



City Administrator & Staff Update

2022.10.21

- **Chamber:** Attached is a copy of the 10/22 Chamber Board Packet. The legislative session seemed to go well today. It was recorded and will be on the chamber website as well.
- **Budget:** Budget memos and attachments have started going out to departments this week. A little early but trying to get a head start with everything going on.
- **Water Tower:** It appears we have substantial completion after meeting with the engineers and staff yesterday. This issue will likely be the date 10/14 or 10/17. I'm sure they will look to find additional arguments to justify a reduction in disincentives, but things are well documented.
- **Community Visioning:** The Community Visioning Team started off this past Monday with a brief introduction to the schools as they like to ensure student participation. The School Board unanimously agreed to coordinate access to WB students. The Kickoff event in Ames is on 11/3.
- **Mt. Pleasant Street Project:** "I just got off the phone with Norris Asphalt. They plan to start milling on 10/31. They anticipate two days of milling. The HMA crew would then be in later that week to start that portion of the work. I let Mike know but thought I would follow up with an email to you. I will let you know if something changes. Thanks, Matthew P. Walker, PE".
- **Water Quality Initiative and Funding (FYI) – Impact 7G is an environmental firm that I have worked with in the past and they have worked with SEIRPC as well.**
 - Per Mike Fisher with Impact 7G:
 - Zach, let me know if this could help any communities...some may need improvements along streams/creeks or simply native landscaping between a creek and ped trail for example.
 - IDALS recently sent out their request for applications for urban water quality initiative projects. Projects that qualify include wetlands (this is the hot practice for 2022), bioretention cells, swales, native landscaping, and pretty much any practice listed in the Iowa stormwater management manual or Iowa nutrient reduction strategy. It also covers the purchase of land to complete the project. This annual funding opportunity has always had a maximum award of \$100k and requires a match equal to the amount of funding requested. However, this year they removed the cap on the amount that could be requested. Applicants are encouraged to "request what is needed for the project". I've heard the max is \$250k. Judy mentioned some cities you're working with on other projects – Mason City, Burlington, and Marshalltown – if you think there might be interest from those communities (or any others) in applying for these funds let me know. If so, I can look through some of their upcoming projects or stormwater problem areas to see if the original plan could be modified to fit the requirements of this funding opportunity.
 - If there is interest, the next step would be to complete a pre-application (app is straightforward, 20-30 hours depending on the complexity of the project). Pre-apps are due November 18. If it is approved, the full application is due in late

December/early January. Funding is available as early as April. Construction would need to be completed by the end of 2024.

- As of now, we're talking to a few cities and County Conservation Boards about pursuing this funding and will likely submit applications on their behalf. Wouldn't hurt to have a few more! Let me know if you want to chat more about this. Request from IDALS is attached.

IT (Newberry)

Weekly Update:

This week I am working on restoring an Intrusion Detection system that crashed last week. We do not back these up as the cost would be too much and we have Splunk that keeps the log data in the cloud. I am also working with our new partner [SHI.com](https://www.shi.com) to get quotes for next fiscal year for Bitdefender Gravity Zone and Barracuda Spam Filter. These are the major items that expire next year. I already have the quote back from knowbe4 which will be \$3,000 for another 3-year term. This week with our current security software that is in place I was able to detect an infected android phone that was connecting and relaying information to the dark web. I was able to notify the person who was able then to remove the malware from the device. This was on our BYOD network, so it had no chance of infecting anything internally. The reason I am using SHI as our vendor is they don't treat us like a little city like CDWG and give us competitive pricing. There has been an uptick in what they call drive by malware infections, but Bitdefender does a good job at detecting these. I am including the executive view breakdown so that you may see how well the EDR software works.

Definitions:

Drive-by downloads are a common method of spreading malware. Cybercriminals look for insecure web sites and plant a malicious script into HTTP or PHP code on one of the pages. This script may install malware directly onto the computer of someone who visits the site, or it may take the form on an IFRAME that re-directs the victim to a site controlled by the cybercriminals. In many cases the script is obfuscated, to make it more difficult for security researchers to analyze the code. Such attacks are called 'drive-by downloads' because they require no action on the part of the victim — beyond simply visiting the compromised web site: they are infected automatically (and silently) if their computer is vulnerable in some way (e.g., if they have failed to apply a security update to one of their applications).

An intrusion detection system (IDS) is a system that monitors network traffic for suspicious activity and alerts when such activity is discovered.

Splunk is an advanced, scalable, and effective technology that indexes, and searches log files stored in a system. It analyzes the machine-generated data to provide operational intelligence. The main advantage of using Splunk is that it does not need any database to store its data, as it extensively makes use of its indexes to store the data.

Spam Filter is a program used to detect unsolicited, unwanted, and virus-infected emails

Dark Web is the part of the World Wide Web that is only accessible by means of special software, allowing users and website operators to remain anonymous or untraceable.

