

**City of Sheldon
City Council Report for November 6, 2019
Regular Meeting at 4:30 p.m.**

**3c. Approval of Annual Finance Report for FY 2018-2019.
3d. Approval of the Urban Renewal Report for FY 2018-2019.**

Attachments: Reports.

Background: These are the annual reports due to the Department of Management with the State of Iowa by December 1, 2019. The link for the Department of Management is <https://dom.iowa.gov>. This is a late addition to the agenda, and can be continued to November 20 if necessary. These are straightforward reports and are filed annually. They are available in PDF form for anyone who asks. We are pleased to report the positive impact of paying off than \$2.2m in tax increment financing debt in June 2019.

5a. Amendment to Zoning Ordinance pertaining to Downtown residential use.

- i. Public Hearing.**
- ii. 1st Reading of Ordinance amending the zoning ordinance by amending section 12.3 pertaining to residential uses in Business Commercial (Downtown) district.**
- iii. Resolution approving amendment to the zoning ordinance by amending section 12.3 pertaining to residential uses in Business Commercial (Downtown) district. *(continue until after approval or waiver of 3rd reading)*.**

Attachments: Ordinance amendment and resolution.

Background: The Planning & Zoning Commission met on October 9 to discuss this zoning ordinance amendment to allow limited 1st floor housing in the Business Commercial Zoning District (Downtown). The P&Z Commission unanimously recommended approval. At the October 16 City Council meeting, the hearing and 1st reading were set for November 6.

The owners of two downtown properties (Top Notch Stitching at 510 9th Street, and the former Eagles Club at 914 4th Ave) have expressed interest in converting part of their 1st floors into housing. While upstairs living in the Downtown zoning district is already around as a permitted use, the zoning code does not allow 1st floor housing.

On March 3, 2010, the current Zoning Code was adopted. On April 7, 2010, the Board of Adjustment approved StandAid's request to convert the office building 212 10th Street into 100% housing. (This is Dr. Boeve's former dental office). An ordinance amendment was not considered at the time. Although the ordinance should have been amended prior to considering the proposal for 212 10th St, it is understandable why the request was granted. Here are the main reasons:

1. The situation was unusual, and the new zoning code had just been adopted.
2. The building had been vacant for two years; the owners had made a good faith effort to rent it.
3. The location was not a desirable office space.
4. The Board of Adjustment included reasonable restrictions in their approval. (Some of these elements have been included into the design of the ordinance amendment).

On September 10, 2019, the Iowa Economic Development Authority held a regional seminar on downtown revitalization. One of the speakers stated that allowing unrestricted conversion of downtown buildings into front access housing is a bad idea. Therefore, this concept is designed to only partially respect past precedent; this proposal does offer more flexibility for building owners than what ordinance currently allows, but it is significantly more restrictive than what was allowed in 2010. Here are the steps for the consideration of this ordinance amendment:

1. The Planning Commission considers the ordinance change.
2. A public hearing.
3. Up to three readings at the City Council level.
4. Once the ordinance is in place, interested property owners need to apply to the Board of Adjustment for a special exception.

The following four requirements are included in this draft ordinance. These four requirements must be met for the proposal to be considered by the Board of Adjustment:

- Two off-street parking spaces.
- Minimum apartment size of 800 square ft.
- 2/3 of the ground floor space shall be for commercial use.

- Side/rear access only.

Summary: This amendment is a carefully thought out solution to handle two pending requests. The counterpoint to the “slippery slope” concern is the we already “slid down that same slope” a lot further in 2010, and it didn’t create a wave of requests then. It has been nearly 10 years since the last known request. The upside is that regardless of how this turns out, it is important to have this policy discussion. If this amendment is not approved, no future conversions of 1st floors to residential use in the Downtown Zoning District would be allowed to be heard by the Board of Adjustment.

5b. 1st reading of Ordinance amending Section 105.10 of the Code of Ordinances pertaining to waste storage containers.

5c. 1st reading of Ordinance amending Section 106.04 of the Code of Ordinances pertaining to frequency of recycling collection.

Attachments: Joint letter signed by Schwarz Sanitary Service & DeKruif Disposal (September 18, 2019); Ordinance amendments.
Background: At the October 2 City Council meeting, Jeff Schwarz of Schwarz Sanitary Service and Mark Gurtler of DeKruif Disposal submitted a letter requesting the City amend the ordinance to require standardized garbage cans, to be purchased and owned by the customer. In exchange, the haulers are willing to increase their recycling pick-up to be every two weeks - from the current 24 times a year to 26 times a year.

