

CITY OF MUSCATINE
IN-DEPTH CITY COUNCIL MINUTES
Council Chambers – 7:00 p.m. – September 13, 2012

Mayor DeWayne Hopkins called the In-Depth City Council meeting for Thursday, September 13, 2012, to order at 7 p.m. Councilmembers present were Fitzgerald, Shihadeh, Natvig, and Bynum. Also present was City Administrator Gregg Mandsager, IT Manager John Kreuzenstein, Finance Director Nancy Lueck, and Community Development Director Steve Boka.

The first item on the agenda was a presentation on the new equipment located in the City Council Chambers. IT Manager John Kreuzenstein explained the features and capabilities of the new equipment.

The next item on the agenda was a travel policy update. Finance Director Nancy Lueck stated the city's travel policy was last updated seven years ago. She gave an overview of the changes that were made to the policy touching on mileage reimbursement, other reimbursable expenses, out-of-state and in-state travel, and FLSA changes.

The final item on the agenda was a review of in-fill opportunities through tax abatement. Community Development Director Steve Boka and City Administrator Gregg Mandsager gave a general overview of the two abatement proposals beginning with historic tax abatement. City Council was told this proposal could be extended to new housing, historic districts, and future areas declared as historic districts by the City Council. The following tax abatement incentives are proposed:

- Any property owner improving property (assessed) value by at least 10% if it has been designated as having historic value, and it has received prior support of the Historic Preservation Commission
- Any other property owner improving property (assessed) value by at least 10-15% if it is located within the District but has not been designated as having historic value.
- Schedule can range between 1-10 years and may be for full value or have a declining scale.
- May have multiple schedules depending on historic value.
- Sample schedules: 3 years, 100%; 5 years, 100%; 10 year declining scale, 100%, 90%....

The program advantages would be as follows:

- Promotes neighborhood stabilization
- Addresses blighting influences
- Recognizes re-investment in these areas
- Increases property values
- Preserves and expands tax base
- Promotes in-fill opportunities
- Ability to tailor abatement schedule to meet City Council goals

There were questions from City Council concerning in-fill in the remaining parts of the city as well as whether the whole tax rate or just the city's portion would be abated. City Administrator Mandsager stated it was his understanding the whole rate would be affected at this time.

Community Development Director Boka and City Administrator Mandsager then talked about the new construction program which would provide abatement to new residential construction in designated areas as approved by City Council and tax abatement incentives for any property owner that constructs a new residential home on an existing lot of record or lot. The proposed program would allow tax abatement incentives for any property owner that constructs a new residential home in an underutilized, existing subdivision as designated by City Council.

The program advantages would be as follows:

- Stimulates new construction activity
- Promotes in-fill
- Promotes neighborhood stabilization
- Provides more efficient delivery of city services
- Provides more efficient use of existing infrastructure
- Promotes neighborhood development
- Promotes and expands the tax base
- Recognizes new investment in these areas
- Addresses blighting influences
- Expands housing ownership opportunities
- Ability to tailor abatement schedule to meet City Council goals

Councilmember Fitzgerald asked about in-fill on smaller lots, and he was told there would be density and fire safety concern issues that would have to be dealt with.

Councilmembers Fitzgerald and Natvig supported both programs.

Councilmember Natvig asked how many schedules there were.

City Administrator Mandsager stated there was one schedule for each program. He then explained the process for moving these programs forward.

Councilmember Fitzgerald asked if other communities had the same types of programs, and City Administrator Mandsager stated there were multiple samples across the state.

Bob Howard, who serves on the Muscatine County Board of Supervisors, spoke concerning the proposed programs.

City Administrator Mandsager asked if there was a consensus from City Council to move forward on these proposed programs.

Under comments, City Administrator Mandsager reminded everyone about the memorial service for fallen firefighter Mike Kruse which will be held Friday beginning at 10 a.m. at the Public Safety Building.

#22215. Councilmember Shihadeh moved the meeting be adjourned at 8:10 p.m. Seconded by Councilmember Fitzgerald. All ayes; motion carried.

Gregg Mandsager, City Administrator