CITY OF STORM LAKE
REGULAR COUNCIL SESSION MEETING,
CITY HALL
COUNCIL CHAMBERS
JULY 15, 2024
5:00 PM

Proud
City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

AGENDA

Access to the official meeting can also be done through the following ways:

BY TELEPHONE:	BY COMPUTER:
Dial: 1-312-626-6799 or toll-free: 1-888-475-4499 Zoom Meeting ID: 933-2006-3301	https://zoom.us/j/93320063301

Open the Meeting

- **Call to Order**
- **Pledge of Allegiance**
- **Proclamation**

A. **Consideration of Changes in Agenda and Setting the Agenda**

B. **Disclosure by City Council Members**

C. **Hear the Public**

D. **Consent Agenda**

1. Consent Agenda
2. Motion to Approve 2024 Kiwanis Sprint Triathlon / Duathlon Request
3. Resolution No. 06-R-2024-2025 Kiwanis Car Show & Kids Activities At Chautauqua Park
4. Motion to Approve Faith Bible Noise Variance Request
5. Buy Local Information
6. Storm Lake Police Department City Code Enforcement Summary

E. **Unfinished Business**

F. **New Business**

1. Motion to Approve Letter of Support for Upper Des Moines Opportunity Board
2. Motion To Approve Updated Funding for Hometown Pride Program
3. Motion To Approve Selection of Professional Services With Maxfield Research & Consulting To Complete A Comprehensive Housing Needs Assessment Study.
4. Resolution No. 07-R-2024-2025 Setting Date Of A Public Hearing For An Ordinance Amending

Title VIII Of The 1994 Recodification Of The Municipal Code Of The City Of Storm Lake, Iowa, By Repealing And Replacing Chapter 8-9 Pertaining To Animal Control

5. Resolution No. 08-R-2024-2025 Setting Date Of A Public Hearing For An Ordinance Amending Title VIII Of The 1994 Recodification Of The Municipal Code Of The City Of Storm Lake, Iowa, By Repealing And Replacing Chapters 8-3 Pertaining To Animal Control
6. Resolution No. 09-R-2024-2025 Setting Date Of A Public Hearing For An Ordinance Amending Title VIII Of The 1994 Recodification Of The Municipal Code Of The City Of Storm Lake, Iowa, By Repealing And Replacing Chapters 8-4 Pertaining To Animal Control
7. Work Session - Discussion of Pigeon Ordinance
8. City Council Requested Items / City Council Updates

G. **Adjourn**

Meeting Protocol
If you wish to speak today, please:
1. To speak on an agenda item please approach the podium when that agenda item is called and upon recognition by the Mayor identify yourself by stating your name and address.
2. If your issue is not a topic on the agenda please approach the podium under the "Hear the Public" agenda item and upon recognition by the Mayor identify yourself by stating your name and address.
3. Please keep your remarks to three (3) minutes or less.
4. If you require accommodation for this meeting including but not limited to translation services, hearing assistance, or accessibility please contact the City Clerk at least four (4) hours prior to the start of the meeting.

**If you have concerns about any of the items on the consent agenda, they may be separated from the consent agenda and voted on individually.*
***Ordinances may be read at three consecutive meetings or readings may be waived and ordinances may be passed at only one or two meetings.*

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Find us on the Web at http://www.stormlake.org

Staff Summary

07/15/2024
Agenda Item # D.1.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Mayra Martinez City Clerk

SUBJECT: **Consent Agenda**

BACKGROUND: The Consent Agenda Includes:

- List of Bills
- King's Pointe & Sunrise Pointe Disbursements ,
- Approve June 26, 2024 Special City Council Minutes and July 1, 2024 Regular City Council Minutes
- Approve New Liquor License for La Isla Restaurant 2, Inc.
- Approve Renewal Cigarette Applications for Beer Thirty and Sudee Asian Market LLC
- Approve Faith Bible Noise Variance Request
- Approve 2024 Kiwanis Sprint Triathlon/Duathlon Request
- Adopt Resolution No. 06-R-2024-2025 To Approve Kiwanis Car Show And Kid's Activities At Chautauqua Park
- Approve Buy Local Information
- Approve Storm Lake Police Department City Code Enforcement Update

FISCAL IMPACT: City Will Pay The Following Expenditures:

- List of Bills: $1,324,235.64
- King's Pointe & Sunrise Pointe Golf Course Bills: $428,853.45

City Will Receive The Following Receipts:

- New Liquor License: $585.00
- Renewal Cigarette Permits: $150.00
-

RECOMMENDATION: Approve Consent Agenda

ATTACHMENTS:

7/15/2024 City Claims Expense Report.pdf
7/15/2024 King's Pointe Claims 6.27.2024 to 7.10.2024.xlsx
06/26/2024 City Ccouncil Minutes - Special.docx

07/01/2024 City Council Minutes.docx
Beer Thirty Storm Lake Cigarette Application 2024.pdf
Sudee Asian Market LLC Cigarette Application 2024.pdf
La Isla Restaurant 2 Inc Liquor Application 2024.pdf
Resolution No. 06-R-2024-2025 - Resolution temporarily closing street - Kiwanis Car Show at park.docx

Buy Local_v1

Storm Lake, IA

Payment Date Range: 07/04/2024 - 07/17/2024

Vendor Name	Vendor Number	Payable Description	Total Payments
BVC			
Alta Implement Company, Inc	001288	Mower Blade	73.57
Buena Vista County Solid Waste	001035	Recycling	79.16
Buena Vista Rifle and Pistol Club	001010	FY2025 Membership Dues	1,000.00
M & S HVAC Services, LLC	002493	HVAC Repairs	1,070.35
Mike's Electronics Inc	001196	Service Call- Totals	1,187.50
Yards & Etc	001660	Mowing Svc- Old KFC Building	150.00
		BVC Total: 3,560.58	
Contract/Agreement			
Bolton & Menk, Inc	001024	Construction Services	114,115.00
I & S Group, Inc	001103	Construction Admin	31,065.69
Midwestern Mechanical of Iowa, Inc	001819	Pay #7 of KP HVAC Replacement	109,487.50
Mongan Painting LLC	002413	Pay #6 of Resort Painting Service	72,898.77
Reding's Gravel & Excavating Co., Inc	001132	Rock	337.28
SCE, LLC	001344	Hydrant Replacement- Shoreway & NW	9,909.02
Woodruff Construction, Inc	002132	Water Damage Repairs #4	183,034.07
		Contract/Agreement Total: 520,847.33	
Local			
Alliant Energy	001173	Gas Services	2,802.58
Angelica C Reyes Grieme	002133	Cerficiate Reimb	40.00
Central Bank	001025	Services	4,873.46
Culligan Water Storm Lake	001071	Water Supplies	61.25
Fastenal Company	001033	Supplies	26.77
Graffix Inc	001187	Uniforms	1,264.75
Growmark Inc New Century FS	001016	Fuel	12,665.62
Iowa Office Supply Inc	001037	Envelopes	253.00
Jim Bartholomew	001069	July 2024 Airport Contract	6,136.21
Long Lines	001077	Fax Line & Emergency Line Service	1,384.35
North Lake Truck Repair	001177	Brake Repairs	1,493.27
Plumbing & Heating Wholesale, Inc	001126	Filters	132.46
Qwest Corporation	001070	Phone Service	83.53
Rebnord Technologies, Inc	001091	Technology Split	61,420.61
SALUD	002294	FY2025 Grant Agreement	600.00
Siouxland Certified Testing Services, Inc	001190	Testing Services- Memorial Road	2,046.00
Smith Concrete Service Inc	001134	Concrete	381.50
Stanton Electric, Inc	001264	CG Shelter House Panel	1,717.83
Storm Lake Ace Hardware	001216	Supplies	423.73
Verizon Wireless Services LLC	001075	Cell Phone Service	3,603.07
Visual Edge Inc	001063	Copier Maintenance Agreement	579.25
WalMart #01-1526	001153	Supplies	890.54
Wiese Plumbing & Heating, Inc	001302	RR Repairs	135.50
Zone Home Entertainment, LLC	001419	Ballroom Audio/Video Update (Final)	16,884.79
		Local Total: 119,900.07	
Non-Local			
ABC Pest Control, Inc	001078	Quarterly Pest Control	137.90
Ahlers & Cooney, P.C.	001023	General Legal Services	8,180.65
Alex Air Apparatus 2 LLC	002217	Extrication Equipment	71,759.05
Aquatic Ecosystem Consultants, LLC	002156	Lake Management Program- 2024	3,500.00
Baker & Taylor, Inc	001957	Books	104.60
Barco Municipal Products, Inc	001517	Solar Light	1,565.00
BEC Enterprises, LLC	002484	Deaeration Tank	1,017.28

Buy Local_v1

Vendor Name	Vendor Number	Payable Description	Total Payments
Bend Mailing Services, LLC	002013	Bill Printing Services	3,211.17
Biblionix, LLC	001008	Apollo(R) Automation Subscription	2,150.00
Boji Portable Toilets Inc	001133	Portable Toilet Rental	400.00
Brodart Co.	001009	Books	732.63
Builders Sharpening & Service LLC	001011	PTO Shaft	970.07
Business Publications Corp., Inc.	002436	Advertising	435.00
Central Iowa Distributing, Inc	001026	Cleaning Supplies	788.00
CovertTrack Group, Inc	001634	Tracking Services	600.00
Crouch Recreation, Inc	002430	Playground Equipment	99,511.00
D & J Lake Service, Inc	002495	Services- Less Tax	606.28
Des Moines Area Community College	001740	DMACC ID: 901108223- WW Basic- Hernand	625.00
Dorsey & Whitney LLP	001954	TIF Legal Services	13,982.00
Fisher Scientific Company, LLC	001638	Chemicals	264.76
Foundation Analytical Laboratory, Inc	001100	Testing Service	2,327.50
Guardian Alliance Technologies, Inc	002243	Screening Services	52.00
HD Supply, Inc	001336	Supplies	636.00
Heuss Printing, Inc	002496	Iowan Magazine Ad- May/June 2024	1,500.00
Ingram Library Services, Inc	001268	Books	100.35
Iowa Department of Natural Resources	001286	PWS ID: 1178097 - FY2025 Water Supply Fee	1,254.16
Iowa Dept of Justice	001350	Title Tsfr- (SLPD 23-020307) (2)	296.60
Iowa Law Enforcement Academy	001036	Training- Butler	625.00
iWorQ Systems, Inc	002092	Annual Subscription	8,500.00
Language Line Services, Inc	001624	Interpretation Service	25.35
Laurens House of Print Ltd	002161	Cab Coupons	411.10
Linde Inc	001111	Carbon Dioxide	2,902.98
Magazine Subscription Service Agency	001941	Magazine Subscription	1,849.70
Marcus Lumber Company Corp	002011	Sand Premix	213.47
Midwest Tape, LLC	001275	DVDs	136.44
Mississippi Lime Company	001095	Lime	19,656.55
MRA Custom Applications, LLC	001553	Lime Sludge Hauling	17,284.46
Municipal Supply, Inc	001391	TC SPs	28,459.95
Outdoor Recreation Products	001135	Playground Supplies	298.20
OverDrive, Inc	001270	FY2025 BRIDGES E-Book Service	3,004.56
PageFreezer Software, Inc	001914	Annual License Fee	1,525.13
Pattlen Enterprises, Inc	001184	Motor & Filters	747.79
Response Graphics & Embroidery, LLC	002346	Shirts	890.25
Schumacher Elevator Company	001200	Elevator Maintenance	238.78
SGS, LLC	002126	Garbage Services	1,352.62
Shive-Hattery Inc	002460	Design Services	1,981.80
Siouxland Turf Products	001131	Paint	129.00
Sta-Mel Enterprises, Inc	001183	De-Icing Salt	4,354.13
Stanard & Associates, Inc	001753	Testing Supplies	62.00
State Industrial Products Corporation	002309	WW Program	3,284.68
State Library of Iowa	001271	FY25 OCLC CatExpress Subscription	120.00
The Home City Ice Company	002471	Ice	199.95
TimeClock Plus, LLC	002339	Annual License	825.00
Tometich Engineering, Inc	002187	Engineering Services	1,450.00
Tyler Technologies, Inc	001084	Utility Billing Notification Services	31.90
UPS	001121	Shipping	36.16
Vessco, Inc	001458	CO2 Panel	60,059.00
W. W. Grainger, Inc	001085	Waders	897.66
Winona Controls, Inc	002449	HVAC Repairs	36,710.92
		Non-Local Total: 414,971.53	

Payroll/Refunds

Vendor Name	Vendor Number	Payable Description	Total Payments
Beth Ann Dawson McPherren	001434	June 2024 Homebound Deliveries	7.71
Custodian of Petty Cash	001272	Postage	31.87
		Payroll/Refunds Total: 39.58	
		Grand Total: 1,059,319.09	

King's Pointe Resort

Claims Publication

From 6/27/2024 to 7/10/2024

Vendor	Description	Amount
360 Custom Designs LLC	Services	$ 1,520.00
A.H. Hermel Wholesale	Supplies	$ 475.87
A-1 Preferred LLC	Services	$ 1,708.65
ACCO Unlimited Corporation	Supplies	$ 21,850.69
Alliant Energy	Utilities	$ 336.96
Alpha Media	Supplies	$ 800.00
Amazon Capital Services Inc	Supplies	$ 3,989.69
Amy Von Bank	Reimbursement	$ 1,084.00
Bomgaars	Supplies	$ 738.31
Bridgestone Golf Inc.	Supplies	$ 263.79
Bunkers Feed Supply Inc.	Supplies	$ 293.22
Cintas Corporation	Services	$ 5,558.21
Consolidated Hospitality Supplies LLC	Supplies	$ 582.96
Design Environments	Services	$ 5,000.00
Doll Distributing LLC	Beverages	$ 3,338.75
ECOLAB	Supplies	$ 1,969.27
Eric Lund	Refund	$ 531.13
Fastenal Company	Supplies	$ 69.77
Frigitec Inc.	Services	$ 922.00
GLOBAL	Services	$ 29,732.09
Global Industrial	Services	$ 8,566.75
Globe Ticket	Services	$ 1,255.00
Grainger	Supplies	$ 2,076.66
Guest Supply	Supplies	$ 10,141.22
Hotel Effectiveness Solutions, LLC	Services	$ 1,898.62
HyVee	Beverages	$ 1,572.52
Imagine The Possibilities Inc	Services	$ 120.00
Iowa Division of Labor Boiler Safety	Services	$ 40.00
John Byrnes	Refund	$ 597.00
Johnson Brothers Beverages	Beverages	$ 2,815.55
Julius Cleaners	Services	$ 564.96
KAYL FM	Advertising	$ 1,052.10
Kelli's Gift Shop Suppliers	Supplies	$ 1,383.07
King's Pointe Payroll- 6/28/2024	Payroll	$ 144,423.41
KKIA FM	Advertising	$ 611.10
KTIV Television Inc.	Advertising	$ 2,756.00
Laurens House of Print LTD	Supplies	$ 930.12
Long Lines LLC	Utilities	$ 1,591.90
Maestro PMS	Services	$ 477.00
Marcus Lumber Co	Supplies	$ 449.69
Martin Bros King's Pointe	Food	$ 17,614.65
Mediacom	Utilities	$ 945.80
MidAmerican Energy	Utilities	$ 18,268.73
Mike's Lawn Service Inc.	Services	$ 132.41
Mood Media North America Holding LLC	Services	$ 125.17

Nelson's Vet Supply	Supplies	$	958.00
Office Elements	Supplies	$	208.24
Olsen Welding and Machine Shop	Services	$	30.00
Pepsi Beverages Company	Beverages	$	9,792.40
Pest Elimination Division	Services	$	559.45
Plumbing & Heating Wholesale Inc.	Supplies	$	2,418.14
Power Solutions Inc.	Services	$	904.26
Quore Systems LLC	Services	$	317.21
Rebnord Technologies Inc.	Services	$	2,988.33
Rent-All Inc.	Services	$	1,081.85
Rolloff Dumpster Rental of Iowa INC.	Utilities	$	659.24
S&L Hospitality LLC	Contract	$	64,925.94
Sceptre Hospitality Resources LLC	Services	$	2,423.18
SGS LLC	Utilities	$	126.00
Storm Lake Ace Hardware	Supplies	$	1,127.67
Symmetry Energy Solutions LLC	Services	$	9,100.80
Sysco Iowa Inc.	Food	$	15,173.11
Tube Pro Inc.	Supplies	$	6,499.00
TY Inc.	Supplies	$	1,716.26
Verde Outdoor Media LLC	Advertising	$	1,850.00
Verizon Wireless	Utilities	$	657.02
Visual Edge IT INC	Services	$	913.68
Vizergy	Services	$	2,853.70
Watermen	Refund	$	160.00
Wells Fargo Financial Leasing Inc.	Services	$	235.18
		$	**428,853.45**

CITY OF STORM LAKE CITY HALL COUNCIL CHAMBERS SPECIAL COUNCIL SESSION MEETING, JUNE 26, 2024, 5:30 PM

Present: Mayor Michael Porsch, Council Members Maggie Martinez, Maria Ramos, Kevin McKinney, Meg McKeon, and Matt Ricklefs (arrived at 6:30). Absent: none.

Also Present: City Manager Keri Navratil, Assistant City Manager David Derragon, Finance Director Brian Oakleaf, Building and Code Compliance Director Scott Olesen, Police Chief Chris Cole, Public Services Director Scott Bonebrake, Development Services Specialist Lee Dutfield, Communications Coordinator Dana Larsen, and City Clerk Mayra Martinez.

Mayor Porsch opened the meeting at 5:30 pm.

New Business
Trap Neuter and Release Public Forum
Mayor Porsch opened the meeting to the public for open discussion regarding the TNR program being discussed as a new ordinance for the City of Storm Lake. After hearing the public comments, the Mayor thanked everyone for coming to the meeting and providing their comments.

Council Member Matt Ricklefs arrived at 6:30 pm

Mayor Porsch ended the meeting at 6:48 pm

____
Michael Porsch, Mayor

ATTEST:

____
Mayra A. Martinez, City Clerk

CITY OF STORM LAKE CITY HALL COUNCIL CHAMBERS REGULAR COUNCIL SESSION MEETING, JULY 1, 2024, 5:00 PM

Present: Mayor Michael Porsch, Council Members Kevin McKinney, Matt Ricklefs, Maria Ramos, Maggie Martinez, and Meg McKeon. Absent: None.

Staff Present: City Manager Keri Navratil, Assistant City Manager David Derragon, Police Chief Chris Cole, Fire Chief Glenn Schlesser, King's Pointe Manager Amy VonBank, Building and Code Compliance Director Scott Olesen, Development Services Specialist Lee Dutfield, Communications Coordinator Dana Larsen, Public Services Supervisor Scott Bonebrake, Assistant Public Services Supervisor Brandon Ripke, Public Works Director Matt Beckman, Public Works Supervisor Kolby Struchen, Finance Director Brian Oakleaf, Staff Accountant Tyler Gibbins, and City Clerk Mayra Martinez.

Media Present: Ryan Thompson with KAYL and Allison Moore with the Storm Lake Times Pilot via Zoom.

Mayor Porsch called the meeting to order at 5:00 pm.

Pledge of Allegiance

Agenda - Moved by Council Member Ricklefs to approve setting the agenda as presented. Seconded by Council Member Ramos. Vote: All ayes. Motion carried.

Disclosure by City Council Members – None at this time.

Hear the Public – No public comments at this time.
Mayor Porsch congratulated police officers Gerardo Bravo and Thomas Lane, who received the MADD Hero Award along with thirty-five officers across the state.

Consent Agenda - Moved by Council Member McKeon to approve the consent agenda, approve List of Bills Check #'s 81513, 81514, 81577 through 81638, EFT #'s 1422, and #5359 through 5398, King's Pointe & Sunrise Pointe Disbursements, approve June17, 2024, regular City Council minutes and June 20, 2024 Special City Council minutes, acknowledge the May 2024 Library and Airport minutes, approve renewal liquor licenses for Hy-Vee Fast & Fresh, Valentino's Meat Market and Grand Central Coffee Station, approve renewal cigarette applications for Dollar General and Brewsters, approve renewal Planning & Zoning Board application for Andriette Wickstrom – 3 year term, approve renewal Airport Commission Board application for Jason Dierking – 3 year term, approve new board of adjustment application for Bob Swanson, adopt Resolution No. 01-R-2024-2025 to approve the 2024 Step Up and Run half marathon right-of-way closure request, adopt Resolution No. 02-R-2024-2025 to approve the BVU request for right-of-way closure for moving students in and out of the residence halls for the 2024-2025 academic year, approve an application submitted by Storm Lake Apartments, LLC dba Sunrise Pointe by Kading for tax abatement under the provisions of the amended and restated Storm Lake Urban Revitalization plan, approve Buy Local Information, approve Storm Lake Police Department City Code Enforcement. Seconded by Council Member Martinez. Roll call vote: All ayes. Motion carried.

RESOLUTION NO. 01-R-2024-2025

RESOLUTION TEMPORARILY CLOSING PUBLIC WAYS OR GROUNDS IN CONNECTION WITH A SPECIAL EVENT KNOWN AS "STEP UP AND RUN HALF MARATHON"

WHEREAS, Iowa Code Section 364.12(2) states "a city shall keep all public grounds, streets, sidewalks, alleys, bridges, culverts, overpasses, underpasses, grade crossing separations and approaches, public ways, squares, and commons open, in repair and free from nuisance;" and

WHEREAS, Iowa Code Section 364.12(2)(a) states "public ways and grounds may be temporarily closed by resolution;" and

WHEREAS, a request has been submitted for a temporary street closure in connection with a half marathon race known as "Step Up Storm Lake," and the City finds it is necessary and in the best interests of the attendees and public to temporarily close the following streets and any associated parking spaces from 7:25 a.m. to approximately 8:00 a.m. on the dates listed below, in conjunction with the special event known as "Step Up Storm Lake 2024"

A portion of Sunrise Park Road from Kings Pointe property and south to Lake Trail entrance, on August 31, 2024.

NOW, THEREFORE, BE IT RESOLVED, pursuant to Iowa Code Section 364.12(2)(a), the City Council of the City of Storm Lake, Iowa does hereby temporarily close the streets as stated above.

Dated this date: July 1, 2024

Michael Porsch, Mayor

ATTEST:

Mayra A. Martinez, City Cler

RESOLUTION NO. 02-R-2024-2025

RESOLUTION TEMPORARILY CLOSING PUBLIC WAYS OR GROUNDS IN CONNECTION WITH A SPECIAL EVENT KNOWN AS "BUENA VISTA UNIVERSITY WELCOME WEEKEND"

WHEREAS, Iowa Code Section 364.12(2) states "a city shall keep all public grounds, streets, sidewalks, alleys, bridges, culverts, overpasses, underpasses, grade crossing separations and approaches, public ways, squares, and commons open, in repair and free from nuisance;" and

WHEREAS, Iowa Code Section 364.12(2)(a) states "public ways and grounds may be temporarily closed by resolution;" and

WHEREAS, Buena Vista University has submitted a request temporary street closures in connection with student move-in and Welcome Weekend and the City finds it is necessary and in the best interests of the public to temporarily close the following streets and any associated parking spaces at the times and on the dates listed below, in conjunction with the special event known as "Welcome Weekend 2024":

August 23, 2024 from 7:00 a.m. to 3:00 p.m., Grand Avenue from J. Leslie Rollins Stadium north to Iowa Street and Fourth from College to Early.

WHEREAS, as part of the street closure and event approval, the City finds it is necessary and proper to suspend any applicable parking restrictions for vehicle loading/unlading on the following streets:

On the east side of Grande Avenue from J. Leslie Rollins Stadium north to Iowa Street,
On the north side of West 4th Street from Grand to Early
On the south side of West 4th from Grand to College

NOW, THEREFORE, BE IT RESOLVED, pursuant to Iowa Code Section 364.12(2)(a), the City Council of the City of Storm Lake, Iowa does hereby temporarily close the streets as stated above and parking restrictions shall be suspended as set forth herein.

Dated this date: July 1, 2024

Michael Porsch, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

Unfinished Business –
Cigarette Permit - Moved by Council Member Martinez to approve the renewal of the cigarette permit for the Micronesian Spot. Seconded by Council Member Ramos. Vote: All ayes. Motion carried.

New Business
Noise Variance For 709 Otsego Street - Moved by Council Member Martinez to approve a request for a noise variance for a birthday party live band at 709 Otsego Street. Seconded by Council Member Ramos. Vote: All ayes. Motion carried.

Water Revenue Capital Loan Notes Not To Exceed $8,000,000 - Moved by Council Member Martinez to adopt Resolution No. 03-R-2024-2025 approving and authorizing a form of loan and disbursement agreement by and between the City of Storm Lake, Iowa, and the Iowa Finance Authority, and authorizing and providing for the issuance and securing the payment of $3,630,000 taxable Water Revenue Capital Loan Notes, Series 2024b, of the City of Storm Lake, Iowa, under the provisions of the Code of Iowa, ad providing for a method of payment of said notes. Seconded by Council Member McKeon. Roll call vote: All ayes. Motion carried.

RESOLUTION NO. 03-R-2024-2025

A RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AND DISBURSEMENT AGREEMENT BY AND BETWEEN THE CITY OF STORM LAKE AND THE IOWA FINANCE AUTHORITY, AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF $3,630,000 TAXABLE WATER REVENUE CAPITAL LOAN NOTES, SERIES 2024B, OF THE CITY OF STORM LAKE, IOWA, UNDER THE PROVISIONS OF THE CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF SAID NOTES

WHEREAS, the City Council of the City of Storm Lake, Iowa, sometimes hereinafter referred to as the "Issuer", has heretofore established charges, rates and rentals for services which are and will continue to be collected as system revenues of the municipal water system, sometimes hereinafter referred to as the "System", and said revenues are available for the payment of Taxable Water Revenue Capital Loan Notes, Series 2024B, subject to the following premises; and

WHEREAS, the Issuer proposes to issue its Taxable Water Revenue Capital Loan Notes, Series 2024B, to the extent of $3,630,000, for the purpose of defraying the costs of the Project as set forth in Section 1 of this Resolution; and, it is deemed necessary and advisable and in the best interests of the City that a form of Loan and Disbursement Agreement by and between the City and the Iowa Finance Authority, be approved and authorized; and

WHEREAS, there have been heretofore issued $2,185,000 Water Revenue Refunding Capital Loan Notes, Series 2019, dated September 26, 2019 (the “Outstanding Obligations”), part of which remain outstanding and are a lien on the Net Revenues of the System; and

WHEREAS, in the resolution authorizing the issuance of the Outstanding Obligations it is provided that additional revenue notes or bonds may be issued on a parity with the outstanding obligations, for the costs of future improvements and extensions to the System, provided that there has been procured and placed on file with the City Clerk, a statement complying with the conditions and limitations therein imposed upon the issuance of said parity notes or bonds; and

WHEREAS, a statement of Piper Sandler & Co., an independent financial consultant not in the regular employ of Issuer, has been placed on file in the office of the City Clerk prior to Closing, showing the conditions and limitations of said Resolution adopted September 16, 2019, with regard to the sufficiency of the revenues of the System to permit the issuance of additional revenue notes or bonds ranking on a parity with the outstanding notes or bonds to have been met and satisfied as required; and

WHEREAS, simultaneously with this issue, the City intends to issue $4,258,000 Water Revenue Capital Loan Notes, Series 2024A.

WHEREAS, the notice of intention of Issuer to take action for the issuance of $3,630,000 Taxable Water Revenue Capital Loan Notes, Series 2024B, has heretofore been duly published and no objections to such proposed action have been filed.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IN THE COUNTY OF BUENA VISTA, STATE OF IOWA:

Section 1. Definitions. The following terms shall have the following meanings in this Resolution unless the text expressly or by necessary implication requires otherwise:

- "Additional Obligations" shall mean any water revenue bonds or notes or other obligations issued on a parity with the Notes in accordance with the provisions of Section 21 hereof.

♦ "Agreement" shall mean a Loan and Disbursement Agreement dated as of the Closing between the City and the Original Purchaser, relating to the Loan made to the City under the Program;

♦ "City Clerk" shall mean the City Clerk or such other officer of the successor Governing Body as shall be charged with substantially the same duties and responsibilities;

♦ "Closing" shall mean the date of delivery of the Note to the Original Purchaser and the funding of the Loan;

♦ "Corporate Seal" shall mean the official seal of Issuer adopted by the Governing Body;

♦ "Fiscal Year" shall mean the twelve months' period beginning on July 1 of each year and ending on the last day of June of the following year, or any other consecutive twelve-month period adopted by the Governing Body or by law as the official accounting period of the System; provided, that the requirements of a fiscal year as expressed in this Resolution shall exclude any payment of principal or interest falling due on the first day of the fiscal year and include any payment of principal or interest falling due on the first day of the succeeding fiscal year;

♦ "Governing Body" shall mean the City Council, or its successor in function with respect to the operation and control of the System;

♦ "Independent Auditor" shall mean an independent firm of certified public accountants or the Auditor of State;

♦ "Issuer" and "City" shall mean the City of Storm Lake, Iowa;

♦ "Loan" shall mean the principal amount allocated by the Original Purchaser to the City under the Program, equal in amount to the principal amount of the Notes;

♦ "Net Revenues" shall mean gross earnings of the System after deduction of Current Expenses; "Current Expenses" shall mean and include the reasonable and necessary cost of operating, maintaining, repairing and insuring the System, including purchases at wholesale, if any, salaries, wages, and costs of materials and supplies, but excluding depreciation and principal of and interest on the Notes and any Parity Obligations or payments to the various funds established herein; capital costs, depreciation and interest or principal payments are not System expenses;

♦ "Notes" or "Note" shall mean $3,630,000 Taxable Water Revenue Capital Loan Notes, Series 2024B, authorized to be issued by this Resolution;

♦ "Original Purchaser" shall mean the Iowa Finance Authority, as the purchaser of the Notes from Issuer at the time of their original issuance;

♦ "Outstanding Obligations" shall mean the Water Revenue Refunding Capital Loan Notes, Series 2019, dated September 26, 2019, issued in accordance with the Resolution adopted September 16, 2019, $2,012,000 of which obligations are still outstanding and unpaid and remain a lien on the Net Revenues of the System;

♦ "Parity Obligations" shall mean notes or bonds payable solely from the Net Revenues of the System on an equal basis with the Notes herein authorized to be issued and shall include Additional Obligations as authorized to be issued under the terms of this Resolution and the Outstanding Obligations;

♦ "Paying Agent" shall mean the Finance Director, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein as Issuer's Agent to provide for the payment of principal of and interest on the Notes as the same shall become due;

♦ "Permitted Investments" shall mean:

- direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America;

- cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in the above paragraph);

- obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including:

  -Export - Import Bank
  -Farm Credit System Financial Assistance Corporation
  -USDA - Rural Development
  -General Services Administration
  -U.S. Maritime Administration
  -Small Business Administration
  -Government National Mortgage Association (GNMA)
  -U.S. Department of Housing & Urban Development (PHA's)
  -Federal Housing Administration

- repurchase agreements whose underlying collateral consists of the investments set out above if the Issuer takes delivery of the collateral either directly or through an authorized custodian. Repurchase agreements do not include reverse repurchase agreements;

- senior debt obligations rated "AAA" by Standard & Poor's Corporation (S&P) or "Aaa" by Moody's Investors Service Inc. (Moody's) issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation;

- U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P or "P-1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

- commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P or "P-1" by Moody's and which matures not more than 270 days after the date of purchase;

- investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;

- pre-refunded Municipal Obligations, defined as any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (a) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P or Moody's or any successors thereto; or (b)(i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations of the Department of the Treasury of the United States of America, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

- tax exempt bonds as defined and permitted by section 148 of the Internal Revenue Code and applicable regulations and only if rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa;

- an investment contract rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa; and

- Iowa Public Agency Investment Trust.

♦ "Prior Note Resolution" shall mean the resolution of the City Council adopted on September 16, 2019, authorizing the issuance of the Water Revenue Capital Loan Notes, Series 2019, dated September 26, 2019;

♦ "Program" shall mean the Iowa Drinking Water Facilities Financing Program undertaken by the Original Purchaser;

♦ "Project" shall mean the acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping of the System, including those costs associated with construction of elevated water tower no. 5;

♦ "Project Fund" shall mean the Loan Account maintained under the Program for the benefit of the Issuer, into which the proceeds of the Loan and the Note shall be allocated and held until disbursed to pay Project costs;

♦ "Registrar" shall be the Finance Director, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein with respect to maintaining a register of the owners of the Notes. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Notes;

♦ "System" shall mean the municipal water utility of the Issuer and all properties of every nature hereinafter owned by the Issuer comprising part of or used as a part of the System, including all water treatment facilities, storage facilities, pumping stations and all related property and improvements and extensions made by Issuer while any of the Notes or Parity Obligations remain outstanding; all real and personal property; and all appurtenances, contracts, leases, franchises and other intangibles;

♦ "Treasurer" shall mean the Finance Director or such other officer as shall succeed to the same duties and responsibilities with respect to the recording and payment of the Notes issued hereunder.

Section 2. Authority. The Agreement and the Notes authorized by this Resolution shall be issued pursuant to Sections 384.24A, 384.82 and 384.83 of the Code of Iowa, and in compliance with all applicable provisions of the Constitution and laws of the State of Iowa. The Agreement shall be substantially in the form attached to this Resolution and is authorized to be executed and issued on behalf of the Issuer by the Mayor and attested by the City Clerk.

Section 3. Authorization and Purpose. There are hereby authorized to be issued, negotiable, serial, fully registered Revenue Notes of the City of Storm Lake, in the County of Buena Vista, State of Iowa, each to be designated as "Taxable Water Revenue Capital Loan Note, Series 2024B", in the aggregate amount of $3,630,000, for the purpose of paying costs of the Project. The City Council, pursuant to Sections 384.24A and 384.83 of the Code of Iowa, hereby finds and determines that it is necessary and advisable to issue said Notes authorized by the Agreement and this Resolution.

Section 4. Source of Payment. The Notes herein authorized and Parity Obligations and the interest thereon shall be payable solely and only out of the Net Revenues of the System and shall be a first lien on the future Net Revenues of the System. The Notes shall not be general obligations of the Issuer nor shall they be payable in any manner by taxation and the Issuer shall be in no manner liable by reason of the failure of the said Net Revenues to be sufficient for the payment of the Notes.

Section 5. Note Details. Taxable Water Revenue Capital Loan Notes, Series 2024B, of the City in the amount of $3,630,000, shall be issued to evidence the obligations of the Issuer under the Agreement pursuant to the provisions of Sections 384.24A and 384.83 of the Code of Iowa for the aforesaid purpose. The Notes shall be designated "TAXABLE WATER REVENUE CAPITAL LOAN NOTE, SERIES 2024B", be dated the date of delivery, and bear interest at the rate of 3.77% per annum from the date of each advancement made under the Agreement, until payment thereof, at the office of the Paying Agent, said interest payable on December 1, 2024, and semi-annually thereafter on the 1st day of June and December in each year until maturity as set forth on the Debt Service Schedule attached to the Agreement as Exhibit A and incorporated herein by this reference. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2026 and annually thereafter on the 1st day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2045. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Program. Payment of principal and interest on the Notes shall at all times conform to said Debt Service Schedule and the rules of the Program.