This request is only to change the ordinance regarding the garbage can requirement, and is not a proposal to change prices. (The language in the ordinance amendment regarding the recycle can dimensions is carry-over language from the current ordinance). The haulers are not requesting a rate increase; they are asking residents to buy an “automated standardized garbage can” with the hinged lid and the pickup bar in the front. They are suggesting a deadline of July 1, 2020. The benefits to them are reduced costs for labor and worker’s compensation and increased recycling. The benefits to the City are cleaner neighborhoods, reducing the need for rate increases, and encouraging recycling.

Both haulers will offer the cans for sale, but are not mandating that the cans be purchased from them. We suggested, and the haulers agreed, that 35-gallon cans should be offered as an accommodation for customers – this would benefit single customers, elderly

customers, and people with disabilities. Both haulers are willing to allow the use 35-gallon cans, if the cans are compliant for automation and if the pricing doesn't change. The default standard will be 65-gallon cans.

These numbers are approximate: Of Schwarz's 850 residential stops, 375 have a compliant can today (44%). Of DeKruif's approximate 1050 residential stops, 300 currently have compliant cans (28.5%).

The main communication to the customers regarding this change would come from the haulers. The City can assist in the communication – for example, putting a notification in the utility billing. I prefer the City not be involved in notifications of non-compliance or assessing cost of garbage cans to utility bills.

The two ordinance amendments require up to three readings by the City Council. Effective date of both ordinances is July 1, 2020.

5d. Resolution adopting new 28E agreement with Lynn Township (Sioux County) for fire protection.

Attachments: Original agreement, signed December 19, 1998; updated agreement.

Background: On October 7, this proposed agreement was presented to Lynn Township Chairman Alvin Stuit for review. The agreement was well received and was signed by Lynn Township on October 17. This agreement will be used as the template for the other three townships. Lynn Township's funding level already close to where it should be. The recommendation by the Iowa Fire Chief's association is \$.6075 per \$1,000 in rural township valuation.

Township	Carroll	Floyd	Grant	Lynn	Annual Totals
County	O'Brien	O'Brien	Sioux	Sioux	
Date of beginning of 28E	December 16, 1998	May 19, 1999	December 16, 1998	December 19, 1998	
Beginning payment for rural fire service	\$ 2,850.00	\$ 4,875.00	\$ 2,625.00	\$ 1,350.00	\$ 11,700.00
FY16-17	\$ 2,850.00	\$ 7,800.00	\$ 4,375.00	\$ 2,475.00	\$ 17,500.00
FY17-18	\$ 2,850.00	\$ 8,125.00	\$ 4,375.00	\$ 2,700.00	\$ 18,050.00
FY18-19	\$ 2,850.00	\$ 8,125.00	\$ 4,375.00	\$ 2,700.00	\$ 18,050.00
FY19-20	\$ 4,560.00	\$ 8,125.00	\$ 4,375.00	\$ 7,400.00	\$ 24,460.00
average annual increase over 20 yrs	2.26%	2.26%	2.46%	2.93%	
FY19-20 by section	\$ 240.00	\$ 250.00	\$ 250.00	\$ 822.22	
# of sections	19	32.5	17.5	9	78
Totals	\$ 4,560.00	\$ 8,125.00	\$ 4,375.00	\$ 7,400.00	\$ 24,460.00
*Lynn: \$600 per section + \$2,000					
FY19-20 by levy	\$ 0.21	\$ 0.20	\$ 0.39	\$ 0.54	
Amount Generated by Levy	\$ 9,056.00	\$ 9,500.00	\$ 18,000.00	\$ 27,600.00	\$ 64,156.00
% of FY19-20 levy directed to Sheldon Fire	50.35%	85.53%	24.31%	26.81%	38.13%

5e. Authorize hiring of Tim Loeschen as a part-time reserve police officer.

Attachments: Offer letter and response.

Background: Tim Loeschen has strong ties to Northwest Iowa. He attended Sibley Ocheyden High School, Iowa Lakes Community College and Northwest Iowa Community College. He has his Bachelor's in Criminal Justice from University of Sioux Falls. He is currently a full-time Police Officer in Aurora, Colorado.

Below is the text of the essay he recently submitted as part of the interview process.