Notable Links:

<https://www.barracuda.com/products/email-protection>

<https://splunkbase.splunk.com/app/4240>

<https://www.bitdefender.com/business/products/gravityzone-enterprise-security.html>

Police (Logan)

- We are in court this week on the June 14, 2022, shooting that took place at the pool. It might finish up this week and if it does, I will let you know what I find out with it. Unfortunately, the victim is not cooperating with us, and we could not find him to testify in the trial.
- The Murder trial sounds like it may start on November 1, at least it's on the schedule. We hope to have a more certain idea shortly as to whether it will go in the next week or so. I will keep you updated on what I find out with this one.
- I will be participating in a Domestic Violence Awareness Candlelight Vigil tonight (10/20) and North Hill Park located in Burlington starting at 6:30 PM.

Building/Fire (Ryan)

- Nuisances – 114 Ramsey – spoke with the owner and he intends to tear the house down. Working with him to get this done in a timely manner. Spoke with AY McDonald on outside storage and weeds. Working on Borghi for illegal parking and verifying compliance with our list of items. Had illegal burning complaint come in that's recurring – finally caught them and took care of the issue.
- Building Permits and Licenses: Several licenses have come in for the new business suites at 914 Broadway. Reviewing them for compliance and then inspections will follow.
- Code Review – Replied back on a driveway request.
- Rental Inspections – None scheduled at present time
- Alcohol – 34 Truck Stop and Westland Fastbreak completed and passed. Some minor issues at Truck Stop but have followed up and they were addressed.
- Additional:
- Fire Dept –
 - Had hydraulic line on Tower 1 burst. Luckily was not on a call at the time. This happened Friday. As of today (Wednesday 19th), just need to finish putting hydraulic fluid in it and then check to ensure its operating smoothly. Earliest a repair tech could come is next week. Doing this work ourselves saved over \$1,000 and time.

City Clerk (fry)

- Attended an HR Session and the IMFOA Annual Conference in Des Moines Wednesday through Friday this week.

Finance (Moore)

- Wrapping up budget memos and spreadsheets for departments, preparing for the TIF report, and working with the auditor as they wrap up their report. They needed two additional information items this week. We hope to have a draft soon.

Public Works (Brissey)

- Water lab
- Sewer lab
- Lift station rounds
- Parks and Broadway trash and recycling
- Locates
- Service trucks and Squad cars
- Mowing Parks and city properties
- Maintenance and clean up at sewer plant
- Patching
- Working on winterizing pool
- Watering all trees that have been planted in town, sewer plant and potted seedling. Pumps in tower are functioning. Jetco is still working on adjustments.
- I talk with Gregg about stopping the disincentive because tower is online. Just needs some adjustments to get everything right and small punch list.
- Flushing fire hydrants this week.
- Winterized parks and pool.
- Replacing broken fire hydrant and valve.
- Jetting sewers

AGENDA

- | | |
|--|-------------------------------|
| ○ Call to Order | Chair Tim Lundgren |
| ○ Presentation | |
| ○ New School Superintendents – Burlington and Danville | Rob Scott and Patrick Wallace |
| ○ Community Reports | Della Schmidt |
| ○ Cities, County, Educational Institutions | |
| ○ Divisional Quick Reports | |
| ○ President's Report | Della Schmidt |
| ○ Other Business | Chair Tim Lundgren |
| ○ Chairperson Final Comments | Chair Tim Lundgren |
| ○ Dismissal to Individual Board Meetings | |

AGENDA

- | | |
|---------------------------------|-------------------|
| ○ Quorum Confirmation | Chair Walsh |
| ○ Consent Agenda | Chair Walsh |
| ○ October Agenda | |
| ○ August 2022 Minutes | |
| ○ Financials | Treasurer Huffman |
| ○ Action Items: | |
| ○ SIRRC Board Nominations | Jeremy Hess |
| ○ Purchase Agreement – FRBP | Jeremy Hess |
| ○ Non- Action Items | |
| ○ Project Updates | Jeremy Hess |
| ○ Natural Gas update | |
| ○ Final Comments from the Chair | Chair Walsh |
| ○ Adjourn | |

*Denotes that a memo is included in this agenda packet



Board of Directors Meeting
Tuesday, August 16, 2022

MINUTES

Present: Bob Huffman, Dr. Michael Ash, Charles L. Walsh, Jon Billups, Sue Sorensen, Mark Seckman, Brock Ita, Gary Hoyer, Tina McCulloch, Paul Zaugg, Gregg Mandsager

Staff: Jeremy Hess, Rachel Lindeen

Absent: Eric Benne, Bryan Bross, Christine Plunkett, Grant Whipple, Chris Smith, Kevin Mueller, Tom Broeker

Quorum Confirmation – Charlie Walsh called the meeting to order

Consent Agenda –

- August Agenda and June Minutes –No discussion. Motion passed.
- June 2022 Financials – Written and oral report provided. Motion made. Motion passed.

Action Items:

- Menke & Company presented the annual audit. Written and verbal report provide. Motion made. Motion passed.
- Community Investment committee will be comprised of Dr. Michael Ash, Gary Hoyer, Sue Sorensen and Charlie L. Walsh. Motion made. Motion passed
- Acceptance of Matt Wenzel and Tom Peterson resignation from the Grow Greater Burlington Board of Directors. Motion made. Motion passed.