The Notes shall be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Clerk, and impressed or imprinted with the seal of the City and shall be fully registered as to both principal and interest as provided in this Resolution; principal, interest and premium, if any, shall be payable at the office of the Paying Agent by mailing of a check, wire transfer or automated clearing house system transfer to the registered owner of the Note. The Notes may be in the denomination of $1,000 or multiples thereof and shall at the request of the Original Purchaser be initially issued as a single Note in the denomination of $3,630,000 and numbered R-1.

Section 6. Initiation Fee and Servicing Fee. In addition to the payment of principal of and interest on the Notes, the Issuer also agrees to pay the Initiation Fee and the Servicing Fee as defined and in accordance with the terms of the Agreement.

Section 7. Redemption. The Notes are subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Original Purchaser or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of the Notes may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by giving not less than thirty (30) days' notice of redemption by certified or registered mail to the Original Purchaser (or any other registered owner of the Note). The terms of redemption shall be par, plus accrued interest to date of call. The Notes are also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Section 8. Registration of Notes; Appointment of Registrar; Transfer; Ownership; Delivery; and Cancellation.

(a) Registration. The ownership of Notes may be transferred only by the making of an entry upon the books kept for the registration and transfer of ownership of the Notes, and in no other way. The Finance Director is hereby appointed as Note Registrar under the terms of this Resolution. Registrar shall maintain the books of the Issuer for the registration of ownership of the Notes for the payment of principal of and interest on the Notes as provided in this Resolution. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code subject to the provisions for registration and transfer contained in the Notes and in this Resolution.

(b) Transfer. The ownership of any Note may be transferred only upon the Registration Books kept for the registration and transfer of Notes and only upon surrender thereof at the office of the Registrar together with an assignment duly executed by the holder or his duly authorized attorney in fact in such form as shall be satisfactory to the Registrar, along with the address and social security number or federal employer identification number of such transferee (or, if registration is to be made in the name of multiple individuals, of all such transferees). In the event that the address of the registered owner of a Note (other than a registered owner which is the nominee of the broker or dealer in question) is that of a broker or dealer, there must be disclosed on the Registration Books the information pertaining to the registered owner required above. Upon the transfer of any such Note, a new fully registered Note, of any denomination or denominations permitted by this Resolution in aggregate principal amount equal to the unmatured and unredeemed principal amount of such transferred fully registered Note, and bearing interest at the same rate and maturing on the same date or dates shall be delivered by the Registrar.

(c) Registration of Transferred Notes. In all cases of the transfer of the Notes, the Registrar shall register, at the earliest practicable time, on the Registration Books, the Notes, in accordance with the provisions of this Resolution.

(d) Ownership. As to any Note, the person in whose name the ownership of the same shall be registered on the Registration Books of the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Notes and the premium, if any, and interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note, including the interest thereon, to the extent of the sum or sums so paid.

(e) Cancellation. All Notes which have been redeemed shall not be reissued but shall be cancelled by the Registrar. All Notes which are cancelled by the Registrar shall be destroyed and a Certificate of the destruction thereof shall be furnished promptly to the

Issuer; provided that if the Issuer shall so direct, the Registrar shall forward the cancelled Notes to the Issuer.

(f) Non-Presentment of Notes. In the event any payment check, wire, or electronic transfer of funds representing payment of principal of or interest on the Notes is returned to the Paying Agent or if any note is not presented for payment of principal at the maturity or redemption date, if funds sufficient to pay such principal of or interest on Notes shall have been made available to the Paying Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or payment of such Notes shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Notes who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, such interest or Notes. The Paying Agent's obligation to hold such funds shall continue for a period equal to two years and six months following the date on which such interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Paying Agent shall surrender any remaining funds so held to the Issuer, whereupon any claim under this Resolution by the Owners of such interest or Notes of whatever nature shall be made upon the Issuer.

Section 9. Reissuance of Mutilated, Destroyed, Stolen or Lost Notes. In case any outstanding Note shall become mutilated or be destroyed, stolen or lost, the Issuer shall at the request of Registrar authenticate and deliver a new Note of like tenor and amount as the Note so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note to Registrar, upon surrender of such mutilated Note, or in lieu of and substitution for the Note destroyed, stolen or lost, upon filing with the Registrar evidence satisfactory to the Registrar and Issuer that such Note has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Registrar and Issuer with satisfactory indemnity and complying with such other reasonable regulations as the Issuer or its agent may prescribe and paying such expenses as the Issuer may incur in connection therewith.

Section 10. Record Date. Payments of principal and interest, otherwise than upon full redemption, made in respect of any Note, shall be made to the registered holder thereof or to their designated Agent as the same appear on the books of the Registrar on the 15th day of the month preceding the payment date. All such payments shall fully discharge the obligations of the Issuer in respect of such Notes to the extent of the payments so made. Upon receipt of the final payment of principal, the holder of the Note shall surrender the Note to the Paying Agent.

Section 11. Execution, Authentication and Delivery of the Notes. Upon the adoption of this Resolution, the Mayor and City Clerk shall execute the Notes by their manual or authorized signature and deliver the Notes to the Registrar, who shall authenticate the Notes and deliver the same to or upon order of the Original Purchaser. No Note shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless the Registrar shall duly endorse and execute on such Note a Certificate of Authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Note executed on behalf of the Issuer shall be conclusive evidence that the Note so authenticated has been duly issued under this Resolution and that the holder thereof is entitled to the benefits of this Resolution.

Section 12. Right to Name Substitute Paying Agent or Registrar. Issuer reserves the right to name a substitute, successor Registrar or Paying Agent upon giving prompt written notice to each registered noteholder.

Section 13. Form of Note. Notes shall be printed in substantial compliance with standards proposed by the American Standards Institute substantially in the form as follows:

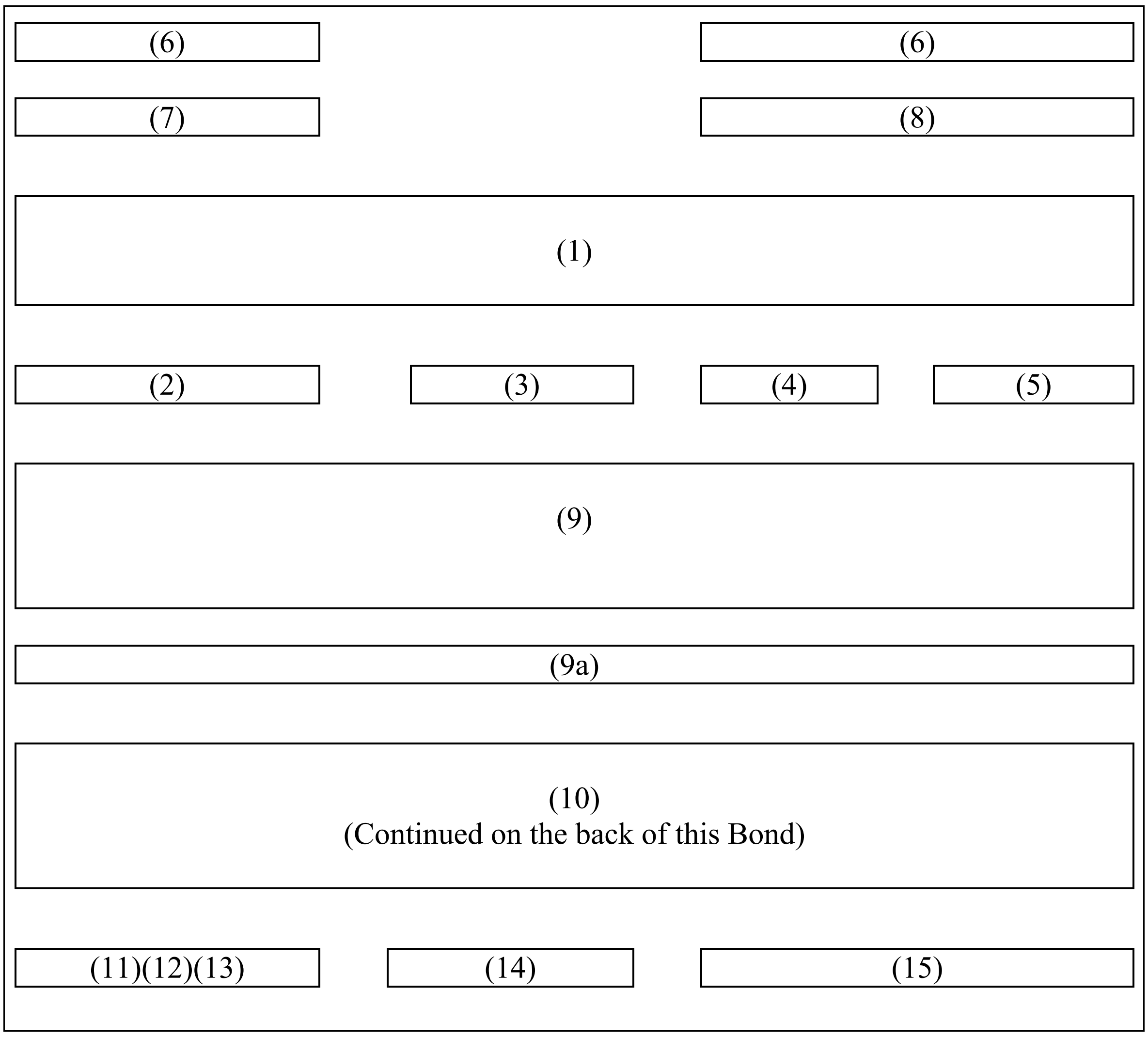


FIGURE 1
(Front)

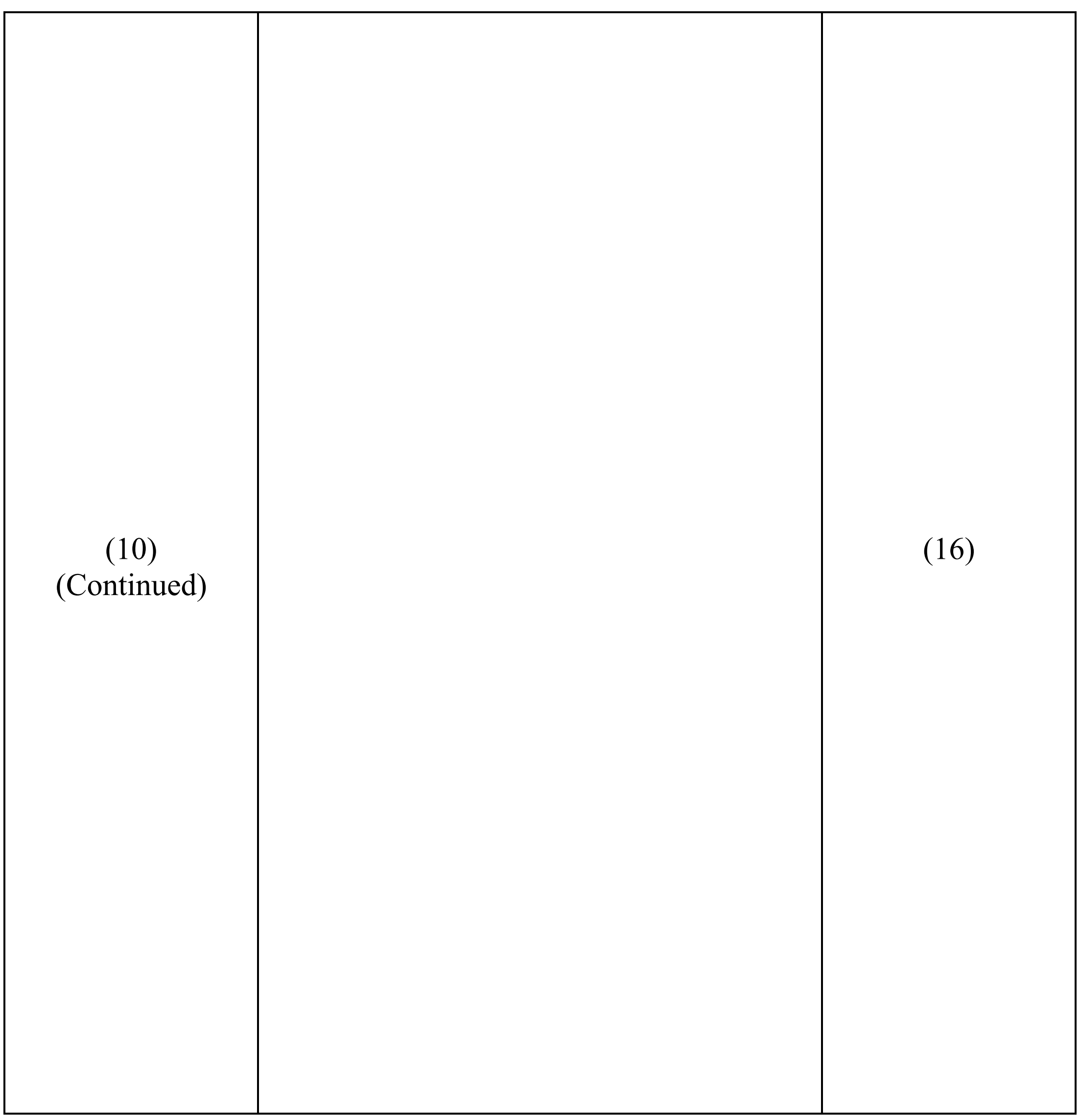


FIGURE 2
(Back)

The text of the Notes to be located thereon at the item numbers shown shall be as follows:

Item 1, figure 1 = "STATE OF IOWA"
"COUNTY OF BUENA VISTA"
"CITY OF STORM LAKE"
"TAXABLE WATER REVENUE CAPITAL LOAN NOTE"
" SERIES 2024B"

Item 2, figure 1 = Rate: 3.77%
Item 3, figure 1 = Final Maturity: ________________________
Item 4, figure 1 = Note Date: ____________________________
Item 5, figure 1 = CUSIP # ____________________
Item 6, figure 1 = "Registered"
Item 7, figure 1 = Certificate No. R-1
Item 8, figure 1 = Principal Amount: $____________________

Item 9, figure 1 = The City of Storm Lake, Iowa, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to

IOWA FINANCE AUTHORITY

Item 10, figure 1 = or registered assigns, the principal sum of (principal amount written out) in lawful money of the United States of America, on the maturity dates and in the principal amounts set forth on the Debt Service Schedule attached hereto and incorporated herein by this reference, with interest on said sum from the date of each advancement made under a certain Loan and Disbursement Agreement dated as of the date hereof until paid at the rate of 3.77% per annum, payable on December 1, 2024, and semi-annually thereafter on the 1st day of June and December in each year. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2026 and annually thereafter on the first day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2045. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined and attached hereto based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Iowa Drinking Water Facilities Financing Program. Payment of principal and interest of this Note shall at all times conform to said Debt Service Schedule and the rules of the Drinking Water State Revolving Fund Program.

Interest and principal shall be paid to the registered holder of the Note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month next preceding such interest payment date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Note is issued pursuant to the provisions of Sections 384.24A and 384.83 of the Code of Iowa, for the purpose of paying costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the System, including those costs associated with construction of elevated water tower no. 5, and evidences amounts payable under a certain Loan and Disbursement Agreement dated as of the date hereof, in conformity to a Resolution of the City Council of the City duly passed and approved. For a complete statement of the revenues and funds from which and the conditions under which this Note is payable, a statement of the conditions under which additional notes or bonds of equal standing may be issued, and the general covenants and provisions pursuant to which this Note is issued, reference is made to the above-described Loan and Disbursement Agreement and Resolution.

This Note is subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Iowa Finance Authority or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of this Note may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by lot by giving thirty (30) days' notice of redemption by certified or registered mail, to the Iowa Finance Authority (or any other registered owner of the Note). This Note is also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by the Finance Director, City of Storm Lake, State of Iowa, the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered Noteholders of such change. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and subject to the provisions for registration and transfer contained in the Note Resolution.

This Note and the series of which it forms a part, Outstanding Obligations ranking on a parity therewith and any Additional Obligations which may be hereafter issued and outstanding from time to time on a parity with said Notes, as provided in the Resolution and Loan and Disbursement Agreement of which notice is hereby given and which are hereby made a part hereof, are payable from and secured by a pledge of the Net Revenues of the municipal water utility (the "System"), as defined and provided in said Resolution. There has heretofore been established and the City covenants and agrees that it will maintain just and equitable rates or charges for the use of and service rendered by said System in each year for the payment of the proper and reasonable expenses of operation and maintenance of said System and for the establishment of a sufficient sinking fund to meet the principal of and interest on this series of Notes, and other obligations ranking on a parity therewith, as the same become due. This Note is not payable in any manner by taxation and under no circumstances shall the City be in any manner liable by reason of the failure of said Net Revenues to be sufficient for the payment hereof.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to be performed precedent to the lawful issue of this Note, have been existent, had, done and performed as required by law.

IN TESTIMONY WHEREOF, said City by its City Council has caused this Note to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, with the seal of said City impressed hereon, and authenticated by the manual or facsimile signature of an authorized representative of the Registrar, the City Clerk of the City of Storm Lake, Iowa, all as of the __________ day of _______________, 2024.

Item 11, figure 1 = Date of authentication:
Item 12, figure 1 = This is one of the Notes described in the within mentioned Resolution, as registered by the City Clerk.

CITY CLERK

By: ____
Registrar

Item 13, figure 1 = Registrar and Transfer Agent: City Clerk
Paying Agent: City Clerk

SEE REVERSE FOR CERTAIN DEFINITIONS

Item 14, figure 1 = (Seal)
Item 15, figure 1 = (Signature Block)

CITY OF STORM LAKE, STATE OF IOWA

By: (manual or facsimile signature)
Mayor

ATTEST:

By: (manual or facsimile signature)
City Clerk

Item 17, figure 2 = [Assignment Block]
[Information Required for Registration]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _________________________ (Social Security or Tax Identification No. _______________) the within Note and does hereby irrevocably constitute and appoint ________________________ attorney in fact to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated: ____

____

____
(Person(s) executing this Assignment sign(s) here)

SIGNATURE)
GUARANTEED)____

IMPORTANT - READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the Certificate(s) or Note(s) in every particular without alteration or enlargement or any change whatever. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signature to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

INFORMATION REQUIRED FOR REGISTRATION OF TRANSFER

Name of Transferee(s) ____
Address of Transferee(s) ____
Social Security or Tax Identification
Number of Transferee(s) ____
Transferee is a(n):
Individual* ____________________ Corporation ____________________
Partnership ____________________ Trust ____________________

*If the Note is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with rights of survivorship and not as tenants in common
IA UNIF TRANS MIN ACT - .... Custodian ....
(Cust) (Minor)
Under Iowa Uniform Transfers to Minors Act..................
(State)

Section 14. Equality of Lien. The timely payment of principal of and interest on the Notes and Parity Obligations shall be secured equally and ratably by the Net Revenues of the System without priority by reason of number or time of sale or delivery; and the Net Revenues of the System are hereby irrevocably pledged to the timely payment of both principal and interest as the same become due.

Section 15. Application of Note Proceeds - Project Fund. Proceeds of the Notes shall be credited to the Project Fund and expended therefrom for the purposes of issuance. Any amounts on hand in the Project Fund shall be available for the payment of the principal of or interest on the Notes at any time that other funds of the System shall be insufficient to the purpose, in which event such funds shall be repaid to the Project Fund at the earliest opportunity. Any balance on hand in the Project Fund and not immediately required for its purposes may be invested not inconsistent with limitations provided by law, the Internal Revenue Code and this Resolution.

Section 16. User Rates. There has heretofore been established and published as required by law, just and equitable rates or charges for the use of the service rendered by the System. Said rates or charges shall be paid by the owner of each and every lot, parcel of real estate, or building that is connected with and uses the System, by or through any part of the System or that in any way uses or is served by the System.

Any revenue paid and collected for the use of the System and its services by the Issuer or any department, agency or instrumentality of the Issuer shall be used and accounted for in the same manner as any other revenues derived from the operations of the System.

Section 17. Application of Revenues. From and after the delivery of any Notes, and as long as any of the Notes or Parity Obligations shall be outstanding and unpaid either as to principal or as to interest, or until all of the Notes and Parity Obligations then outstanding shall have been discharged and satisfied in the manner provided in this Resolution, the entire income and revenues of the System shall be deposited as collected in a fund to be known as the Water Revenue Fund (the "Revenue Fund"), and shall be disbursed only as follows:

The provisions in the Prior Note Resolution heretofore adopted on September 16, 2019, whereby there was created and is to be maintained a Water Revenue Note Principal and Interest Sinking Fund, and for the monthly payment into said fund from the future Net Revenues of the System such portion thereof as will be sufficient to meet the principal and interest of the Outstanding Obligations, are hereby ratified and confirmed, and all such provisions inure to and constitute the security for the payment of the principal and interest on Notes hereby authorized to be issued; provided, however, that the amounts to be set aside and paid into the Water Revenue Note Principal and Interest Sinking Fund in equal monthly installments from the earnings shall be sufficient to pay the principal and interest due each year, not only on the Outstanding Obligations, but also the principal and interest of the Notes herein authorized to be issued and to maintain a reserve therefor. Section(s) 16, 19 and 21 of the Prior Note Resolution is/are hereby ratified, confirmed, adopted and incorporated herein as a part of this Resolution. Except as may be otherwise provided in the Prior Note Resolution, proceeds of the Notes or other funds may be invested in Permitted Investments.

Nothing in this Resolution shall be construed to impair the rights vested in the Outstanding Obligations. The amounts herein required to be paid into the various funds named in this Section shall be inclusive of payments required in respect to the Outstanding Obligations. The provisions of the legislation authorizing the Outstanding Obligations and the provisions of this Resolution are to be construed wherever possible so that the same will not be in conflict. In the event such construction is not possible, the provisions of the resolution first adopted shall prevail until such time as the notes or bonds authorized by said resolution have been paid in full or otherwise satisfied as therein provided at which time the provisions of this Resolution shall again prevail.

At such time as the Outstanding Obligations are paid and so long as the Notes or Parity Obligations remain outstanding and unpaid the same are discharged and satisfied in the manner provided in this Resolution, the entire income and revenues of the system shall be deposited and collected in a fund to be known as the Revenue Fund, and shall be disbursed only as follows:

- Operation and Maintenance Fund. Money in the Revenue Fund shall first be disbursed to make deposits into a separate and special fund to pay current expenses. The fund shall be known as the Water Utility Operation and Maintenance Fund (the "Operation and Maintenance Fund"). There shall be deposited in the Operation and Maintenance Fund each month an amount sufficient to meet the current expenses of the month plus an amount equal to 1/12th of expenses payable on an annual basis such as insurance. After the first day of the month, further deposits may be made to this account from the Revenue Fund to the extent necessary to pay current expenses accrued and payable to the extent that funds are not available in the Surplus Fund.

- Sinking Fund. Money in the Revenue Fund shall next be disbursed to make deposits into a separate and special fund to pay principal of and interest on the Notes and Parity Obligations. The fund shall be known as the Water Revenue Note Principal and Interest Sinking Fund (the "Sinking Fund"). The required amount to be deposited in the Sinking Fund in any month shall be an amount equal to 1/6th of the installment of interest coming due on the next interest payment date on the then outstanding Notes and Parity Obligations, plus 1/12th of the installment of principal coming due on such Notes on the next succeeding principal payment date until the full amount of such installment is on hand. If for any reason the amount on hand in the Sinking Fund exceeds the required amount, the excess shall forthwith be withdrawn and paid into the Revenue Fund. Money in the Sinking Fund shall be used solely for the purpose of paying principal of and interest on the Notes and Parity Obligations as the same shall become due and payable.

- Subordinate Obligations. Money in the Revenue Fund may next be used to pay principal of and interest on (including reasonable reserves therefor) any other obligations which by their terms shall be payable from the Net Revenues of the System, but subordinate to the Notes and Parity Obligations, and which have been issued for the purposes of extensions and improvements to the System or to retire the Notes or Parity Obligations in advance of maturity, or to pay for extraordinary repairs or replacements to the System.

- Surplus Revenue. All money thereafter remaining in the Revenue Fund at the close of each month may be deposited in any of the funds created by this Resolution, to pay for extraordinary repairs or replacements to the System, or may be used to pay or redeem the Notes or Parity Obligations, any of them, or for any lawful purpose.

Money in the Revenue Fund shall be allotted and paid into the various funds and accounts hereinbefore referred to in the order in which said funds are listed, on a cumulative basis on the 10th day of each month, or on the next succeeding business day when the l0th shall not be a business day; and if in any month the money in the Revenue Fund shall be insufficient to deposit or transfer the required amount in any of said funds or accounts, the deficiency shall be made up in the following month or months after payments into all funds and accounts enjoying a prior claim to the revenues shall have been met in full.

Section 18. Investments. Moneys on hand in the Project Fund and all of the funds provided by this Resolution may be invested only in Permitted Investments or deposited in financial institutions which are members of the Federal Deposit Insurance Corporation, or its equivalent successor, and the deposits of which are insured thereby and all such deposits exceeding the maximum amount insured from time to time by FDIC or its equivalent successor in any one financial institution shall be continuously secured in compliance with Iowa Code chapter 12C, or otherwise by a valid pledge of direct obligations of the United States Government having an equivalent market value. All investments shall mature before the date on which the moneys are required for the purposes for which the fund was created or otherwise as herein provided. The provisions of this Section shall not be construed to require the Issuer to maintain separate accounts for the funds created by this Resolution.

The Sinking Fund shall be segregated in a separate account but may be invested in the same manner as other funds of the Issuer but designated as a trust fund on the books and records of the Issuer. The Sinking Fund shall not be available for any other purposes other than those specified in this Resolution.

All income derived from such investments shall be deposited in the Revenue Fund and shall be regarded as revenues of the System. Investments shall at any time necessary be liquidated and the proceeds thereof applied to the purpose for which the respective fund was created.

Section 19. Covenants Regarding the Operation of the System. The Issuer hereby covenants and agrees with each and every holder of the Notes and Parity Obligations:

(a) Maintenance and Efficiency. The Issuer will maintain the System in good condition and operate it in an efficient manner and at reasonable cost.

(b) Sufficiency of Rates. On or before the beginning of each Fiscal Year the Governing Body will adopt or continue in effect rates for all services rendered by the System determined to be sufficient to produce Net Revenues for the next succeeding Fiscal Year which are (i) adequate to pay the principal and interest requirements thereof and to create or maintain the reserves as provided in this Resolution, and (ii) not less than 110 percent of the principal and interest requirements of the next succeeding Fiscal Year. No free use of the System by the Issuer or any department, agency or instrumentality of the Issuer shall be permitted except upon the determination of the Governing Body that the rates and changes otherwise in effect are sufficient to provide Net Revenues at least equal to the requirements of this subsection.

(c) Insurance. The Issuer shall maintain insurance for the benefit of the Noteholders on the insurable portions of the System of a kind and in an amount which normally would be carried by private companies engaged in a similar kind of business. The proceeds of any insurance, except public liability insurance, shall be used to repair or replace the part or parts of the System damaged or destroyed, or if not so used shall be placed in an improvement fund for the benefit of the System.

(d) Accounting and Audits. The Issuer will cause to be kept proper books and accounts adapted to the System and in accordance with generally accepted accounting practices and will diligently act to cause the books and accounts to be audited and reported upon by an Independent Auditor and will provide copies of the audit report to the Department, all as provided in the Agreement. The Original Purchaser and holders of any of the Notes and Parity Obligations shall have at all reasonable times the right to inspect the System and the records, accounts and data of the Issuer relating thereto.

(e) State Laws. The Issuer will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the State of Iowa, including the making and collecting of reasonable and sufficient rates for services rendered by the System as above provided, and will segregate the revenues of the System and apply said revenues to the funds specified in this Resolution.

(f) Property. The Issuer will not sell, lease, mortgage or in any manner dispose of the System, or any capital part thereof, including any and all extensions and additions that may be made thereto, until satisfaction and discharge of all of the Notes and Parity Obligations shall have been provided for in the manner provided in this Resolution; provided, however, this covenant shall not be construed to prevent the disposal by the Issuer of property which in the judgment of its Governing Body has become inexpedient or unprofitable to use in connection with the System, or if it is to the advantage of the System that other property of equal or higher value be substituted therefor, and provided further that the proceeds of the disposition of such property shall be placed in a revolving fund to be used in preference to other sources for capital improvements to the System. Any such proceeds of the disposition of property acquired with the proceeds of the Notes or Parity Obligations shall not be used to pay principal or interest on the Notes and Parity Obligations or for payments into the Sinking Fund.

(g) Fidelity Bond. That the Issuer shall maintain fidelity bond coverage in amounts which normally would be carried by private companies engaged in a similar kind of business on each officer or employee having custody of funds of the System.

(h) Additional Charges. The Issuer will require proper connecting charges and/or other security for the payment of service charges.

(i) Budget. The Governing Body of the Issuer shall approve and conduct operations pursuant to a system budget of revenues and current expenses for each Fiscal Year. Such budget shall take into account revenues and current expenses during the current and last preceding Fiscal Years. Copies of such budget and any amendments thereto shall be mailed to the Original Purchaser and to the Noteholders upon request.

(j) Loan and Disbursement Agreement. The Issuer will comply with the terms and conditions of the Loan and Disbursement Agreement and perform as provided thereunder.

Section 20. Remedies of Noteholders. Except as herein expressly limited the holder or holders of the Notes and Parity Obligations shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa, and of the United States of America, for the enforcement of payment of their Notes and interest thereon, and of the pledge of the Net Revenues made hereunder, and of all covenants of the Issuer hereunder.

Section 21. Prior Lien and Parity Obligations. The Issuer will issue no other notes, bonds or obligations of any kind or nature payable from or enjoying a lien or claim on the property or revenues of the System having priority over the Notes or Parity Obligations.

Additional Obligations may be issued on a parity and equality of rank with the Notes with respect to the lien and claim of such Additional Obligations to the Net Revenues of the System and the money on deposit in the funds adopted by this Resolution, for the following purposes and under the following conditions, but not otherwise:

(a) For the purpose of refunding any of the Notes or Parity Obligations which shall have matured or which shall mature not later than three months after the date of delivery of such refunding obligation and for the payment of which there shall be insufficient money in the Sinking Fund;

(b) For the purpose of making extensions, additions, improvements or replacements to the System, or refunding any outstanding Notes, Parity Obligations or other obligations issued for such extensions, additions and improvements, if all of the following conditions shall have been met:

(i) before any such Additional Obligations ranking on a parity are issued, there will have been procured and filed with the Clerk, a statement of an Independent

Auditor, independent consulting engineer or independent financial advisor, not a regular employee of the Issuer, reciting the opinion based upon necessary investigations that the Net Revenues of the System for the preceding Fiscal Year (with adjustments as hereinafter provided) were equal to at least 1.10 times the maximum amount that will be required in any Fiscal Year prior to the longest maturity of any of the then outstanding Notes or Parity Obligations for both principal of and interest on all Notes or Parity Obligations then outstanding which are payable from the Net Revenues of the System and the Additional Obligations then proposed to be issued.

For the purpose of determining the Net Revenues of the System for the preceding Fiscal Year as aforesaid, the amount of the gross revenues for such year may be adjusted by an independent consulting engineer, the Independent Auditor or the independent financial advisor, so as to reflect any changes in the amount of such revenues which would have resulted had any revision of the schedule of rates or charges imposed at or prior to the time of the issuance of any such Additional Bonds been in effect during all of such preceding Fiscal Year.

(ii) the Additional Obligations must be payable as to principal and as to interest on the same month and day as the Notes herein authorized.

(iii) for the purposes of this Section, principal and interest falling due on the first day of a Fiscal Year shall be deemed a requirement of the immediately preceding Fiscal Year.

(iv) for the purposes of this Section, general obligation bonds or notes shall be refunded only upon a finding of necessity by the Governing Body and only to the extent the general obligation bonds or notes were issued or the proceeds thereof were expended for the System.

(v) for purposes of this Section, "preceding Fiscal Year" shall be the most recently completed Fiscal Year for which audited financial statements prepared by a certified public accountant are issued and available, but in no event a Fiscal Year which ended more than eighteen months prior to the date of issuance of the Additional Obligations.

Section 22. Discharge and Satisfaction of Notes. The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution may be fully discharged and satisfied with respect to the Notes and Parity Obligations, or any of them, in any one or more of the following ways:

(a) By paying the Notes or Parity Obligations when the same shall become due and payable; and

(b) By depositing in trust with the Finance Director, or with a corporate trustee designated by the Governing Body, for the payment of said obligations and irrevocably appropriated exclusively to that purpose an amount in cash or direct obligations of the United States the maturities and income of which shall be sufficient to retire at maturity, or by redemption prior to maturity on a designated date upon which said obligations may be redeemed, all of such obligations outstanding at the time, together with the interest thereon to maturity or to the designated redemption date, premiums thereon, if any that may be payable on the redemption of the same; provided that proper notice of redemption of all such obligations to be redeemed shall have been previously published or provisions shall have been made for such publication.

Upon such payment or deposit of money or securities, or both, in the amount and manner provided by this Section, all liability of the Issuer with respect to the Notes or Obligations shall cease, determine and be completely discharged, and the holders thereof shall be entitled only to payment out of the money or securities so deposited.

Section 23. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Issuer and the holder or holders of the Notes and Parity Obligations, and after the issuance of any of the Notes no change, variation or alteration of any kind in the provisions of this Resolution shall be made in any manner, except as provided in the next succeeding Section, until such time as all of the Notes and Parity Obligations, and interest due thereon, shall have been satisfied and discharged as provided in this Resolution.

Section 24. Amendment of Resolution Without Consent. The Issuer may, without the consent of or notice to any of the holders of the Bonds and Parity Obligations, amend or supplement this Resolution for any one or more of the following purposes:

(a) to cure any ambiguity, defect, omission or inconsistent provision in this Resolution or in the Notes or Parity Obligations; or to comply with any applicable provision of law or regulation of federal or state agencies; provided, however, that such action shall not materially adversely affect the interests of the holders of the Notes or Parity Obligations;

(a) to grant to or confer upon the holders of the Notes or Parity Obligations any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the holders of the Notes;

(b) to add to the covenants and agreements of the Issuer contained in this Resolution other covenants and agreements of, or conditions or restrictions upon, the Issuer or to surrender or eliminate any right or power reserved to or conferred upon the Issuer in this Resolution; or

(c) to subject to the lien and pledge of this Resolution additional pledged revenues as may be permitted by law.

Section 25. Amendment of Resolution Requiring Consent. This Resolution may be amended from time to time if such amendment shall have been consented to by holders of not less than two-thirds in principal amount of the Notes and Parity Obligations at any time outstanding (not including in any case any Notes which may then be held or owned by or for the account of the Issuer, but including such Refunding Obligations as may have been issued for the purpose of refunding any of such Notes if such Refunding Obligations shall not then be owned by the Issuer); but this Resolution may not be so amended in such manner as to:

(a) Make any change in the maturity or interest rate of the Notes, or modify the terms of payment of principal of or interest on the Notes or any of them or impose any conditions with respect to such payment;

(b) Materially affect the rights of the holders of less than all of the Notes and Parity Obligations then outstanding; and

(c) Reduce the percentage of the principal amount of Notes, the consent of the holders of which is required to effect a further amendment.

