



FINANCE & ADMINISTRATION SUB-COMMITTEE
Wednesday, November 14, 2018 - 7:30 AM
West Des Moines City Hall – 4200 Mills Civic Parkway
City Council Chambers

Present: Councilmember Russ Trimble, Councilmember Jim Sandager, City Attorney Dick Scieszinski, Deputy City Manager Jamie Letzring, Finance Director Tim Stiles, City Clerk Ryan Jacobson, Human Resources Director Jane Pauba Dodge, Community & Economic Development Director Clyde Evans, Business Development Coordinator Rachel Wacker, Business Development Coordinator Katie Hernandez, Budget Analyst Chris Hamlett, and Secretary Katie Johnson

Meeting was called to order at 7:34 AM

1. Insurance Agent Services

In 2016 the City completed a Request for Proposal (RFP) process to enlist the services of a Broker/Agent of Record for Property and Casualty Insurance Services. Prior to that time, the City had used Municipal Insurance Services for approximately 30 years. Holmes Murphy was the successful proposer and has provided brokerage services to the City for the past 2+ years since.

Ms. Stiles noted that a typical cycle to create a new RFP for professional services is approximately every five years but it was recently brought to staff's attention that finding new broker may be in order now, due to Holmes Murphy's relocation of its office to Waukee. He noted that unless the scoring criteria was adjusted the City could likely end up with the same result because Holmes Murphy has performed well during its tenure as agent.

After discussion, the Councilmembers advised that the City continue with Holmes Murphy as the City's Broker, with another RFP to be completed prior to the 2021 renewal.

2. 2019 City Council Meeting Schedule

Mr. Stiles and Mr. Jacobson presented an option to change the City Council meeting schedule. Currently the schedule is on an every other Monday rotation and staff is recommending that meetings be held twice a month, on the first and third Mondays of each month. This would result in a net reduction of 2 meetings per year.

They presented a worksheet with pros and cons of each cycle, noting that changing from 26 meetings to 24 meetings per year would result in some direct cost savings such as staff time, AV contract services, police officer time, & cost of publications. They also provided a survey of other cities and comparable cities in Iowa, and noted that nearly all others follow a schedule of two meetings per month.

Councilmembers both supported the adjustment, so in accordance with City Code, the complete 2019 Council meeting schedule will be presented in this format for vote at the first Council meeting of December.

3. Redevelopment Funding Programs for Historic Valley Junction – Consideration of Renewal/Reallocation

Mr. Evans asked the Committee to consider renewal of the Redevelopment Funding Programs for Historic Valley Junction. Currently no funding is allocated beyond this fiscal year. He noted that West Des Moines has leveraged \$2.5 million of private investment through the first three phases of the program – on grants and loans of approximately \$750,000. The program has resulted in three new restaurants and other tenant improvements.

He stated that there is already some interest in a next phase, with the most likely candidates being two more restaurant applications, as well as upper story and mixed use projects.

One possibility would be to allocate enough for one funding round per year. Loan payments to be received, based on current loan obligations, would bring in approximately \$40,000 back to the program, which could then be reallocated. This would mean that \$360,000 in “new funding” would be needed to provide a \$400,000 program. Another factor is investors could use the opportunity zone and layer the West Des Moines assistance to improve their investment.

The Councilmembers were split. Councilmember Trimble did not currently support renewal and stated that it should wait until the City sees a return from the current years. He would like further discussion. Councilmember Sandager supported renewal of the program at \$250,000 per \$400,000 a year.

4. Renewal of Property Tax Rebate Program

Mr. Evans presented the renewal of the Property Tax Rebate Program. Mr. Evans would like to look at pairing this one with the opportunity zones. This would help with some of the properties located along Railroad Ave.

Councilmembers support the Renewal of Property Tax Rebate Program with the support of the Opportunity Zone in the same targeted census tract area, which is an area Vine to Railroad and 1st to 8th Street.

5. Staff Updates

Mr. Evans stated that the first round of the Upper Story Housing program was going to have funding available for 10 units. We have received 2 applications for a total of 15 units. Mr. Evans would like the direction of staff as to whether we should only allow 10 units or pull advanced funding to support all 15 units. Councilmembers support pulling advanced funding for all 15 units.

Mr. Trimble updated on the Red house development. There will be a meeting shortly to resolve the issue.

Mr. Stiles stated that the City is preparing for the sale of approximately \$10 million in bonds that we are to pay to Microsoft as economic incentive for Osmium. Microsoft has communicated that they would like the City to escrow the money. They are planning to spend \$8 million for fiber conduit connections that they will contract the City to do the work, they would like to give \$500,000 to improve the roads to the South of Osmium, and use the final \$1.5 million to donate back to the city through their philanthropy committee towards a project or program that meets both of our needs.

Mr. Stiles stated that the City is preparing for the FY 19-20 Hotel/Motel grant funding application process. There has been some concern that there has not been enough public knowledge of the process. Staff's plan, after discussing with Communications Officer Lucinda Stevenson, is to generate awareness through increased social media presence and also through publishing the application information in a more prominent place on the City's website (currently it is housed in the Finance Department section).

If there is a larger number of applications, Councilmembers expressed a preference for staff to vet the applications down to the most qualified group before scheduling presentations.

Meeting was adjourned at 8:27 AM.

Respectfully Submitted,



Katie Johnson
Secretary