Discussion Items

- Rachel provided a talk and workforce update including: Teachers Appreciation Reception, Mark Perna presentation and recent signing days
- Jeremy provided a verbal report on; Western Smoke House Meats in the Former Siemens Building, Former ABB Building, potential upcoming 'Project Z', recent visit a firm from Japan and working on RFI's for the state

Adjourned at 8:23 AM

Respectfully submitted by: Rachel Lindeen

Memo

To: Grow Greater Burlington Board of Directors
From: Jeremy Hess, Director of Economic Development
Date: October 18, 2022
Re: SIRRC Board

Annually the Grow Greater Burlington Board of Directors is required to reappoint members to the SIRRC board. The current appointees are willing to continue their service, and the following individuals are hereby approved for 2022:

Theresa Johnson, Jason Hutcheson, Dave Walker



IOWA LEAGUE OF CITIES

ANNUAL CONFERENCE & EXHIBIT

What to Do With an Old Mall or Other Obsolete Space

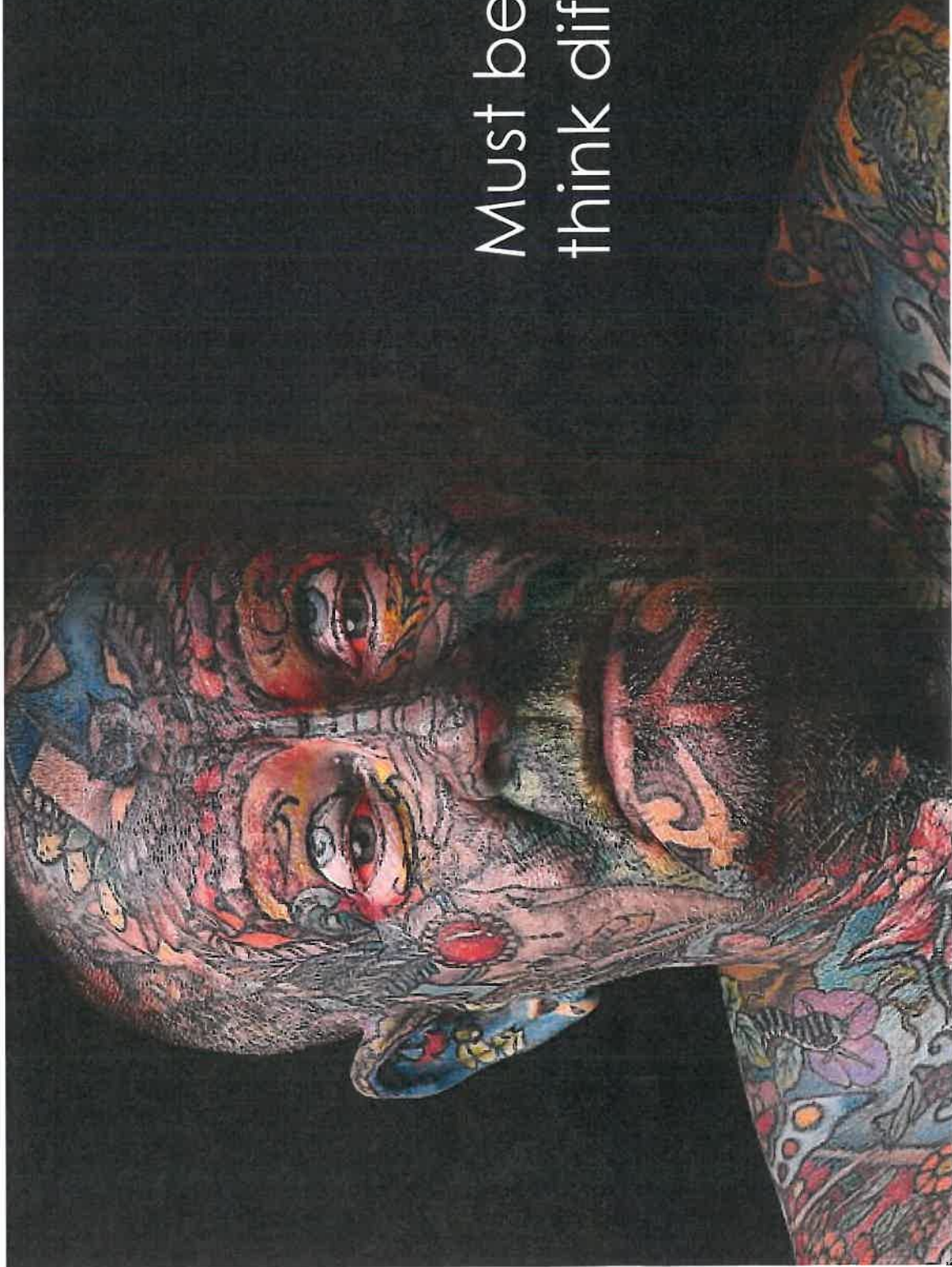
David Fierke, City Manager, City of Fort Dodge
Chad Schaeffer, Chief Development Officer, City of Fort Dodge
Terry Lutz, PE, Chairman, McClure