Whenever the Issuer shall propose to amend this Resolution under the provisions of this Section, it shall cause notice of the proposed amendment to be filed with the Original Purchaser and to be mailed by certified mail to each registered owner of any Note as shown by the records of the Registrar. Such notice shall set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory Resolution is on file in the office of the City Clerk.

Whenever at any time within one year from the date of the mailing of said notice there shall be filed with the City Clerk an instrument or instruments executed by the holders of at least two-thirds in aggregate principal amount of the Notes then outstanding as in this Section defined, which instrument or instruments shall refer to the proposed amendatory Resolution described in said notice and shall specifically consent to and approve the adoption thereof, thereupon, but not otherwise, the Governing Body of the Issuer may adopt such amendatory Resolution and such Resolution shall become effective and binding upon the holders of all of the Notes and Parity Obligations.

Any consent given by the holder of a Note pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the instrument evidencing such consent and shall be conclusive and binding upon all future holders of the same Note during such period. Such consent may be revoked at any time after six months from the date of such instrument by the holder who gave such consent or by a successor in title by filing notice of such revocation with the City Clerk.

The fact and date of the execution of any instrument under the provisions of this Section may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction that the person signing such instrument acknowledged before him the execution thereof, or may be proved by an affidavit of a witness to such execution sworn to before such officer.

The amount and numbers of the Notes held by any person executing such instrument and the date of his holding the same may be proved by an affidavit by such person or by a certificate executed by an officer of a bank or trust company showing that on the date therein mentioned such person had on deposit with such bank or trust company the Notes described in such certificate.

Notwithstanding anything in this Section to the contrary, the holder or holders of 100% of the Notes and Parity Obligations may consent to any amendment of this Resolution, or waive any notices required hereunder, on such terms and under such conditions as said holders shall determine to be appropriate.

Section 26. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions.

Section 27. Repeal of Conflicting Ordinances or Resolutions and Effective Date. All other Ordinances, Resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed; and this Resolution shall be in effect from and after its adoption.

Section 28. Rule of Construction. This Resolution and the terms and conditions of the Notes authorized hereby shall be construed whenever possible so as not to conflict with the terms and conditions of the Loan and Disbursement Agreement. In the event such construction is not possible, or in the event of any conflict or inconsistency between the terms hereof and those of the Loan and Disbursement Agreement, the terms of the Loan and Disbursement Agreement shall prevail and be given effect to the extent necessary to resolve any such conflict or inconsistency.

PASSED AND APPROVED this 1st day of July, 2024.

____
Michael Porsch, Mayor

ATTEST:

____
Mayra A. Martinez, City Clerk

Moved by Council Member Ricklefs to adopt Resolution No. 04-R-2024-2025 approving and authorizing a form of loan and disbursement agreement by and between the City of Storm Lake, Iowa, and the Iowa Finance Authority, and authorizing and providing for the issuance and securing the payment of $4,258,000 Water Revenue Capital Loan Notes, Series 2024A, of the City of Storm Lake, Iowa under the provisions of the Code of Iowa, and providing for a method of payment of said notes and approving form of tax exemption certificate. Seconded by Council Member McKeon. Roll call vote: All ayes. Motion carried.

RESOLUTION NO. 04-R-2024-2025

A RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AND DISBURSEMENT AGREEMENT BY AND BETWEEN THE CITY OF STORM LAKE AND THE IOWA FINANCE AUTHORITY, AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF $4,258,000 WATER REVENUE CAPITAL LOAN NOTES, SERIES 2024A, OF THE CITY OF STORM LAKE, IOWA, UNDER THE PROVISIONS OF THE CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF SAID NOTES AND APPROVING FORM OF TAX EXEMPTION CERTIFICATE

WHEREAS, the City Council of the City of Storm Lake, Iowa, sometimes hereinafter referred to as the "Issuer", has heretofore established charges, rates and rentals for services which are and will continue to be collected as system revenues of the municipal water system, sometimes hereinafter referred to as the "System", and said revenues are available for the payment of Water Revenue Capital Loan Notes, Series 2024A, subject to the following premises; and

WHEREAS, the Issuer proposes to issue its Water Revenue Capital Loan Notes, Series 2024A, to the extent of $4,258,000, for the purpose of defraying the costs of the Project as set forth in Section 1 of this Resolution; and, it is deemed necessary and advisable and in the best interests of the City that a form of Loan and Disbursement Agreement by and between the City and the Iowa Finance Authority, be approved and authorized; and

WHEREAS, there have been heretofore issued $2,185,000 Water Revenue Refunding Capital Loan Notes, Series 2019, dated September 26, 2019 (the "Outstanding Obligations"), part of which remain outstanding and are a lien on the Net Revenues of the System; and

WHEREAS, in the resolution authorizing the issuance of the Outstanding Obligations it is provided that additional revenue notes or bonds may be issued on a parity with the outstanding obligations, for the costs of future improvements and extensions to the System, provided that there has been procured and placed on file with the City Clerk, a statement complying with the conditions and limitations therein imposed upon the issuance of said parity notes or bonds; and

WHEREAS, a statement of Piper Sandler & Co., an independent financial consultant not in the regular employ of Issuer, has been placed on file in the office of the City Clerk prior to Closing, showing the conditions and limitations of said Resolution adopted September 16, 2019, with regard to the sufficiency of the revenues of the System to permit the issuance of additional revenue notes or bonds ranking on a parity with the outstanding notes or bonds to have been met and satisfied as required; and

WHEREAS, simultaneously with this issue, the City intends to issue $3,630,000 Taxable Water Revenue Capital Loan Notes, Series 2024B.

WHEREAS, the notice of intention of Issuer to take action for the issuance of $4,258,000 Water Revenue Capital Loan Notes, Series 2024A, has heretofore been duly published and no objections to such proposed action have been filed.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IN THE COUNTY OF BUENA VISTA, STATE OF IOWA:

Section 1. Definitions. The following terms shall have the following meanings in this Resolution unless the text expressly or by necessary implication requires otherwise:

- "Additional Obligations" shall mean any water revenue bonds or notes or other obligations issued on a parity with the Notes in accordance with the provisions of Section 21 hereof.

- "Agreement" shall mean a Loan and Disbursement Agreement dated as of the Closing between the City and the Original Purchaser, relating to the Loan made to the City under the Program;

- "City Clerk" shall mean the City Clerk or such other officer of the successor Governing Body as shall be charged with substantially the same duties and responsibilities;

- "Closing" shall mean the date of delivery of the Note to the Original Purchaser and the funding of the Loan;

- "Corporate Seal" shall mean the official seal of Issuer adopted by the Governing Body;

- "Fiscal Year" shall mean the twelve months' period beginning on July 1 of each year and ending on the last day of June of the following year, or any other consecutive twelve-month period adopted by the Governing Body or by law as the official accounting period of the System; provided, that the requirements of a fiscal year as expressed in this Resolution shall exclude any payment of principal or interest falling due on the first day of the fiscal year and include any payment of principal or interest falling due on the first day of the succeeding fiscal year;

- "Governing Body" shall mean the City Council, or its successor in function with respect to the operation and control of the System;

- "Independent Auditor" shall mean an independent firm of certified public accountants or the Auditor of State;

- "Issuer" and "City" shall mean the City of Storm Lake, Iowa;

- "Loan" shall mean the principal amount allocated by the Original Purchaser to the City under the Program, equal in amount to the principal amount of the Notes;

♦ "Net Revenues" shall mean gross earnings of the System after deduction of Current Expenses; "Current Expenses" shall mean and include the reasonable and necessary cost of operating, maintaining, repairing and insuring the System, including purchases at wholesale, if any, salaries, wages, and costs of materials and supplies, but excluding depreciation and principal of and interest on the Notes and any Parity Obligations or payments to the various funds established herein; capital costs, depreciation and interest or principal payments are not System expenses;

♦ "Notes" or "Note" shall mean $4,258,000 Water Revenue Capital Loan Notes, Series 2024A, authorized to be issued by this Resolution;

♦ "Original Purchaser" shall mean the Iowa Finance Authority, as the purchaser of the Notes from the Issuer at the time of their original issuance;

♦ "Outstanding Obligations" shall mean the Water Revenue Refunding Capital Loan Notes, Series 2019, dated September 26, 2019, issued in accordance with the Resolution adopted September 16, 2019, $2,012,000 of which obligations are still outstanding and unpaid and remain a lien on the Net Revenues of the System;

♦ "Parity Obligations" shall mean notes or bonds payable solely from the Net Revenues of the System on an equal basis with the Notes herein authorized to be issued and shall include Additional Obligations as authorized to be issued under the terms of this Resolution and the Outstanding Obligations;

♦ "Paying Agent" shall mean the Finance Director, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein as Issuer's Agent to provide for the payment of principal of and interest on the Notes as the same shall become due;

♦ "Permitted Investments" shall mean:

- direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America;

- cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in the above paragraph);

- obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including:

  -Export - Import Bank
  -Farm Credit System Financial Assistance Corporation
  -USDA - Rural Development
  -General Services Administration
  -U.S. Maritime Administration
  -Small Business Administration
  -Government National Mortgage Association (GNMA)
  -U.S. Department of Housing & Urban Development (PHA's)
  -Federal Housing Administration

- repurchase agreements whose underlying collateral consists of the investments set out above if the Issuer takes delivery of the collateral either directly or through an authorized custodian. Repurchase agreements do not include reverse repurchase agreements;

- senior debt obligations rated "AAA" by Standard & Poor's Corporation (S&P) or "Aaa" by Moody's Investors Service Inc. (Moody's) issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation;

- U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P or "P-1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

- commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P or "P-1" by Moody's and which matures not more than 270 days after the date of purchase;

- investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;

- pre-refunded Municipal Obligations, defined as any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (a) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P or Moody's or any successors thereto; or (b)(i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations of the Department of the Treasury of the United States of America, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

- tax exempt bonds as defined and permitted by section 148 of the Internal Revenue Code and applicable regulations and only if rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa;

- an investment contract rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa; and

- Iowa Public Agency Investment Trust.

♦ "Prior Note Resolution(s)" shall mean the resolution(s) of the City Council adopted on September 16, 2019, authorizing the issuance of the Water Revenue Capital Loan Notes, Series 2019, dated September 26, 2019;

♦ "Program" shall mean the Iowa Drinking Water Facilities Financing Program undertaken by the Original Purchaser;

♦ "Project" shall mean the acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping of the System, including those costs associated with construction of elevated water tower no. 5;

♦ "Project Fund" shall mean the Loan Account maintained by the Trustee under the Program for the benefit of the Issuer, into which the proceeds of the Loan and the Note shall be allocated and held until disbursed to pay Project costs;

♦ "Rebate Fund" shall mean the fund so defined in and established pursuant to the Tax Exemption Certificate;

♦ "Registrar" shall be the Finance Director, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein with respect to maintaining a register of the owners of the Notes. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Notes;

♦ "System" shall mean the municipal water utility of the Issuer and all properties of every nature hereinafter owned by the Issuer comprising part of or used as a part of the System, including all water treatment facilities, storage facilities, pumping stations and all related property and improvements and extensions made by Issuer while any of the Notes or Parity Obligations remain outstanding; all real and personal property; and all appurtenances, contracts, leases, franchises and other intangibles;

♦ "Tax Exemption Certificate" shall mean the Tax Exemption Certificate executed by the Treasurer and delivered at the time of issuance and delivery of the Notes;

♦ "Treasurer" shall mean the Finance Director or such other officer as shall succeed to the same duties and responsibilities with respect to the recording and payment of the Notes issued hereunder;

♦ "Yield Restricted" shall mean required to be invested at a yield that is not materially higher than the yield on the Notes under Section 148(a) of the Internal Revenue Code or regulations issued thereunder.

Section 2. Authority. The Agreement and the Notes authorized by this Resolution shall be issued pursuant to Sections 384.24A and 384.83 of the Code of Iowa, and in compliance with all applicable provisions of the Constitution and laws of the State of Iowa. The Agreement shall be substantially in the form attached to this Resolution and is authorized to be executed and issued on behalf of the Issuer by the Mayor and attested by the City Clerk.

Section 3. Authorization and Purpose. There are hereby authorized to be issued, negotiable, serial, fully registered Revenue Notes of the City of Storm Lake, in the County of Buena Vista, State of Iowa, each to be designated as "Water Revenue Capital Loan Note, Series 2024A", in the aggregate amount of $4,258,000, for the purpose of paying costs of the Project. The City Council, pursuant to Sections 384.24A and 384.83 of the Code of Iowa, hereby finds and determines that it is necessary and advisable to issue said Notes authorized by the Agreement and this Resolution.

Section 4. Source of Payment. The Notes herein authorized and Parity Obligations and the interest thereon shall be payable solely and only out of the Net Revenues of the System and shall be a first lien on the future Net Revenues of the System. The Notes shall not be general obligations of the Issuer nor shall they be payable in any manner by taxation and the Issuer shall be in no manner liable by reason of the failure of the said Net Revenues to be sufficient for the payment of the Notes.

Section 5. Note Details. Water Revenue Capital Loan Notes, Series 2024, of the City in the amount of $4,258,000, shall be issued to evidence the obligations of the Issuer under the Agreement pursuant to the provisions of Sections 384.24A and 384.83 of the Code of Iowa for the aforesaid purpose. The Notes shall be designated "WATER REVENUE CAPITAL LOAN NOTE, SERIES 2024A", be dated the date of delivery, and bear interest at the rate of 2.50% per annum from the date of each advancement made under the Agreement, until payment thereof, at the office of the Paying Agent, said interest payable on December 1, 2024, and semi-annually thereafter on the 1st day of June and December in each year until maturity as set forth on the Debt Service Schedule attached to the Agreement as Exhibit A and incorporated herein by this reference. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2026 and annually thereafter on the 1st day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2045. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Program. Payment of principal and interest on the Notes shall at all times conform to said Debt Service Schedule and the rules of the Program.

The Notes shall be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Clerk, and impressed or imprinted with the seal of the City and shall be fully registered as to both principal and interest as provided in this Resolution; principal, interest and premium, if any, shall be payable at the office of the Paying Agent by mailing of a check, wire transfer or automated clearing house system transfer to the registered owner of the Note. The Notes may be in the denomination of $1,000 or multiples thereof and shall at the request of the Original Purchaser be initially issued as a single Note in the denomination of $4,258,000 and numbered R-1.

Section 6. Initiation Fee and Servicing Fee. In addition to the payment of principal of and interest on the Notes, the Issuer also agrees to pay the Initiation Fee and the Servicing Fee as defined and in accordance with the terms of the Agreement.

Section 7. Redemption. The Notes are subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Original Purchaser or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of the Notes may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by giving not less than thirty (30) days' notice of redemption by certified or registered mail to the Original Purchaser (or any other registered owner of the Note). The terms of redemption shall be par, plus accrued interest to date of call. The Notes are also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Section 8. Registration of Notes; Appointment of Registrar; Transfer; Ownership; Delivery; and Cancellation.

(a) Registration. The ownership of Notes may be transferred only by the making of an entry upon the books kept for the registration and transfer of ownership of the Notes, and in no other way. The Finance Director is hereby appointed as Note Registrar under the terms of this Resolution. Registrar shall maintain the books of the Issuer for the registration of ownership of the Notes for the payment of principal of and interest on the Notes as provided in this Resolution. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code subject to the provisions for registration and transfer contained in the Notes and in this Resolution.

(b) Transfer. The ownership of any Note may be transferred only upon the Registration Books kept for the registration and transfer of Notes and only upon surrender thereof at the office of the Registrar together with an assignment duly executed by the holder or his duly authorized attorney in fact in such form as shall be satisfactory to the Registrar, along with the address and social security number or federal employer identification number of such transferee (or, if registration is to be made in the name of multiple individuals, of all such transferees). In the event that the address of the registered owner of a Note (other than a registered owner which is the nominee of the broker or dealer in question) is that of a broker or dealer, there must be disclosed on the Registration Books the information pertaining to the registered owner required above. Upon the transfer of any such Note, a new fully registered Note, of any denomination or denominations permitted by this Resolution in aggregate principal amount equal to the unmatured and unredeemed principal amount of such transferred fully registered Note, and bearing interest at the same rate and maturing on the same date or dates shall be delivered by the Registrar.

(c) Registration of Transferred Notes. In all cases of the transfer of the Notes, the Registrar shall register, at the earliest practicable time, on the Registration Books, the Notes, in accordance with the provisions of this Resolution.

(d) Ownership. As to any Note, the person in whose name the ownership of the same shall be registered on the Registration Books of the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Notes and the premium, if any, and interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note, including the interest thereon, to the extent of the sum or sums so paid.

(e) Cancellation. All Notes which have been redeemed shall not be reissued but shall be cancelled by the Registrar. All Notes which are cancelled by the Registrar shall be destroyed and a Certificate of the destruction thereof shall be furnished promptly to the Issuer; provided that if the Issuer shall so direct, the Registrar shall forward the cancelled Notes to the Issuer.

(f) Non-Presentment of Notes. In the event any payment check, wire, or electronic transfer of funds representing payment of principal of or interest on the Notes is returned to the Paying Agent or if any note is not presented for payment of principal at the maturity or redemption date, if funds sufficient to pay such principal of or interest on Notes shall have been made available to the Paying Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or payment of such Notes shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Notes who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, such interest or Notes. The Paying Agent's obligation to hold such funds shall continue for a period equal to two years and six months following the date on which such interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Paying Agent shall surrender any remaining funds so held to the Issuer, whereupon any claim under this Resolution by the Owners of such interest or Notes of whatever nature shall be made upon the Issuer.

Section 9. Reissuance of Mutilated, Destroyed, Stolen or Lost Notes. In case any outstanding Note shall become mutilated or be destroyed, stolen or lost, the Issuer shall at the request of Registrar authenticate and deliver a new Note of like tenor and amount as the Note so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note to Registrar, upon surrender of such mutilated Note, or in lieu of and substitution for the Note destroyed, stolen or lost, upon filing with the Registrar evidence satisfactory to the Registrar and Issuer that such Note has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Registrar and Issuer with satisfactory indemnity and complying with such other reasonable regulations as the Issuer or its agent may prescribe and paying such expenses as the Issuer may incur in connection therewith.

Section 10. Record Date. Payments of principal and interest, otherwise than upon full redemption, made in respect of any Note, shall be made to the registered holder thereof or to their designated Agent as the same appear on the books of the Registrar on the 15th day of the month preceding the payment date. All such payments shall fully discharge the obligations of the Issuer in respect of such Notes to the extent of the payments so made. Upon receipt of the final payment of principal, the holder of the Note shall surrender the Note to the Paying Agent.

Section 11. Execution, Authentication and Delivery of the Notes. Upon the adoption of this Resolution, the Mayor and City Clerk shall execute the Notes by their manual or authorized signature and deliver the Notes to the Registrar, who shall authenticate the Notes and deliver the same to or upon order of the Original Purchaser. No Note shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless the Registrar shall duly endorse and execute on such Note a Certificate of Authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Note executed on behalf of the Issuer shall be conclusive evidence that the Note so authenticated has been duly issued under this Resolution and that the holder thereof is entitled to the benefits of this Resolution.

Section 12. Right to Name Substitute Paying Agent or Registrar. Issuer reserves the right to name a substitute, successor Registrar or Paying Agent upon giving prompt written notice to each registered noteholder.

Section 13. Form of Note. Notes shall be printed in substantial compliance with standards proposed by the American Standards Institute substantially in the form as follows:

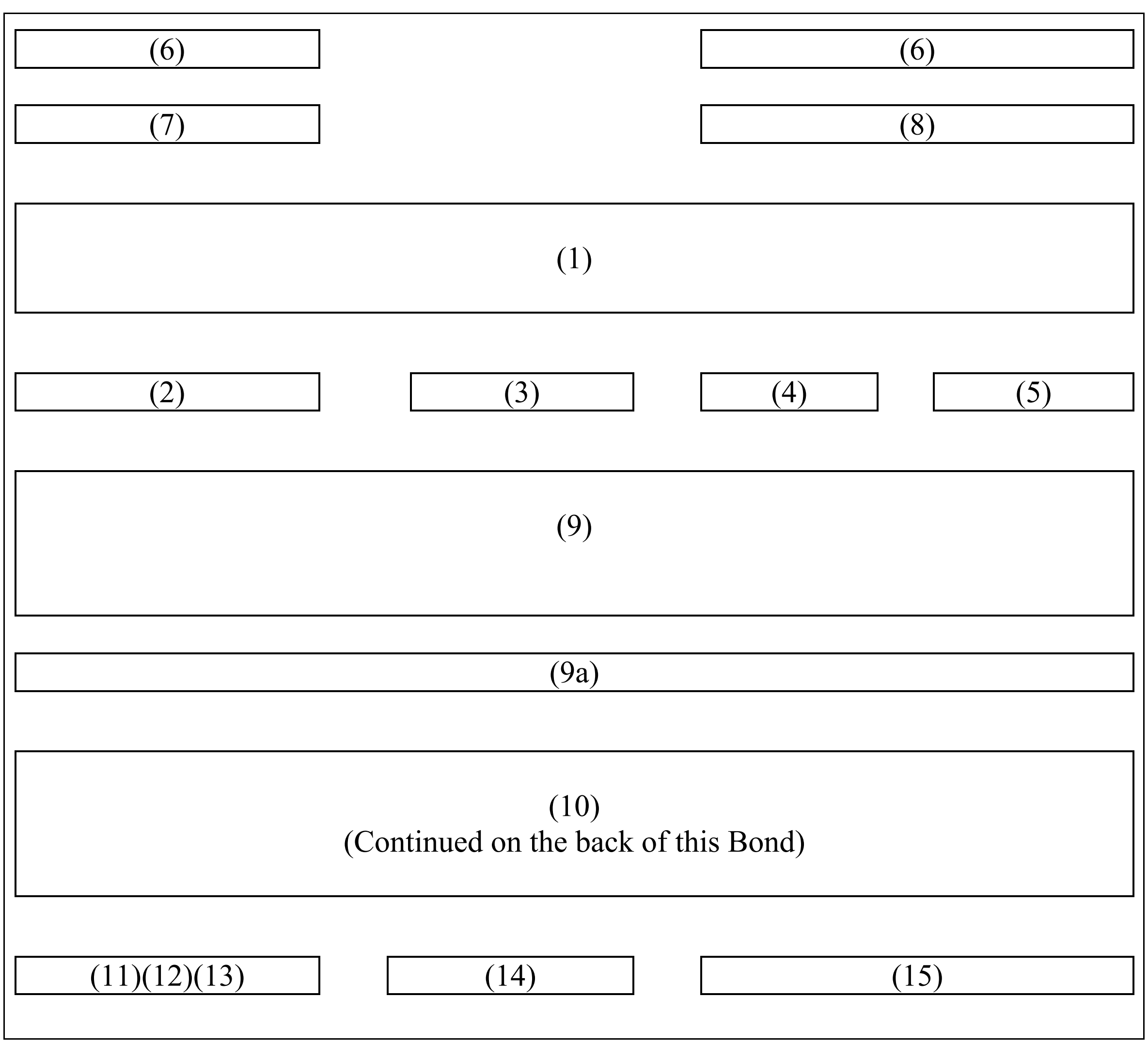


FIGURE 1
(Front)

(10) (Continued)		(16)

FIGURE 2
(Back)

The text of the Notes to be located thereon at the item numbers shown shall be as follows:

Item 1, figure 1 = "STATE OF IOWA"
"COUNTY OF BUENA VISTA"
"CITY OF STORM LAKE"
"WATER REVENUE CAPITAL LOAN NOTE"
"SERIES 2024A"

Item 2, figure 1 = Rate: 2.50%
Item 3, figure 1 = Final Maturity: ________________________
Item 4, figure 1 = Note Date: ____________________________
Item 5, figure 1 = CUSIP # ____________________
Item 6, figure 1 = "Registered"
Item 7, figure 1 = Certificate No. R-1
Item 8, figure 1 = Principal Amount: $____________________

Item 9, figure 1 = The City of Storm Lake, Iowa, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to

IOWA FINANCE AUTHORITY

Item 10, figure 1 = or registered assigns, the principal sum of (principal amount written out) in lawful money of the United States of America, on the maturity dates and in the principal amounts set forth on the Debt Service Schedule attached hereto and incorporated herein by this reference, with interest on said sum from the date of each advancement made under a certain Loan and Disbursement Agreement dated as of the date hereof until paid at the rate of 2.50% per annum, payable on December 1 2024, and semi-annually thereafter on the 1st day of June and December in each year. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2026 and annually thereafter on the first day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2045. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined and attached hereto based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Iowa Drinking Water Facilities Financing Program. Payment of principal and interest of this Note shall at all times conform to said Debt Service Schedule and the rules of the Drinking Water State Revolving Fund Program.

Interest and principal shall be paid to the registered holder of the Note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month next preceding such interest payment date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Note is issued pursuant to the provisions of Sections 384.24A and 384.83 of the Code of Iowa, for the purpose of paying costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the System, including those costs associated with construction of elevated water tower no. 5, and evidences amounts payable under a certain Loan and Disbursement Agreement dated as of the date hereof, in conformity to a Resolution of the City Council of said City duly passed and approved. For a complete statement of the revenues and funds from which and the conditions under which this Note is payable, a statement of the conditions under which additional notes or bonds of equal standing may be issued, and the general covenants and provisions pursuant to which this Note is issued, reference is made to the above-described Loan and Disbursement Agreement and Resolution.

This Note is subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Iowa Finance Authority or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of this Note may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by lot by giving thirty (30) days' notice of redemption by certified or registered mail, to the Iowa Finance Authority (or any other registered owner of the Note). This Note is also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by the Finance Director, City of Storm Lake, Iowa the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered Noteholders of such change. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and subject to the provisions for registration and transfer contained in the Note Resolution.

This Note and the series of which it forms a part, Outstanding Obligations ranking on a parity therewith and any Additional Obligations which may be hereafter issued and outstanding from time to time on a parity with said Notes, as provided in the Resolution and Loan and Disbursement Agreement of which notice is hereby given and which are hereby made a part hereof, are payable from and secured by a pledge of the Net Revenues of the municipal water utility (the "System"), as defined and provided in said Resolution. There has heretofore been established and the City covenants and agrees that it will maintain just and equitable rates or charges for the use of and service rendered by said System in each year for the payment of the proper and reasonable expenses of operation and maintenance of said System and for the establishment of a sufficient sinking fund to meet the principal of and interest on this series of Notes, and other obligations ranking on a parity therewith, as the same become due. This Note is not payable in any manner by taxation and under no circumstances shall the City be in any manner liable by reason of the failure of said Net Revenues to be sufficient for the payment hereof.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to be performed precedent to the lawful issue of this Note, have been existent, had, done and performed as required by law.

IN TESTIMONY WHEREOF, said City by its City Council has caused this Note to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, with the seal of said City impressed hereon, and authenticated by the manual or facsimile signature of an authorized representative of the Registrar, the City Clerk of the City of Storm Lake, Iowa, all as of the __________ day of _______________, 2024.

Item 11, figure 1 = Date of authentication:

Item 12, figure 1 = This is one of the Notes described in the within mentioned Resolution, as registered by the City Clerk.

CITY CLERK

By: ____
Registrar

Item 13, figure 1 = Registrar and Transfer Agent: City Clerk
Paying Agent: City Clerk

SEE REVERSE FOR CERTAIN DEFINITIONS

Item 14, figure 1 = (Seal)
Item 15, figure 1 = (Signature Block)

CITY OF STORM LAKE, STATE OF IOWA

By: (manual or facsimile signature)
Michael Porsch, Mayor

ATTEST:

By: (manual or facsimile signature)
Mayra A. Martinez, City Clerk

Item 17, figure 2 = [Assignment Block]
[Information Required for Registration]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto __________________________ (Social Security or Tax Identification No. ________________) the within Note and does hereby irrevocably constitute and appoint __________________________ attorney in fact to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated: ____

____

____
(Person(s) executing this Assignment sign(s) here)

SIGNATURE)
GUARANTEED)____

IMPORTANT - READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the Certificate(s) or Note(s) in every particular without alteration or enlargement or any change whatever. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signature to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

INFORMATION REQUIRED FOR REGISTRATION OF TRANSFER

Name of Transferee(s) ____________________
Address of Transferee(s) ____________________
Social Security or Tax Identification
Number of Transferee(s) ____________________
Transferee is a(n):
Individual* ____________ Corporation ____________
Partnership ____________ Trust ____________

*If the Note is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with rights of survivorship and not as tenants in common
IA UNIF TRANS MIN ACT - .... Custodian ....
(Cust) (Minor)
Under Iowa Uniform Transfers to Minors Act..................
(State)

Section 14. Equality of Lien. The timely payment of principal of and interest on the Notes and Parity Obligations shall be secured equally and ratably by the Net Revenues of the System without priority by reason of number or time of sale or delivery; and the Net Revenues of the System are hereby irrevocably pledged to the timely payment of both principal and interest as the same become due.

Section 15. Application of Note Proceeds - Project Fund. Proceeds of the Notes shall be credited to the Project Fund and expended therefrom for the purposes of issuance. Any amounts on hand in the Project Fund shall be available for the payment of the principal of or interest on the Notes at any time that other funds of the System shall be insufficient to the purpose, in which event such funds shall be repaid to the Project Fund at the earliest opportunity. Any balance on hand in the Project Fund and not immediately required for its purposes may be invested not inconsistent with limitations provided by law, the Internal Revenue Code and this Resolution.

Section 16. User Rates. There has heretofore been established and published as required by law, just and equitable rates or charges for the use of the service rendered by the System. Said rates or charges shall be paid by the owner of each and every lot, parcel of real estate, or building that is connected with and uses the System, by or through any part of the System or that in any way uses or is served by the System.

Any revenue paid and collected for the use of the System and its services by the Issuer or any department, agency or instrumentality of the Issuer shall be used and accounted for in the same manner as any other revenues derived from the operations of the System.

Section 17. Application of Revenues. From and after the delivery of any Notes, and as long as any of the Notes or Parity Obligations shall be outstanding and unpaid either as to principal or as to interest, or until all of the Notes and Parity Obligations then outstanding shall have been discharged and satisfied in the manner provided in this Resolution, the entire income and revenues of the System shall be deposited as collected in a fund to be known as the Water Revenue Fund (the "Revenue Fund"), and shall be disbursed only as follows:

The provisions in the Prior Note Resolution heretofore adopted on September 16, 2019, whereby there was created and is to be maintained a Water Revenue Note Principal and Interest Sinking Fund, and for the monthly payment into said fund from the future Net Revenues of the System such portion thereof as will be sufficient to meet the principal and interest of the Outstanding Obligations, are hereby ratified and confirmed, and all such provisions inure to and constitute the security for the payment of the principal and interest on Notes hereby authorized to be issued; provided, however, that the amounts to be set aside and paid into the Water Revenue Note Principal and Interest Sinking Fund in equal monthly installments from the earnings shall be sufficient to pay the principal and interest due each year, not only on the Outstanding Obligations, but also the principal and interest of the Notes herein authorized to be issued. Section(s) 16, 19 and 21 of the Prior Note Resolution are hereby ratified, confirmed, adopted and incorporated herein as a part of this Resolution. Except as may be otherwise provided in the Prior Note Resolution, proceeds of the Notes or other funds may be invested in Permitted Investments.

Nothing in this Resolution shall be construed to impair the rights vested in the Outstanding Obligations. The amounts herein required to be paid into the various funds named in this Section shall be inclusive of payments required in respect to the Outstanding Obligations. The provisions of the legislation authorizing the Outstanding Obligations and the provisions of this Resolution are to be construed wherever possible so that the same will not be in conflict. In the event such construction is not possible, the provisions of the resolution first adopted shall prevail until such time as the notes or bonds authorized by said resolution have been paid in full or otherwise satisfied as therein provided at which time the provisions of this Resolution shall again prevail.

At such time as the Outstanding Obligations are paid and so long as the Notes or Parity Obligations remain outstanding and unpaid the same are discharged and satisfied in the manner provided in this Resolution, the entire income and revenues of the system shall be deposited and collected in a fund to be known as the Revenue Fund, and shall be disbursed only as follows:

- Operation and Maintenance Fund. Money in the Revenue Fund shall first be disbursed to make deposits into a separate and special fund to pay current expenses. The fund shall be known as the Water Utility Operation and Maintenance Fund (the "Operation and Maintenance Fund"). There shall be deposited in the Operation and Maintenance Fund each month an amount sufficient to meet the current expenses of the month plus an amount equal to 1/12th of expenses payable on an annual basis such as insurance. After the first day of the month, further deposits may be made to this account from the Revenue Fund to the extent necessary to pay current expenses accrued and payable to the extent that funds are not available in the Surplus Fund.

- Sinking Fund. Money in the Revenue Fund shall next be disbursed to make deposits into a separate and special fund to pay principal of and interest on the Notes and Parity Obligations. The fund shall be known as the Water Revenue Note Principal and Interest Sinking Fund (the "Sinking Fund"). The required amount to be deposited in the Sinking Fund in any month shall be an amount equal to 1/6th of the installment of interest coming due on the next interest payment date on the then outstanding Notes and Parity Obligations, plus 1/12th of the installment of principal coming due on such Notes on the next succeeding principal payment date until the full amount of such installment is on hand. If for any reason the amount on hand in the Sinking Fund exceeds the required amount, the excess shall forthwith be withdrawn and paid into the Revenue Fund. Money in the Sinking Fund shall be used solely for the purpose of paying principal of and interest on the Notes and Parity Obligations as the same shall become due and payable.

- Subordinate Obligations. Money in the Revenue Fund may next be used to pay principal of and interest on (including reasonable reserves therefor) any other obligations which by their terms shall be payable from the Net Revenues of the System, but subordinate to the Notes and Parity Obligations, and which have been issued for the purposes of extensions and improvements to the System or to retire the Notes or Parity Obligations in advance of maturity, or to pay for extraordinary repairs or replacements to the System.

- Surplus Revenue. All money thereafter remaining in the Revenue Fund at the close of each month may be deposited in any of the funds created by this Resolution, to pay for extraordinary repairs or replacements to the System, or may be used to pay or redeem the Notes or Parity Obligations, any of them, or for any lawful purpose.

Money in the Revenue Fund shall be allotted and paid into the various funds and accounts hereinbefore referred to in the order in which said funds are listed, on a cumulative basis on the 10th day of each month, or on the next succeeding business day when the l0th shall not be a business day; and if in any month the money in the Revenue Fund shall be insufficient to deposit or transfer the required amount in any of said funds or accounts, the deficiency shall be made up in the following month or months after payments into all funds and accounts enjoying a prior claim to the revenues shall have been met in full.

