



**FINANCE & ADMINISTRATION SUB-COMMITTEE
MEETING MINUTES
Wednesday, January 27, 2016 - 7:00 AM
West Des Moines City Hall – 4200 Mills Civic Parkway
Training Room, 2nd Floor**

Present: Councilmember Russ Trimble, Councilmember Jim Sandager, City Manager Tom Hadden, City Attorney Richard Scieszinski, Finance Director Tim Stiles, Human Resources Director Jane Pauba Dodge, City Engineer Duane Wittstock, Budget Analyst Chris Hamlett, and Administrative Secretary Maureen Richmond

Guests: Mr. Jim Miller, Historic Valley Junction Foundation
Mr. Nick Colletti, Junior Achievement
Mr. Jim Hagenbucher, Junior Achievement
Ms. Loretta Sieman, Junior Achievement
Mr. Jeff Andersen, WDM Business Incubator
Mr. James Deeds, WDM Business Incubator
Mr. Clyde Evans, WDM Business Incubator
Ms. Jo Eckert, WDM Business Incubator

Meeting was called to order at 7:00 AM

1. Hotel/Motel Presentations by Applicant Organizations

Prior to the December 21, 2015, deadline, nine (9) organizations completed applications for discretionary Hotel/Motel Tax funding for the upcoming fiscal year beginning July 1, 2016. Part of the application process includes a brief presentation by the applicant organization to the F&A committee. Mr. Stiles noted that these presentations are scheduled to occur over the course of the next three (3) meetings, with this meeting including the third and final round of presentations. Mr. Stiles introduced representatives of the presenting organizations:

A. Historic Valley Junction Foundation

Mr. Jim Miller, Director of Historic Valley Junction Foundation (HVJF), provided a summary of the activities of the Foundation and details of their plans for using their FY 16-17 request of \$95,000. The organization requested and received \$75,000 last year.

Mr. Miller explained that his organization represents the businesses of Valley Junction, which consists of over one hundred independent specialty shops, restaurants, and service locations. Mr. Miller pointed out that the upcoming fiscal year will contain two significant anniversaries for the area -- the HVJF was formed in 1987 so it will be celebrating its 30 year anniversary, and more

significantly, Valley Junction will be celebrating its 125th anniversary in 2017.

Mr. Miller noted that requested funds will assist in operations, including marketing, promotion, and special events, retention of a full-time Events Manager and Business Manager, and continued district branding efforts. In 2016, the HVJF Board will be revamping programming for the organizations, including significant changes to existing events along with adding events to celebrate the anniversary milestones.

Also, the HVJF Trash Program is be reviewed by the Board and Mr. Miller anticipates a recommendation to assess the commercial and mixed-use property owners by creating a Self-Sustaining Municipal Improvement District (SSMID) to fund this service, as well as provide funding towards other improvements and maintenance in the district. The SSMID would exclude residential property owners.

Mr. Miller concluded by noting the City's funding enables many HVJF events including:

- Weekly Farmers Market / Music in Junction
- Antique Jamboree
- Earth Day in the Junction
- Cinco de Mayo Festival
- Smokin' in the Junction
- July 3rd Street Celebration
- Jingle in the Junction

B. Junior Achievement of Central Iowa, Inc.

Mr. Nick Colletti, President of Junior Achievement of Central Iowa (JA), 6100 Grand Avenue, Des Moines, provided a summary of his program. The organization is requesting \$11,000. Last year the organization requested \$10,000.

Mr. Colletti noted that Junior Achievement is the nation's largest organization dedicated to giving young people the knowledge and skills they need to own their economic success, plan for their future, and make smart academic and economic choices. A large part of this program is to facilitate a standing display called JA BizTown, which simulates the workings of a city. The funding from the City will provide funding for the exhibit's City Hall storefront along with paying for some of their program materials, maintenance, and technology. JA BizTown primarily serves students in grades 5-6, and focused on financial literacy, work readiness and entrepreneurship. After 4-6 weeks of curriculum in their classrooms, students spend about five hours on-site at JA BizTown, where they experience hands-on working of business and community functions at store-front sites. JA Biz served 852 WDM students during this school year which was 14.4% of all student served in the program.