HANDOUTS & PRESENTATIONS ARE AVAILABLE THROUGH THE EVENT APP

What Do You Do with an Old Mall or Other Obsolete Space



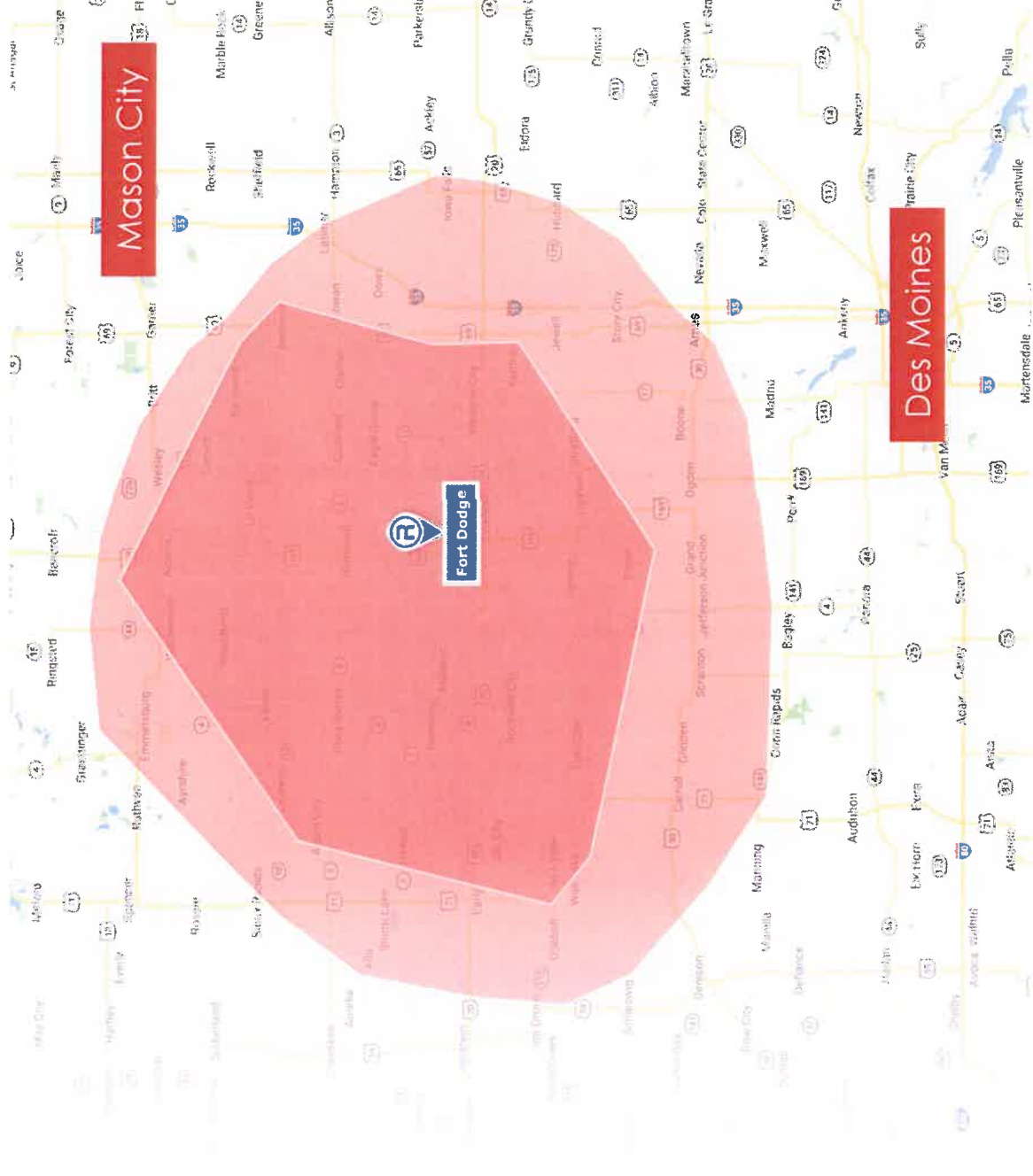
Must be willing to
think differently...