Section 18. Investments. Moneys on hand in the Project Fund and all of the funds provided by this Resolution may be invested only in Permitted Investments or deposited in financial institutions which are members of the Federal Deposit Insurance Corporation, or its equivalent successor, and the deposits of which are insured thereby and all such deposits exceeding the maximum amount insured from time to time by FDIC or its equivalent successor in any one financial institution shall be continuously secured in compliance with Iowa Code chapter 12C, or otherwise by a valid pledge of direct obligations of the United States Government having an equivalent market value. All investments shall mature before the date on which the moneys are required for the purposes for which the fund was created or otherwise as herein provided. The provisions of this Section shall not be construed to require the Issuer to maintain separate accounts for the funds created by this Resolution.

The Sinking Fund shall be segregated in a separate account but may be invested in the same manner as other funds of the Issuer but designated as a trust fund on the books and records of the Issuer. The Sinking Fund shall not be available for any other purposes other than those specified in this Resolution.

All income derived from such investments shall be deposited in the Revenue Fund and shall be regarded as revenues of the System. Investments shall at any time necessary be liquidated and the proceeds thereof applied to the purpose for which the respective fund was created.

Section 19. Covenants Regarding the Operation of the System. The Issuer hereby covenants and agrees with each and every holder of the Notes and Parity Obligations:

(a) Maintenance and Efficiency. The Issuer will maintain the System in good condition and operate it in an efficient manner and at reasonable cost.

(b) Sufficiency of Rates. On or before the beginning of each Fiscal Year the Governing Body will adopt or continue in effect rates for all services rendered by the System determined to be sufficient to produce Net Revenues for the next succeeding Fiscal Year which are (i) adequate to pay the principal and interest requirements thereof and to create or maintain the reserves as provided in this Resolution, and (ii) not less than 110 percent of the principal and interest requirements of the next succeeding Fiscal Year. No free use of the System by the Issuer or any department, agency or instrumentality of the Issuer shall be permitted except upon the determination of the Governing Body that the rates and changes otherwise in effect are sufficient to provide Net Revenues at least equal to the requirements of this subsection.

(c) Insurance. The Issuer shall maintain insurance for the benefit of the Noteholders on the insurable portions of the System of a kind and in an amount which normally would be carried by private companies engaged in a similar kind of business. The proceeds of any insurance, except public liability insurance, shall be used to repair or replace the part or parts of the System damaged or destroyed, or if not so used shall be placed in an improvement fund for the benefit of the System.

(d) Accounting and Audits. The Issuer will cause to be kept proper books and accounts adapted to the System and in accordance with generally accepted accounting practices and will diligently act to cause the books and accounts to be audited and reported upon by an Independent Auditor and will provide copies of the audit report to the Department, all as provided in the Agreement. The Original Purchaser and holders of any of the Notes and Parity Obligations shall have at all reasonable times the right to inspect the System and the records, accounts and data of the Issuer relating thereto.

(e) State Laws. The Issuer will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the State of Iowa, including the making and collecting of reasonable and sufficient rates for services rendered by the System as above provided, and will segregate the revenues of the System and apply said revenues to the funds specified in this Resolution.

(f) Property. The Issuer will not sell, lease, mortgage or in any manner dispose of the System, or any capital part thereof, including any and all extensions and additions that may be made thereto, until satisfaction and discharge of all of the Notes and Parity Obligations shall have been provided for in the manner provided in this Resolution; provided, however, this covenant shall not be construed to prevent the disposal by the Issuer of property which in the judgment of its Governing Body has become inexpedient or unprofitable to use in connection with the System, or if it is to the advantage of the System that other property of equal or higher value be substituted therefor, and provided further that the proceeds of the disposition of such property shall be placed in a revolving fund to be used in preference to other sources for capital improvements to the System. Any such proceeds of the disposition of property acquired with the proceeds of the Notes or Parity Obligations shall not be used to pay principal or interest on the Notes and Parity Obligations or for payments into the Sinking Fund.

(g) Fidelity Bond. That the Issuer shall maintain fidelity bond coverage in amounts which normally would be carried by private companies engaged in a similar kind of business on each officer or employee having custody of funds of the System.

(h) Additional Charges. The Issuer will require proper connecting charges and/or other security for the payment of service charges.

(i) Budget. The Governing Body of the Issuer shall approve and conduct operations pursuant to a system budget of revenues and current expenses for each Fiscal Year. Such budget shall take into account revenues and current expenses during the current and last preceding Fiscal Years. Copies of such budget and any amendments thereto shall be mailed to the Original Purchaser and to the Noteholders upon request.

(j) Loan and Disbursement Agreement. The Issuer will comply with the terms and conditions of the Loan and Disbursement Agreement and perform as provided thereunder.

Section 20. Remedies of Noteholders. Except as herein expressly limited the holder or holders of the Notes and Parity Obligations shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa, and of the United States of America, for the enforcement of payment of their Notes and interest thereon, and of the pledge of the Net Revenues made hereunder, and of all covenants of the Issuer hereunder.

Section 21. Prior Lien and Parity Obligations. The Issuer will issue no other notes, bonds or obligations of any kind or nature payable from or enjoying a lien or claim on the property or revenues of the System having priority over the Notes or Parity Obligations.

Additional Obligations may be issued on a parity and equality of rank with the Notes with respect to the lien and claim of such additional obligations to the Net Revenues of the System and the money on deposit in the funds adopted by this Resolution, for the following purposes and under the following conditions, but not otherwise:

(a) For the purpose of refunding any of the Notes or Parity Obligations which shall have matured or which shall mature not later than three months after the date of delivery of such refunding obligation and for the payment of which there shall be insufficient money in the Sinking Fund;

(b) For the purpose of making extensions, additions, improvements or replacements to the System, or refunding any outstanding Notes, Parity Obligations or other obligations issued for such extensions, additions and improvements, if all of the following conditions shall have been met:

(i) before any such Additional Obligations ranking on a parity are issued, there will have been procured and filed with the Clerk, a statement of an Independent Auditor, independent consulting engineer or independent financial advisor, not a regular employee of the Issuer, reciting the opinion based upon necessary investigations that the Net Revenues of the System for the preceding Fiscal Year (with adjustments as hereinafter provided) were equal to at least 1.10 times the maximum amount that will be required in any Fiscal Year prior to the longest maturity of any of the then outstanding Notes or Parity Obligations for both principal of and interest on all Notes or Parity Obligations then outstanding which are payable from the Net Revenues of the System and the Additional Obligations then proposed to be issued.

For the purpose of determining the Net Revenues of the System for the preceding Fiscal Year as aforesaid, the amount of the gross revenues for such year may be adjusted by an independent consulting engineer, the Independent Auditor or the independent financial advisor, so as to reflect any changes in the amount of such revenues which would have resulted had any revision of the schedule of rates or charges imposed at or prior to the time of the issuance of any such Additional Obligations been in effect during all of such preceding Fiscal Year.

(ii) the Additional Obligations must be payable as to principal and as to interest on the same month and day as the Notes herein authorized.

(iii) for the purposes of this Section, principal and interest falling due on the first day of a Fiscal Year shall be deemed a requirement of the immediately preceding Fiscal Year.

(iv) for the purposes of this Section, general obligation bonds or notes shall be refunded only upon a finding of necessity by the Governing Body and only to the extent the general obligation bonds or notes were issued or the proceeds thereof were expended for the System.

(v) for purposes of this Section, "preceding Fiscal Year" shall be the most recently completed Fiscal Year for which audited financial statements prepared by a certified public accountant are issued and available, but in no event a Fiscal Year which ended more than eighteen months prior to the date of issuance of the Additional Obligations.

Section 22. Disposition of Proceeds; Arbitrage Not Permitted. The Issuer reasonably expects and covenants that no use will be made of the proceeds from the issuance and sale of the Notes issued hereunder which will cause any of the Notes to be classified as arbitrage bonds within the meaning of Section 148(a) and (b) of the Internal Revenue Code of the United States, and that throughout the term of said Notes it will comply with the requirements of said statute and regulations issued thereunder.

To the best knowledge and belief of the Issuer, there are no facts or circumstances that would materially change the foregoing statements or the conclusion that it is not expected that the proceeds of the Notes will be used in a manner that would cause the Notes to be arbitrage bonds. The form of Tax Exemption Certificate attached is hereby approved. Without limiting the generality of the foregoing, the Issuer hereby agrees to comply with the provisions of the Tax Exemption Certificate and the provisions of the Tax Exemption Certificate are hereby incorporated by reference as part of this Resolution. The Finance Director is hereby directed to make and insert all calculations and determinations necessary to complete the Tax Exemption Certificate in all respects and to execute and deliver the Tax Exemption Certificate at issuance of the Notes to certify as to the reasonable expectations and covenants of the Issuer at that date.

The Issuer covenants that it will treat as Yield Restricted any proceeds of the Notes remaining unexpended after three years from the issuance and any other funds required by the Tax Exemption Certificate to be so treated. If any investments are held with respect to the Notes and Parity Obligations, the Issuer shall treat the same for the purpose of restricted yield as held in proportion to the original principal amounts of each issue.

The Issuer covenants that it will exceed any investment yield restriction provided in this Resolution only in the event that it shall first obtain an opinion of recognized bond counsel that the proposed investment action will not cause the Notes to be classified as arbitrage bonds under Section 148(a) and (b) the Internal Revenue Code or regulations issued thereunder.

The Issuer covenants that it will proceed with due diligence to spend the proceeds of the Notes for the purpose set forth in this Resolution. The Issuer further covenants that it will make no change in the use of the proceeds available for the construction of facilities or change in the use of any portion of the facilities constructed therefrom by persons other than the Issuer or the general public unless it has obtained an opinion of bond counsel or a revenue ruling that the proposed project or use will not be of such character as to cause interest on any of the Notes not to be exempt from federal income taxes in the hands of holders other than substantial users of the project, under the provisions of Section 142(a) of the Internal Revenue Code of the United States, related statutes and regulations.

Section 23. Additional Covenants, Representations and Warranties of the Issuer. The Issuer certifies and covenants with the purchasers and holders of the Notes from time to time outstanding that the Issuer through its officers, (a) will make such further specific covenants, representations and assurances as may be necessary or advisable; (b) comply with all representations, covenants and assurances contained in the Tax Exemption Certificate, which Tax Exemption Certificate shall constitute a part of the contract between the Issuer and the owners of the Notes; (c) consult with bond counsel (as defined in the Tax Exemption Certificate); (d) pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Notes; (e) file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Issuer in such compliance.

Section 24. Amendment of Resolution to Maintain Tax Exemption. This Resolution may be amended without the consent of any owner of the Notes if, in the opinion of bond counsel, such amendment is necessary to maintain tax exemption with respect to the Notes under applicable Federal law or regulations.

Section 25. Discharge and Satisfaction of Notes. The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution may be fully discharged and satisfied with respect to the Notes and Parity Obligations, or any of them, in any one or more of the following ways:

(a) By paying the Notes or Parity Obligations when the same shall become due and payable; and

(b) By depositing in trust with the Finance Director, or with a corporate trustee designated by the Governing Body, for the payment of said obligations and irrevocably appropriated exclusively to that purpose an amount in cash or direct obligations of the United States the maturities and income of which shall be sufficient to retire at maturity, or by redemption prior to maturity on a designated date upon which said obligations may be redeemed, all of such obligations outstanding at the time, together with the interest thereon to maturity or to the designated redemption date, premiums thereon, if any that may be payable on the redemption of the same; provided that proper notice of redemption of all such obligations to be redeemed shall have been previously published or provisions shall have been made for such publication.

Upon such payment or deposit of money or securities, or both, in the amount and manner provided by this Section, all liability of the Issuer with respect to the Notes or Obligations shall cease, determine and be completely discharged, and the holders thereof shall be entitled only to payment out of the money or securities so deposited.

Section 26. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Issuer and the holder or holders of the Notes and Parity Obligations, and after the issuance of any of the Notes no change, variation or alteration of any kind in the provisions of this Resolution shall be made in any manner, except as provided in the next succeeding Section, until such time as all of the Notes and Parity Obligations, and interest due thereon, shall have been satisfied and discharged as provided in this Resolution.

Section 27. Amendment of Resolution Without Consent. The Issuer may, without the consent of or notice to any of the holders of the Bonds and Parity Obligations, amend or supplement this Resolution for any one or more of the following purposes:

(a) to cure any ambiguity, defect, omission or inconsistent provision in this Resolution or in the Notes or Parity Obligations; or to comply with any applicable provision of law or regulation of federal or state agencies; provided, however, that such action shall not materially adversely affect the interests of the holders of the Notes or Parity Obligations;

(b) to change the terms or provisions of this Resolution to the extent necessary to prevent the interest on the Notes or Parity Obligations from being includable within the gross income of the holders thereof for federal income tax purposes;

(c) to grant to or confer upon the holders of the Notes or Parity Obligations any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the holders of the Notes;

(d) to add to the covenants and agreements of the Issuer contained in this Resolution other covenants and agreements of, or conditions or restrictions upon, the Issuer or to surrender or eliminate any right or power reserved to or conferred upon the Issuer in this Resolution; or

(e) to subject to the lien and pledge of this Resolution additional pledged revenues as may be permitted by law.

Section 28. Amendment of Resolution Requiring Consent. This Resolution may be amended from time to time if such amendment shall have been consented to by holders of not less than two-thirds in principal amount of the Notes and Parity Obligations at any time outstanding (not including in any case any Notes which may then be held or owned by or for the account of the Issuer, but including such Refunding Obligations as may have been issued for the purpose of refunding any of such Notes if such Refunding Obligations shall not then be owned by the Issuer); but this Resolution may not be so amended in such manner as to:

(a) Make any change in the maturity or interest rate of the Notes, or modify the terms of payment of principal of or interest on the Notes or any of them or impose any conditions with respect to such payment;

(b) Materially affect the rights of the holders of less than all of the Notes and Parity Obligations then outstanding; and

(c) Reduce the percentage of the principal amount of Notes, the consent of the holders of which is required to effect a further amendment.

Whenever the Issuer shall propose to amend this Resolution under the provisions of this Section, it shall cause notice of the proposed amendment to be filed with the Original Purchaser and to be mailed by certified mail to each registered owner of any Note as shown by the records of the Registrar. Such notice shall set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory Resolution is on file in the office of the City Clerk.

Whenever at any time within one year from the date of the mailing of said notice there shall be filed with the City Clerk an instrument or instruments executed by the holders of at least two-thirds in aggregate principal amount of the Notes then outstanding as in this Section defined, which instrument or instruments shall refer to the proposed amendatory Resolution described in said notice and shall specifically consent to and approve the adoption thereof, thereupon, but not otherwise, the Governing Body of the Issuer may adopt such amendatory Resolution and such Resolution shall become effective and binding upon the holders of all of the Notes and Parity Obligations.

Any consent given by the holder of a Note pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the instrument evidencing such consent and shall be conclusive and binding upon all future holders of the same Note during such period. Such consent may be revoked at any time after six months from the date of such instrument by the holder who gave such consent or by a successor in title by filing notice of such revocation with the City Clerk.

The fact and date of the execution of any instrument under the provisions of this Section may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction that the person signing such instrument acknowledged before him the execution thereof, or may be proved by an affidavit of a witness to such execution sworn to before such officer.

The amount and numbers of the Notes held by any person executing such instrument and the date of his holding the same may be proved by an affidavit by such person or by a certificate executed by an officer of a bank or trust company showing that on the date therein mentioned such person had on deposit with such bank or trust company the Notes described in such certificate.

Notwithstanding anything in this Section to the contrary, the holder or holders of 100% of the Notes and Parity Obligations may consent to any amendment of this Resolution, or waive any notices required hereunder, on such terms and under such conditions as said holders shall determine to be appropriate.

Section 29. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions.

Section 30. Repeal of Conflicting Ordinances or Resolutions and Effective Date. All other Ordinances, Resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed; and this Resolution shall be in effect from and after its adoption.

Section 31. Rule of Construction. This Resolution and the terms and conditions of the Notes authorized hereby shall be construed whenever possible so as not to conflict with the terms and conditions of the Loan and Disbursement Agreement. In the event such construction is not possible, or in the event of any conflict or inconsistency between the terms hereof and those of the Loan and Disbursement Agreement, the terms of the Loan and Disbursement Agreement shall prevail and be given effect to the extent necessary to resolve any such conflict or inconsistency.

PASSED AND APPROVED this 1st day of July, 2024.

Michael Porsch, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

Memorial Road Street & Utilities Improvements Project - Moved by Council Member McKinney to adopt Resolution No. 05-R-2024-2025 approving Change Order No. 1 for the 2024 Memorial Road Street & Utilities Improvements project. Seconded by Council Member Ramos. Roll call vote: All ayes. Motion carried.

RESOLUTION NO. 05-R-2024-2025

A RESOLUTION ADOPTING CHANGE ORDER NO. 1 FOR THE 2024 MEMORIAL ROAD STREET & UTILITIES IMPROVEMENTS PROJECT

WHEREAS, the City Council of the City of Storm Lake has undertaken a public improvement project for a 2024 Memorial Road Street & Utilities Improvements Project; and

WHEREAS, notice of hearing on plans, specifications, and form of contract and estimate of cost for said public improvements was published as required by law; and

WHEREAS, on March 18, 2024, the following bid for the construction of certain improvements described in general as the 2024 Memorial Road Street & Utilities Improvements Project, was hereby accepted, the same being the lowest responsible bid received for said work as follows; and

Contractor: Reding's Gravel & Excavating, Inc.
Amount of Bid: $3,127,240.00
Porton of Bid: All

NOW THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA,

SECTION 1. That Change Order No. 1 for the 2024 Memorial Road Street & Utilities Improvements project is authorized in the amount of $226,375.00 increasing the total estimated contract price to $3,353,615.00.

SECTION 2. That the Mayor and Clerk are hereby directed to execute Change Order No. 1 for the construction of said public improvements.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE THIS 1st DAY OF JULY 2024.

BY THE CITY COUNCIL OF THE
CITY OF STORM LAKE, IOWA

Michael Porsch, Mayor

ATTEST

Mayra A. Martinez, City Clerk

Pigeon Ordinance Work session -Building and Code Compliance Director Scott Olesen presented information he found regarding a pigeon ordinance as the City has received complaint calls about homing pigeons in the area and the messes they make. Mr. Olesen would like to do more research on regulations before presenting a draft ordinance for the City Council to review. He would also like to incorporate this into the animal ordinance. The City Council advised Mr. Olesen to start his research and to make it simple and easy to enforce.

Water Operations Work session- City Manager Navratil reminded City Council that the City is under a Mandatory Water Conservation. This is not due to the City not having water, the water is not the issue, but that the water plant cannot make any more water than what is being used.

Public Works Director Matt Beckman presented a quick history of the City's water plant, plans for a new water plant, work that has been done to get to a point to start planning on a new water plant, and how the new water meters work and provide information of water usage by our water users.

Trap, Neuter, and Return Work session - City Manager Navratil reminded the City Council that we had a public forum on June 26th regarding the Trap, Neuter, and Return program that is being considered. Tonight's session is for the City Council to discuss how you would like staff to proceed with an ordinance provision. Discussions between Council members to move forward with the ordinance as presented with correction of errors, setting a public hearing for July 15th and the first reading of the ordinance on August 5th, 2024.

City Council Requested Items / City Council Updates – No Items at this time.

Mayor Porsch thanked the city staff that went to Spencer, Cherokee, and Sioux Rapids and helped with their flooding issues and disasters.

Adjourn - Moved by Council Member Ramos to adjourn at 6:24 pm. Seconded by Council Member McKinney. Vote: All ayes. Motion carried.

____
Michael Porsch, Mayor

ATTEST:

____
Mayra A. Martinez, City Clerk

IOWA
Department of Revenue

Iowa Retail Permit Application for Cigarette/Tobacco/Nicotine/Vapor

tax.iowa.gov

Additional instructions are on the final page.

For period (MM/DD/YYYY) 07 / 01 / 24 through 06/30/ 25

Use this form to apply for a retail permit to sell cigarettes, tobacco, alternative nicotine, or vapor products at retail. If you need a different, non-retail cigarette or tobacco permit, use form 70-015. If approved, the permit is only valid for the location listed on the permit. You must obtain a separate retail permit for each location you own or operate.

Business Information:

Legal name/Doing business as (DBA): BEER THIRTY STORM LAKE

Iowa sales and use tax account number: 3-03-107710

Retail address: 208 E MILWAUKEE AVE City: STORM LAKE State: IA ZIP: 50588

Mailing address: 208 E MILWAUKEE AVE City: STORM LAKE State: IA ZIP: 50588

Phone: 712-213-2060

Legal Ownership Information:

Type of ownership: Sole Proprietor ☐ Partnership ☐ Corporation ☐ LLC ☑ LLP ☐

Name of sole proprietor, partnership, corporation, LLC, or LLP: LJ Convenience LLC

Primary office address: 208 E MILWAUKEE AVE City: STORM LAKE State: IA ZIP: 50588

Phone: 712-213-2060 Fax: ______ Email: BEERTHIRTYSTORMLAKE@gmail.com

Retail Information:

Types of Sales: Over-the-counter ☑ Vending machine ☐ Vending machine that assembles cigarettes ☐ Delivery sales of alternative nicotine/vapor products (see instructions) ☐ Mobile sales (see instructions) ☐ VIN: ______ License plate number: ______

Types of Products Sold: (Check all that apply)
Cigarettes ☑ Tobacco ☑ Alternative nicotine products ☐ Vapor products ☑

Type of Establishment: (Select the options that best describe the establishment)

Alternative nicotine/vapor store ☐ Bar ☐ Convenience store/gas station ☐ Drug store ☐
Grocery store ☐ Hotel/motel ☐ Liquor store ☑ Restaurant ☐ Tobacco store ☐
Other (provide description) ☐ ______

Do you have other permits issued under Iowa Code chapter 453A at this retail location? If yes, provide permit number(s):
Liquor License # LE0003793

Do you intend to make retail sales to ultimate consumers? Yes ☑ No ☐

Include with this application a list of your suppliers of cigarettes, tobacco, alternative nicotine and vapor products on a separate sheet.

Identify partners or corporate officers (up to three) if the business is not a sole proprietorship.

Name: KAURAV RANDHAWA Title: OWNER.
Address: 2131 210th St
City: EARLY State: IA ZIP: 50535
Name: ______ Title: ______

Address: ____________________

City: ____________________ State: __________ ZIP: __________

Name: ____________________ Title: ____________________

Address: ____________________

City: ____________________ State: __________ ZIP: __________

If this application is approved and a permit is granted, I/we do hereby bind ourselves to a faithful observance of the laws governing the sale of cigarettes, tobacco, alternative nicotine, and vapor products.

Signature of Authorized Party

I, the undersigned, declare under penalties of perjury or false certificate, that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete. I declare that I am authorized to act on behalf of the taxpayer, and will only act within my authority.

Printed Name/Title: KAURAV RANDHAWA / OWNER

Authorized Signature: KSR

Date: 07/02/24 Email: ____________________

Send this completed application and the applicable fee to your local jurisdiction. If your local jurisdiction permits electronic transmission of this application, your email or fax signature will constitute a valid signature. It is up to your local jurisdiction to approve this application and issue the permit. You must have an approved permit issued to you by the local jurisdiction before acting as a retailer in that jurisdiction. You must separately apply in each local jurisdiction in which you plan to act as a retailer. If you have any questions about the status of your application, contact your city clerk (within city limits) or your county auditor (outside city limits). NOTE: A completed application is NOT a valid permit even if submitted to your local jurisdiction with the applicable fee.

FOR CITY CLERK/COUNTY AUDITOR ONLY – MUST BE COMPLETE

- Fill in the amount paid for the permit: $75.00
- Fill in the date the permit was approved by the council or board: 7-15-24
- Fill in the permit number issued by the city/county: FY 24-25-20
- Fill in the name of the city or county issuing the permit: City of Storm Lake
- New ☐ Renewal ☒

Send completed/approved application to the Iowa Department of Revenue within 30 days of issuance. Make sure the information on the application is complete and accurate. A copy of the permit does not need to be sent; only the application is required. If a permit is being exchanged due to change of location within the same jurisdiction, permittee should complete an application with new location information and application should be sent to the Department as described above. Permittees who exchange a valid permit are not required to pay an additional fee when an exchange application is submitted. It is preferred that applications are sent via email, as this allows for a receipt confirmation to be sent to the local authority.

- Email: iapledge@iowaabd.com
- Fax: 515-281-7375

Cigarette Suppliers

Amcon
Maverick

IOWA
Department of Revenue

Iowa Retail Permit Application for Cigarette/Tobacco/Nicotine/Vapor

tax.iowa.gov

Additional instructions are on the final page.

For period (MM/DD/YYYY) 07 / 01 / 24 through 06/30/ 2025

Use this form to apply for a retail permit to sell cigarettes, tobacco, alternative nicotine, or vapor products at retail. If you need a different, non-retail cigarette or tobacco permit, use form 70-015. If approved, the permit is only valid for the location listed on the permit. You must obtain a separate retail permit for each location you own or operate.

Business Information:

Legal name/Doing business as (DBA): SUDEE ASIAN MARKET LLC

Iowa sales and use tax account number: 1-11-009087

Retail address: 508 Erie St City: STORMLAKE State: IA ZIP: 50588

Mailing address: 508 Erie St City: STORMLAKE State: IA ZIP: 50588

Phone: 712.291.8105

Legal Ownership Information:

Type of ownership: Sole Proprietor ☐ Partnership ☐ Corporation ☐ LLC ☒ LLP ☐

Name of sole proprietor, partnership, corporation, LLC, or LLP: SUDEE ASIAN MARKET LLC.

Primary office address: 508 Erie St City: Storm Lake State: IA ZIP: 50588

Phone: 712.291.8105 Fax: ______ Email: sudeemarket@gmail.com

Retail Information:

Types of Sales: Over-the-counter ☒ Vending machine ☐ Vending machine that assembles cigarettes ☐ Delivery sales of alternative nicotine/vapor products (see instructions) ☐

Mobile sales (see instructions) ☐ VIN: ______ License plate number: ______

Types of Products Sold: (Check all that apply)

Cigarettes ☒ Tobacco ☒ Alternative nicotine products ☒ Vapor products ☒

Type of Establishment: (Select the options that best describe the establishment)

Alternative nicotine/vapor store ☐ Bar ☐ Convenience store/gas station ☐ Drug store ☐

Grocery store ☒ Hotel/motel ☐ Liquor store ☐ Restaurant ☐ Tobacco store ☐

Other (provide description) ☐ ______

Do you have other permits issued under Iowa Code chapter 453A at this retail location? If yes, provide permit number(s):

Grocery Store #200986

Do you intend to make retail sales to ultimate consumers? Yes ☐ No ☒

Include with this application a list of your suppliers of cigarettes, tobacco, alternative nicotine and vapor products on a separate sheet.

Identify partners or corporate officers (up to three) if the business is not a sole proprietorship.

Name: ______ Title: ______

Address: ______

City: ______ State: ______ ZIP: ______

Name: ______ Title: ______

Address: ______________________________

City: ______________________ State: ____________ ZIP: ____________

Name: ______________________ Title: ______________________

Address: ______________________________

City: ______________________ State: ____________ ZIP: ____________

If this application is approved and a permit is granted, I/we do hereby bind ourselves to a faithful observance of the laws governing the sale of cigarettes, tobacco, alternative nicotine, and vapor products.

Signature of Authorized Party

I, the undersigned, declare under penalties of perjury or false certificate, that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete. I declare that I am authorized to act on behalf of the taxpayer, and will only act within my authority.

Printed Name/Title: SUDEE CHARNSAMORN

Authorized Signature: ______________________

Date: 7/10/2024 Email: sudeemarket@gmail.com

Send this completed application and the applicable fee to your local jurisdiction. If your local jurisdiction permits electronic transmission of this application, your email or fax signature will constitute a valid signature. It is up to your local jurisdiction to approve this application and issue the permit. You must have an approved permit issued to you by the local jurisdiction before acting as a retailer in that jurisdiction. You must separately apply in each local jurisdiction in which you plan to act as a retailer. If you have any questions about the status of your application, contact your city clerk (within city limits) or your county auditor (outside city limits). NOTE: A completed application is NOT a valid permit even if submitted to your local jurisdiction with the applicable fee.

FOR CITY CLERK/COUNTY AUDITOR ONLY – MUST BE COMPLETE

- Fill in the amount paid for the permit: $75.00
- Fill in the date the permit was approved by the council or board: 7-15-24
- Fill in the permit number issued by the city/county: ______________________
- Fill in the name of the city or county issuing the permit: City of Storm Lake
- New ☐ Renewal ☒

Send completed/approved application to the Iowa Department of Revenue within 30 days of issuance. Make sure the information on the application is complete and accurate. A copy of the permit does not need to be sent; only the application is required. If a permit is being exchanged due to change of location within the same jurisdiction, permittee should complete an application with new location information and application should be sent to the Department as described above. Permittees who exchange a valid permit are not required to pay an additional fee when an exchange application is submitted. It is preferred that applications are sent via email, as this allows for a receipt confirmation to be sent to the local authority.

- Email: iapledge@iowaabd.com
- Fax: 515-281-7375

State of Iowa
Alcoholic Beverages Division

Applicant

NAME OF LEGAL ENTITY	NAME OF BUSINESS(DBA)	BUSINESS
LA ISLA RESTAURANT 2, INC.	La Isla Restaurant 2	(712) 213-1050

ADDRESS OF PREMISES	PREMISES SUITE/APT NUMBER	CITY	COUNTY	ZIP
723 Lake Avenue North		Storm Lake	Buena Vista	50588

MAILING ADDRESS	CITY	STATE	ZIP
611 West 29th Street	South Sioux City	Nebraska	68776

Contact Person

NAME	PHONE	EMAIL
Edgar De Luna	(712) 259-8654	edgar.deluna11@gmail.com

License Information

LICENSE NUMBER	LICENSE/PERMIT TYPE	TERM	STATUS
	Class C Retail Alcohol License	12 Month	Submitted to Local Authority

EFFECTIVE DATE	EXPIRATION DATE	LAST DAY OF BUSINESS

SUB-PERMITS

Class C Retail Alcohol License

PRIVILEGES

Status of Business

State of Iowa

Alcoholic Beverages Division

BUSINESS TYPE

Corporation

Ownership

• Individual Owners

NAME	CITY	STATE	ZIP	POSITION	% OF OWNERSHIP	U.S. CITIZEN
Edgar De Luna	South Sioux City	Nebraska	68776	Owner	100.00	Yes

Insurance Company Information

INSURANCE COMPANY	POLICY EFFECTIVE DATE	POLICY EXPIRATION DATE
Auto Owners Insurance Company	July 31, 2024	July 31, 2025

DRAM CANCEL DATE

OUTDOOR SERVICE EFFECTIVE DATE

OUTDOOR SERVICE EXPIRATION DATE

BOND EFFECTIVE DATE

TEMP TRANSFER EFFECTIVE DATE

TEMP TRANSFER EXPIRATION DATE

RESOLUTION NO. 06-R-2024-2025

RESOLUTION TEMPORARILY CLOSING PUBLIC WAYS OR GROUNDS IN CONNECTION WITH A SPECIAL EVENT KNOWN AS "KIWANIS CAR SHOW & KIDS ACTIVITIES AT CHAUTAUQUA PARK"

WHEREAS, Iowa Code Section 364.12(2) states "a city shall keep all public grounds, streets, sidewalks, alleys, bridges, culverts, overpasses, underpasses, grade crossing separations and approaches, public ways, squares, and commons open, in repair and free from nuisance;" and

WHEREAS, Iowa Code Section 364.12(2)(a) states "public ways and grounds may be temporarily closed by resolution;" and

WHEREAS, a request has been submitted for a temporary street closure in connection with a half marathon race known as "Kiwanis Car Show and Kids Activities at Chautauqua Park," and the City finds it is necessary and in the best interests of the attendees and public to temporarily close the following streets and any associated parking spaces from 8:00 a.m. to approximately 5:00 p.m. on the dates listed below, in conjunction with the special event known as "Kiwanis Car Show and Kids Activities at Chautauqua 4"

A portion of Chautauqua Park Drive from Lakeshore Drive to Hudson Street entrance, on August 31, 2024.

NOW, THEREFORE, BE IT RESOLVED, pursuant to Iowa Code Section 364.12(2)(a), the City Council of the City of Storm Lake, Iowa does hereby temporarily close the streets as stated above.

Dated this date: July 15, 2024

____
Michael Porsch, Mayor

ATTEST:

____
Mayra A. Martinez, City Clerk

Staff Summary

07/15/2024
Agenda Item # D.2.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO:	Honorable Mayor & Council
FROM:	Chris Cole Police Chief
SUBJECT:	**Motion to Approve 2024 Kiwanis Sprint Triathlon / Duathlon Request**
BACKGROUND:	Attached is a request from the Kiwanis for the 2024 Sprint Triathlon and Duathlon. This event is scheduled for Saturday August 17th 2024. The request is for Parking lot closures at Awaysis Park from 4AM to 12PM and a noise variance for amplified music and announcements from 7AM to 12PM in the Awaysis Park area. This event is similar to past years and has not created any issues.
FISCAL IMPACT:	The Police Department will incur some cost associated with traffic control for the event which will be absorbed by the normal operating budget.
RECOMMENDATION:	Approve request upon receipt of liability insurance.

ATTACHMENTS:
20240712103533427.pdf

July 12, 2024

City of Storm Lake &
Park Board of Storm Lake
c/o City Clerk
City Hall
620 Erie Street
Storm Lake, IA 50588

RE: Kiwanis Sprint Triathlon / Duathlon
Request for Noise Variance, Fencing/Street Blockage, Use of Awaysis Park/Parking Lot
Date of Events: Saturday, August 17, 2024

Dear Ladies and Gentlemen:

This concerns the Kiwanis Sprint Triathlon events to be held on Saturday, August 17, 2024. The Hy-Noon Kiwanis of Storm Lake will be hosting the 8th Annual "Storm the Lake" Kiwanis Sprint Triathlon / Duathlon. Proceeds from this event will go to Kiwanis and used to supplement the Club's commitment to the recently completed Kiwanis Park.

The event will take place in Awaysis Park/parking lot (west end only), Sunrise Park, and various streets. We are requesting your permission to conduct these activities.

<u>August 17, 2024:</u>

<u>General Description</u>: On Saturday, August 17, 2024 we are planning the following activities in Awaysis Park / Sunrise park:

1. Sprint Triathlon consisting of an 800 meter swim, 12.63 mile bicycle ride and a 3.1 mile run
2. Duathlon consisting of a 1 mile run, 12.63 mile bicycle ride and 3.1 mile run.

The Triathlon will start with an 800 meter swim using the Awaysis Beach area and the adjacent bay. The participants will transition to bicycles in the west ½ of the nearby parking lot, exiting the center drive and proceeding east to the City limits turning south on the Lakeside blacktop. Participants will re-enter city limits on Highway 110 on the West side of the lake and travel city streets including Highway 110, Howard Road, Kelvin Road, Emerald Drive, West 5th Street, Grand Avenue and Lakeshore Drive returning to the Awaysis parking lot.