Last year Councilman Trimble asked which, if any, other communities are sending students to BizTown and whether those communities are contributing financially to the organization. Mr. Colletti responded that no other communities are presently participating but noted they did submit applications for funding to the City of Johnston which declined funding, and Urbandale which is pending a decision.

C. WDM Business Incubator

Mr. Jeff Andersen, President of WDM Business Incubator, 2829 Westown Parkway, Suite 220, West Des Moines, provided a summary of the Incubator and described how the City's funding will be used. The organization is requesting \$20,000 and in the previous year the organization requested \$20,000 but the City allocated \$10,000. The allocation was contingent on the Incubator acquiring \$10,000 of matching funds, which they were able to obtain.

Mr. Andersen explained that the Incubator's FY 2015-16 funds were used to enhance operations and also to host a variety of speakers and workshops aimed at informing, educating, and connecting client/resident to professional consultants and service from local providers.

Mr. Andersen stated that the WDM Business Incubator provides assistance to small businesses and entrepreneurs in businesses development and growth. Their board believes the Incubator is a tool in the economic development toolbox of the City of West Des Moines. Some of the functions intended to benefit from the City's funding in FY 16-17 include:

- Moving expenses related to the new location at 318 5th Street
- Remodeling and renovation
- Janitorial expense will be approximately \$1,800 per month
- Promoting and Marketing to prospective tenants/start small pilot program with Valley Junction Businesses
- Hosting workshops for small businesses
- Expanding service programs to the public (e.g. speakers, networking with entrepreneurs, counseling)

Mr. Andersen noted that Iowa State University will be assisting with strategic planning. Also, the Incubator has discussed charging a fee for offered programs for non-residents. Mr. Trimble suggested that WDM Chamber businesses may be a good source to provide support for the Incubator.

After the presentations, the councilmembers thanked the organizations for their time and noted that the committee and staff will make a recommendation to the Council after all organizations have presented and been properly discussed and considered.

3. Staff Updates

It was noted that Councilman Sandager has a conflict with the time of the next meeting, so it was agreed that the meeting originally scheduled for February 10th will be moved to February 17th.

4. Other Matters

A. Disposal of Real Property

Mr. Wittstock brought forward a proposal related to disposition of surplus City-owned real property. He noted that City maintains an inventory of surplus real property, often the result of vacating roads or alleys, or as a result of new construction which is no longer needed for City purposes. Federal, state, and local laws may dictate the manner in which the property be disposed, based upon the manner in which the property was acquired.

Mr. Wittstock reminded Council of restrictions in place related to disposal of real property, some of which are imposed by others and some of which Council has obligated itself in areas of pricing, appraisal methods, and requiring offering the parcels for sale to former owners of the property.

Staff would like Council to consider using an online auction service to dispose of property owned by the City. Mr. Wittstock presented a proposal from the company which handles similar bidding processes for the Iowa Department of Transportation. He explained that all bidding online and the auction will remain live for approximately 30 days and any potential bidder and buyers can visit the website and see the current bid for that property, or submit bids themselves.

The auction company would charge 6% of the gross selling price of the tract or tracts that being sold. It was unclear from the proposal whether there was a minimum cost, so Mr. Wittstock will research. Councilmembers asked about rules pertaining to appraisals and according to Mr. Scieszinski, the City's policy requires no appraisals for property under \$10,000. It was asked about establishing minimum values for the tracts, which will be researched by Mr. Wittstock.

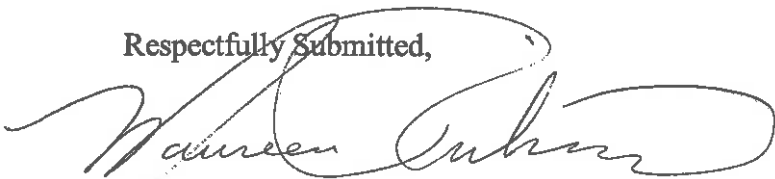
Councilmembers were generally receptive to pursuing the process, but wanted these questions answered prior to making any recommendation.

B. Seasonal Staff Pay Rates

Ms. Dodge brought forward a recommendation to increase pay for seasonal staff, which was supported by the Councilmembers. The action will be brought forward by staff at a future Council meeting for consideration and approval.

Meeting was adjourned at 8:51 AM.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Maureen Richmond", with a large, stylized flourish at the end.

Maureen Richmond
Administrative Secretary