History



Trade Area



Sioux City

Mall History

1960s

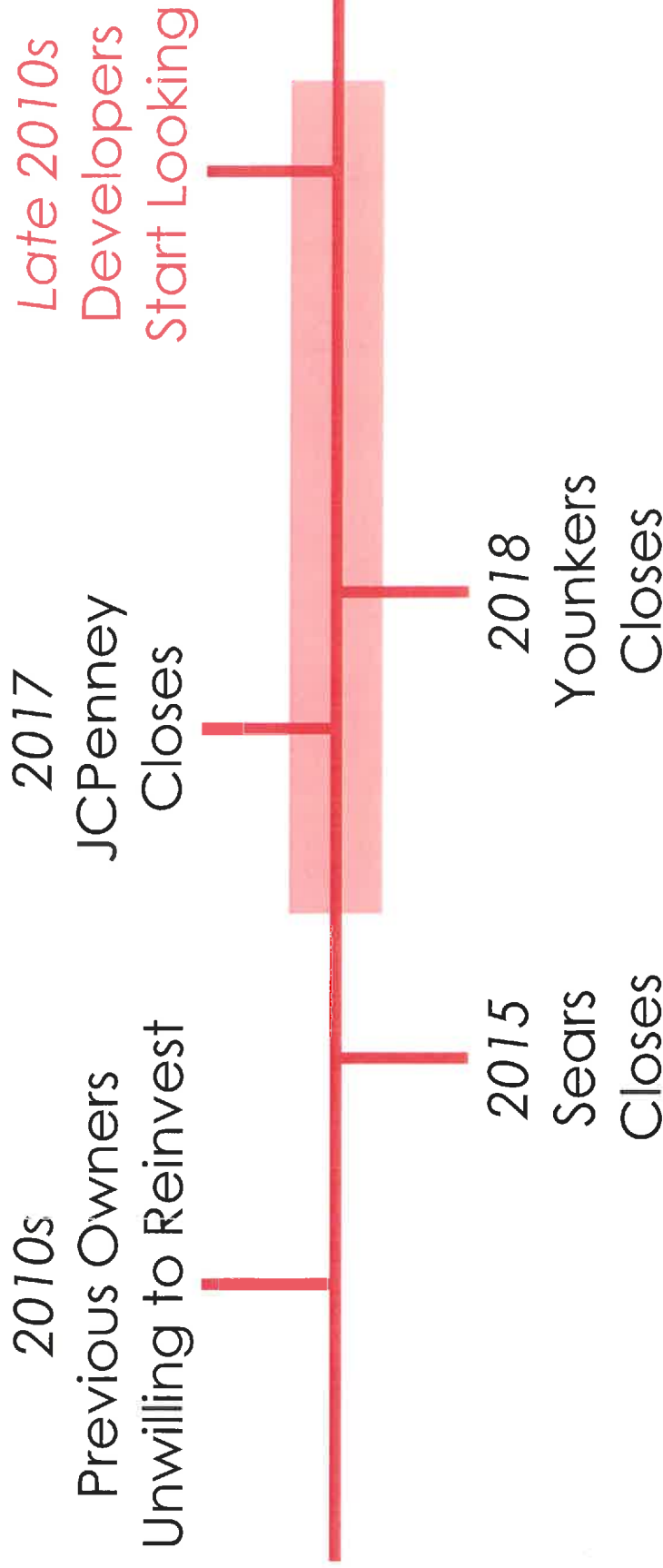
Open Air
Mall Opens

1970s

Mall Enclosed
National Retailers
Killed Downtown

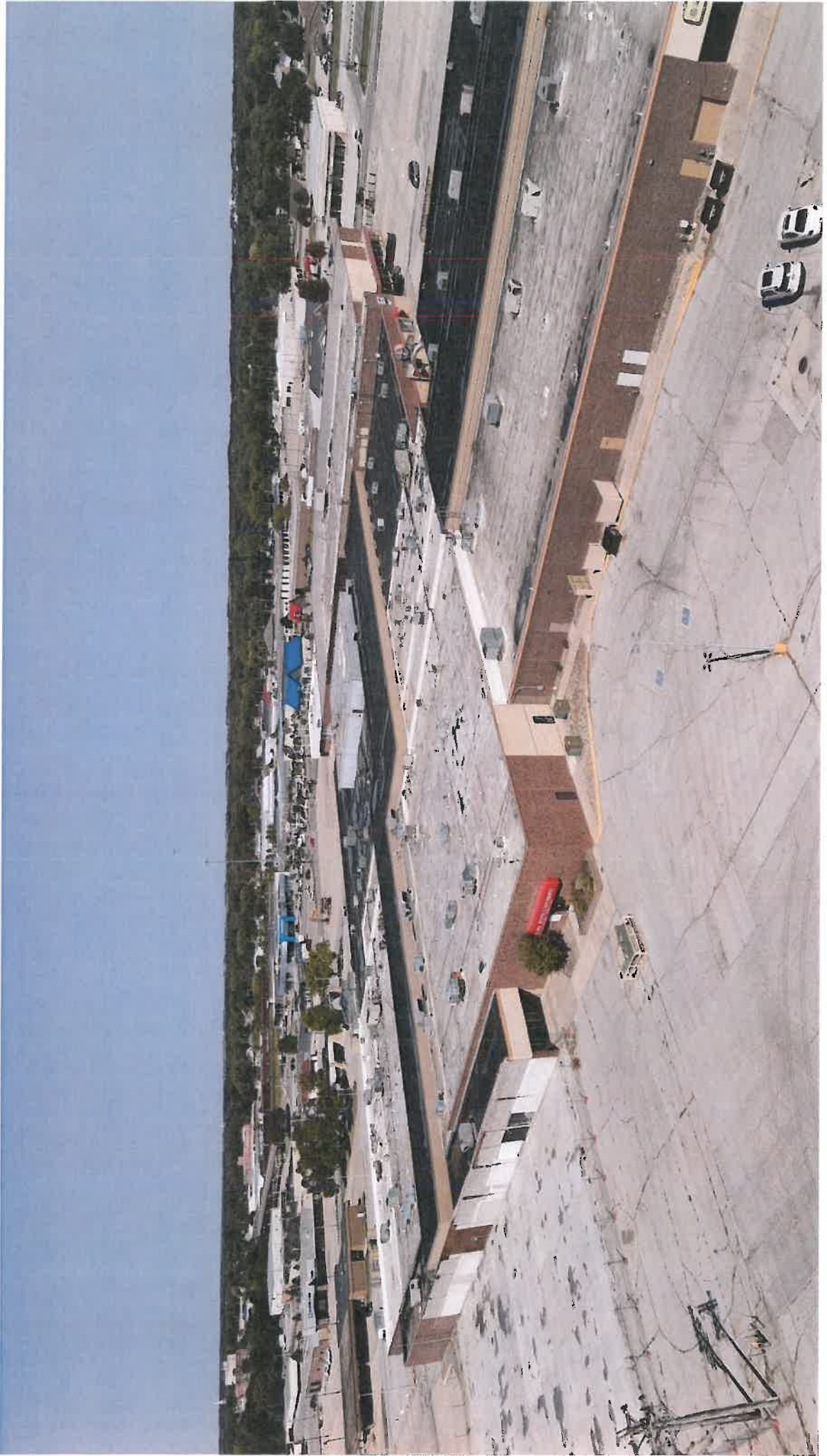
2000s-2010s
Rent Decreased
Decline Begins