By Tim Loeschen: There are numerous reasons I am seeking a position with the Sheldon Police Department. To be honest, the first reason would be I am closer to my family. Family is very important in my life and for the past 6 years I have lived far away from them in Denver, CO. I miss them every day and would like to be closer to them so I can see them more often. The second reason would be what the Sheldon Police Department can offer for the future of my family. The current department I work for does not have defined benefits. Being able to retire at an age where I can enjoy time with my future family is a big part of my plans. The third reason is, I enjoy the "small town" feel of Police work. I enjoy helping the community by helping others and gaining their trust. I am a Police Officer that truly wants to help people and not try to ruin people's lives. I feel that my style would fit right in with what the Sheldon Police Department would want in their officers. Last but certainly not least would be my girlfriend. I plan on proposing to her soon and we want Sheldon to be our home. I feel that I can raise a family in Sheldon because Sheldon is an amazing community. I have heard good things about child care, the school system, and churches in the community. I think all those are vital for helping children grow into responsible adults. All of these reasons make the Sheldon Police Department a very appealing option compared to others in the area.

Tim Loeschen will replace Eric Meinecke as a reserve officer. Officer Meinecke is now full-time. Tim Loeschen is already certified as a law enforcement officer, so his starting pay will be \$21.00 per hour, which is \$1.00 higher than the pay for the previous two reservists. Our other reserve officer is Krista Bousema.

6a. Parks & Recreation report.

- i. Annual report – Jake Kerr, Recreation Director.**
- ii. Approve Parks & Rec Board’s recommendation to lower admission after 6 PM to \$2.00.**

Attachments: October 9 memo from Jake Kerr.

Background: Our Recreation Director, Jake Kerr, will be giving us a general update, and he will also be asking us for approval of the Parks and Recreation Board’s request to lower the outdoor pool admission fee from \$5.00 to \$2.00 after 6 PM. Below is the motion from the Parks and Recreation Board.

October 9, 2019 minutes from Parks and Recreation Board: Motion by Becker Seconded by Giese to make the recommendation to Sheldon City Council to approve that all daily admission fees after 6pm change to \$2 per customer at the Sheldon Outdoor Aquatic Center. Ayes, all in favor. Motion Carried.

6b. Police Department.

- i. Accept Chief Bolkema’s retirement notice, effective November 27, 2019.**
- ii. Mayoral appointment of Officer David Dykstra as interim Chief of Police.**
- iii. Discuss the hiring process.**

Attachments: Retirement notice from Lyle Bolkema – October 24, 2019; offer letter for Dave Dysktra to be Interim Chief; 2003 job description and 2019 draft; RFQ for outside consulting services.

Background: We are grateful for Lyle Bolkema’s 30 years of dedicated service to the City. He was appointed by the City Council to be a police officer on September 6, 1989. He was sworn in by Mayor Ray Youngers on September 14, 1989. On April 4, 2003, he was appointed as Chief of Police. Below are the relevant minutes:

Minutes from September 4, 1989 City Council meeting: Moved by Mitchell seconded by Carl to approve the appointment of Lyle Bolkema to the Police Department to be sworn in September 15, 1989. Roll call: Bauer aye, Benson aye, Carl aye, Mitchell aye, Weaver aye. Motion carried.

Minutes from April 4, 2003 City Council meeting: City Manager Scott Wynja informed the Council and the public that six of the current seven officers had applied for the Police Chief position, and all six were interviewed. The Interview Committee consisted of City Manager Scott

Wynja, Mayor Wahlstrom, and Councilman Edgar DeVries, with some additional time spent with Public Works Director Eldor Schuerman and City Clerk/Treasurer Arlene Budden. They currently makeup the Senior Management Team, of which the new Police Chief will also become a member. He stated that the choice of Lyle Bolkema for Police Chief was a unanimous decision of all five of the interviewers. He added that Mr. Bolkema shows dedication, leadership, desire and passion for the position. A motion was made by Welch and seconded by DeVries to approve \$41,500 as the starting wage for the new Police Chief position, offered to Lyle Bolkema, with a \$500 increase after six months contingent upon a successful evaluation. After that time, the Police Chief would receive the regular increases as provided to the non-union employees. Ayes, all. Motion carried.

At this time, Mayor Wahlstrom swore in Lyle Bolkema as the new Police Chief, having him recite the Oath of Office. Mr. Bolkema's wife, Brenda, was asked to pin on his badge.

City Manager Wynja also explained to the Council that this position would now become a working chief position. He would have his regular administrative duties, as well as fill in as backup when needed, and occasionally taking a patrolling schedule. At this time, there is no plan to replace the vacancy in the police officer position. The City of Sheldon Police Department will have seven full time personnel, and this will be evaluated after six months. All of the candidates that were interviewed felt that this was a workable plan, and that they would not lose any services that they currently provide to the public.

Regarding the selection process for a new Chief, I recommend we not rush the process. It is important to ensure we pick the right person. This is a difficult time of year for recruitment due to the upcoming holiday season. In addition, law enforcement recruiting is becoming more difficult everywhere.

