



**FINANCE & ADMINISTRATION SUB-COMMITTEE**  
**MEETING MINUTES**  
**Wednesday, March 6, 2019 - 7:00 AM**  
**West Des Moines City Hall – 4200 Mills Civic Parkway**  
**Council Chambers**

Present: Councilmember Russ Trimble, Councilmember Jim Sandager, City Manager Tom Hadden, Deputy City Manager Jamie Letzring, Assistant City Attorney Greta Truman, Finance Director Tim Stiles, Human Resources Director Jane Pauba Dodge, Community and Economic Director Clyde Evans, City Engineer Brian Hemesath, Budget Analyst Chris Hamlett, and Administrative Secretary Maureen Richmond

Guests:	Mr. Jerry Bussanmas	Item 1
	Ms. Dave Harmeyer, Vista Real Estate	Item 1

Meeting was called to order at 7:00 AM

**1. Kings Landing Plat 3 – Stagecoach Drive Financing**

Mr. Hemesath presented a change related to the original development agreement for Kings Landing Plat 3. This project was discussed at prior meetings on November 29, 2017, and May 9, 2018.

On November 29, 2017, the potential for a development agreement including the future extension of Stagecoach Drive to Grand Prairie Parkway was discussed. The developer requested waiver of paving Stagecoach Drive adjacent to Kings Landing Plat 3 from S. 100<sup>th</sup> Street to Grand Prairie Parkway since the Grand Prairie Parkway right-of-way would encumber a portion of the plat causing loss of potential lots. During discussion, the Finance Subcommittee was supportive of evaluating alignment alternatives to minimize impacts to Kings Landing Plat 3. If the loss of lots could be reduced the developer indicated a willingness to post surety for 1.5 lanes of paving on Stagecoach Drive to be constructed at a future date as part of the City's Grand Prairie Parkway project.

On May 9, 2018, Mr. McAlister and Mr. Hemesath presented a paving alternatives analysis. After reviewing and discussing, Councilmembers recommended the developer contribute the difference between the loss of three lots (3 at \$95,000 = \$285,000) and construction of approximately 800LF of Stagecoach Drive (\$310,000). The City would absorb the remaining Stagecoach Drive paving cost in the future Grand Prairie Parkway project.

Recently, Dave Harmeyer Vista Real Estates submitted a plat which showed a loss of only one lot. The developer provided an analysis of the lots with proposed lot prices with a difference of \$360,000. Staff has reviewed and recommends the following:

- City build Stagecoach Drive from the current terminus to South Grand Prairie Parkway. This includes construction of the water main.

- The developer pays an agreed upon amount for the water main, estimated at \$52,600.
- The developer dedicates ALL right of way necessary from Kings Landing Plat 2 & 3 and Sugar Creek Estates for the construction of Stagecoach Drive including but not limited to paving, storm sewer and culverts.

Councilmembers supported the recommendation.

## **2. Economic Development Incentives – Project Leaf**

Mr. Evans presented a proposal by a prospect known as Project Leaf requesting economic development assistance. The company is proposing to construct an office building for its headquarters near the intersection of Veterans Parkway and Willow Creek Drive (formerly Army Post Road).

The proposal indicates that they are proposing to construct an 80,000 square foot office building. The company is currently located in West Des Moines and will be retaining 150 jobs and creating 25 new jobs within a five-year time frame. The construction cost is estimated at \$20 million and so the prospect has proposed a minimum assessment of the same amount.

Staff is prepared to offer a 5-year sliding scale property tax rebate, which in year one would be approximately \$425,088 and total \$1,275,264. The prospect is also considering filing a High Quality Jobs application thru the Iowa Economic Development Authority and the City will need to be the sponsor with the property tax rebate serving as the local match.

The project site is within the Alluvion Urban Renewal Area but will need to be amended to include this project.

Councilmembers supported the Project Leaf proposal and recommended placing this item on a future City Council agenda for review and consideration.

## **3. Waukee – West Des Moines Annexation Agreement**

Mr. Evans noted following a recent meeting with the Napa Valley Homeowners group, Mayor Gaer asked staff to prepare a map of a potential annexation moratorium line to present to the City of Waukee and bring this item to the Finance Subcommittee for recommendation. West Des Moines and Waukee currently do not have an annexation moratorium agreement in place.

After discussion, Councilmembers recommended that staff begin discussions directly with property owners absent a moratorium agreement.

#### **4. Final FY 19-20 Levy Rates and Budget**

Mr. Stiles noted that final levy rates for FY 2019-20 and budget will be certified at a special City Council meeting on March 13. The Polk County LOSST allows for a reduction of \$0.75 in the levy rate, to \$11.02. After discussion, the Councilmembers recommended that the levy rate be proposed at \$10.99, with the rate difference covered by a reduction in the fund balance of either the Police/Fire Pension Fund or the General Fund. Staff will provide details in advance of the Special Council Meeting.

#### **5. Schedules for 2019 Bond Issuances**

Mr. Stiles presented a proposed two 2019 Bond Sales activity for CIP program in the amount \$200 million.

- **Bond Sale #1 Closing by June 30, 2019**

General Obligation Urban Renewal bonds:

\$7,245,000	Osmium (SW 60 <sup>th</sup> )
\$5,820,000	Sammons (81 <sup>st</sup> , 85 <sup>th</sup> , Cascade)
\$9,125,000	Coachlight (88 <sup>th</sup> & Mills)'
\$6,085,000	Woodland Hills (Booneville Rd)
\$2,050,000	Mills Sub 7 (Grand Ave.)

- **Bond Sale #2 Closing After June 30, 2019**

\$10,135,000	General Obligation Bonds for CIP
\$15,200,000	General Obligation Urban Renewal bonds (RecPlex)

- Total 2019 borrowing equals \$55,670,000

- **City Constitutional Debt Capacity**

\$140,147, 420     66.2% of capacity

Mr. Stiles noted the calculation of debt capacity now must include the obligation of future developer rebates. The capacity above allows for all outstanding rebates but does not include the proposed Sammons project of approximately \$14.5 million, because that development agreement has not yet been approved.

Councilmembers supported the schedule of upcoming issuances. It was noted that Public Hearings will be held for each Bond Series as appropriate, if they have not already been conducted. In addition, all sale details and the City's Official Bond Statement(s) will all be approved at the Council level as typical for bond sales.

#### **6. Amendment to Professional Services Agreement with Dave Lyons**

Ms. Letzring and Mr. Hadden presented an Amendment to Professional Services Agreement between Dave Lyons and City of West Des Moines in the amount of \$15,000 per quarter, maximum of six quarters. This extension in services will continue to reach the Broadband goal.

In January 2017, the City and Dave Lyons with the Iowa Institute entered an agreement for support work on the WDM 2036 plan, the work included facilitation and direction of meetings with WDM Leadership Advisor Board (West LAB) associated with right-of-way fiber pilot projects and the pilot project in Valley Junction with Microsoft.

Councilmembers supported the Amendment to the Dave Lyon's agreement and recommended placing this item on a the March 18, 2019 City Council agenda for review and consideration

**7. Staff Updates**

- Mr. Hadden noted that there have been multiple discussions about future use of the Incubator Building at 318 5<sup>th</sup> Street. Council will be kept apprised of any developments.
- Mr. Stiles noted a recent meeting with Microsoft's Community Re-Investment Team provided several encouraging discussions, including a focus on ways to reinvest the "surplus" Osmium economic funding of \$1.5 million which was previously identified by Microsoft.

**8. Other Matters**

None

Meeting was adjourned at 8:18 AM.

Respectfully Submitted,



Maureen Richmond  
Administrative Secretary