Decline



6x drop in taxable value over 20 years (\$12M to \$2M)





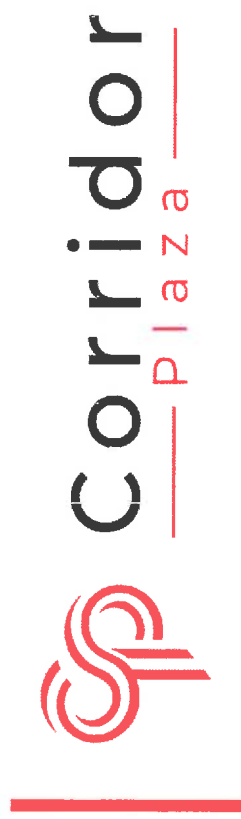


Retail Market – is there hope?

- Market Study - Retail Coach
 - Retail gap analysis
 - NW Iowa retail hub – strong pull factor!
 - Service businesses for North Central / Northwest Iowa
- 11 Hotels – business travelers, contractors, weekend sporting events, etc.

City Involvement in Retail

- Historically - no incentives for retail development
- Envision 2030 - Strategic Plan
 - “Retail is quality of life”
- City leaders willing to think about retail differently
- Big investment to beautify old Highway 20 – commercial corridor
- Kohls - catalyst for corridor redevelopment
 - TIF incentives










SHIVE-HATTERY
ARCHITECTURE + ENGINEERING

Public-Private Partners

City + Developer = Public-Private Partners! 

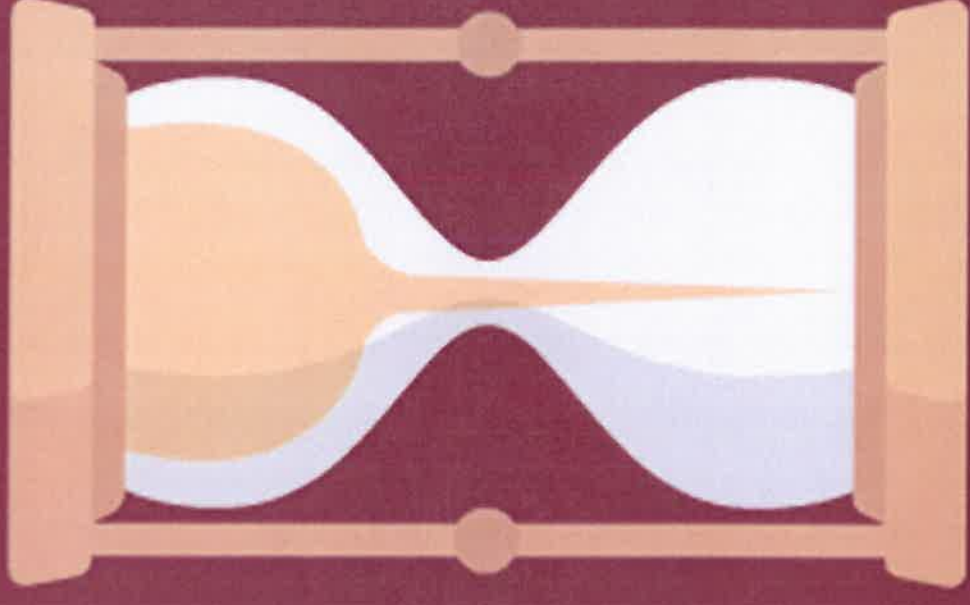
Both must have skin
in the game

Public sector claw-
back on real estate if
developer fails.