The Duathlon will start with a 1 mile run utilizing Sunrise Park road. The participants will transition to bicycles in the west ½ of the Awaysis parking lot, exiting the center drive and proceeding east to the City limits turning south on the Lakeside blacktop. Participants will re-enter city limits on Highway 110 on the West side of the lake and travel city streets including Highway 110, Howard Road, Kelvin Road, Emerald Drive, West 5th Street, Grand Avenue and Lakeshore Drive returning to the Awaysis parking lot.

All participants will again transition to running and proceed south along Sunrise Park utilizing the Lake Trail to the Lakeside City limits. Runners will proceed to a turnaround point near the outlet dam in Lakeside returning to Storm Lake and the Awaysis parking.

There will be registration and timer tents set up in the Awaysis parking as well as bike racks and timing equipment.

Parking Closures: We request that you permit us (the Hy-Noon Kiwanis) to close off the west ½ of the Awaysis parking, including the center driveway, Awaysis Park and the Awaysis Beach. We would also request use of the Gazebo's in Awaysis Park for overflow administrative activities. This area would need to be closed from 4:00 am to 12:00 pm. We have filed reservations with City Hall re: Gazebos.

Street usage: We would also request that the Hy-Noon Kiwanis be allowed use of the streets named above. We would also request that, with assistance from the Storm Lake Police Department, we be allowed to control traffic to facilitate safe passage of bicyclists.

Noise Variance: We request that you allow us (Hy-Noon Kiwanis) a variance to the noise ordinance. Race announcements will be made throughout the event. The variance would be in effect from 7:00 am to 12:00 pm.

A certificate of liability insurance will be provided naming the City of Storm Lake as insured for $1,000,000 of coverage.

Thank you for your continued cooperation and support of Storm Lake Kiwanis. We look for continued growth and success of the events. Thank you for your attention to this matter.

Sincerely,

Curt

Curt Reis
Safety Committee Chair
Hy-Noon Kiwanis

Triathlon Coordinators:
Duane Queen
804 Kelvin Road
Storm Lake, IA
732-4286

Clark Fort
732-3747

cc: Chris Cole (Storm Lake Public Safety)
Korey Elston, B V Co. Sheriff

Staff Summary

07/15/2024
Agenda Item # D.3.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO:	Honorable Mayor & Council
FROM:	Chris Cole Police Chief
SUBJECT:	**Resolution No. 06-R-2024-2025 Kiwanis Car Show & Kids Activities At Chautauqua Park**
BACKGROUND:	Attached is a request from the Kiwanis for the 2024 Car Show and Kids activities in the park event. This event is sche3udled for September 1st 2024 and will take place in Chautauqua Park. This request includes a road closure on Chautauqua Park Drive and a noise variance for amplified music for a DJ from 8AM to 5 PM. This request is similar to past years and has not caused nay issues.
FISCAL IMPACT:	None
RECOMMENDATION:	Approve Resolution No. 06-R-2024-2025 for the Kiwanis Car Show & Kids activities at Chautauqua Park upon receipt of appropriate liability insurance.

ATTACHMENTS:

- **0620242025 - Resolution temporarily closing street - Kiwanis Car Show at park.docx**
- **20240712102756071.pdf**

RESOLUTION NO. 06-R-2024-2025

RESOLUTION TEMPORARILY CLOSING PUBLIC WAYS OR GROUNDS IN CONNECTION WITH A SPECIAL EVENT KNOWN AS “KIWANIS CAR SHOW & KIDS ACTIVITIES AT CHAUTAUQUA PARK”

WHEREAS, Iowa Code Section 364.12(2) states "a city shall keep all public grounds, streets, sidewalks, alleys, bridges, culverts, overpasses, underpasses, grade crossing separations and approaches, public ways, squares, and commons open, in repair and free from nuisance;" and

WHEREAS, Iowa Code Section 364.12(2)(a) states "public ways and grounds may be temporarily closed by resolution;" and

WHEREAS, a request has been submitted for a temporary street closure in connection with a half marathon race known as “Kiwanis Car Show and Kids Activities at Chautauqua Park,” and the City finds it is necessary and in the best interests of the attendees and public to temporarily close the following streets and any associated parking spaces from 8:00 a.m. to approximately 5:00 p.m. on the dates listed below, in conjunction with the special event known as “Kiwanis Car Show and Kids Activities at Chautauqua 4”

A portion of Chautauqua Park Drive from Lakeshore Drive to Hudson Street entrance, on August 31, 2024.

NOW, THEREFORE, BE IT RESOLVED, pursuant to Iowa Code Section 364.12(2)(a), the City Council of the City of Storm Lake, Iowa does hereby temporarily close the streets as stated above.

Dated this date: July 15, 2024

____
Michael Porsch, Mayor

ATTEST:

____
Mayra A. Martinez, City Clerk

July 12, 2024

City of Storm Lake &
Park Board of Storm Lake
c/o City Clerk
City Hall
620 Erie Street
Storm Lake, IA 50588

RE: Kiwanis Car Show and Kids Activities in Park
Request for Noise Variance, Fencing/Street Blockage, Use of Chautauqua Park
Date of Events: Sunday, September 1, 2024

Dear Ladies and Gentlemen:

This concerns the Kiwanis Car Show and other events to be held on Sunday, September 1, 2024. The Hy-Noon Kiwanis of Storm Lake will be hosting the annual car show, Storm Lake Kiwanis Beavers will be hosting a fund-raising meal and 4-H will be holding kids games in the park. Proceeds from the car show will go to Hy-Noon Kiwanis, proceeds from the food sales will go to the Kiwanis Beavers and be used to support our commitment to youth recreation and education. Proceeds from the 4H kids games will go to support their programming.

As in the past, these events will take place in Chautauqua Park. This is our 18th year and again we are requesting your permission to continue these activities in the park.

September 1, 2024:

General Description: On Sunday, September 1, 2024 we are planning the following activities in Chautauqua Park:

1. Auto Show hosted by the Hy-Noon Kiwanis
2. Food Booth
3. Kids Games

Our request is much the same as we requested last year. Our desire is to have a fence separating the east and west side of the park. The fence line would run immediately to the west of the shelter house and tennis courts. We would like to restrict entry into the west side of the park at the corner where Lakeshore Drive, Chautauqua Park Drive, and Cayuga Street meet. This is where show vehicles will enter the automobile show. Food and soda sales booths will be in the vicinity of the north and northeast side of the shelter house.

The public will enter the auto show from the north side through the sidewalk just to the west of the shelter house as in past years. Automobiles for the auto show will enter on the west side of the park by turning onto Chautauqua Park Drive from Lakeshore Drive, as in past years. The east side of the park will be unrestricted to the public.

There will also be a DJ stand set up directly to the northwest of the tennis court area to play classic car music and make award announcements for the auto show. This will be within the confines of the fenced area.

Fence Permit: We request that you permit us (the Hy-Noon Kiwanis) to fence off Chautauqua Park in the same manner as past years. We request that Chautauqua Park Drive be blocked at its entrance from Cayuga Street to the point south of the city maintenance garage. This street would need to be blocked from 8:00 am to 5:00 pm.

Request for Fencing: Please provide us with the fencing to block off the area requested for our activities. Our organization will be responsible for the erection and removal of this fence and will work with the city personnel in this regard.

Noise Variance: We request that you allow us (Hy-Noon Kiwanis) a variance to the noise ordinance. Music and vehicle engines will be performing during the day. The variance would be in effect from 8:00 am to 5:00 pm.

A certificate of liability insurance will be provided naming the City of Storm Lake as insured for $1,000,000 of coverage.

Thank you for your continued cooperation and support of these events. We look for continued growth and success of the events. Thank you for your attention to this matter.

Sincerely,

Curt Reis
Hy-Noon Kiwanis
Car Show Committee

cc: Carl Turner – Kiwanis Beavers
Chris Cole (Storm Lake Public Safety)

Staff Summary

07/15/2024
Agenda Item # D.4.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO:	Honorable Mayor & Council
FROM:	Chris Cole Police Chief
SUBJECT:	**Motion to Approve Faith Bible Noise Variance Request**
BACKGROUND:	Attached is a request for a noise variance from Faith Bible for an outdoor church service to be held on 07-28-2024 form 10AM to 12PM at the Sunset Park Band Shell. The request is for amplified speaking and music.
FISCAL IMPACT:	None
RECOMMENDATION:	Approve request

ATTACHMENTS:

20240701134952784.pdf

City of Storm Lake
PO Box 1086
Storm Lake, Iowa 50588
732-8000
clerk@stormlake.org
www.stormlake.org

City of Storm Lake
Park Event / Rental Registration Application

Please complete this form for all events requested to be held within the Storm Lake Park System

Name of Requesting Party:	Les De Roos	Phone #:	712 299-1821
Mailing Address:	P.O. Box 284	Email:	faagric@yahoo.com
City:	Storm Lake	State:	Iowa
Zip:	50588		
Cell Phone:			
2nd Contact:		Position/Relationship:	
Email:		Cell Phone:	

Requested Park:	Sunset Bandshell	Event Date:	7-28-24
Event Type:	Community Church service	Event Start Time:	10:00
		Event End Time:	12:00

Please answer the following questions regarding your proposed events:

Will there be amplified noise such as music, spoken word through a microphone or karaoke? (Use of amplified noise will require a noise variance) — Yes

Will you have horses involved in the event? (All animal feces must be managed and removed from public property) — No

Will you be selling food or drink as part of event? (Sale of food requires a permit from the BV County Sanitarian 712-749-2555, provide a copy of this permit to the City. Also, Council approval for food sale on public property.) — No

☐ Check this box if you will be charging admission to this event.

Will you be using an open shelter, the band shell, or the Chautauqua Park Shelter House? (These facilities are available for rent and have a rental fee associated with them - please fill out the rental agreement in addition to this document.) — Yes

Will you be erecting a tent? If **YES** attach a map of the park showing the location of the tent, size, and staking layout. — No

How many people will be attending the event? Provide your best estimate on attendance. — 75-100

Do you have electrical needs? Yes — Identify: Speaking / music — Additional Electrical- $150.00:

Will there be alcohol at the event? No — Will alcohol be sold at the event? No — Do you have a liquor license?

Will you have inflatables at the event? If yes you will be required to provide liability insurance to the City. — No

Are you requesting Street closures? No — Which Streets?

Starting Time: 10:00 — Ending Time: 12:00

Will there be fireworks involved with this event? If Yes please contact the Fire Chief at 712-732-8010. — No

Are you requesting security services provided by Storm Lake Public Safety? SLPS may require security services. — No

Signature Field: Les De Roos — Date: 5-22-24

Great Lawn & Bandshell Reservation Form
City of Storm Lake
City Hall, 620 Erie Street
712-732-8000
712-732-4114 (f)
cityhall@stormlake.org

Name: Faith Bible

Address: P.O. Box 284

Phone Number: 712 299-1821

City: Storm Lake IA

Cell Phone:

State: IA

Zip: 50588

E-mail Address: faagric@yahoo.com

☐ Great Lawn Area — Rental Date: —— — $200.00 Rental (per slot)

☒ Band Shell — Rental Date: 07/28/24 — $50.00 Rental (per slot)

By signing this rental agreement form you agree to the terms and rules of this rental agreement. You hereby agree that you will only have exclusive right to the an area of the Great Lawn or Band Shell for the rental period. You agree to have the Great Lawn or Band Shell clean and ready for the next person to use at the end of the rental period. You agree not to attach anything to the Great Lawn or Band Shell structure by any means other than masking tape and to remove all items by the end of your rental period. You agree that you will not drive on or over any sidewalk, trail, or grass within the parks and to limit vehicles to the authorized parking areas of the park. You also agree to pick up all trash in and around the Great Lawn and/or Band Shell and to dispose of the garbage in a proper garbage facility provided within the park. If at the time you arrive there are persons utilizing the Great Lawn area or Band Shell please kindly ask them to move to another location. If they refuse to leave or the rental facility is not clean you may contact the Buena Vista County Communications Center at 712-749-2525 for assistance - please provide them with your name and the rental facility you are renting. Signs indicating your rental will be posted at the facility the day of the rental. You agree to pay for any damages or clean up expenses that occur as a result of your rental including those that might exceed your damage deposit.

You agree that all tents, stakes, or any other items that are driven or placed into the ground of the Great Lawn shall be done by the Storm Lake Parks Department or will have prior written approval of the Storm Lake Parks Departments.

You agree and understand that once the facility is rented there is no refund for cancellation.

Renter Signature: Lee DeRoos Jr.

Date: 5-22-24

This Section - City of Storm Lake Use Only

Payment Rec'd Date: 5-22-24

Rental Taken By: BK

Payment Method

☐ Cash — Receipt #:

☐ Check — Check #:

☐ Credit Card — Card Type:

Deposit Payment Method

☐ Cash

☐ Check — Check #:

☐ Returned — Date:

Administrative Checklist

☐ Put on Rental Calendar

☐ Put on Web Calendar

☐ Parks Dept. Notified

Staff Summary

07/15/2024
Agenda Item # D.5.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO:	Honorable Mayor & Council
FROM:	Mayra Martinez City Clerk
SUBJECT:	**Buy Local Information**
BACKGROUND:	In 2011 during a Study Session discussion Council asked staff to look at putting together some analysis information regarding the amount of purchases made locally. We have pulled that information together and a provided a summary of purchases identified in the current list of bills to be approved that are purchased locally (within the City of Storm Lake), within Buena Vista County, and outside of Buena Vista County are presented here for Council's review. This information is presented for both the City & King's Pointe's bills. As the reader reviews the information they should note the following key notes: Costs associated with any major capital project (those bid under the State of Iowa Bid Law) are excluded from the calculation Costs associated with travel is excluded from the calculation and % Costs associated with payroll is excluded from the calculation and % In some cases there is only one vendor or an item is only available from vendors outside of the City limits and/or Buena Vista County – we have not identified these some departments have fairly minor budgets and a major purchase can skew the % and or amount for a given review period (For Example: the Airport may have normally \$4,000 - \$6,000 in expenses until they purchase Jet Fuel or Av Gas which can be \$10,000 + and as a vendor who is not local this can skew the information for that review period) Local has been determined to be has an office front in the area and based on where the office front is located for local vs. BV County (For Example: Wal-Mart is considered local since they have a store in Storm Lake even though their headquarters is not located here) As with all analytical data it is possible to interpret the numbers in a variety of ways and as we move forward we would be happy to provide further detail and or revise the way in which we show the data. Likewise if you have any questions or concerns please don't hesitate to contact city staff.

FISCAL IMPACT:

Breakout	**Calculated Expenses**
Buena Vista County	$ 3,560.58

Contract/Agreement	520,847.33
Local	119,900.07
Non-Local	414,971.53
Payroll/UB Refunds/Pyrl Tax & Ins	264,956.13
TOTAL EXPENSES:	**$1,324,235.64**

RECOMMENDATION: Approve Buy Local Information

ATTACHMENTS:

7/15/2024 Project Expense.pdf

Project Summary

Project Number	Project Name	Total Budget	Date Range Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining
0P1.122814	Richland Street, Phase 2 Improvemen...	174,107.75	0.00	174,095.25	0.00	174,095.25	12.50
0P1.125106	BRIC	212,709.99	212,709.99	212,709.99	0.00	212,709.99	0.00
0P1.126252	Comprehansive Plan & Zoning Code U...	125,880.00	0.00	125,824.50	0.00	125,824.50	55.50
0P1.131538	Memorial Road Street & Utility Impro...	4,120,595.00	4,120,595.00	861,737.43	53,999.00	915,736.43	3,204,858.57
0T5.128791	Runway 17/35 Lighting Replacement	410,741.68	410,741.68	96,802.87	0.00	96,802.87	313,938.81
19-22797	Memorial Lift Station Improvements	2,533,320.00	0.00	2,554,600.96	0.00	2,554,600.96	-21,280.96
20-HSG-022	2021 Housing Sustainability Project	224,994.00	224,994.00	181,283.12	0.00	181,283.12	43,710.88
21-26215	Downtown Master Plan	113,000.00	0.00	103,650.00	0.00	103,650.00	9,350.00
22-26698	Storm Lake WTP- Well No. 21	1,795,006.50	1,795,006.50	765,588.15	1,943.41	767,531.56	1,027,474.94
22-26815	W 6th Street Utilities Extension	314,241.49	314,241.49	318,517.58	0.00	318,517.58	-4,276.09
22-27926	Storm Lake WTP- Well #22	162,200.00	162,200.00	66,302.50	2,900.00	69,202.50	92,997.50
23-092	King's Pointe Remodel/Refresh	446,537.52	446,537.52	389,760.57	36,784.52	426,545.09	19,992.43
23-29446	WWTP UV Disinfection Building	275,772.00	275,772.00	92,442.50	41,813.40	134,255.90	141,516.10
23-29447	College & 3rd St Lift Station Replacem...	185,000.00	185,000.00	120,435.00	0.00	120,435.00	64,565.00
FEMA HMGP (HMA) 4483	FEMA HMGP (HMA) 4483	373,560.00	373,560.00	83,023.50	52,583.50	135,607.00	237,953.00
HTG322020	T-Mobile Hometown Grant Q-3-22	0.00	0.00	45,619.48	0.00	45,619.48	-45,619.48
IA0091	SL Elevated Water Storage- Tower #5	7,384,100.15	7,384,100.15	517,347.94	18,208.28	535,556.22	6,848,543.93
New	Lead Service Line Replacement Prelim...	15,500.00	0.00	0.00	0.00	0.00	15,500.00
New1	WWTP Blower Project (EECBG)	129,600.00	129,600.00	0.00	7,350.00	7,350.00	122,250.00
OP1.125220	4th Street Watermain Improvement P...	553,406.16	0.00	581,342.16	0.00	581,342.16	-27,936.00
P11.118940	Oneida Street Reconstruction from RR...	2,526,433.98	0.00	2,513,334.28	0.00	2,513,334.28	13,099.70
P11.120411	Highway 7/110 Traffic Lane/Signalizat...	4,711,913.90	1,210.58	4,954,749.05	4,318.00	4,959,067.05	-247,153.15
SP21122	SL Library CDBG- COVID (CV) Grant	634,285.27	634,285.27	634,285.27	0.00	634,285.27	0.00
	Report Total:	**27,422,905.39**	**16,670,554.18**	**15,393,452.10**	**219,900.11**	**15,613,352.21**	**11,809,553.18**

Group Summary

Group	Total Budget	Date Range Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining
Airport Projects	410,741.68	410,741.68	96,802.87	0.00	96,802.87	313,938.81
ARPA Project	1,795,006.50	1,795,006.50	765,588.15	1,943.41	767,531.56	1,027,474.94
Building Resilient Infrastructure and C...	212,709.99	212,709.99	212,709.99	0.00	212,709.99	0.00
Economic Development	778,115.49	539,235.49	774,894.68	0.00	774,894.68	3,220.81
King's Pointe Resort Projects	446,537.52	446,537.52	389,760.57	36,784.52	426,545.09	19,992.43
Library Project	634,285.27	634,285.27	634,285.27	0.00	634,285.27	0.00
Sanitary Sewer Projects	3,497,252.00	963,932.00	2,850,501.96	101,746.90	2,952,248.86	545,003.14
Street Construction	11,533,050.63	4,121,805.58	8,503,916.01	58,317.00	8,562,233.01	2,970,817.62
Water Project	8,115,206.31	7,546,300.15	1,164,992.60	21,108.28	1,186,100.88	6,929,105.43
Report Total:	**27,422,905.39**	**16,670,554.18**	**15,393,452.10**	**219,900.11**	**15,613,352.21**	**11,809,553.18**

Staff Summary

07/15/2024
Agenda Item # D.6.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Chris Cole Police Chief

SUBJECT: **Storm Lake Police Department City Code Enforcement Summary**

BACKGROUND:

6/27/2024 to 7/9/2024

White Summons - 8

Accumulate Trash - 4

Tall Grass and Weeds - 16

Accumulate Junk - 16

Grass Clippings - 4

Total - 40

Citation - 1

FISCAL IMPACT: None

RECOMMENDATION: None

ATTACHMENTS:

Staff Summary

07/15/2024
Agenda Item # F.1.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Dana Larsen

SUBJECT: **Motion to Approve Letter of Support for Upper Des Moines Opportunity Board**

BACKGROUND:

It has come to our attention that Upper Des Moines locations including the office in Storm Lake are being closed periodically for week-long periods. We are concerned about the impact that this may have on many of our citizens who may be dealing with food insecurity and other needs.

FISCAL IMPACT: N/A

RECOMMENDATION: Approve letter and authorize Mayor to sign

ATTACHMENTS:

Upper Des Moines Letter.docx

July 15, 2024

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

Julie Edwards
Executive Director,
Upper Des Moines Opportunity Inc.

Dear Ms. Edwards and members of the UDMO Board,

It has come to our attention that Upper Des Moines locations including the office in Storm Lake are being closed periodically for week-long periods. We are concerned about the impact that this may have on many of our citizens who may be dealing with food insecurity and other needs.

We greatly appreciate the decision to exempt July from closures, as some in our area are feeling heavy impact from flooding. We hope that this policy can continue moving forward.

We can certainly understand the realities of budgeting in challenging times, shortages of staff and other issues that can lead to difficult decisions. Our council wanted to take this opportunity to express continuing support for UDMO and its vital mission in our region's communities.

As you are aware, the need in Storm Lake may be greater than in some of the other regions served, so our local office closure likely has an intense impact. Despite several food distribution programs being offered by volunteers in the community to fill the gaps, some of our families, recent immigrants, senior citizens and others simply depend on UDMO services to get by.

Please let our City staff know if there is anything we can do to help offset the impact of the closures. Moving forward, if there is any way to avoid extended closures and keep our local UDMO staff working, we would encourage your agency to explore those options.

As always, we are greatly appreciative of UDMO's role in our community, and look forward to working with you in the future.

Sincerely,
Storm Lake Mayor and City Council Members

Staff Summary

07/15/2024
Agenda Item # F.2.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Dana Larsen

SUBJECT: **Motion To Approve Updated Funding for Hometown Pride Program**

BACKGROUND: In June, the council approved participation in a Hometown Pride regional program, and capped the City contribution at $10,000 annually. Since that time, Spencer has stepped out of the group of participating communities to concentrate on its flood recovery efforts. The cost of the program is determined on a per capita basis among all the participating communities, so the change would increase Storm Lake's portion to approximately $12,375 per year, assuming no additional communities join. Currently, the region would be made up of Storm Lake, Alta, Aurelia, Newell, Lake Park, Lakeside, Royal and Sioux Rapids. If the council so chooses, an update to the funding resolution would allow for that payment.

FISCAL IMPACT: Participation cost is $12,375 per year for five years. This could change somewhat if Spencer or another community would join at a later date.

RECOMMENDATION: Approve updated funding

ATTACHMENTS:

Staff Summary

07/15/2024
Agenda Item # F.3.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Lee Dutfield Development Services Sepcialist

SUBJECT: **Motion To Approve Selection of Professional Services With Maxfield Research & Consulting To Complete A Comprehensive Housing Needs Assessment Study.**

BACKGROUND: In February of 2024, Council approved $25,000 in the CIP for a housing needs study.

In May of 2024, the City issued a Request for Proposals ("RFP") for a Community and Housing Needs Assessment Study. The purpose of this study is to review the current housing supply and demand in Storm Lake and to project future housing needs, based upon an examination of various social, demographic, and economic trends and factors. As with previous RFP's and as standard practice the announcement of our request was listed on the Iowa League of Cities classified webpage. Proposals were then accepted by the City Clerk until Wednesday, June 26, 2024, at 12:00 p.m.

We received a total of three proposals from the following companies:
MSA Professional Services, Inc.
Maxfield Research & Consulting
Arthur Cox, Shattered Glass Development

The last comprehensive housing needs assessment for the City was completed by Maxfield Research & Consulting in September 2017. From 2018 to 2023 the City has used the data contained in the 2017 Maxfield study to successfully attract developers to build new housing units in Storm Lake. These housing developers used the findings of the 2017 Maxfield report to complete their application for the IEDA's Workforce Housing Tax Credit Program.
To receive workforce tax credits a developer must show the impact their proposed project will have on a community and be able to substantiate that the market has a real need for additional housing. The data contained in a comprehensive housing needs assessment study by a 3rd

party is critical to the success of a developer being award tax credits under the IEDA's program. Since 2017 six developers have received IEDA Workforce Tax Credit for their housing development projects resulting in 335 new housing units in Storm Lake. Without these tax credits the developers would not have been able to move forward with their projects.

Maxfield Research and Consulting has over 40 years of experience in assisting communities to determine market conditions for planning and development efforts, providing demographic estimates and projections, and analyzing county and municipal commercial and residential real estate needs.

Their study as proposed would examine demographic and economic factors, housing market conditions, and would determine the market potential for developing additional housing products in the City. Maxfield would provide detailed recommendations (number of units/lots; unit mix and sizes; price/rent; features, amenities, etc.) for the housing types identified as being needed in the short- and long-term. In addition, recommendations would be provided on programs and incentives that could be initiated to attract specific housing products and would streamline the application process for future workforce tax credits.

Maxfield's scope, methodology, personnel, familiarity with northwest Iowa and prior experience make them the recommended choice for this study.

FISCAL IMPACT: Total Cost for Comprehensive Housing Needs Analysis in the amount of $22,250.00

RECOMMENDATION: Approve the selection of Maxfield Research & Consulting to complete a Comprehensive Housing Needs Assessment Study and authorize the Mayor and City Clerk to sign the agreement.

ATTACHMENTS:

- **MSA Proposal.pdf**
- **Maxfield Proposal.pdf**
- **Arthur Cox Proposal.docx**
- **Cox Attachment 2 Easement Granting Rights May 25 2022 as pdf.pdf**
- **Cox Attachment 3 Norwalk residential market study Sept 30 2022 word version.doc**
- **Cox Attachment 1 Copy of Greenhill Market Analysis 11.11.2021.docx**
- **Community and Housing Needs Assessment Storm Lake Iowa.pdf**





PROPOSAL TO PROVIDE

COMMUNITY AND HOUSING NEEDS ASSESSMENT

City of Storm Lake
June 26, 2024

MSA | planning + design studio

WE BELIEVE:

Diverse housing options are essential to healthy, thriving neighborhoods, and we believe that local government plays an important role in planning for and guiding investment.

WE CAN:

Help you understand your market, offer realistic options for local action to meet change in demand, and facilitate discussions on policy and implementation options in your community.

planning + design studio

Proposal to Provide:
Community and Housing Needs Assessment

June 26, 2024

Mayra Martinez, City Clerk
Lee Dutfield, Development Services Specialist
City of Storm Lake
PO Box 1086
Storm Lake, IA 50588

Sarah Constable Runkel, AICP, CGA, Project Manager

MSA Professional Services, Inc.
1555 SE Delaware Ave
Suite F
Ankeny, IA 50021

Dear Myra, Lee and Selection Committee:

We understand the City of Storm Lake is looking to complete a Community and Housing Needs Assessment to review the current housing supply and demand in Storm Lake and to project future housing needs, based upon an examination of various social, demographic, and economic trends and factors. You are looking for a team that understands how housing markets are connected to all aspects of life in a community and has experience in developing the strategies needed to address housing gaps and needs. MSA Professional Services (MSA) is that team.

The City currently faces a variety of challenges related to housing including and not limited to aging housing in need of repairs, overall supply for the entire market, and affordability for a diverse workforce. We will dive headfirst into these issues, and uncover others, to build out a report that addresses the City's housing market dynamics and establishes clear actions to bring about the best outcomes for Storm Lake residents.

At MSA, we know that each housing market is unique and strategies and best practices to address gaps are never one-size-fits-all. Our team is deeply experienced in housing planning — we have helped communities of all sizes answer questions on the needs of their market. Our proven process evaluates market conditions to quantify unit demand, setting you up to address gaps the market isn't filling on its own — and our process will prepare you to move forward confidently in building consensus around measurable solutions.

MSA can find and clearly explain market complexities to help you answer the following:

- What unmet housing demand exists in the City today, by housing type, household type, and income level?
- How will current market demand evolve over the next 5-10 years?
- What policies and programs are viable to make a meaningful impact on the market?

As committed partners, we work with you to solicit a full range of local perspectives. We use this first-hand knowledge to complement our data expertise, taking to heart that those in the housing market are the ones that know it best. And, as planners, we do more than just identify gaps. We identify options. We believe in community and are skilled in communicating needs to decision makers who take the steps to move communities forward. Whether looking at unique funding options or building capacity toward local program implementation, we're ready to address future options and how you can accomplish them. In submitting this proposal, we affirm our ability to complete the required work within the schedule outlined in our proposal.

We'd be happy to answer any questions or provide more information on our professional capacities and are ready to start a conversation at any time. We're looking forward to it.

Sincerely,
MSA Professional Services, Inc.

Sarah Constable Runkel, AICP, CGA, Project Manager
(515) 635-3416 | srunkel@msa-ps.com

MSA PROFESSIONAL SERVICES, INC.

1555 SE DELAWARE AVE, SUITE F, ANKENY, IA 50021

Contact:	Sarah Constable Runkel, AICP, CGA
Phone:	(515) 635-3416
Email:	srunkel@msa-ps.com
Website:	www.msa-ps.com

TABLE OF CONTENTS

PLANNING + DESIGN STUDIO

At MSA, we know that every project starts with a plan – a clear and consensus-driven vision for the future that can be realistically implemented. Embedded within our firm, our Planning + Design Studio is 18 strong consisting of:

- 8 American Institute of Certified Planners (AICP)
- 3 Professional Landscape Architects (PLA)
- 2 Landscape/Urban Designers
- 2 Housing Specialists
- 3 Economic Development Specialists

Members of our studio regularly give presentations on various planning topics at state and national conferences. The professional planners that comprise the Studio have helped hundreds of communities and private organizations define their vision, obtain funding, and implement the improvements they seek. And, because our planners are part of a multi-disciplinary firm, they are able to engage our professional engineers and architects in the planning processes to aid our clients in developing sustainable, implementable plans.

CORE SERVICES

Below is a sample of the services that MSA's Planning + Design Studio can offer.

- **Housing Studies: Housing Needs Assessments, Housing Market Analysis, Consolidated Plans, Impediments to Fair Housing Analyses**
- Capital Improvement and Strategic Plans
- Comprehensive Plans
- Zoning: Ordinance Creation, Code Rewrites, Development Regulations and Zoning Administration
- Community Blight Studies
- Cooperative Boundary Agreements
- Economic Development: Market Analysis, Tax Increment Financing, Feasibility Studies
- Funding: Grant Writing, Grant Administration, Fundraising
- Impact Fee Studies
- Landscape Architecture
- Park and Recreation Planning: Park Master Plans, Comprehensive Outdoor Recreation Plans, ADA Studies
- Public Engagement
- Redevelopment Studies: Downtown, Neighborhood, Corridor, and Site Planning
- Transportation Planning: Bicycle + Pedestrian Plans, Safe Routes to Schools Plans, Access Management Studies
- Urban Design: Wayfinding, Streetscaping, and Design Standards

OUR PURPOSE:
POSITIVELY IMPACTING THE LIVES OF OTHERS.
IN EVERY PROJECT. IN EVERY PLAN.

WHO WE ARE

MSA Professional Services, Inc. (MSA) specializes in the sustainable development of communities. We achieve this by building honest, open relationships that go beyond the project to become a trusted source of expertise and support for immediate challenges and long-term goals. Big or small, we do whatever it takes to meet each need, working to make communities stronger in the process. **It's more than a project. It's a commitment.**

HISTORY

MSA's roots reach back to 1919. Incorporated in 1962, our firm now consists of 400+ engineers, architects, planners, funding experts, surveyors, GIS experts and environmental scientists. MSA excels at helping clients identify grant and funding sources and then delivering high-quality, cost-effective solutions.

OWNERSHIP

Our professionals think like owners because they are owners. When you partner with MSA, your team will be comprised of individuals who are invested in your success and committed to a high standard of performance. We're proud to be 100% employee owned.

TEAM

Our 400+ planners, landscape architects, engineers, architects, surveyors, funding specialists, and environmental professionals are dedicated to your success. While you know the faces behind your projects, we are a team that works as one to support our clients. When you work with MSA, you're not just working with individuals—you're working with all of us.

RECOGNITION

Since 2017, we've been recognized throughout the Midwest with more than 33 industry awards. And, we're just getting started. When you partner with MSA you know you're in good hands.

POSITIVE IMPACT

Finding funding for projects is what we do. We know projects and plans are no good to you if they don't work toward implementation. We get creative. And, it's led to securing over $625+ million in grants and low-interest loans to offset costs for our partner communities.

CLIENT EXPERIENCE

The pillar of our success is seeing our clients succeed. The graphic below shows the percentage of clients who say MSA met or exceeded their expectations based on the following categories.

98%
ACCURACY

96%
HELPFULNESS

99%
QUALITY

98%
RESPONSIVENESS

98%
SCHEDULE

97%
SCOPE & FEES

ORGANIZATIONAL CHART

The team we have organized includes experienced planners who bring an efficient blend of skills. What you may not see, however, is that this team is backed by more than **400** planners, engineers, architects, technical service leads, funding experts, surveyors, GIS experts and environmental scientists. **Rest assured, you will always have the support necessary to achieve a successful project.**

PROJECT MANAGEMENT: At MSA, our client service approach is simple: we strive to be our clients' trusted partner. We proactively communicate opportunities and identify potential issues early on so small concerns do not grow into big problems. To do this, you need a trusted planner who is well versed in managing a full range of projects and can effectively communicate back to all vested stakeholders. Sarah is just that. She believes that effective, efficient communication is critical to project success. Sarah will work with you to establish a custom communication plan, tailored to the areas of opportunity and concern you find most important.

AVAILABILITY: Based on our honest commitment to our clients, we immediately establish accountability of all personnel involved in a project's completion. When our team starts a project, we analyze the proposed schedule and compare it to each team member's potential workload. We then obtain commitments from all individuals on the project team to complete the work as identified within the proposed schedule. This approach helps to foster a team mentality and results in personal accountability of all team members involved. We have the capacity to successful complete this project along the timeline proposed.

Sarah Constable Runkel, AICP, CGA
Project Manager

Christopher Janson, AICP, CGA
Principal in Charge

Jeff Thelen
Housing Specialist

Jenna Gilliam
Project Planner

Jim Holz, AICP, CGA
Client Liaison

Emily Soderberg
Housing Specialist & QA/QC

Sarah Constable Runkel, AICP, CGA

PROJECT MANAGER

As Project Manager, Sarah will provide project leadership and be responsible for the everyday coordination and communication with the community.

Sarah is a Senior Planner and Project Manager at MSA's Planning + Design Studio. Her role focuses primarily on project management, land use planning, and policy analysis and development. Sarah is passionate about people-centered planning - community planning that explores the intersection of areas that directly impact people. She brings these elements to the forefront of planning and design to focus on the impact projects will have on individuals using these spaces. Sarah's background of communication and rhetoric provide the foundation for outreach and engagement.

