

Official Minutes
Iowa Flood Mitigation Board
State Capitol, Room 102
Des Moines, IA
Dec. 4, 2013

The Iowa Flood Mitigation Board meeting was called to order at 1 p.m. by Chair Mark Schouten. A quorum of voting Board members was present.

In attendance:

Board Members:

Mark Schouten, Amy Kaleita, John Torbert, Arnold Honkamp, Carolann Jensen, Lori Glover, Lori McDaniel for Chuck Gipp, Jake Friedrichsen for Michael Fitzgerald, Jim Gillespie for Bill Northey.

Ex-officio: Robert Hogg*, Daniel Lundby*.

Excused Absences: Dan Zumbach*, Jared Klein*.

(* = nonvoting)

I. CONSENT AGENDA ITEMS

Approval to adopt the agenda:

The agenda item to review and discussion of the applications will include action by the Board.

Lori Glover moved for approval of the Dec. 4, 2013 agenda; Jake Friedrichsen seconded. The motion carried.

II. APPROVAL OF THE MINUTES

An amendment to page four of the minutes was recommended to reflect the change under the Storm Lake discussion: Sales tax revenue information provided a 10-year history and showed an average 2.55 percent growth.

Amend the attendees to show Jake Friedrichsen for Treasurer Fitzgerald

A spelling correction was made to the Public comment sections.

Jake Friedrichsen made the motion to adopt the minutes of Nov. 21, 2013 as amended; John Torbert seconded. The motion carried.

III. APPLICANT PRESENTATIONS AND DISCUSSION

Seven cities submitted applications for Board consideration and were given 30 minutes for a presentation and discussion. There are six applicants seeking funding thru tax increment financing, the city of Winterset is seeking funding thru the flood mitigation fund which is unfunded at this time.

There have been some changes to the applications that were submitted to the Board on Nov. 21. Dennis Harper briefed the Board on these changes. All of the six current applications for the tax increment are complete at this time and meet the requirements of the statute.

The Board will vote to approve the scheduled maximum funding amount of each application. It is assumed the Board will approve any changes to the scope and schedule of the projects. The Attorney General's office is reviewing the draft agreement which allows for variation in the schedule with the understanding the funding is limited and must be within the cap in any given year. If the project varies from what was originally in the application, the Board will have the power to reconsider. The statute requires the recipients submit an annual report to the Board by Dec. 15. The Board will submit an annual program report by Jan. 15 to the Governor, Senate and House of Representatives.

City of Dubuque

The city of Dubuque is requesting \$98.5M in sales tax increment funding.

John Torbert made the motion: The Iowa Flood Mitigation Board approve the application and the attached project plan for the city of Dubuque filed with the Board on the eighth day of November, 2013. I further move that the Board approve the use of sales tax increment revenue to support the project plan in a total amount not to exceed \$9,494,178. I further move that annual sales tax increment amounts shall be limited to the lesser of the state fiscal year annual projection submitted as a part of the approved application and project plan for the City of Dubuque or the actual annual eligible tax increment as determined by the Iowa Department of Revenue.

The motion was seconded by Jim Gillespie. Following a roll call vote, the motion carried unanimously.

City of Coralville

Total project application request from the tax increment is \$9.769M; 41 percent of the total cost of the project.

Discussion: Jim Gillespie wanted his concerns noted over building or rebuilding within the floodplains. He noted that with extreme weather conditions, 100-year floods are not always a given. He stresses that taking these measures does not negate the possibility of events within the floodplain from reoccurring. Mr. Gillespie wants to know that these projects are being done for the right purposes and urges care be taken in this new effort.

Lori McDaniel commented that in floodplain management there is talk about controlling the flood waters or controlling the land and whether the state, city or town is taking action, it is critical to look at all the options. Ms. McDaniel noted that there is always a risk whether you are building a levee to protect existing development or building a levee to protect brand new development; on one hand your reducing risk, on the other, creating new risk. She stressed the importance of communities working together, getting community input and looking at each unique situations. She believes all the applicants have taken these steps and is appreciative of the level of thoughtfulness that went into the projects and how they are specialized to each community. Ms. McDaniel encourages all flood prone cities to go through this type planning and make sure that the decisions they make are within the vein of understanding the risk, whether they are creating it or reducing it.

Lorie Glover made the motion: The Iowa Flood Mitigation Board approve the application and the attached project plan for the city of Coralville filed with the Board on the eighth day of November, 2013. I further move that the Board approve the use of sales tax increment revenue to support the project plan in a total amount not to exceed \$9,769,000. I further move that annual sales tax increment amounts shall be limited to the lesser of the state fiscal year annual projection submitted as a part of the approved application and project plan for the city of Coralville or the actual annual eligible tax increment as determined by the Iowa Department of Revenue.

The motion was seconded by Lori McDaniel. Following a roll call vote, the motion carried unanimously.

City of Cedar Rapids

The total tax increment being requested is nearly \$264M. Total project cost is just over \$570M. The project plan describes what the project will look like in the future and includes additional components which will be pursued if there are additional monies available. If the scope of the project changes in 20 years, the phases will be committed as part of the application.