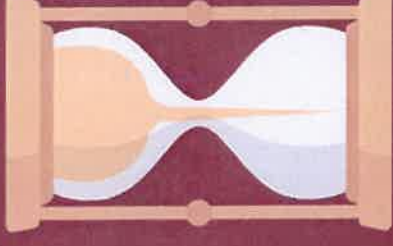
Public sector has
time -

- they think 20, 30, 50, 100 years



Developer does
not have time -

they think 2, 3, 5, 10 years





**Heavy up-front costs
cannot be carried by
developer.**

Land Acquisition: \$4.5M
Demo/Site Prep: \$4.5M
Up-Front Costs: \$9.0M

\$6.50-7.50 / ft²



**Without public
sector help...**

Deal Killer

Financing / Deal Structure



Financing



Land Acquisition	\$4.5M
Site Demolition	<u>\$4.5M</u>
Total Initial Costs	\$9.0M
Site Infrastructure	<u>\$12.0M</u>
Total Site Prep Costs	<u>\$21.0M = \$15.55/sq ft</u>
Estimated Market Value	\$2.00 - \$4.00/sq ft
Gap in \$/sq ft	\$11.00 - \$13.00/sq ft
Gap in total \$	<u>\$17.0 - \$18.0M</u>



Financing



Gap

\$17.0 - \$18.0 million

“Off-Site” TIF

\$10.0 million

Available to developer as costs are incurred

“On-Site” TIF

\$8.0 million

To be created by developer and paid as TIF is created – City to issue bonds to reimburse developer

Financing



Public Entertainment Complex Cost **\$17.0 million**

State (Iowa Reinvestment District Program) **\$17.0 million**

- Activates the space beyond retail activities to drive retail activities
 - Year-Round Indoor / Outdoor Activities
 - Indoor / Outdoor Concerts
 - Farmers Market
 - Water Feature
 - Brewery / Pickleball
 - Misc. Entertainment



Financing



— Plaza —
Corridor

Site Prep Cost

\$21.0M

Public Entertainment Complex

\$17.0M

Vertical Investments

\$42.0M

(Hotel, Commercial, Retail)

Total Investment

\$80.0M

Results



Results



Lease Rates

Current
\$2.00 - \$4.00 / sq ft

Post Development

Power Center
\$6.00 – 14.00 / sq ft

New Strip Center
\$18.00 - \$25.00 / sq ft



Results



Property Taxes

Current	\$110k / year
Post Re-Development	\$2.1M / year
Increase	\$2.0M / year
• 20 Years	\$40.0M
• 30 Years	\$60.0M
• 50 Years	\$100M




Results



Sales Tax

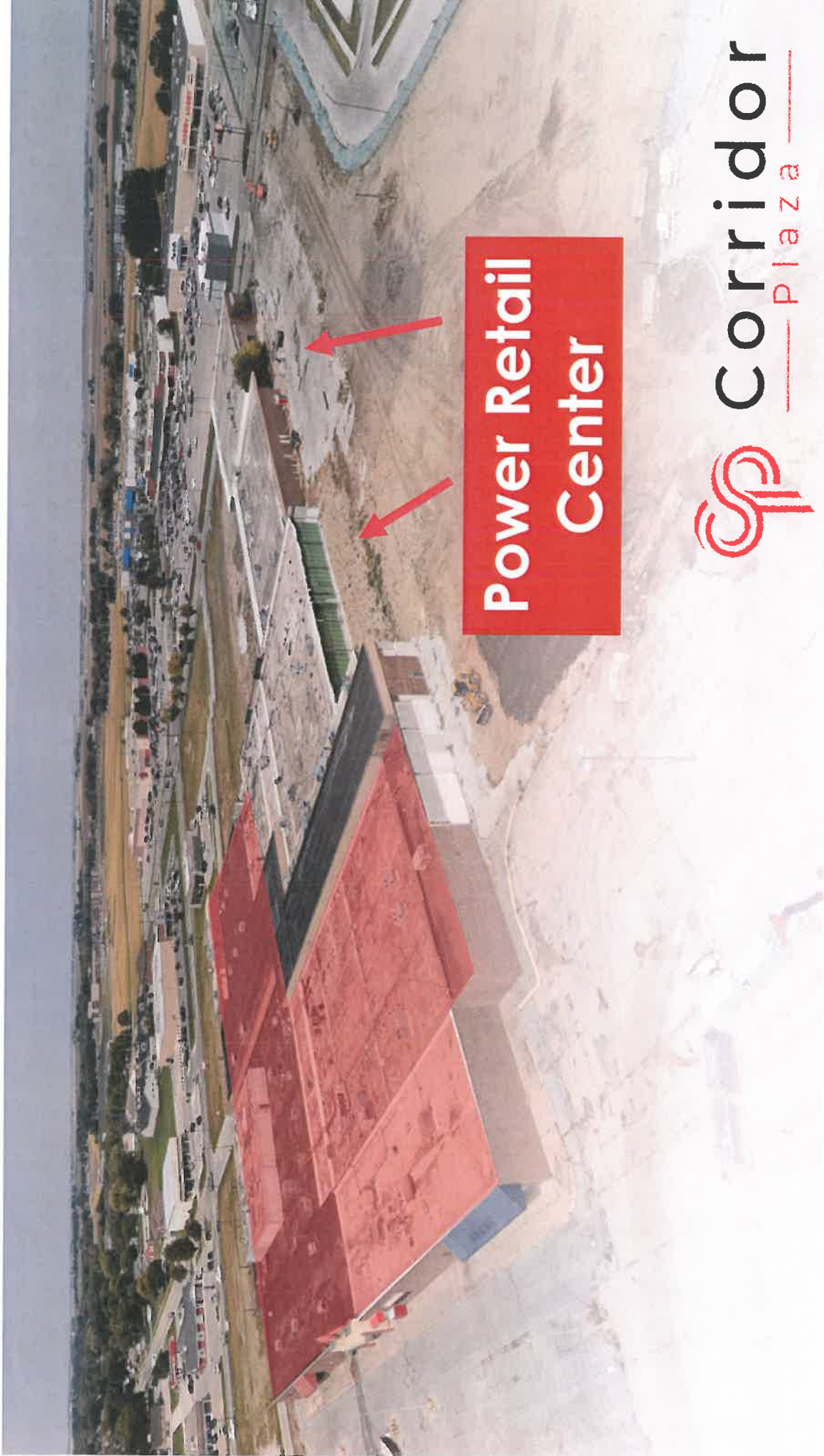
Current	\$112k / year
Post Re-Development (2025)	\$1.3M / year
Increase	\$1.2M / year