EDUCATION

MCRP, Community and Regional Planning, Iowa State University

B.A., Communication Studies, Iowa State University

CERTIFICATIONS & MEMBERSHIPS

- American Institute of Certified Planners (AICP)
- Member, American Planning Association
- Iowa CDBG Certified Grant Administrator

AREAS OF EXPERTISE

- Project Management and Coordination
- Housing and Neighborhood Planning
- Comprehensive Planning
- Community Development and Financing
- Public Engagement

SELECTED PROJECT EXPERTISE

Community Planning Experience

- Comprehensive Plan and Zoning and Subdivision Ordinance Update, Warren County, IA
- Comprehensive Plan, Oelwein, IA
- CORP Update, Wisconsin Dells, WI
- Comprehensive Plan Update, Prairie City, IA
- Annexation Study, David City, NE
- 2040 Comprehensive Plan, David City, NE
- Comprehensive Plan, Corridor Plan, and Zoning Updates, Webster County, IA
- 2040 Comprehensive Plan, Norwalk, IA
- Comprehensive, Bike and Ped, Parks Plans, Waverly, IA
- Lincoln, Ellsworth, and Clay County Comprehensive Plans, KS
- Coastal Resiliency Planning Outreach Programs, Duluth, MN
- Comprehensive Plan Update, Ely, IA
- Downtown Plan, Adel, IA*
- Regional Long Range Transportation Plan Update, Region 6, IA*
- Economic Development – COVID Response, Iowa Falls, IA*
- Event Center Façade Restoration, Iowa Falls, IA*
- National Learning Academy for the Public's Health, Dallas County, IA*
- Comprehensive Plan, Warren County, IA
- Walkability Study, Perry, IA*
- Regional Trail Analysis, Region 6, IA*

**Denotes experience prior to MSA.*

Christopher Janson, AICP, CGA

PRINCIPAL IN CHARGE

As Principal in Charge, Chris will oversee all work and make sure project milestones are met.

Chris serves as a Senior Planning Team Leader in our Iowa region. In this role, he focuses on serving municipal clients in the areas of housing development, comprehensive planning, development administration, project financing, funding administration, GIS mapping, and development implementation. While at MSA, he has secured more than $10 million in grant funding. Chris has more than 18 years of experience as a land use planner with planning offices in Iowa, Illinois, Minnesota and Nebraska.

EDUCATION

B.S., Community and Regional Planning, Iowa State University

CERTIFICATIONS & MEMBERSHIPS

- American Institute of Certified Planners (AICP)
- Member, American Planning Association
- Iowa CDBG Certified Grant Administrator

AREAS OF EXPERTISE

- Project Management and Coordination
- Housing and Neighborhood Planning
- Comprehensive Planning
- Community Development and Financing
- Grant and Funding Administration
- Community Economic Analysis

SELECTED PROJECT EXPERTISE

Community Planning Experience

- Central City and Springville Housing Study, Central City and Springville, IA
- Comprehensive Plan Update, Newton, IA
- Comprehensive Plan Update, Prairie City, IA
- Comprehensive Plan and Zoning and Subdivision Ordinance Update, Indianola, IA
- Uptown Parking Analysis and Implementation, Ankeny, IA
- Comprehensive Plan and Zoning Ordinance, Runnells, IA
- Waverly Comprehensive Plan, Park & Open Space Plan, Bike/Ped Plan, and Memorial Park Master Plan, Waverly, IA *APA-IA Best Practice Award Recipient*
- Comprehensive Plan Update, Hiawatha, IA
- Comprehensive Plan Update, Ely, IA
- Comprehensive Plan Update, Burlington, IA
- Comprehensive Plan Update, Durant, IA
- Elgin 2030 Comprehensive Plan, Elgin, IA
- Comprehensive Plan, Central City, IA
- Comprehensive Plan, Williamsburg, IA
- 2040 Comprehensive Plan Update, Norwalk, IA
- Sub-Area Plan, Indianola, IA
- 2037 Comprehensive Plan, Story County, IA
- Comprehensive Plan, Central City, IA
- Downtown Master Plan, Clinton, IA

CDBG Experience - Grant Writing & Administration

- CDBG Funding Administration, Baxter, IA
- CDBG Funding Administration, Reasnor, IA
- CDBG Sewer Rehabilitation, Clarence, IA
- CDBG Housing Rehab Program, Dakota City, IA
- Construction CDBG Labor Monitoring, Hubbell, IA
- CDBG Sewer Rehab, Griswold, IA
- CDBG Sewer Rehab, Springville, IA
- CDBG Sewer Rehab, Dakota City, IA
- CDBG Sewer Rehab, Massena, IA
- CDBG Housing Rehab Program, Dakota City, IA
- CDBG Sewer Rehab, Griswold, IA
- CDBG Sewer Rehab, Springville, IA
- CDBG Sewer Rehab, Garrison, IA
- CDBG Sewer Rehab, Lewis, IA

Jeff Thelen

HOUSING SPECIALIST

Jeff will support report development and data analysis.

Jeff is a planner and funding specialist with a broad range of experience in the fields of economic development, land use planning and community finance. He has more than 12 years of experience administering federal grant programs including Community Development Block Grant and Economic Development Administration grant programs – he has attained more than $25 million in CDBG funding for public infrastructure improvements and housing rehabilitation. In addition to Jeff's grant expertise, he has also assisted numerous communities in creating and amending tax increment finance (TIF) districts, and has prepared comprehensive plans, park and recreation plans and redevelopment plans.

EDUCATION

Master of Science in Planning (MSP), Urban and Regional Planning, Florida State University

B.S., Geography and Public Administration, University of Wisconsin-La Crosse

MEMBERSHIPS

American Planning Association

AREAS OF EXPERTISE

- Housing Grants and Services
- Community Development Block Grants
- Public Meeting Facilitation
- Grant Writing and Administration
- Tax Incremental Financing
- Comprehensive Plans

SELECTED PROJECT EXPERTISE

- Housing Study & Needs Assessment, Park Falls, WI
- Housing Needs Assessment, Rhinelander, WI
- Housing Affordability Report 2021 (Project Manager), Verona, WI
- Analysis of Impediments to Fair Housing, Oshkosh, WI
- HUD 2023-2027 CDBG Consolidated Plan, 2023 Action Plan and Analysis of Impediment, Rapid City, SD
- 2022 Comprehensive Plan Update TID Amendment, Westby, WI
- 2022 Comprehensive Plan Update, Concord, WI
- 2023 Zoning Administration, West Baraboo, WI
- Comprehensive Plan Update, Belleville, WI
- Comprehensive Plan Update, Pardeeville, WI
- Comprehensive Plans-Smart Growth Plan, Friesland, WI and Plainfield, WI
- CDBG-Public Facilities Administration: Necedah, WI; Merrillan, WI; Elroy, WI; Richland Center, WI; Alma Center, WI; Westfield, WI; Kendall, WI; Fall River, WI; Pittsville WI
- TIF District Amendment/Creation, CDBG-CV Administration, and Haskins Park Stewardship Grant Admin., West Baraboo, WI
- 2017-2020 General Engineering Services, West Baraboo, WI

Jenna Gilliam

PROJECT PLANNER

Jenna will support public engagement, report development and data analysis.

Jenna is an assistant planner with an MCRP from Iowa State University. Her experience extends across both public and private sectors, with a strong emphasis on land use and zoning policy and administration. She has ample experience with comprehensive planning, and is committed to assisting clients with equitable, inclusive public engagement and community visioning.

EDUCATION

MCRP, Community and Regional Planning, Iowa State University

BSCRP, Community and Regional Planning, Iowa State University

MEMBERSHIPS

American Planning Association

AREAS OF EXPERTISE

- Public Engagement
- Research Assistance
- Zoning Administration and Review
- Comprehensive Planning
- Community Development

SELECTED PROJECT EXPERTISE

- Fairmont Zoning and Subdivision Update, Fairmont, MN
- Warren County Comprehensive Plan and Zoning and Subdivision Updates, Warren County, IA
- Webster County Comprehensive Plan, Corridor Plan, and Zoning Updates, Webster County, IA
- Oelwein Comprehensive Plan, Oelwein, IA
- Prairie City Comprehensive Plan Update, Prairie City, IA
- La Porte City CDBG Neighborhood Revitalization Plan, La Porte City, IA
- Jo Daviess County Comprehensive Plan Update, Jo Daviess County, IL
- New Prague Comprehensive Plan Update, New Prague, MN
- West Des Moines Inclusivity Plan, West Des Moines, IA*
- West Des Moines Comprehensive Plan, Development Review, and Zoning Update, West Des Moines, IA*
- Iowa City Climate Action Plan Equity Gap Analysis, Iowa City, IA*
- Story County Zoning Code Review and Update, Nevada, IA*
- Prairie View Industrial Center Visioning Plan, Ames, IA*

**Denotes experience prior to MSA.*

Emily Soderberg

HOUSING SPECIALIST & QA/QC

Emily will provide continuous review and improvement of the process and deliverables on this project.

Emily is an experienced project lead with a background in multiple areas of community planning. From housing studies to neighborhood plans to comprehensive outdoor recreation plans, Emily helps communities holistically address their planning needs. Emily also has roughly six years of experience throughout the sustainability sector, with experience ranging from industrial compost management and rooftop farming to food systems research and solar energy system design. Emily is a graduate of the University of Michigan's Urban and Regional Planning Master's program where she concentrated in land use and environmental planning.

EDUCATION

Master of Urban and Regional Planning, University of Michigan

B.S., Sustainable Built Environments, University of Arizona Honors College

MEMBERSHIPS

American Society of Adaptation Professionals (ASAP)

American Planning Association-WI

AREAS OF EXPERTISE

- Zoning & Land Use
- Rooftop Solar System Design
- Organic Waste Management Operations
- Sustainable Agriculture & Food Systems
- Community Engagement
- Research & Analysis

SELECTED PROJECT EXPERTISE

Housing Study Update, Monticello, MN

Project manager for an update to the 2020 Housing Study. This update three years later was focused on assessing the impact of additional multi-family construction and the impact of the COVID-19 pandemic on the community's housing market.

Housing Study & Needs Analysis, Menasha, WI

Project manager for the development of an in depth study of the City's existing housing market, the impact of projected population growth on their housing market, and recommendations for increasing housing unit construction. The community plans to use this study to apply for grants offered through the Wisconsin Housing and Economic Development Authority (WHEDA).

Additional Project Experience

- Winnebago County CORP + Master Plan 2023-2028, (Project Manager), Oshkosh, WI
- Comp Plan Update and CORP (Project Manager), Dane, WI
- Park and Open Space Plan (Project Manager), Madison, WI
- Comprehensive Plan, La Crosse, WI
- Sustainability Plan Development (Project Manager), Madison, WI
- Parks Planning, La Crescent, MN
- Comp Plan Update and CORP (Project Manager), Osceola, WI
- Village CORP Update (Project Manager), Belleville, WI
- Village CORP (Project Manager), Campbellsport, WI
- Village CORP (Project Manager), Deerfield, WI
- CORP (Project Manager), Fort Atkinson, WI
- CORP Update, Wisconsin Dells, WI
- CORP/Bike-Ped Update, Waunakee & Westport, WI
- CORP Update, Beaver Dam, WI
- Memorial Park Master Plan and CORP Update (Project Manager), Hillsboro, WI
- Residential Rooftop Solar Design & Sales, Tucson, AZ*
- Green Roof Farm Operations & Management, Washington, DC*
- Industrial Compost Operations & Management, Tucson, AZ*
- Tree Ordinance & Master Plan Review, Washtenaw County, MI*

**Denotes experience prior to MSA.*

Jim Holz, AICP, CGA

CLIENT LIAISON

Jim will provide assistance with engagement activities and support development of the housing assessment.

Jim has been involved in all aspects of community development projects, including the conception, financing and implementation of planning efforts. While at MSA, he and the MSA funding experts have secured more than $60 million in grant funding for our community clients.

EDUCATION

B.S., Geography/Land Use Planning, Northern Arizona University-Flagstaff

CERTIFICATIONS & MEMBERSHIPS

- American Institute of Certified Planners (AICP)
- Iowa CDBG Certified Grant Administrator
- American Planning Association (2005-Present)
- APA-IA Board Member (2017-2022)

AREAS OF EXPERTISE

- Public Engagement
- Community and Economic Development
- Grant Writing and Administration

SELECTED PROJECT EXPERTISE

Community Planning Experience

- Central City and Springville Housing Study, Central City and Springville, IA
- Downtown Master Plan, Dubuque, IA
- Transit Alternatives Analysis, Dubuque, IA
- Waverly Comprehensive Plan, Park & Open Space Plan, Bike/Ped Plan, and Memorial Park Master Plan, Waverly, IA *APA-IA Best Practice Award Recipient*
- Comprehensive Plan, Solon, IA APA-IA Award Recipient
- Comprehensive Plan, Welton, IA
- Comprehensive Plan, Keota, IA
- Comprehensive Plan, Elgin, IA
- Urban Renewal Plan, Donahue, IA
- Comprehensive Plan, Donahue, IA
- Comprehensive Plan Update, Hiawatha, IA
- Comprehensive Plan, Oelwein, IA
- Comprehensive Plan, McGregor, IA
- Comprehensive Plan, Central City, IA
- Comprehensive Plan, Durant, IA
- Comprehensive Plan, Asbury, IA
- Comprehensive Plan, Central City, IA
- Neighborhood Stabilization Plan, Oelwein, IA
- Downtown Revitalization Program, Guthrie Center, IA

Grant Writing & Administration

- CDBG Housing Rehabilitation, Donahue, Lisbon, Stanwood, Strawberry Point, IA
- CDBG Housing Rehabilitation Program, Elgin, Hawkeye, IA
- CDBG Grant Writing/Administration, Delmar, Donahue, Epworth, Lamont, McCausland, Olin, Princeton, IA
- Grant Writing/Administration, Welton and Wyoming, IA
- Vision Iowa Grant Application, Clayton County, IA
- I-Jobs Grant Writing/Administration, Newhall and Waucoma, IA

Photo courtesy City of Storm Lake website

PROJECT OVERVIEW AND UNDERSTANDING

The City of Storm Lake is seeking consultant assistance to evaluate its housing market conditions and recommend strategies to enhance opportunities for households of all types, ages and income levels. This study will serve as a road map for City officials, stakeholders, potential developers, and community members in understanding the complexities of the Storm Lake housing market and resident needs.

We are eager to undertake this comprehensive housing study and needs assessment requested by the City. Our team is committed to a collaborative approach of community-guided planning that helps ensure the voices of stakeholders are heard while leveraging our experience with housing policy to formulate innovative and sustainable solutions that align with the community's vision and address the critical challenges of affordability and fixed municipal boundaries.

Shifting market forces and sustained demand for housing underscores the urgency to develop an understanding of housing need and demand for traditional single-family developments as well as multifamily, townhomes, ADUs, and other non-traditional housing types. MSA can identify gaps and project unit demand by type, tenure, and location for each part of the market and identify intervention strategies within the capacity of the City. We are excited about the prospect of working together with Storm Lake to create a housing strategy that not only meets current demands but also contributes to the long-term vitality of this vibrant community.

PROPOSED PROJECT SCOPE

PROCESS

This study will be comprised of three basic activities.

I. Data Collection, Mapping and Analysis

Data will be collected and analyzed to gain a deeper understanding of the City's housing market. Data sources for this project will include the U.S. Census and American Community Survey (ACS); U.S. Department of Housing and Urban Development (CHAS data), City of Storm Lake and Calhoun County parcel and assessment records; and City and County building permit records. Data will be analyzed and presented in various formats as appropriate to the topic, including tables, graphs and maps.

II. Stakeholder Engagement

We will seek guidance from the project team on stakeholder identification. We anticipate and have budgeted for about for about 30 hours of interviews and focus groups, with a majority of the conversations being held virtually, with potential opportunity for in-person engagement. The following list includes individuals and groups with whom we would like to speak with:

- Housing Advocacy Groups
- Chamber of Commerce
- Landlords
- Realtors
- Developers
- Banks/Lenders
- Neighborhood Associations
- City Staff
- Major Employers
- Other Stakeholder and Stakeholder Groups

III. Report Preparation

We will prepare the document in Microsoft Excel, Word and PowerPoint. All main findings will be presented in an executive summary that describes clear and concise gaps, opportunities, and strategies. The digital copy of the document as well as a supply of hard copies will be provided for the City. At the discretion of City staff, MSA will present a summary of the final report at one (1) in-person presentation to the City Council.

COMMUNITY & HOUSING NEEDS ANALYSIS CONTENT

The following components will be included in the Community & Housing Needs Analysis.

I. Executive Summary

a. A concise overview of the plan purpose and process, findings, and recommendations.

II. Community Demographics Overview

a. Population and household characteristics, including household size, median age, student population (K-12 and higher education), elderly, homeless, and special needs households.
b. Economic indicators, including commuter data, current employment make up, employment trends, projected employment growth, major employer information, access to broad band, and transportation.
c. Population, income, household projections in the state, region, and city over the next 10 years.

III. Existing Housing Stock Inventory

a. Housing stock by age, type, value, and tenure.
b. Rental and owner vacancy rates.
c. Housing stock comparisons to comparable cities in the Midwest.

IV. Summary of Stakeholder Engagement

a. Identification of engagement methods.
b. Summary of information collected from interview and focus groups.
c. Demonstrate pathways for future collaboration with community partners to support housing development in Storm Lake.

V. Housing Needs and Prioritization

a. Determine gaps/unmet needs by type in the housing market, including an exploration of housing opportunities for seniors and those with special needs, families, and workforce households.
b. Provide overview of demand calculations and quantities to meet identified housing needs.
c. Identify underlying themes contributing to housing affordability (and lack of affordability).
d. Examine housing units built and permitted over the past 10-20 years (depending on data availability) and existing and future efforts for building rehabilitation projects.
e. Exploration of how population changes will influence demand for housing type, cost, location and amenities over time, and also the reverse - how changes in housing availability can influence population changes and existing housing stock in the City.

VI. Barriers to Housing

a. Identification and examination of potential barriers housing posed by zoning ordinances and other policies governing housing development.
b. Analysis of the impacts of high construction costs and steep interest rates on housing development.
c. Evaluation of innovative housing policy strategies being used by other communities and how they could apply to the context of Storm Lake’s housing needs.

VII. Recommendations

a. Comprehensive list of financial and regulatory options to address identified housing needs and gaps, including how to allocate investment and programs accordingly to maximize support for the housing market.
b. Identify and strategize marketing efforts for development of up to 10 sites for infill housing of various types in different neighborhoods and corridors, consistent with the adopted Comprehensive Plan.

Iowa League of Cities Annual Conference: MSA's experts explored the dynamics of local housing markets across the Midwest, reviewed the tools in use to promote construction and affordability, and fostered discussion among attendees.

ORGANIZATIONAL EXPERIENCE

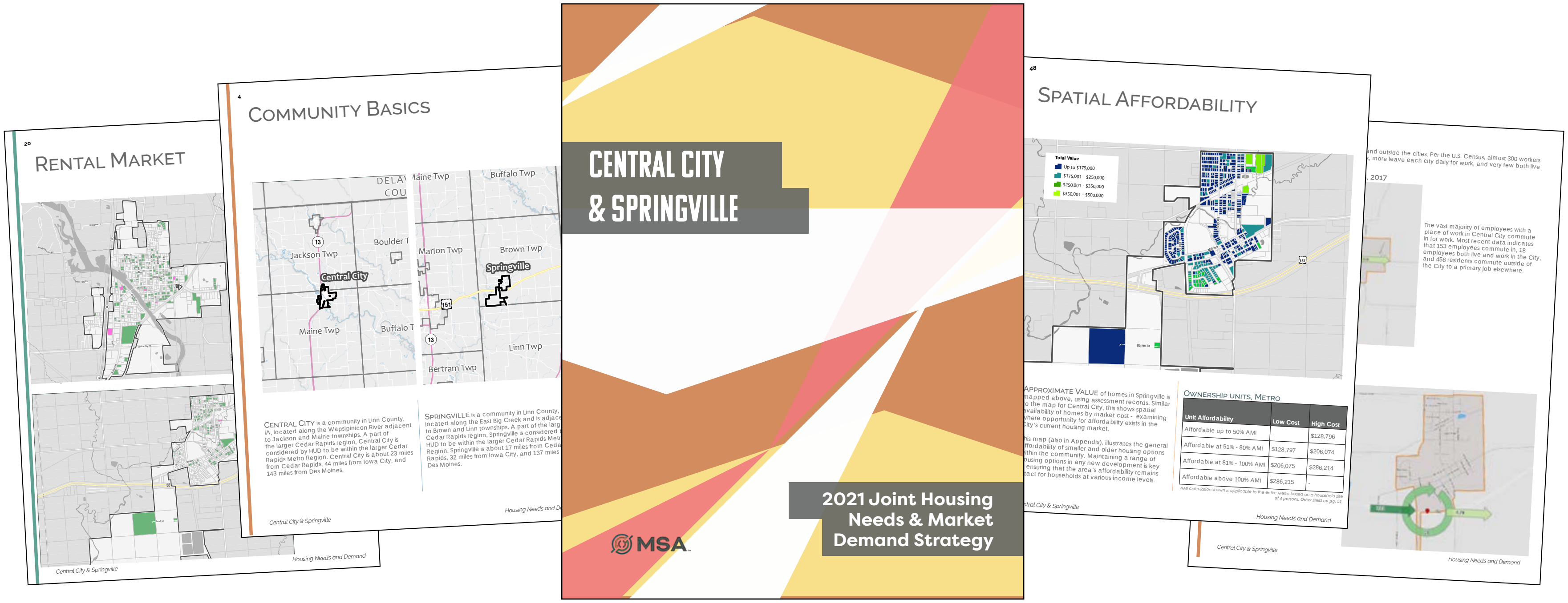
Our planning staff is experienced and currently engaged in a variety of housing planning efforts. In the past five years we have completed or updated 20 housing-focused plans or reports. We offer expertise in housing studies and strategies, as well as in detailed HUD-regulated and equity-focused planning initiatives.

HOUSING STUDIES & STRATEGIES

Our housing work includes both high-level assessments using secondary data sources and detailed analyses requiring local interviews and research. We have completed basic housing evaluations for more than 80 towns, cities, and villages as part of comprehensive planning efforts, and helped each community identify goals and actions to improve housing options in each community. In the cities of Stevens Point, Fitchburg, Marshfield, Monona, Sheboygan, Green Bay, Shawano County, McFarland, Lake Delton, and Arcadia, Wisconsin, we prepared specialized studies focused on housing market conditions and factors preventing an alignment of supply and demand. In all of our housing work, we have evaluated the success of current local housing programs relative to current conditions.

HUD-REGULATED PLANNING

MSA is one of only a few consultants in the region regularly hired to assist entitlement communities with the development of Consolidated Plans and Analyses of Impediments to Fair Housing Choice under HUD guidelines. We are very familiar with HUD-regulated planning documents and processes, and we understand the need to balance regulatory requirements with a meaningful planning process.



2021 JOINT HOUSING NEEDS & MARKET DEMAND STRATEGY

CENTRAL CITY & SPRINGVILLE, IA

In 2021, the cities of Springville and Central City, Linn County, Iowa, joined together to address housing as a critical need for continued growth. MSA was hired to work with both communities and complete a Housing Needs & Market Demand Strategy.

The purpose of the study included expanding upon needs identified through the Rural Housing Readiness Assessment process, helping identify challenges to meeting those needs, and surfacing opportunities for targeted investments and strategies that can assist in creating livable, vibrant communities. The study assists the cities better understand their shared housing market and to craft targeted strategies to improve housing options.

The study was completed in 2022 the recommendations in the strategy are included in the City's CIP and Capital Improvement Plan.

REFERENCE CONTACTS

Dee Wagaman, Clerk
City of Springville
304 Broadway
Springville, IA 52336-0347
P: (319) 854-6428
E: dwagaman@cityofspringville.us

Adam Griggs, Mayor
137 4th Street North, Suite 1
Central City, IA 52214-9596
P: (319) 438-2454
E: adamgriggs@centralcityia.gov

See this Housing Study at:
https://issuu.com/msaprofessionalservices/docs/central_city_and_springville_2021_joint_housing_ne

COMPREHENSIVE HOUSING NEEDS & MARKET DEMAND STUDY

MONTICELLO, MN

REFERENCE CONTACT

Jim Thares, Economic Development Manager
505 Walnut Street
Monticello, MN 55362
(763) 271-3254
jim.thares@ci.monticello.mn.us

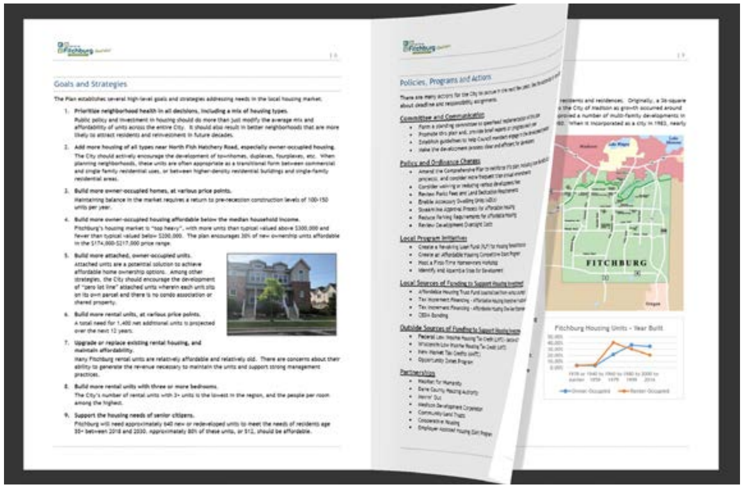
As a growing community located in a key transportation and commuting corridor between the St. Cloud and Twin Cities metros, Monticello has seen continued housing and retail demand over the past decade. To help understand how this growth had affected the housing market, the Monticello EDA adopted a housing study in 2017 that looked at a baseline housing analysis.

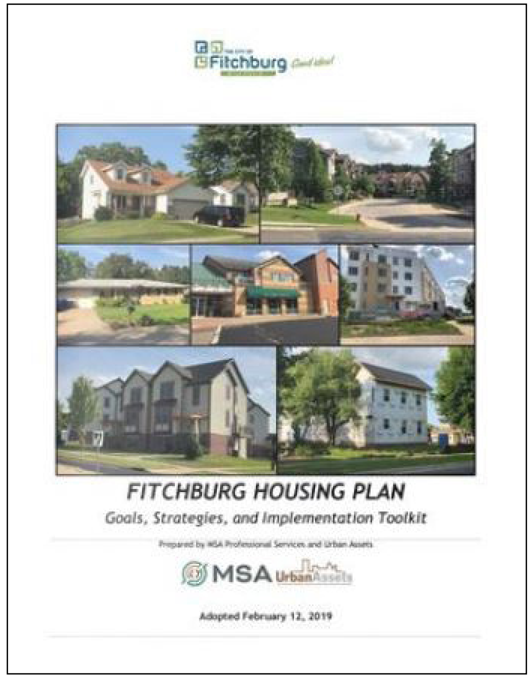
But after three years of drastically elevated multifamily housing demand in the community, the City realized they needed a more in-depth understanding. Looking to better quantify the various stresses and opportunities of detailed market segments, as well as to inform the rewrite of their Comprehensive Plan, they contracted with MSA in June 2020 to provide a comprehensive look at affordable, workforce, and market rate housing segments - for both owners and renters.

This comprehensive housing study and demand analysis identified key trends across all market segments, utilizing local expert knowledge paired with detailed data analysis, to produce baseline annual unit production needed to bring the market back to healthy levels. The study's recommendations also included specific opportunities where housing investment is needed. Data and recommendations in the study both prepared elected officials to lead discussions and provided data to confidently inform both residents and developers of the City's priorities and needs.

In 2023 MSA was retained again to update the 2020 study due to significant change in the local market (much of which was projected and encouraged in the 2020 study). Local leaders were continuing to see strong interest in multifamily development and sought, among other things, an understanding of how much continuing demand for attached-unit housing could be expected. Our update affirmed continuing demand for various housing types, with particular need for owner-occupied, single-family homes and affordable attached-unit housing.

See this Housing Study at:
https://issuu.com/msaprofessionalservices/docs/housing_20study_monticello_mn





HOUSING STUDY

FITCHBURG, WI

REFERENCE CONTACT

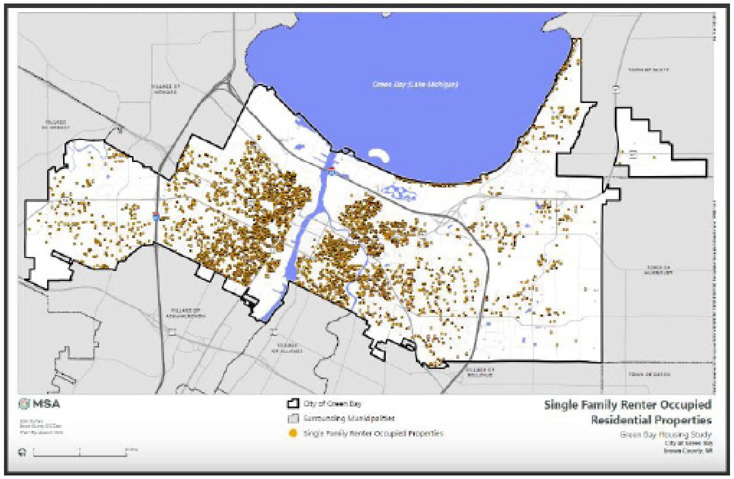
Michael Zimmerman, Economic Development Director
5520 Lacy Road
Fitchburg, WI 53711
P: (608) 270-4245
E: michael.zimmerman@city.fitchburg.wi.us

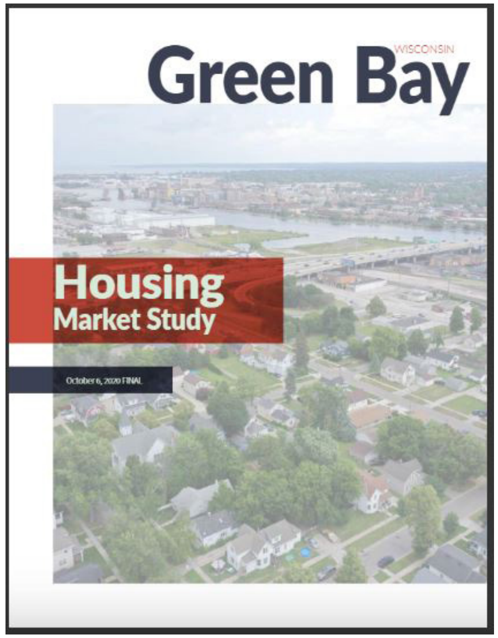
See this Housing Study at: https://issuu.com/msaprofessionalservices/docs/7729031_fitchburg_housing_plan_fina

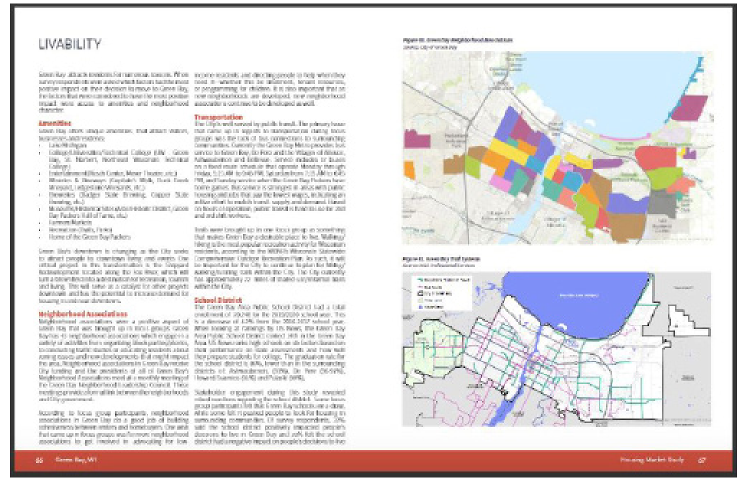
In 2017, the City of Fitchburg hired MSA to create a playbook for guiding housing investment in Fitchburg. The City of Fitchburg grew dramatically in the 1960s and 1970s while approving multifamily, rental housing development. In the 1980s, local housing and neighborhood development focused primarily on single-family, owner-occupied detached housing. Today the City's housing market is equally split between owner-occupied and renter-occupied housing, and there are unusually large differences between owner households and renter households. Whereas rental units are older and relatively affordable within the Madison-area housing market, the City's average single-family home is more expensive than in most other communities in the region. Related to this, there is a large gap in the difference in household income between rental and owner households which reflects gaps in the housing market – there are too few ownership units affordable to households earning less than the median income, and arguably too few rental units desirable to households earning above the median income.

Two critical ingredients to the success of the project were stakeholder engagement and fact-based discussions about housing. City staff assembled a Housing Advisory Task Force consisting of interested and knowledgeable residents and housing experts from the region with the intention of assembling a group of experts to identify housing gaps and strategies to fill those gaps. A centerpiece activity for this group was a workshop with developers who have experience getting various housing projects approved and constructed in the City. A second workshop was held with the Task Force and featured a group discussion about specific local housing needs and strategies to meet those needs. Experts from nearby communities presented affordable housing initiatives in their respective communities.

The study itself identifies a series of changes that should occur in Fitchburg over the next 10-12 years to achieve a healthier housing market. These changes focus on critical gaps in the market that need to be filled. Implementing the plan will ensure the City has housing that enables people to transition into desirable new housing as life circumstances change without needing to leave the City. More people will be able to live closer to jobs in the City, and resident turnover will be lower.







HOUSING STUDY

GREEN BAY, WI

REFERENCE CONTACT

Cheryl Renier-Wigg, Development Director

City of Green Bay
100 North Jefferson Street
Green Bay, WI 54301
P: (920) 448-3412
E: CherylRe@greenbaywi.gov

The City of Green Bay partnered with MSA to identify imbalances in its housing market and craft strategies to bring the market to equilibrium. The City is working with an aging housing stock and the corresponding cost advantages and quality concerns. At the same time, new construction had not yet rebounded to levels seen before the Great Recession. The City was particularly interested in strategies to bring more housing downtown to piggy-back on the momentum and enthusiasm of recent downtown redevelopment. Other issues explored in the plan included the impact of University of Wisconsin-Green Bay students living in off-campus rental housing and the housing needs of the aging population.

The plan identified gaps in the housing market by unit type, price point and location and suggested strategies to fill those gaps in terms of funding, regulations, communication initiatives and partnerships. Using data and the analysis from the plan to demonstrate concrete need, Green Bay is moving forward on implementation. The Common Council has adopted the plan, the topic of housing is a reoccurring agenda item for the City's Redevelopment Authority (RDA), and the RDA is in the process of creating a stand-alone Housing Committee to oversee housing initiatives and guide implementation of the plan.

See this Housing Study at:
https://issuu.com/msaprofessionalservices/docs/green_20bay_20housing_20market_20study_2010052020

COUNTY WIDE HOUSING STUDY AND NEEDS ASSESSMENT

SHAWANO COUNTY, WI

REFERENCE CONTACT

Peter Thillman, Director
Shawano County Economic Progress Inc.
1263 S. Main Street
Shawano, WI 54166
P: (715) 526-5839
E: peter.thillman@scepi.org

Shawano County desired a county-wide housing study with specific focus on a several key cities and villages in the county. The County partnered with the Stockbridge-Munsee Band of Mohican Indians to also seek market analysis and housing supply strategies specific to the Tribe and Tribal Lands.