John Torbert made the motion: The Iowa Flood Mitigation Board approve the application and the attached project plan for the City of Cedar Rapids filed with the Board on the eighth day of November, 2013. I further move that the Board approve the use of sales tax increment revenue to support the project plan in a total amount not to exceed \$263,773,493. I further move that annual sales tax increment amounts shall be limited to the lesser of the state fiscal year annual projection submitted as a part of the approved application and project plan for the City of Cedar Rapids or the actual annual eligible tax increment as determined by the Iowa Department of Revenue.

The motion was seconded by Arnie Honkamp. Following a roll call vote, the motion carried unanimously.

City of Waverly

The \$5.6M in tax increment requested is based on an annual 2 percent sales tax increase.

Lori McDaniel made the motion: The Iowa Flood Mitigation Board approve the application and the attached project plan for the city of Waverly filed with the Board on the eighth day of November, 2013. I further move that the Board approve the use of sales tax increment revenue to support the project plan in a total amount not to exceed \$5,647,004. I further move that annual sales tax increment amounts shall be limited to the lesser of the state fiscal year annual projection submitted as a part of the approved application and project plan for the city of Waverly or the actual annual eligible tax increment as determined by the Iowa Department of Revenue.

The motion was seconded by Jake Friedrichsen. Following a roll call vote, the motion carried unanimously.

Iowa City

The request for the sales tax increment is \$8.497M, the total cost of the project is \$63.4M.

John Torbert made the motion: The Iowa Flood Mitigation Board approve the application and the attached project plan for the city of Iowa City filed with the Board on the eighth day of November, 2013. I further move that the Board approve the use of sales tax increment revenue to support the project plan in a total amount not to exceed \$8,497,249.06. I further move that annual sales tax increment amounts shall be limited to the lesser of the state fiscal year annual projection submitted as a part of the approved application and project plan for the city of Iowa City or the actual annual eligible tax increment as determined by the Iowa Department of Revenue.

The motion was seconded by Lori Glover. Following a roll call vote, the motion carried unanimously.

Winterset

The city of Winterset is requesting the flood mitigation fund allocate \$1.9M to the project.

The project meets the requirements in the statute and the Board supports the application however, Chair Schouten referenced section 418.10, and posed the question as to the relevance of Board action with no funding available. Per section 418.10(8) the Board is

under no obligation to award monies. The result of Board action today shows that the larger cities meet the tax base to apply for additional funds but this is not an option for smaller towns. It is up to the legislature to do what it sees fit to address the disparity.

Jim Gillespie made the motion to table the application until such time there is money put in the flood mitigation flood fund per 418.10. The motion was seconded by Carolann Jensen. Following a roll call vote, the motion carried unanimously.

City of Storm Lake

Overall cost is approximately \$8.2M. The sales tax increment being requested is \$4.1M.

Arnold Honkamp made the motion: The Iowa Flood Mitigation Board approve the application and the attached project plan for the city of Storm Lake filed with the Board on the eighth day of November, 2013. I further move that the Board approve the use of sales tax increment revenue to support the project plan in a total amount not to exceed \$4,083,060. I further move that annual sales tax increment amounts shall be limited to the lesser of the state fiscal year annual projection submitted as a part of the approved application and project plan for the city of Storm Lake or the actual annual eligible tax increment as determined by the Iowa Department of Revenue.

The motion was seconded by Lori Glover. Following a roll call vote, the motion carried unanimously.

Dennis Harper addressed the Board on potential applicants: Cedar Falls, Council Bluffs and the city of Des Moines Water Reclamation. It is unknown what the total increment requests may be.

The Board will meet again in April and may know the legislature's intent to fund the Flood Mitigation Fund by that time. If there is money allocated the number of small communities applying would grow. The Board will need to discuss criteria and ranking of those applications. HSEMD support staff to the Board will draft some guidelines for consideration.

IV. PUBLIC COMMENT

Roy Buol, Mayor of the city of Dubuque: On behalf of the people of Dubuque, we want to thank the staff and the Board for approving our applications today. We have had six presidential disaster declaration in the Bee Branch Watershed. We would ask that we move quickly to get those funds contracted.

Mike Van Milligen, city of Dubuque: Would like to thank HSEMD exceptional staff and Board for their dedication to make this application happen.

Jim Fausett, Major of Coralville: Would like to thank the Board for their action today.

Mayor of Cedar Rapids: Would like to thank the Board for their action today which will allow the city to protect the citizens.

Storm Lake: Carol Tomb has been a great benefit to the city on this project and another FEMA project she is assisting us with. We have a CDBG grant coming available that will help the low to moderate income neighborhoods restore homes and keep the water out.

Mike Cherry, Waverly Engineer: Would like to thank the Board and staff for this opportunity on behalf of the hundreds of home owners and businesses.

On behalf of the mayor and city council of Iowa City: We would like to thank the Board and staff. This is a defining moment for the city and the impact of this action will carry on for generations.

Mayor of Winterset: We still have our work cut out for us. We would appreciate the Board saying something to the Governor. We will be finished by this time next year but hope to find some assistance for the citizens of Winterset.

V. ADJOURNMENT

John Torbert made a motion to adjourn; Carolann Jensen seconded. Motion carried. Meeting adjourned at 2:50 p.m.

The Executive Summary and presentations will be available on the Iowa Homeland Security and Emergency Management Department website: [Link to Iowa Homeland Security and Emergency Management website.](#)