

JOHNSTON CITY COUNCIL
Work Session No. 17-05
Johnston City Hall, 6221 Merle Hay Road
TUESDAY, February 21, 2017
6:00 p.m.

1. CALL TO ORDER

Mayor Dierenfeld called the meeting to order at 6:07 p.m.

2. ROLL CALL

Present: Clabaugh, Lindeman, Brown, Cope, Temple

Absent: None

3. CONSIDER REQUEST FOR TAX INCREMENT FINANCING FOR THE JENSEN PROJECT

Economic Development Manager Adam Plagge introduced this item. The applicant, Dixon / Jensen has submitted an application for TIF funding. This will be a 384 unit complex with five (5) three-story buildings. The location will be on a 20-acre site and require rezoning for part of that parcel. The developer is working on the rezoning and closing of the property. The concept will be called Bricktown and will be similar to other developments in Waukee and Ankeny. It will be predominantly one-bedroom units with about 15 percent being 2-bedroom units. The rental prices are expected to be between \$850 and \$1,050 per month and is marketed for the young or single professional. As part of the TIF discussions, the Developer has agreed to exceed the City's design standards, connect the adjacent trail, and create additional green space. The request is for the same that was provided to Cadence, which is 70% of the increment for 5 years. It will be developed in three phases with each taking approximately 2 years. The third phase is estimated to be complete in 2022. The valuation estimate is \$42,650,000. The criteria for residential TIF have been met.

Staff suggest moving forward with developing a developer agreement. There was some discussion about requiring a retail component, but staff has not included that in their staff recommendation for a variety of reasons including spacing, traffic counts and similar projects not requiring a retail component. Councilmember Cope stated that he is supportive of utilizing TIF which is consistent with other projects. Councilmember Brown concurred with using TIF. Brown also had positive comments regarding the pet area and pool. Mayor Dierenfeld mentioned that it was an exciting project and agreed that it is a project appropriate for the use of TIF consistent with City guidelines.

4. JERRY'S HOMES – ADAM RIDGE

Community Development Director Wilwerding introduced this item. Jerry's Homes inquired about a change in land use in the Adam Ridge Development. In 2003, the original PUD was approved for mixed use, and had some areas identified as flex uses. In 2013 Council approved the last amendment to the PUD, which was between 103rd and 106th Street and was a compromise for allowing a section to be zoned R-4 but removing R-4 zoning possibilities from other areas in order to maintain commercial possibilities. At this time Jerry's Homes is looking at a new layout which would include some retail frontage and office frontage along 62nd Avenue along with townhomes along 61st requiring an amendment. Jay Cowen then spoke and provided some background on work completed in Johnston. Cowen stated that things have changed since 2013. He said they have had the property listed for a long time with no commercial interest and if they could change the south portion of the parcel to allow for residential, along with the retail / office along NW 62nd it would serve the community better than having vacant land. In addition, the area is surrounded by residential and to put commercial back in the space does not seem to make sense. Plus there is an abundance of commercial space available within the City. Mayor Dierenfeld asked if there were any plans to start building the commercial retail in the near future. Cowen stated that there are no plans at this time. Mayor Dierenfeld expressed some concern that if approved and townhomes were built, potentially in a couple of years Jerry's Homes would come back and say we still can't develop commercial retail along NW 62nd and since residential abuts it can we change that to residential. Cowen responded that they see value in commercial right along NW 62nd and intend to have it be commercial retail. Councilmember Brown inquired about a project completion timeline. Plagge stated that from his perspective there are no strong concerns with this proposal. Johnston does have comparatively large amounts on a percentage basis of commercial development area available, and this proposal would still leave a considerable

amount of quality commercial land available in the PUD. Cowen then spoke about the townhomes (row homes) with all 3-car garages and 2-story with vinyl siding and brick or stone accents.

5. AUDIT PRESENTATION

Finance Director Teresa Rotschafer introduced this item. This is the second year the City has an engagement with RSM for audit services. Representatives from RSM were present to provide a review of the audit report were Kevin Smith and Andrew Steckel. Smith directed attention to the first pages and the comparative of 2015 to 2016 and then discussed the process and requirements. The number of audit entries necessary this year were significantly lower than last year so the staff did a great job in preparing. Smith said the main purpose of the audit is to express an opinion on the financial statements but also to review internal controls and report accordingly. He noted there were no concerns with the internal controls.

6. SPEED LIMIT DISCUSSION

Sanders initiated this discussion and provided some background from the Public Safety ad hoc committee meeting in December. Sanders provided a list and speed limit recommendations the committee came up with and inquired about Council desired next steps including looking for consensus and bringing back as an ordinance amendment. There was considerable discussion regarding NW 62nd Avenue. The Committee's recommendation was 35 mph from Beaver to Merle Hay and then extending west to Pioneer Parkway. Councilmembers Clabaugh and Cope stated that 30 mph was appropriate. Councilmember Temple stated that 35 mph makes more sense and the flashing lights do a better job at calming traffic than a posted speed limit. Several members indicated no problem with the speed limit of 35mph from Merle Hay Road through to 86th Street, but from Merle Hay to Beaver it should be no more than 30 mph.

With no consensus on NW 62nd Avenue, the Mayor inquired about potentially increasing the speed limit incrementally and tabling the item for now. Council members thought it would be appropriate to have the committee's recommendation come before the Council and if someone wanted to make an amendment at that point there could be more dialogue and a vote, but he was not sure another meeting would garner any change. It was determined that NW 62nd would be included to put on a Council meeting agenda for action.

The meeting adjourned at 7:12 p.m.

Paula S. Dierenfeld, Mayor

ATTEST:

Cyndee D. Rhames, City Clerk