MSA implemented surveys of residents across the County and within Tribal membership to better understand residents' housing wants and needs. Each of the participating jurisdictions was profiled in data analyses and received individual projections of unit demand by tenure and affordability. Implementation recommendations include capacity-building and communication strategies, development initiatives, regulatory adjustments, funding methods, and partnerships.

See this Housing Study at:
https://issuu.com/msaprofessionalservices/docs/updated_shawano_county_final_05042022_combined

Additional Experience

Photo courtesy of Zillow - https://www.zillow.com/homedetails/2809-S-10th-St-Sheboygan-WI-53081/52363790_zpid/

HOUSING STUDY
SHEBOYGAN, WI

REFERENCE CONTACT

Bernard Rammer, Purchasing Agent
City of Sheboygan
828 Center Avenue, Suite 205,
Sheboygan, WI 53081
P: (920) 459-1342
E: bernard.rammer@sheboyganwi.gov

Sheboygan views affordable housing as a priority, not only to meet the needs of current residents, but also the needs of employers who are looking to attract talent to the area. The community's livability plays a critical role in a household's decision about where to live in terms of quality of school districts, options for entertainment and dining, park and recreation amenities, and of course, housing. If Sheboygan can strike the right balance between affordability and desirability in its housing market and provide amenities residents are looking for, it has a much higher likelihood of retaining residents and attracting new ones.

To fully understand the need for affordable renter- and owner-occupied housing (defined by HUD as housing that a household can obtain for 30% or less of its income) in Sheboygan, the City partnered with MSA to model the region to understand what affordable housing already exists and any deficiencies in the housing stock. Our study primarily analyzed the City, yet also looked at comparative data from surrounding communities and Sheboygan County.

The final study was delivered in traditional report form, and MSA also prepared a companion PowerPoint presentation summarizing the study findings for City staff, Common Council and the public.

Next steps for Sheboygan include assessing existing plots as areas of opportunity, to allow for multi-family buildings to be permitted in all districts, to form working groups and initiatives with the area's major employers and to facilitate funding through workforce housing funds, TIF extensions and neighborhood revitalization funds.

See this Housing Study at:
https://issuu.com/msaprofessionalservices/docs/sheboygan_housing_market_study

PROJECT TIMELINE

DEADLINE	TASKS
August 2024	• Execute Contract and Begin Project • Kickoff Meeting with City Staff • Begin Data Collection, Mapping, and Analysis
September 2024	• Monthly MS Teams Check-In with City Staff • Continue Data Collection, Mapping, and Analysis • Begin Stakeholder Engagement Interviews and Focus Groups
October 2024	• Monthly MS Teams Check-In with City Staff • Complete Stakeholder Engagement Interviews and Focus Groups • MS Teams Meeting with City Staff to Review Data Collection, Mapping, and Analysis Information and Engagement Feedback • Begin Report Preparation
November 2024	• Monthly MS Teams Check-In with City Staff • Complete Draft Report • Send Draft Report to City Staff for Review
December 2024	• Monthly MS Teams Check-In with City Staff • Revise Draft Report • Submit Revised Report for Council Review • Present a Summary of Report for Council Adoption

PROPOSED FEES

TASK	FEE
Project Management	$1,650
Client Meetings	$2,935
Data Collection & Evaluation	$8,625
Stakeholder Engagement	$2,360
Report Production	$8,460
Council Presentation	$920
Total	$24,950

IT'S MORE THAN A PROJECT. IT'S A COMMITMENT.

COMMUNITY AND HOUSING NEEDS ASSESSMENT | CITY OF STORM LAKE | JUNE 26, 2024

MSA | planning + design studio

www.msa-ps.com

A Proposal to Prepare a Comprehensive Housing Needs Analysis for the City of Storm Lake, Iowa

Prepared for:

City of Storm Lake
Storm Lake, IA

June 2024

Maxfield Research & Consulting
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Suite 922
Wayzata, MN 55391
612.338.0012
www.maxfieldresearch.com

Maxfield
Research & Consulting
Breaking Ground since 1983

June 24, 2024

Ms. Mayra Martinez
City Clerk
City of Storm Lake
PO Box 1086
Storm Lake, IA 50588

Ms. Martinez:

Thank you for contacting Maxfield Research and Consulting to provide a proposal for a Comprehensive Housing Needs Analysis for the City of Storm Lake, Iowa. Maxfield Research & Consulting is a full-service real estate consulting and advisory firm that has recently provided consulting services on multiple private and public sector projects throughout Iowa, including the previously completed housing study for Storm Lake completed in 2017.

The study would examine demographic and economic factors, housing market conditions, and would determine the market potential for developing additional housing products in the City. We would provide detailed recommendations (number of units/lots; unit mix and sizes; price/rent; features, amenities, etc.) for the housing types identified as being needed in the short- and long-term. In addition, recommendations would be provided on programs and incentives that could be initiated to attract specific housing products and would streamline the application process for future workforce tax credits.

During these post-pandemic times and "higher for longer" interest rate environment, the housing market and economic conditions are constantly evolving; now more than ever it is imperative to have real-time housing data to aid decision making policies. Maxfield Research & Consulting is staying in-front of the changing landscape and working with our clients to identify opportunities during this unique time. We are confident you will find value in our approach and expertise. The attached proposal outlines our scope, methodology, prior experience, and key personnel.

We are excited at the opportunity to complete the housing needs for the City of Strom Lake and build on the foundation Maxfield Research previously completed. Please call me at (612) 281-6729 if you have any questions or if you need any other information. I can also be reached via email at mmullins@maxfieldresearch.com.

Sincerely,

MAXFIELD RESEARCH AND CONSULTING

Matt Mullins

Matt Mullins
Vice President

Maxfield Research & Consulting

Breaking Ground since 1983

June 24, 2024

Ms. Mayra Martinez
City Clerk
City of Storm Lake
PO Box 1086
Storm Lake, IA 50588

CONTRACT FOR PROFESSIONAL SERVICES

Maxfield Research and Consulting proposes to provide market research and consulting services to the City of Storm Lake (the "Client") to prepare a Comprehensive Housing Needs Analysis for the community. The market study will determine the market potential for developing different types of owned and rented housing in Storm Lake through 2035 based on an examination of demographic and employment growth trends and current housing market conditions. Detailed recommendations (number of units/lots; unit mix and sizes; prices/rents; housing features and amenities, etc.) for the housing types identified as needed in the short-term (2024 to 2029) and long-term (2030 to 2035) would be provided.

DESCRIPTION AND BIOGRAPHY OF FIRM

Maxfield Research and Consulting has over 40 years of experience in assisting communities to determine market conditions for planning and development efforts, providing demographic estimates and projections, and analyzing county and municipal commercial and residential real estate needs. Our thorough knowledge of market trends in the real estate industry allows us to support our clients with valuable information that affects planning and development. We are able to determine viable solutions to the issues that communities face. We are local, regional and national with work completed in over 40 states.

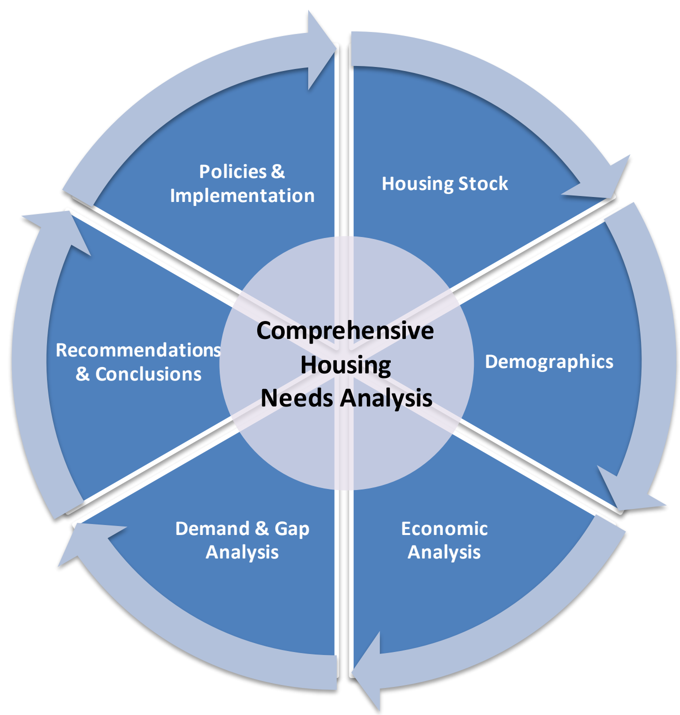
Maxfield Research and Consulting provides research and analysis in the areas of general market housing, student housing, senior housing, office, retail, hospitality, industrial, and financial institutions. Maxfield also has experience in organizing and conducting focus groups, preparing and administering on-line and mail surveys, holding public forums for large scale planning documents, and organizing and making presentations to city councils, planning commissions, and economic development authorities. A more detailed company overview is located in the Appendix.

METHODOLOGY

It is our understanding that the primary objective of this analysis is to provide the City of Storm Lake with a market-based analysis that will identify current and future housing needs in the City and help decision makers develop a greater understanding of the communities housing market. Maxfield Research and Consulting will provide detailed recommendations and an action plan for housing development (both short-term and long-term) and recommend tools and policies that will assist implementation. Our findings will provide a basis for community leaders, stakeholders, and decision-makers to guide future efforts when addressing housing needs.

The hallmark of Maxfield Research and Consulting approach to comprehensive housing studies is a thoughtful, in-depth combination of primary and secondary research. Primary research includes surveys of existing housing properties, one-on-one interviews with major employers, developers, builders, Realtors, property managers, city and government agency staff, and others familiar with housing issues and the local housing market. Secondary research includes data obtained from reliable published sources including the Census Bureau, ESRI (a national demographics firm), State demographic centers and economic development agencies, among others.

Secondary published data is always reviewed carefully in light of other local factors revealed through the primary research that may have an impact on the analysis. The result is a custom report that provides the Client with information that is timely and locally pertinent.



Our work approach will draw on our experience and expertise in conducting housing studies on behalf of public entities and private developers.

Maxfield Research and Consulting routinely completes over 100 housing studies annually and is a market leader on housing research and consulting in the Upper Midwest.

WHY MAXFIELD RESEARCH?

We Know Storm Lake and Northern Iowa

- Benefit: Our past experience in Storm Lake and throughout Northern Iowa will allow us to work efficiently and be on the ground running

Housing Inventory

- Benefit: Maxfield Research's proprietary housing data includes detailed information on multifamily properties across Iowa and the Midwest

Experience Counts

- Benefit: Committed team of senior-level leaders; the four team members dedicated to this project have a combined 70-plus years of experience

Local Knowledge - National Experience

- Benefit: Our work is grounded in local issues/reality and we can integrate best practices from elsewhere

Relationships

- Benefit: We have deep relationships with the development community; we understand their barriers and opportunities, we know what they want, and they will talk to us

Full-Service Real Estate Advisory Firm

- Benefit: We understand the connection between all real estate types and we advise both public- and private-sector clients

Comprehensive Approach

- Benefit: Data-driven analyses generate conclusions and recommendations based on market realities

On the Ground Field Research

- Benefit: Hands-on field work, in-person interviews, telephone surveys, combined with the analysis of the Census and other data to gain the most information possible.

Proven Methodologies & Results Oriented

- Benefit: Our process for projecting housing demand has proven to be effective and we deliver action-oriented strategies

RESEARCH STAFF

Mary Bujold, CRE, President, Maxfield Research and Consulting, will serve as principle-in-charge of the project and as a consultant for the recommendations. Ms. Bujold has over 40 years of experience in housing market research and is regarded as a market expert in the field of residential real estate. Ms. Bujold has been involved in numerous housing and commercial analyses for private developers and public agencies throughout her tenure with Maxfield Research.

Mr. Matt Mullins, Vice President, brings over 20 years of real estate consulting and advisory service experience to the project and will serve as the project manager for the project. Mr. Mullins will oversee the project timeline and be responsible for the execution of the project's work program. Mr. Mullins will work closely with Maxfield staff to complete all tasks associated with the project. Mr. Mullins was the lead analyst on several recent comprehensive housing studies, including the previous study for Storm Lake, as well as the Iowa communities/counties such as Floyd County, Lee County, Henry County, Wright County, Oskaloosa, and Rock Rapids. Mr. Mullins is currently working on housing needs assessments for Sherburne County and Olmsted County in Minnesota.

Mr. Joe Hollman, Senior Associate, would assist Mr. Mullins on the project as a principal analyst. With over 20 years of experience, Mr. Hollman would be responsible for completing a portion of the data gathering, preparing the conclusions and recommendations, and compiling the written report. Mr. Hollman was the lead analyst on several recent research studies that focused on the demand for residential and commercial real estate, including a commercial/industrial demand analysis for Scott County, Minnesota, and comprehensive housing studies for the Minnesota communities of Maple Grove, Goodhue County, and Rock County and the City of Waverly, IA. Mr. Hollman is currently working on a market feasibility study for an affordable rental housing development in Jamestown, North Dakota

Mr. Andrew McIntyre, Research Associate, will provide data gathering services for this project. Mr. McIntyre will be responsible for compiling demographic and employment data, gathering base market information and GIS mapping. Mr. McIntyre has assisted on several comprehensive housing needs analyses during his tenure with Maxfield Research and Consulting, including studies for the Cities of Edina, Owatonna, and St. Cloud, Minnesota and is currently working on a housing needs analysis for Worthington, Minnesota.

Consultant's Name: Maxfield Research and Consulting
Year Established: 1983
Type of Ownership: LLC
Federal ID Number: 99-2315630
Employees: 7

Primary Contact:
Mr. Matt Mullins
Vice President
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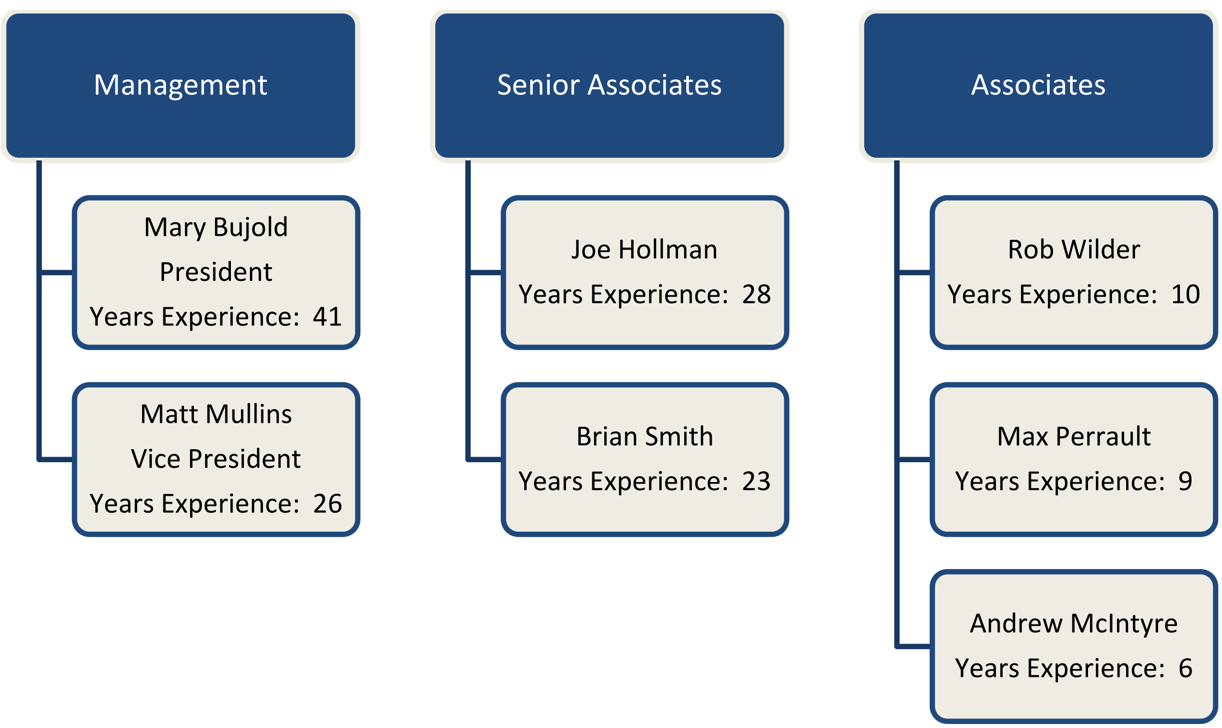
901 Twelve Oaks Center Drive
Suite 922
Wayzata, MN 55391
Mobile: 612.281.6729
email: mmullins@maxfieldresearch.com
www.maxfieldresearch.com

Maxfield Research and Consulting
Organization Chart



SCOPE AND COST OF SERVICES – Comprehensive Housing Needs Analysis

A. Project Kickoff

1. Meet with representatives of the City of Storm Lake and other stakeholders to review project goals and objectives. This report will require some assistance from the stakeholders; data requests and other project assistance will be discussed during this time.
2. Obtain information on past housing studies/planning documents, ordinances, or other research reports/publications with information pertinent to the assignment. Review these documents and identify information that is relevant to this analysis; identify how current conditions have changed.
3. Conduct a windshield survey of the housing stock.

B. Demographic Analysis

1. Review the previous draw area from the previous Maxfield Research housing study. If necessary, redefine the housing draw area for the City of Storm Lake.
2. Examine population and household growth trends and projections to 2035.
3. Review demographic information on:
   a) Population age distribution
   b) Household incomes by age of householder
   c) Household tenure by age of householder
   d) Household incomes be tenure
   e) Household tenure by household size
   f) Household type
   g) Diversity/ethnicity/culture
4. Present information on mobility trends.
5. Discuss the implications of the findings on housing demand in the City.

C. Employment Trends

1. Examine local data on resident employment (based on place of residence).
2. Examine local data on covered employment (based on location of jobs).
3. Identify major employers.
4. Identify commuting patterns of area workers.
5. Project job growth to 2035. Analyze any business expansions/contractions and their effect on the local housing market.
6. Interview economic development specialists, major employers, and local officials regarding major employment changes and other issues that may impact long-term employment projections.
7. Discuss the implications of the findings on housing demand in the City.

D. Housing Characteristics & Condition

1. Compile statistics on the age of the housing stock in the Market Area.
2. Compile residential building permit data by type of housing to the most current available figures. Data to be provided by Client. If Client is unable to provide building permit information, then secondary data (i.e. Census Building Permit Survey) will be utilized.
3. Analyze U.S. Census and American Community Survey (ACS) findings collected between 2010 and 2022 (or most current data) on housing units by structure type and tenure.
4. Interview area housing professionals and local municipal staff regarding housing condition, economic development trends, and other factors that affect the local housing markets.
5. Discuss the implications of the findings on housing demand in Storm Lake.

E. For-Sale Housing Market Analysis

1. Provide data on detached single-family and multifamily (i.e. twin homes, townhomes, condominiums) housing resale values, and examine price distribution and average/median home resale prices. If available, data will be sourced from local Multiple Listing Service. If MLS data is not available, information will come from the County Assessor which may require Client assistance.
2. Analyze data on the inventory and list price of homes currently for sale.
3. Survey active and recently completed for-sale housing developments (single-family homes, townhomes, twinhomes, etc.).
4. Analyze information on product types, lot sizes, home sizes, sale prices, buyer profile, and absorption (if available). For any condominium or cooperative products, provide data on building and unit amenities and common areas.
5. Identify the residential lot supply in Storm Lake and evaluate the impact on potential housing production. Present information on vacant lots by year platted, subdivision, pricing, etc. Lot supply data to be provided by Client through GIS or Assessor databases.
6. Identify pending for-sale housing developments in the Market Area and discuss the likely impact of these developments on the housing market.
7. Interview real estate sales agents, developers, and builders to assess the overall strength of the for-sale housing market, buyer profiles, desired housing types, price points, and unmet market niches.

F. General Occupancy Rental Market Analysis

1. Provide a general overview of rental housing market conditions.
2. Survey larger (eight units or more) general occupancy rental housing projects, including subsidized, affordable, workforce/moderate income housing, and market rate properties.
3. Analyze data collected from the rental survey on year built/remodeled, monthly rents, vacancies, rents per square foot, unit types/sizes and features, common area amenities, and resident profiles.
4. Map locations of the surveyed rental housing properties.
5. Inventory pending rental developments and assess their potential impact on the market.
6. Interview owners/managers of rental housing in the area to assess rental trends and the need for additional rental housing.
7. Identify appropriate rental rates and the target markets for new rental construction in the community.

G. Senior Housing Market Analysis

1. Inventory existing senior housing developments in the Market Area, including subsidized (deep subsidy), affordable (shallow subsidy), and market rate developments. Projects will include rental and for-sale active adult, independent living, assisted living, and memory care senior housing developments.
2. Provide information on year opened, number of units, and service level.
3. Map locations of the senior housing stock.
4. Inventory pending senior developments in Storm Lake and the draw area and assess their potential impact on the market.
5. Interview managers/sponsors of senior housing in the area to assess market trends and the potential need for additional senior housing.

H. Housing Affordability

1. Review and present income limits, maximum gross rents, and fair market rents by household size in Buena Vista County.
2. Based on income guidelines, present maximum rents based on household size and Area Median Income.
3. Based on the average rents and median home resale values from the *General Occupancy Rental Market Analysis* and the *For-Sale Housing Market Analysis* sections, present information on income-qualified renter and owner households.
4. Identify the number of cost burdened households (i.e. households paying more than 30% of their income on housing) for renter and owner households.
5. Evaluate Housing Choice Voucher program utilization in the community.

I. Conclusions and Recommendations

1. Quantify demand for new housing (subsidized, affordable, and market rate) through 2035 based on employment and household growth projections, pent-up demand, turnover/mobility, and estimated replacement needs.
2. Identify potential target markets for new for-sale, rental, and senior housing.
3. Identify potential unmet market niches and deficiencies in the current market.
4. Based on residential lot supply and absorption trends, discuss whether additional lots should be platted to meet projected demand.
5. Suggest appropriate development concepts in the short-term (developments needed by 2029) and long-term (2030 to 2035), including number of units, unit mix, sizes, sale prices or monthly rents, and in-unit features and common area amenities.
6. Prioritize housing needs and actions steps to implement recommendations.
7. Discuss the potential need for public/private partnerships to achieve housing development goals and support economic development.
8. Review current programs offered in the community (data to be provided by Client).
9. Discuss other potential housing programs and resources that may be administered to help achieve housing goals.
10. Provide recommendations on other challenges and opportunities that relate to the housing stock and housing development.

J. Meetings and Client Contact

1. One kick-off meeting with Client (in person or via conference call/Zoom).
2. Weekly internal staff meetings/progress updates.
3. Monthly check-ins with Client.
4. Review of the Draft analysis (via conference call/Zoom) to address report findings.
5. One formal presentation (in person) to appropriate governing body.
6. Report Preparation.

GIS MAPPING

Maxfield Research and Consulting will present key data visually and spatially through GIS mapping. However, Maxfield Research will require assistance from the Client to obtain parcel level data and the City/County assessor database. We will provide a detailed data request list that will outline the mapping and data needs.

Cost for Comprehensive Housing Needs Analysis (Staff Time): $18,050.00

ADD-ON OPTIONS

The following additional tasks are offered as optional services and can also be incorporated into the housing needs analysis.

Peer Community Comparisons: Maxfield Research will coordinate with the City of Storm Lake to identify up to 5 “peer communities” that the City would like to benchmark against. Data would be provided for demographics, economics, and housing stock and characteristics and summarized in charts.

NOAH (Naturally Occurring Affordable Housing): Maxfield Research will break down all the inventoried market rate rental housing stock that was inventoried in the report and present data by AMI by unit type and household type. This process will summarize all market rate units and determine if they are “affordable” without income restrictions. In most communities, a substantial number of market rate units are “affordable” given their age, lack of modern amenities, etc.

Senior Housing Deep Dive: Maxfield Research will contact and collect detailed data on all senior housing facilities in the Trade Area. Data by senior housing service level will include: year opened/remodeled, units, vacancies, pricing, unit types and features, common-area amenities, services provided (if applicable), and resident profile.

COST OF SERVICES

The following fee proposal provides a detailed summary of staff hours needed to complete this project. The fee proposal includes a breakdown of costs by project task along with Maxfield Research and Consulting staff assigned to the project. In addition, we have outlined optional costs that can be chosen on an a-la-carte basis.

The work outlined under the Scope of Services – Comprehensive Housing Needs Analysis Update will be performed for Eighteen Thousand and Fifty Dollars ($18,050.00), including out-of-pocket expenses postage, data purchases, and an electronic version; but excluding travel expenses (meals, mileage or car rental, hotel, etc.). Travel will be billed at our direct cost and is estimated to not exceed $1,000.00.

Work completed on the assignment would be billed to the Client monthly as costs are incurred. Additional research or meeting time requested by the Client beyond that set forth in the accompanying Scope of Services will be billed at our normal hourly rates ($65 to $160).

FEE PROPOSAL COMPREHENSIVE HOUSING NEEDS ANALYSIS FOR THE CITY OF STORM LAKE, IOWA							
	Maxfield Research and Consulting Staff						
	Mary Bujold	**Matt Mullins**	**Joe Hollman**	**Andrew McIntyre**	**Admin. Assistant**	**Maxfield Research**	**Cost by Task**
Project Task	*President*	*Vice-President*	*Senior Staff*	*Associate*	*Support*	Total	Total
A. Project Kick-off	0	10	0	4	0	14	**$1,940**
B. Demographic Analysis	0	2	2	16	0	20	**$1,980**
C. Employment Trends	0	2	2	8	0	12	**$1,300**
D. Housing Characteristics & Condition	0	2	0	10	0	12	**$1,170**
E. For-Sale Housing Market Analysis	0	10	0	10	0	20	**$2,450**
F. General-Occupancy Rental Analysis	0	2	2	18	0	22	**$2,150**
G. Senior Housing Market Analysis	0	0	0	8	0	8	**$680**
H. Housing Affordability	0	2	2	4	0	8	**$960**
I. Conclusions & Recommendations	2	10	4	4	0	20	**$2,860**
J. Presentations, Meetings, & Report Preparation	0	8	2	2	2	14	**$1,880**
K. Mapping & GIS	0	0	0	8	0	8	**$680**
Total Hours	**2**	**48**	**14**	**92**	**2**	**158**	
(times) Hourly Rate	$160	$160	$150	$85	$65		
Total Cost for Staff Time	**$320**	**$7,680**	**$2,100**	**$7,820**	**$130**	**$18,050**	
(Plus) Travel Cost (estimate)*						**$1,000**	
Total Cost for Staff Time plus Travel	**$320**	**$7,680**	**$2,100**	**$7,820**	**$130**	**$19,050**	

Optional Add-ons (Section of Report). A-la Carte	
Peer Community Comparisons (Demographics, Economics, Housing Chararistics)	$800
Analysis of NOAH Rental Stock by AMI (Rental Housing, Affordability)	$1,200
Senior Housing Detailed Competitive Market Survey (Senior Housing)	$1,200
Total Cost for All 3 Optional Add-Ons	**$3,200**
Total Cost for Staff Time, Travel, and 3 Optional Add-Ons	**$22,250**

*Mileage, lodging, meals, etc.; Mileage billed at the standard IRS rate of $0.67 per mile (2024 rate)

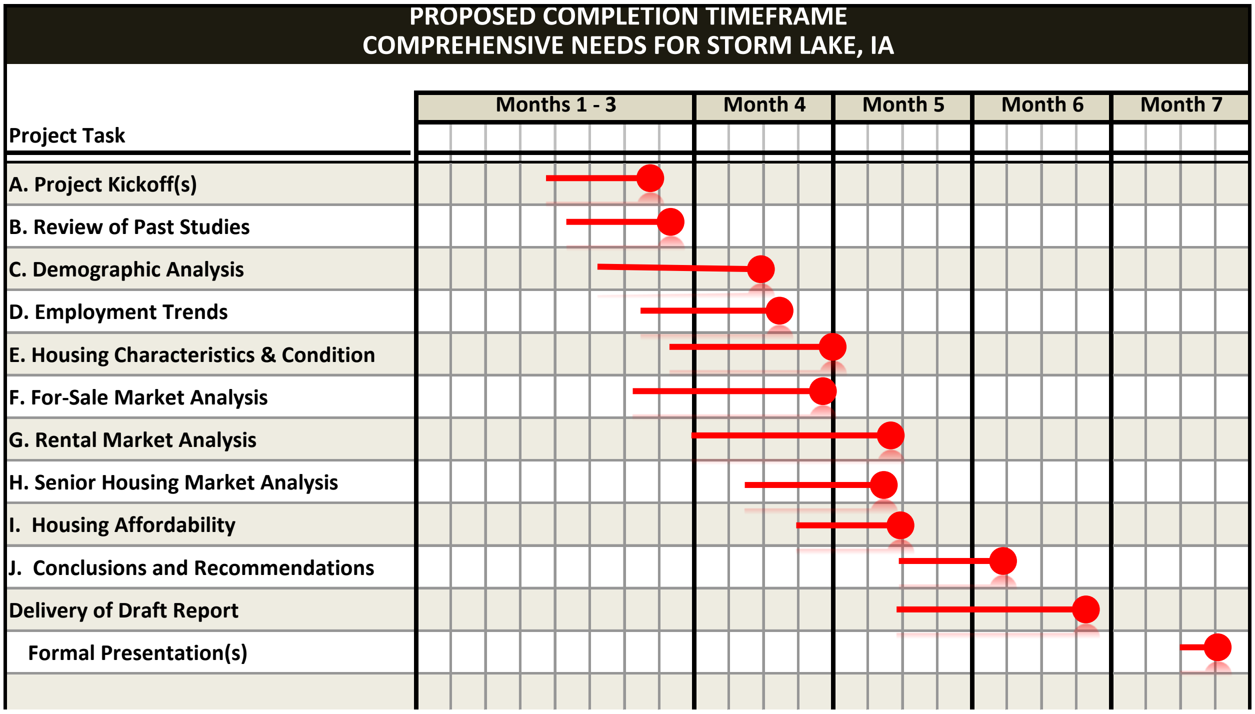
**Printing cost billed at our direct cost estimated at $90 per copy.

WORK PRODUCT

Findings will be presented in an electronic PDF format. Bound copies are optional and would be billed at our direct printing cost estimated at $100 to $125 per copy. The Comprehensive Housing Needs Analysis is accepted by many lenders, limited partners, investors or governmental bodies who require such documentation to satisfy their financing criteria.

COMPLETION TIME

The work outlined under Scope of Services will be completed in draft form within 180 days of the execution of this agreement unless delayed by unexpected emergencies, forces beyond the control of the parties, or by written agreement of the parties. A final report would be issued within two weeks of receiving all comments and feedback from the Client.


PROPOSED COMPLETION TIMEFRAME
COMPREHENSIVE NEEDS FOR STORM LAKE, IA
Months 1 - 3
Month 4
Month 5
Month 6
Month 7
Project Task
A. Project Kickoff(s)
B. Review of Past Studies
C. Demographic Analysis
D. Employment Trends
E. Housing Characteristics & Condition
F. For-Sale Market Analysis
G. Rental Market Analysis
H. Senior Housing Market Analysis
I. Housing Affordability
J. Conclusions and Recommendations
Delivery of Draft Report
Formal Presentation(s)

PAYMENT

All invoices are payable to Maxfield Research and Consulting within fifteen (15) days of receipt of an invoice showing the work completed and the direct costs for expenses. A finance charge of one and one-half percent (1.5%) per month will be added to the unpaid balance of each invoice not paid within thirty (30) days.

All invoices are sent via email. A current email address needs to be supplied to Maxfield Research for billing purposes. A final invoice will be sent with the release of the draft report.

DISCLAIMER

The objective of this research assignment is to gather and analyze as many market components as is reasonable within the time limits and projected staff hours set forth in this agreement. We assume no responsibility for matters legal in character.

The property/land is assumed to be free and clear of any indebtedness, liens or encumbrances; and good and marketable title and competent management are assumed, unless otherwise stated.

If building plans or site plans are included in the report, they are to be considered only approximate and are submitted to assist the reader in visualizing the property. We assume no responsibility for the accuracy of any building or site plans.

Certain information and statistics contained in the report, which are the basis for conclusions contained in the report, will be furnished by other independent sources. While we believe this information is reliable, it has not been independently verified by us and we assume no responsibility for its accuracy.

The conclusions in the report are based on our best judgments as market research consultants. Maxfield Research and Consulting disclaims any express or implied warranty of assurance of representation that the projections or conclusions will be realized as stated.

The result of the proposed project may be achieved, but also may vary due to changing market conditions characteristic of the real estate industry, changes in facts that were the basis of conclusions in this report, or other unforeseen circumstances.

This agreement will be construed according to the laws of the State of Minnesota.

TERMINATION

This agreement may be terminated upon written notification of either party to the other. In the event of termination, the Client will pay Maxfield Research and Consulting for staff hours performed at the firm's normal hourly rates, plus all expenses incurred through the date of termination.

If this proposal meets with your approval, please sign and return one copy to the offices of Maxfield Research and Consulting.

The costs outlined in the Scope of Services shall remain in effect for a period of 90 days from the date listed at the top of this contract.

Agreed to this _________ day of _____________________________ 2024.

