000 |
| 44 | Latino Resources, Inc. | \$12,500 |
| 45 | Living History Farms Foundation | \$150,000 |
| 46 | Metro Arts Alliance | \$15,000 |
| 47 | Music Under the Stars | \$5,000 |
| 48 | Polk County Heritage Gallery | \$1,000 |
| 49 | Pride of Iowa Barbershop | \$1,500 |
| 50 | Repertory Theater of Iowa | \$10,000 |
| 51 | Salisbury House Foundation | \$60,000 |
| 52 | Science Center of Iowa | \$300,000 |
| 53 | StageWest Theater Company | \$12,500 |
| 54 | State Historical Museum of Iowa | \$74,000 |
| 55 | Tallgrass Theatre Company | \$2,000 |
| 56 | Urbandale Historical Society | \$10,000 |
| 57 | VSA Iowa | \$3,500 |
| 58 | Waukee Area Arts Council | \$4,000 |
| 59 | West Des Moines Historical Society | \$30,000 |
| 60 | World Food Prize | \$25,000 |
| Total FY15 CEG Awards | | \$3,165,320 |



July 16, 2014

Dear Jeff,

On behalf of the Bravo Board of Directors, and the regional arts and culture organizations that we support, I would like to thank you for your recent quarterly contribution.

For your records, Bravo received:

City of Windsor Heights – \$1,500.00

Continued support of Bravo from the City of Windsor Heights allows arts, culture and heritage organizations to provide dynamic and engaging performances, exhibitions and education programs to residents of Central Iowa. These organizations are collectively responsible for bringing nearly 756,000 visitors to our region on an annual basis, spurring economic development, increasing sales and hotel – motel tax revenues.

Bravo values our partnership with Windsor Heights and we look forward to continuing to work together to make Central Iowa the premier region to work, live and play.

Thank you again,

Sally Dix
Executive Director
Bravo Greater Des Moines

Thank you!