- 20 Years (Thru 2041) \$29.8M



Corridor

— plaza —



Power Retail
Center



**Power Retail
Center**




Corridor
— plaza —





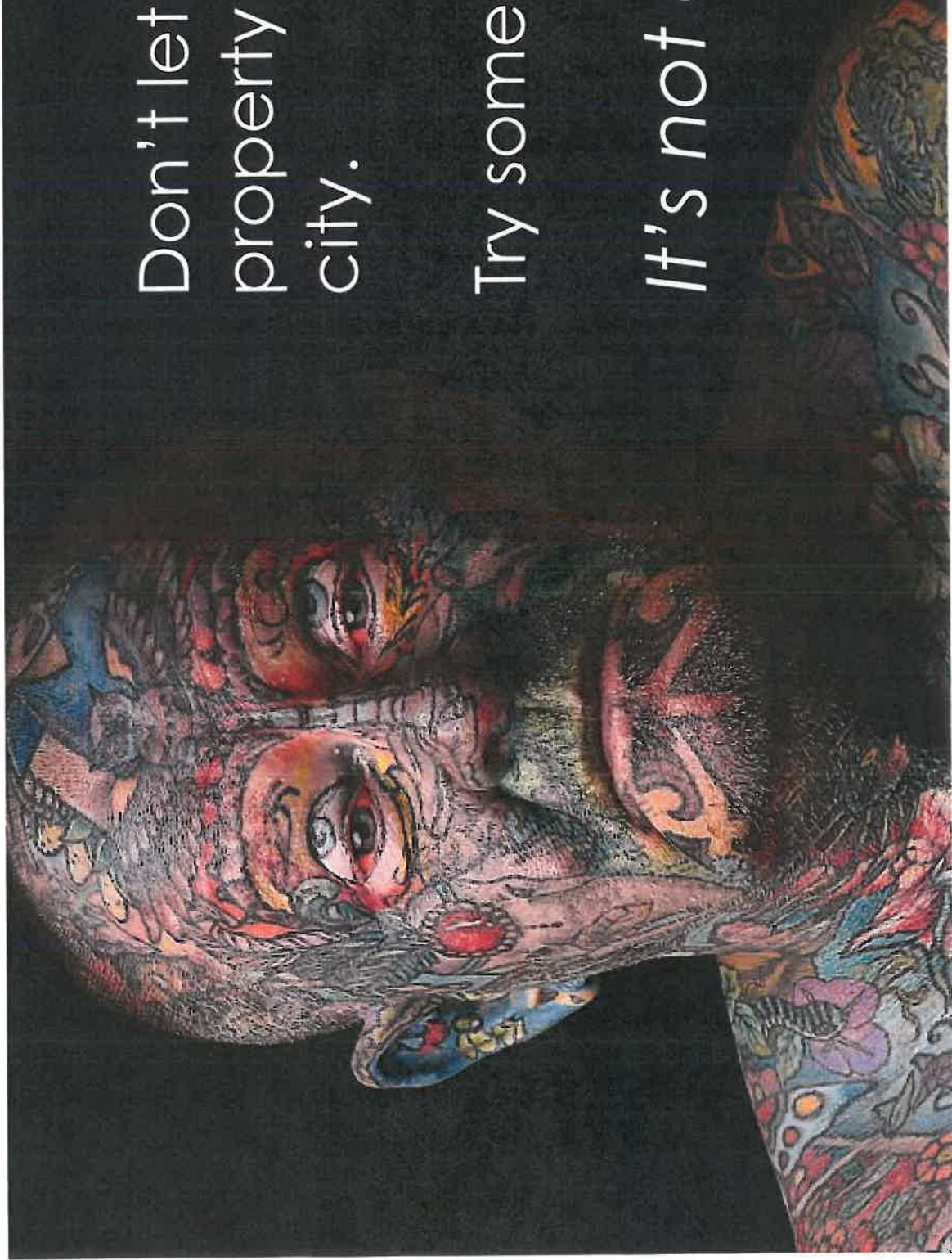
UnityPoint Health

 Corridor — plaza —

Don't let an obsolete
property define your
city.

Try something!

It's not a tattoo!





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