Mayor Geels and I recommend the appointment of Officer David Dykstra as interim Chief. He is the senior-most officer in the department and served since October 1, 1988. He said he will not apply for the permanent role. His interim appointment will come with a 10% base pay increase, which would take effect on November 13, which is two weeks prior to Lyle Bolkema's last day of service. Dave will also continue to be eligible for overtime. The interim period would end at the beginning of the 2nd pay period after the new Chief begins; he would also receive an allotment of 40 hours of vacation time into his vacation "bank" at the end of the interim period. Dave's experience and the fact that he is not applying for the position give us the unique opportunity to have someone internally serving as Interim Chief while we seek to fill the permanent role.

Regarding the selection process, I recommend we explore hiring a consultant to assist us. There are many factors to consider: community involvement in the hiring process, advertising in the

right places, psychological testing (MMPI, etc), physical testing, credit and background checks. There are several qualified consultants in Iowa who could assist. The funding source would be from the savings generated by having the Chief position vacant. If cost is too high or if we don't like the options, we can handle the process internally. The draft RFQ (Request for Qualifications) is in your packets. The 2003 job description has already been updated to reflect the City no longer has a dispatch center, and to reflect the current Iowa Code; the draft is included in your packets.

6c. City Manager's Report.

- Our efforts to address nuisance properties is continuing. In your packets is the notice given to the owners of 305 Washington Avenue. The property has multiple vehicles and trailers parked on the lawn, with a lot of junk in the backyard. The deadline for compliance was October 11, and there has not been compliance. The next step will be the municipal infraction process in district court.
- Another longstanding property maintenance challenge has been the abandoned house at 721 8th Street. The municipal infraction was filed in district court on September 11. The owner plead not guilty on Tuesday, October 29 at his initial appearance; trial has been set for December 3, 2019, at 10:45 a.m. We appreciate the assistance of the neighbors who recently mowed the lawn. The property has been vacant for many years, and the utilities have been off for so long we aren't sure when they were turned off; it was something prior to the implementation of the current billing system in 2010.
- Here's an update regarding the former Rec Bowl property at 104 N 3rd Avenue. The building was destroyed on May 14, 2013. The issue is complicated: The City's assessment in 2015 for the clean-up was \$28,330. There is an interest rate of 5% on the City assessment. The current payoff balance on the City's assessment is approximately \$33,919. None of the City's assessment has been paid, and the property taxes aren't being paid either. The County owns the tax certificate for the property. On October 29, O'Brien County Treasurer Missy Hatterman sent me the updated numbers:

- \$39,756.00 Redemption/Tax Due
- \$14,170.00 Remaining Principal Installments on Special Assessment
- **\$53,926.00** Total Due to pay everything (This amount good thru October 31, 2019)

This issue will likely require Council action. Micah and I are looking into this and I'll keep you posted. The next step is a lien search, which is in progress.

- Both unions were recertified in the recent retention elections. The 8 eligible voters unanimously voted to retain the Public Works union, and all 6 police officers supported retention of the Police union. The merger is not on the November 6 agenda. Preston De Boer with AFSCME and I agreed it was best to move the item to November 20 or later; Micah's review of the merger proposal is ongoing.
- The City continues to accept proposals for the redevelopment of three properties - 1023 Garfield Avenue, the former Sunset Motel at 1401 S. 2nd Avenue (Old 60) and DJ's Redemption Center at 428 W. Park Street (Highway 18). The information is posted at CityofSheldon.com. The bidding period ends on Friday, November 8 at 12 PM.
- A Planning & Zoning Commission meeting is set for Thursday, November 14 at 4:00 PM. The main topics include a re-zoning request and ordinance amendment for 1220 Second Avenue (former State DOT/County shed). The proposal by the new owners is to rezone the property from Heavy Industrial to Arterial Commercial (AC) to allow for a coffee shop and brewery. They also desire a special exception process to allow for apartments to be placed on the 2nd floor. This is not allowed in AC zoning, so an ordinance amendment is necessary.
- The goal setting meeting for elected officials and top staff will be held on Wednesday, December 11 at the Crossroads Pavilion from 4 – 7 PM. Eric Christensen from Iowa State Extension will be assisting us, and he will be joined by his colleague Julie Robinson. I spoke with Eric on November 1 and confirmed his attendance. The meeting will be open to the public.

The last four goal setting meetings were held in 2009, 2014, 2015 and 2017. Public comment periods are not recommended at these goal setting meetings due to the fact these goal setting meetings happen for only 2-3 hours just once every few years. I recommend we set a public comment period for the end of the December 4 City Council meeting. That way we can ensure we hear public comment and take the comments into consideration as we prepare for the goal setting meeting on December 11.