MAXFIELD RESEARCH AND CONSULTING

Matt Mullins
Vice President

CITY OF STORM LAKE

____
(Signature of Authorized Signer)

By:___________________________
(Print Name of Authorized Signer)

Its:___________________________
(Print Title of Authorized Signer)

I Authorize: (please initial below)

______**Comprehensive Housing Needs Analysis** ($18,050.00 plus travel)

______**Optional Peer City** ($800.00)

______**Optional NOAH stock** ($1,200.00)

______**Optional Senior Housing Deep Dive** ($1,200.00)

SELECTED HOUSING STUDIES/REFERENCES
Maxfield Research and Consulting, LLC

1. **Comprehensive Housing Needs Analysis for Marion County, Iowa** **2024**
   Client: Marion County Development
   Contact: Ms. Carla Eysink, (641) 828-2257, ceysink@marioncountyiowa.gov

2. **Housing Demand Analysis for Iowa Falls, Iowa** **2022**
   Client: Iowa Falls Area Development Corporation
   Contact: Mr. Mark Buschkamp, (641) 648-5549, director@iowafallsdevelopment.com

3. **Comprehensive Housing Needs Analysis Update for Luverne, Minnesota** **2022**
   Client: Luverne Economic Development Authority
   Contact: Holly Sammons, (507) 449-5033, hsammons@cityofluverne.org

4. **Comprehensive Housing Needs Update for Cedar Rapids, Iowa** **2022**
   Client: City of Cedar Rapids
   Contact: Ms. Sara Buck, (319) 286,5192, s.buck@cedar-rapids.org

5. **Comprehensive Housing Needs Analysis for Marshall, Minnesota** **2021**
   Client: Marshall Economic Development Authority
   Contact: Ms. Lauren Deutz, (507) 537-6760, lauren.deutz@ci.marshall.mn.us

6. **Comprehensive Housing Needs Analysis for Sherburne County, Minnesota** **2020**
   Client: Sherburne County
   Contact: Dan Weber, (763) 765-3007, Dan.Weber@co.sherburne.mn.us

7. **Comprehensive Housing Needs Analysis for Floyd County, Iowa** **2019**
   Client: Floyd County/Charles City Area Development
   Contact: Timothy Fox, (641) 228-3020, tfox@charlescityia.com

8. **Comprehensive Housing Needs Analysis for Goodhue County, Minnesota** **2020**
   Client: Goodhue County Economic Development Authority
   Contact: Ron Zeigler, (507) 867-3164, ron.zeigler@cedausa.com

9. **Comprehensive Housing Study for Storm Lake, Iowa** **2017**
   Client: City of Storm Lake
   Contact: Kari Navraitl, (712) 732-8000, navratil@stormlake.org

10. **Comprehensive Housing Needs Analysis for Cherokee, Iowa** **2017**
    Client: City of Cherokee
    Contact: Sam Kooiker, (712) 225-5749, samk@cherokeeiowa.net

11. **Comprehensive Housing Study for Lyon County, Iowa** **2016**
    Client: Lyon County Economic Development
    Contact: Steve Simons, (712) 470-6508, ssimons@co.lyon.ia.us

—APPENDIX—

Maxfield Research & Consulting

Breaking Ground since 1983

WHO WE ARE

Maxfield Research & Consulting is a full-service research firm providing timely and comprehensive real estate market information and analysis that is critical to the success of our clients. With 35 years of experience in real estate market feasibility and consulting, our expertise enables us to offer solutions to difficult challenges. We assess the needs of each project, anticipate problems and provide solutions. We work closely with each client to assure our research data and analysis provide exactly the information needed in planning and developing new projects. We provide customized studies designed to deliver strategic framework for each of our clients' objectives to optimize land use and value of their real estate needs.

Developing dynamic relationships and delivering strategic solutions has earned us our clients' confidence in our expertise. Our broad experience and varied customer base includes public, private and institutional clients seeking crucial information in making decisions regarding the latest trends in the real estate industry.

Maxfield is a local, regional, national and international player in the real estate consulting industry.

WHAT WE DO

- ***Residential***—*Assist with information on multifamily, senior housing, tax credit, master-planned communities and residential scenarios.*
- ***Commercial***—*Analysis for retail, office, industrial and hotel space working with private developers on specific projects.*
- ***Land Use***—*Highest and best use assessments, redevelopment and development issues, collaborating with planning consultants to provide market data and support land use recommendations.*
- ***Special***—*Provide expert testimony and litigation support, economic impact analysis, and financial pro-formas.*
- ***Consulting Services***—*Custom analysis according to specific needs, specified aspects regarding floor plans, unit-mix, premium pricing assessments and competitive shopping.*

OUR CLIENTS

Public Sector—Recommendations provide decision makers a guide to future planning. Strategic counsel on market trends and real estate activities assists clients with a value added service.

Private Sector—Provides clients with objective and unbiased advice to position themselves to maximize opportunity and reduce risk.

Institutional Sector—Extensive experience serving broad spectrum of clients with unique organizational needs.

OUR STAFF

Mary Bujold, President
Matt Mullins, Vice President
Joe Hollman, Senior Research Associate
Brian Smith, Senior Research Associate
Andrew McIntyre, Research Associate
Max Perrault, Research Associate
Rob Wilder, Research Associate

Maxfield
Research & Consulting

COMPREHENSIVE HOUSING

Real Estate Research Providing Comprehensive Market Information for the Public-Sector

Maxfield Research & Consulting has been a leader in the Comprehensive Housing Market Study industry for over three decades.

We provide the framework and market knowledge to guide housing development in your community. Our experts are leaders in comprehensive housing analyses across the Midwest and nationwide. The findings we provide create a basis for community leaders, stakeholders, and decision makers to guide future efforts in their respective community when addressing housing needs. Our relationships with developers, builders, investors, real estate professionals, and other professionals in the private sectors allow us to merge the wants and needs of the private and public sectors. With boots on the ground field work and real-time analysis on the local housing market, we provide market driven realities and action-oriented strategies for our clients.

Local • Regional • National

WHY MAXFIELD RESEARCH & CONSULTING?

We provide a holistic approach to comprehensive housing needs through our:

- Local Knowledge and National Expertise
- Full-Service Real Estate Advisory Firm Capabilities
- Housing Inventory and Proprietary Housing Data
- On the Ground Field Research
- Builder/Developer Relationships
- Comprehensive Approach
- Efficient Knowledge Base
- Committed and Experienced Team Members
- Proven Methodologies and Results Oriented Process

Maxfield
Research & Consulting

Breaking Ground since 1983

Mary Bujold
President

GENERAL BACKGROUND

Mary has over 35 years of experience in real estate research and consulting and is considered a market expert in the field of residential real estate and in market analysis for financial institutions. She regularly testifies as an expert witness for eminent domain, tax appeal and other types of real estate litigation.

As President, she heads projects for large-scale land use and redevelopment studies including downtown revitalization for private developers and municipalities as well as private developers and universities on their student housing needs.

Mary frequently gives presentations at seminars and workshop sessions on current real estate market topics.

EDUCATION

Bachelor of Arts in Business Administration
Marquette University
Masters of Business Administration
University of Minnesota

PROFESSIONAL DESIGNATIONS AND APPOINTMENTS

Counselors of Real Estate (CRE)
CRE Investment Committee Chair
CRE Counseling Corps Committee
CRE Minneapolis Chapter Chair
Housing Development Committee-Project for Pride in Living

PROFESSIONAL ORGANIZATIONS

Counselors of Real Estate (CRE)
National Association of Realtors (NAR)
Minnesota Association of Realtors (MAR)
Minneapolis Area Association of Realtors (MAAR)
Lake Superior Association of Realtors (LSAR)
National Historic Trust – Main Street Center
Sensible Land Use Coalition
Lambda Alpha International (LAI)

EXPERIENCE

- *Large-scale Redevelopment*
- *Master-planned Communities*
- *Rental Housing*
- *Condominium Housing*
- *Senior Housing*
- *Student Housing*
- *Financial Institutions*
- *Expert Testimony and Litigation Support*
- *Comprehensive Housing Needs*
- *Retail Analysis*
- *Downtown Revitalization*
- *Industrial Analyses*
- *Fiscal Impact Analyses*

CONTACT INFORMATION
2823 Hamline Avenue North
Roseville, MN 55113
(Office) 612-904-7977 (Fax) 612-904-7979
Email: mbujold@maxfieldresearch.com
www.maxfieldresearch.com

Maxfield
Research & Consulting

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Matt Mullins
Vice President

GENERAL BACKGROUND

Matt Mullins brings 25 years of real estate consulting and advisory service experience to Maxfield Research & Consulting. Matt has managed and directed real estate analysis projects locally, regionally, and nationally for a broad spectrum of private and public sector clients. Matt's experience canvasses a variety of real estate and land use types, including: single-family and multifamily housing, commercial, industrial, mixed-use, hospitality, entertainment, tourism, transit-oriented developments, among others.

Matt is a trusted adviser whom industry leaders regularly rely on for forthright insight into the real estate market. Matt frequently presents real estate findings and emerging trends to public sector entities and professional trade organizations. In addition to his strategic research and consulting responsibilities, Mr. Mullins manages and implements business development strategies and marketing initiatives for Maxfield. Furthermore, he oversees and mentors other Maxfield advisors. Mr. Mullins joined Maxfield Research in January 2003. Matt's previous experience was as a consultant for other nationally and globally based advisory service firms providing real estate advisory services.

EDUCATION

Bachelor of Arts in Urban Studies & Geography
St. Cloud State University
Mini-Masters in Real Estate Development
Mini-Masters in Investment Real Estate
University of St. Thomas

EXPERIENCE

- *Highest & Best Use Studies*
- *Comprehensive Housing*
- *Apartments & Condominiums*
- *Senior Housing & Retirement Communities*
- *Redevelopment and Adaptive Reuse*
- *Master-planned Communities*
- *Single-family Subdivisions*
- *Condominiums & Townhomes*
- *Retail, Commercial, & Industrial*
- *Hospitality & Conference Centers*
- *Golf Courses & Marinas*
- *Mixed-use Development*
- *Transit-oriented Development (TOD)*
- *Resort & Second Home Communities*
- *Student Housing*
- *Financial Analyses*

PROFESSIONAL ORGANIZATIONS

- *Urban Land Institute (ULI)*
- *Sensible Land Coalition (SLUC)*
- *National Association of Realtors (NAR)*
- *Minnesota Association of Realtors (MAR)*
- *Minneapolis Association of Realtors (MAAR)*
- *Builders Association of the Twin Cities (BATC)*
- *Builders Association of Minnesota (BAM)*
- *National Association of Home Builders (NAHB)*

REGISTRATION AND LICENSURE

Licensed Real Estate Broker in the State of Minnesota

CONTACT INFORMATION
2823 Hamline Avenue North
Roseville, MN 55113
(Mobile) 612-281-6729
mmullins@maxfieldresearch.com

mattlmullins
mattlmullins

Maxfield
Research & Consulting

Breaking Ground since 1983

Joe Hollman
Senior Associate

GENERAL BACKGROUND

As a former city planner and commercial real estate professional, Joe has over 25 years of experience in the research, analysis and presentation of data relevant to the real estate industry. He has expertise in commercial real estate, housing, city planning, location analytics, and demographic analysis.

Prior to joining Maxfield Research, Joe was a member of the national research team for Cushman & Wakefield, one of the world's largest commercial real estate firms. In this role, he conducted research and analyses focusing on the office, industrial and retail real estate markets in the Twin Cities Metropolitan Area. Before joining the commercial real estate industry, Joe was a planner for the following organizations: City of Columbia Heights, Minnesota; Arrowhead Regional Development Commission in Duluth, Minnesota; and, Peoria County, Illinois. As a planner, he contributed to the creation of multiple comprehensive plans, land use studies, zoning ordinances and site assessments.

EDUCATION

Bachelor of Science in Geography
University of Wisconsin at La Crosse

EXPERIENCE

- *Retail, Office and Industrial Real Estate*
- *Redevelopment*
- *Hotel Feasibility*
- *Market Rate Rental Housing*
- *Affordable Rental Housing*
- *Market Potential Analyses*
- *Comprehensive Housing Needs Analyses*
- *Amphitheaters*
- *Senior Housing*
- *Age-restricted active adult communities*
- *Detached Single-Family Housing*
- *Condominiums*

CONTACT INFORMATION
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www.maxfieldresearch.com

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Andrew McIntyre
Research Associate

GENERAL BACKGROUND

Andrew joined Maxfield Research and Consulting in September 2018 as a Research Associate. His professional experience prior to Maxfield includes positions with city and county government in planning and economic development as well as in the private sector providing market research, demographic analysis and site selection.

His skills and knowledge of both the public and private sectors has helped him complete in depth studies for numerous public entities and developers.

Andrew has completed studies in a variety of geographic contexts including urban, suburban, exurban, and rural locations. Specific metropolitan areas he has study experience in include the Twin Cities, Des Moines, Sioux Falls, and Fargo-Moorhead. Overall, Andrew has worked on projects in the following states: Minnesota, Iowa, South Dakota, North Dakota, Wisconsin, and Wyoming.

In addition to his work in communities throughout the US, Andrew also has an interest in development abroad, a result of his education and study abroad experiences in South Africa and Western Europe.

EDUCATION

Bachelor of Arts in Political Science and History
Concentration in Africa and the Americas
St. Olaf College
Master of Urban and Regional Planning (Capstone Project)
Graduate Certificate in African Studies
University of Michigan

Professional Organizations

- *Urban Land Institute (ULI)*
- *Young Professionals of Minneapolis (YPM)*

EXPERIENCE

- *Planning and Demographic Analysis*
- *GIS Mapping*
- *Market Research and Site Selection*
- *Community Needs Assessments*
- *Permanent Supportive Housing Market Assessments*
- *Housing Market Analysis*
- *Market Rate Rental Housing*
- *Tax Credit and Affordable Rental Housing*
- *Senior Housing and Retirement Communities*
- *Storage Facilities*
- *Market Segmentation*

CONTACT INFORMATION
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Roseville, MN 55427
612-338-0012
Email: amcintyre@maxfieldresearch.com
www.maxfieldresearch.com

Proposal for Community and Housing Needs Assessment

I. **Client**: City of Storm Lake, Iowa
P.O. Box 1086
620 Erie Street
Storm Lake, IA 50588

II. **Service Summary** -

The City of Storm Lake, Iowa is interested in learning about the current housing stock in the community and the demand and supply for housing in the city's future. Shattered Glass Development (SGD) will research the existing conditions regarding housing and analyze the current housing situation to discover potential gaps between housing supply and demand. The analysis will also explore factors affecting housing affordability and drivers that are and may affect future housing supply and demand. Past trends will be examined and future trends will be estimated to inform housing policy and strategic initiatives to enhance housing availability for the owner-occupied, renter-occupied and senior-occupied submarkets. Included will be a descriptive overview of the existing housing stock in Storm Lake. Using the current housing situation as a base, an estimate of future housing needs will be developed. The anticipated housing needs will be specified as being for new or redeveloped housing and will address the nature, e.g. owner-occupied versus renter-occupied versus senior-occupied; type, e.g., single family detached versus multi-family; and approximate price range of housing that may be most desired by various persons and households in order to attract and retain residents in Storm Lake.

Information may be gathered from third party sources. In all instances, information is deemed to be accurate and reliable but is not guaranteed to be so. The findings will be delivered in the form of a written report. If appropriate and desired, a face to face presentation of the analysis and conclusion may be made.

III. **Executive Summary** - This section will provide an overview and conclusions of the work.

IV. **Subject Identification** - This section will describe the current housing stock, i.e., the supply of housing in the City of Storm Lake.

A. Physical

The study will describe in the aggregate existing housing stock of single and multi-family residential real estate of all ages and conditions. Characteristics examined will include square footage, number of bedrooms and bathrooms. Information will be categorized as possible according to being rented versus owned, occupied versus vacant, and cost or value. Also included will be a general description of the available stock of occupied, vacant, and in-development residential properties in the market.

Condo/MultiFamily Single Family New Construction

B. Legal

The involved residential real estate will include both owner occupied and rental properties.

C. Locational

The study and analysis will be limited to the incorporated city limits of Storm Lake, Iowa.

D. Economic

The study will be of various types of residential real estate, as applicable. Those housing types may include affordable housing, incentivized housing, workforce housing, market-rate housing, first-time homebuyer housing, step-up homebuyer housing, step-down housing, age restricted and other senior housing. As available, prices locally will be compared with surrounding areas and the State of Iowa.

Senior Housing

V. **Market Area Information** - This section will contain descriptive information of market conditions in Storm Lake relevant to the current housing environment in the city. This market information will inform the analysis of demand and supply on a city wide level.

A. Physical and environmental

This section will describe what are the characteristics of the market area that may be relevant to increasing or decreasing housing demand. The description will include as applicable the nature and desirability of the built environment in the immediate area of the city, linkages, topography and soil conditions, the known or assumed presence of toxic contaminants, natural and human-made barriers to development, transportation systems existing and proposed (highways, railroads, airports, navigable waterways, recreation trails), and relevant climate characteristics.

B. Governmental

This section will broadly describe the applicable laws, regulations (zoning, building, health codes) and taxes. The quantity and quality of public services (police, fire, schools, utilities) applicable to housing in the city will also be described. Included to the extent possible will be an assessment of the attitude of local officials toward growth, the ease of rezoning or obtaining variances when needed, and the extent to which local officials may be willing to assist property owners, investors and developers in securing development incentives.

C. Social and Demographic

This section will describe the relevant characteristics of the local population as available. Less information is generally available for smaller population markets, which may result in some information being more broadly based on Buena Vista County rather than being for Storm Lake specifically. Applicable characteristics typically include total population, population and household growth, in- versus out-migration, population composition (age, household size, sex, attained education), employment type and growth, wage levels and growth, and the attitude of the community toward growth in general. Comparisons between the City of Storm Lake and surrounding areas will be provided as available.

D. <u>Financial and economic</u>
This section will describe market characteristics that may affect financial feasibility, such as rental rates, vacancy rates, absorption rates, and availability rates. Note, these characteristics are of the market in general and may not reflect those of individual properties. The city's employment base will be discussed including business expansion in the market, employment trends, and income growth. Wage and price levels relative to surrounding markets, and local construction costs will be compared as available. To the extent available the expected returns of income producing residential properties in the city will be provided.

VI. **Supply Analysis** – This section will provide a picture of current supply and an estimate of future supply of competing properties by property type, i.e., owner-occupied, renter-occupied, and senior housing. The supply forecast will build upon the market area information above. Existing and proposed competing properties will be identified to the extent possible. Selections of competing properties will be based on the Subject Identification section above. It is anticipated the supply analysis will include the approximate number of competing units categorized by basic property characteristics such as number of rooms, square footage, age and condition, price range, and whether the properties are investor owned (rentals) or owner occupied, as available. Barriers to supply increases will be discussed as relevant to the market in general and specific submarkets for owner-occupied, renter-occupied, and senior housing.

VII. **Demand Analysis** – In this section, current and future housing demands are described. The estimates of future demand through the year 2035 for housing will be based on the market area information above. An overall housing demand forecast will be provided as well as specific focus for these submarkets, owner-occupied, renter-occupied, and seniors for age-restricted or aging-in-place. This section will briefly touch on current affordability. Further treatment will follow in a separate section. Address and analyze current and future housing affordability and what is affecting affordability that can be controlled locally for the city as a whole and for the specific submarkets.

VIII. **Gap Analysis** – This section will discuss the interaction of demand and supply. Based on the information above, the existence of excess demand, excess supply, or equilibrium, as applicable, will be described. The discussion will include an assessment of where is the relevant market area in its life cycle and how that might affect future demand for various forms of housing, e.g. absorption rates. Separate discussion of the interaction between supply and demand currently and projections to the year 2035 will be provided for the market as a whole, and for submarkets composed of owner-occupied housing, renter-occupied housing, and seniors housing.

IX. **Affordability Analysis** -
The affordability of housing in Storm Lake will be addressed in greater depth in this section. Here, more insight into affordability, with a prospective orientation will be provided, such as what is affecting affordability, to help the city better understand how to possibly improve affordability in the future.

X. **Discussion and Conclusions** -

A. <u>Highest and Best Use Analysis</u>
A brief high-level assessment of the type of housing that is expected to be in highest demand will be discussed within the context of the preceding information and as a component of the conclusions. If sufficient supporting information is available, indications regarding who might be the most probable users of new and redeveloped housing, and the timing of when they may desire occupancy will be provided.

B. <u>Opportunities and Challenges</u> -
Based on the information and analysis above, strategies for improving the Storm Lake housing stock will be provided. Focus will be given to underperforming submarkets or those market segments with the greatest likelihood of having the biggest impact on enhancing housing availability. Potential hurdles to improving the city's housing stock will also be provided. Focus here will be given to those hurdles on which the city has the greatest influence to overcome or the largest impact to improve availability.

C. <u>Conclusions</u>
This section will summarize and discuss the findings of the research and analysis completed with the intention of providing guidance for future planning, in terms of what and how to improve availability.

XI. **Outline of the Process and Timeline** (all dates approximate) -

A. <u>Approval by City Council</u> - August

B. <u>Market research, information gathering</u>
Commences - September 1
Responsible persons -
  Dr. Arthur Cox
  Jackie Johansen
  Other Shattered Glass Development team members
Completion - October 1
City tour, conversations with city officials and local influencers
Commences - September 1
Responsible persons -
  Dr. Arthur Cox
  Jackie Johansen
Completion - October 15

C. <u>Analyses</u>
Commences - October 15
Responsible person
  Dr. Arthur Cox
Completion - November 15

D. Preparation of draft report
Commences - November 15
Responsible person
Dr. Arthur Cox
Completion - December 31

E. Preparation of final report
Commences - January 15
Responsible person
Dr. Arthur Cox
Completion - February 15

XII. **Value-add services and our approach to the project**

The breadth and depth of our knowledge and experience will provide you with creative ideas for addressing Storm Lake's housing needs. We draw on more than twenty years of commercial real estate experience and over three decades of knowledge from academia. We will approach the study considering the perspective of a potential investor or developer. As a consequence, financial feasibility at a minimum will always be at least in the background of our analyses, and when appropriate will be the primary driver. Our analyses and conclusions will not be influenced by preconceived notions of what "should" be done in terms of improving housing in Storm Lake. Whatever the data analysis indicates will drive our conclusions. We will suggest alternatives that have the potential for being financially feasible or we will suggest ways that could make an alternative financially feasible.

Shattered Glass Development has played a role in several successful housing development projects in Storm Lake in the past. With yet another upcoming project on its way with over seven acres of land to be developed into single-story townhomes on 10th Street.

SL resumes plan for townhomes development

XIII. **Similar projects**

1. <u>Hubbell Realty - Housing Study</u>
This study was completed in late 2022. Its focus was senior living communities in the Des Moines metropolitan area. The study was used to assess feasibility for a proposed senior living development project in the Des Moines area. Contact is Rachel Flint, Vice-President, Hubbell Homes, rachel.flint@hubbellhomes.com.

2. <u>High Development - Housing Study</u>
This study was completed in 2022. Its focus was the multi-family market in the Waterloo-Cedar Falls metropolitan area. The study was used to assess the demand for additional multi-family housing and to estimate the financial performance of a proposed multi-family

development. Contact is Darryl High, owner, High Development, darrylh@highdevelopment.com.

3. Christensen Development - Investment Analysis
This study, completed in 2021 focused on multi-family properties in Des Moines. Its intended use was to assess financial feasibility for the renovation of existing multi-family housing. Contact is Jake Christensen, owner, Christensen Development, jake@christensendevelopment.com.

4, Christensen Development - Investment Analysis
This study was completed in 2022 and examined the feasibility of a large mixed-use commercial property from both physical and financial perspectives. The development plan incorporated multi-family, office, retail, entertainment and event space and structured parking. Contact is Jake Christensen, owner, Christensen Development, jake@christensendevelopment.com.

5. Hawkeye Land - Investment Analysis
This study, completed in 2022 was an analysis of the use of and value of railroad right of way easements and the right to grant easements along and across railroad right of ways. Contact is Jeremy Tipton, agent for Hawkeye Land, NAI Iowa Realty Commercial, jtipton@iowarealty.com.

XIV. **Samples of projects submitted as examples of work done**, as separate documents.

1. Hubbell Homes senior housing market study.

2. High Development multi-family housing market study.

3. Hawkeye Land railroad easement granting rights study.

XV. **Team Member descriptions**

A. Dr. Arthur Cox - consultant and project manager
Dr. Cox is a licensed real estate salesperson in the State of Iowa. He has three degrees from the University of Iowa, BBA, MA, and PhD. He was on the faculty at the University of Northern Iowa beginning in 1989. He was director of the UNI

Real Estate Education Program from 1995 to when he retired from UNI as a full professor in 2021. During that time, he also served as Finance Department Head for seven years. While at UNI he taught a wide variety of upper division undergraduate courses in finance, insurance and real estate, and MBA courses in finance. The real estate specific courses included, Principles of Real Estate, Real Estate Finance, Real Estate Law and Brokerage, Real Estate Appraisal and Investment, and Advanced Real Estate Cases. Over the years, Dr. Cox was involved as an expert in dozens of litigations involving real estate, finance and insurance. Currently, he consults in commercial and investment real estate and has been associated with Shattered Glass Development since 2021. Dr. Cox has a passion for senior living and is owner of Senior Housing Advising, LLC.

B. <u>Jackie Johansen</u> - <u>owner and broker Shattered Glass Development</u>

Jackie is a licensed real estate broker in the State of Iowa. She has two degrees from Wartburg College in International Business and Economics and an MBA from the University of Iowa with a focus on Sales and Marketing as well as attended the University of Technology in Jamaica. Ms. Johansen started her first business in 2003, a marketing agency that she grew over 10 years and eventually sold the business to start her next venture. In 2012, she dove in and learned all about the nuances of working in commercial real estate across Iowa and Nebraska. In 2019, she started her own brokerage firm Shattered Glass Development as well as a sister company, Shattered Glass Equity to assist real estate developers in need of equity funding. In 2022, she took on the role of commercial real estate developer and is working on her downtown mixed use project. She has a passion for mentoring and guiding more women, minorities and veterans to consider commercial real estate in their careers.

C. <u>Other team members</u>

Marah Fucaloro - Research and Social Media
Mason Nickolaus - Project Coordinator and Administrator
Jason Ring - Team Leader

XVI. **Fees and Expenses**:
The fee for the described project is $24,000, plus expenses. Expenses required to complete the assignment will be billed at the actual cost of materials, services, or other. Said expenses to be approved by client before incurring. Project fee will be billed proportionately over three months. Expenses will be billed on a monthly basis. Fees and expenses are due and payable upon invoice. A 1.5% per month service/interest charge will be applied to any amounts unpaid after 30 days. All legal and attorney fees incurred to collect unpaid amounts are the liability of the Client.

XVII. **Confidentiality, Warranty and Limitation of Liability**:
Confidentiality agreement attached as an addendum. SGD warrants all consulting services will be conducted in a professional manner by persons competent to do so. Acceptance by Client of this proposal constitutes approval of the competency of the persons engaged in this project. While information provided is deemed to be accurate and reliable, there is no guarantee of such. There are no other warranties expressed or implied with respect to any work product or services provided, nor any expressed or implied warranties of merchantability or fitness for a particular purpose. SGD disclaims all such warranties. SGD's total liabilities to the Client or any third party arising out of or related to this agreement or any of the products or services provided hereunder are limited to the cost of the materials or services provided under this agreement, as applicable, giving rise to the claim. In no event, whether in contract, indemnity, warranty, negligence, strict liability or otherwise will SGD to be liable for loss of profit or revenues, interruption of business, the cost of cover, or for any special, consequential, incidental, indirect, punitive or exemplary damages even if the Client was advised of such damages.

XVIII. **Ownership of Work Product**:
Shattered Glass Development grants to Client a limited, nonexclusive license to use the reports and related materials to be delivered under this agreement, collectively, the "Works". Shattered Glass Development retains all copyrights in hand to the Works and is the author of such Works under the U.S. Copyright Act. Shattered Glass Development retains the sole and exclusive right to create derivative works of and reproduce the Works. Distribution of the Works to third

parties without the prior written consent of Shattered Glass Development is strictly prohibited. Shattered Glass Development shall have the right to include representations and images of the project, including photographs of the exterior and interior, as applicable, within its promotional and professional materials.

XIX. **Use of Consultants and Subcontractors**:
Client understands and acknowledges that Shattered Glass Development may utilize the services of the third party consultants and contractors to deliver the Consulting Services. Client authorizes Shattered Glass Development to use such consultants and contractors as Shattered Glass Development deems appropriate.

XX. **Indemnification**:
Recognizing that the Consulting Services have a limited scope, the Client agrees to hold harmless SGD and its directors, officers, shareholders, managers, members, partners, agents, finders, employees, contractors, and/or controlling persons, to the full extent permitted by law against any and all claims, liabilities, damages, penalties, actions, costs, losses and expenses as incurred, including all reasonable fees and disbursements of SGD and its counsel and all reasonable travel and other out of pocket expenses, and court costs, if any, in connection with the investigation of and preparation for any such pending or threatened claims and any litigation or other proceeding or rising therefrom and the payment of any claim or liability.

XXI. **Miscellaneous**:
Neither party may assign this agreement without the other party's written consent provided that SGD may freely assign this agreement in connection with a change of control of SGD. This agreement binds and inures to the benefit of each party and its successors and assigns. If any provision of this agreement is found to be invalid by a court of competent jurisdiction, the remaining provisions will remain full source and effect. This agreement may not be modified orally. This agreement may be signed in counterparts and/or by facsimile and/or electronic signatures which shall be as binding as original signatures. This agreement shall be governed by and construed pursuant to the laws of the state of Iowa, without regard for choice of law principles.

XXII. **Authorization to Proceed**:
Shattered Glass Development is hereby authorized to proceed with Consulting Services as described above, and client agrees to pay Shattered Glass Development per above.

Approved for Client:	Approved for Shattered Glass Development:
Name: ________________	Name: ________________
Signed:________________	Signed:________________
Title: __________________	Title: __________________
Date: _________________	Date: __________________

CONFIDENTIALITY and NON-DISCLOSURE AGREEMENT

This **Confidentiality and Non-Disclosure Agreement** (“Agreement”) dated ______________________, 202__, is entered into between _____________, an ______ corporation (“Client”), and _______________________________, (“Service Provider”).

The Client and Service Provider hereby agree as follows:

1. Scope of Relationship. The Client has engaged Service Provider to perform certain services to the Client and its customer(s).

2. Definition of Confidential Information. “Confidential Information” means any information that identifies or is proprietary to the Client. This includes, but is not limited to, the following: (a) the Client’s name; (b) employee names; © company financial information; (d) plans relating to present or future business activities; (e) trade secrets; (f) any other information that should be reasonably recognized as confidential information of the Client and (g) the personally-identifiable information of any and all of the Client’s customers, directors, officers, employees or former employees.

3. Use of and Communications containing Confidential Information. Service Provider shall use Confidential Information only within the scope of the parties’ relationship. Communication(s) which contain Confidential Information, by the Service Provider to the Client, shall be conducted using industry-standard secure methods and services.

4. Prohibition on Disclosure of Confidential Information. Service Provider shall: (a) limit disclosure of Confidential Information to its directors, officers, employees, agents, or representatives (collectively “Representatives”) who have a need to know such Confidential Information; (b) advise its Representatives of the proprietary nature of the Confidential Information and require such Representatives to keep the Confidential Information confidential; © keep all Confidential Information secure by using reasonable and appropriate measures to safeguard and prevent any unauthorized release of, access to, or use of Confidential Information; and (d) not disclose any Confidential Information received by it to any person, corporation, entity, organization or other third party.

5. **Exclusions from Confidential Information.** Service Provider's obligations under this Agreement do not extend to information that is: (a) publicly known at the time of disclosure or subsequently becomes publicly known through no act or fault of the Service Provider; (b) discovered or created by the Service Provider before disclosure by Client; learned by the Service Provider through legitimate means other than from the Client or Client's representatives; (d) is disclosed to third parties by the Client or Client’s representatives or (e) is disclosed by the Service Provider with Client's prior written approval.

6. **Time Periods.** The nondisclosure provisions of this Agreement shall survive the termination of this Agreement and Service Provider's duty to hold Confidential Information in confidence shall remain in effect until: (a) the Confidential Information no longer qualifies as Confidential Information, (b) becomes excludable under paragraph 5, or when Client sends Service Provider written notice releasing Service Provider from this Agreement, whichever occurs first.

7. Return of Confidential Information. Service Provider shall immediately return or destroy all Confidential Information to the Client upon the earlier of: (a) the completion of the relationship as contemplated by the parties; or (b) upon the Client’s request.

8. Breach. In the event that, despite appropriate measures, Confidential Information is inadvertently or intentionally accessed or disclosed in violation of this Agreement, Service Provider will (a) notify the Client of the violation; (b) assist the Client in establishing practices and procedures designed to prevent future violations; and actively, and in good faith, assist the Client in addressing and correcting any harm or damage to any affected party. Such breach shall constitute good cause for termination of the services, at the sole discretion of the Client.

9. Indemnification. Service Provider hereby indemnifies and holds harmless the Client, and the Client's directors, officers, employees, and agents from and against any and all claims, actions, costs, liabilities, lawsuits, demands or damages, including any and all court costs and reasonable attorneys' fees, arising out of or relating to a violation of the terms of this Agreement up to a reasonable limit not to exceed the total compensation paid to Service Provider by Client.

10. Governing Law. This Agreement and its validity, construction and effect shall be governed by the law of the State of Iowa. Venue for any dispute regarding this Agreement shall be in the District Court of Iowa, in and for Polk County.

11. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument.

12. Immunity from Liability for Disclosure of Confidential Information to the Government or in a Court Filing:
Service Provider will not be held criminally or civilly liable under any federal or state law for the disclosure of Confidential Information that (A) is made (i) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

Effective as of the date noted above.

<u>Service Provider</u>:	**<u>Client:</u>**
Signed:_________________________	Signed:_________________________
Name:__________________________	Name:__________________________
Title: ___________________	Title: ___________________
Date: ___________________	Date: ___________________

Hawkeye Land Railroad Easement Granting Rights

prepared by: Arthur T. Cox

May 25, 2022

Executive Summary

The use of the easements of railroad right of ways was examined. Information from railroads, potential users and others with relevant knowledge was gathered. The interest in contributing information for this study was highly variable. Some sources did not respond at all to requests for information. Some were quite willing to talk and shared what knowledge they had. The economic impact of the use of the right of ways was estimated with several different approaches. The resulting estimates essentially ranged from zero to many millions of dollars.

I. Purpose of the project

The purpose of the project is to estimate the economic impact of the use of railroad rights of way, leading to a value of the ownership of the rights to grant easements above, under, on or in such rights of way. Stated differently, the goal is to monetize the asset over a lengthy period of time. An easement can be simply defined as the right to use some part of real estate. An easement being one right in a fee simple bundle of rights, does not in and of itself, constitute any other rights of ownership beyond the right to use. This study does not consider any ownership interests other than easements and easement granting rights. Easements can be placed into two categories, those that cross the right of way and those that are parallel with it, i.e., extend along it. In general, it is anticipated the longitudinal form of easement will be more valuable and is the exclusive focus of this project. This report is based on several assumptions. Changing those assumptions would have an effect on the conclusions of this report. Information used is deemed to be accurate, but is not guaranteed to be so.

II. Description of the asset

A. The right of ways being evaluated are those of the preexisting Chicago, Rock Island and Pacific Railroad. The Rock Island operated in the upper Midwest. The right of way running from milepost 40 in Joliet, Illinois to milepost 500 in Council Bluffs, Iowa is approximately 460 miles in length and is currently actively used by a railroad company(ies). It is assumed to be an uninterrupted right of way for its entire length. The right of way from milepost 1 in Saint Paul, Minnesota to milepost 497 in Kansas City, Missouri is about 413 miles in length. The corridor from milepost 479 in Kansas City to milepost 191 in Mason City is uninterrupted. North of Mason City there are two interruptions totaling about 73 miles. In total, the easement granting rights cover approximately 1,222 miles of right of way. Generally, the longer the uninterrupted length, the greater the value may be. However, other factors likely intervene. Those factors would include what population centers are connected by or exist along the right of way, and the extent to which the location of the right of way leads from and to pre-existing commercial uses that would benefit from using it. Based on this reasoning, the two major lengths of right of way described above, basically running from Joliet, IL to Council Bluffs, IA and Saint Paul, MN to Kansas City, MO probably generate the greatest value. The shorter lengths may have value depending on how those sections may be able to connect with other easements or uses.

1. Railroad easements are generally 100 feet wide on the surface, and also include subsurface and above the surface spaces. Typical clearances required are 9 feet from the center of track in width and 23 feet in height from the top of the rail. A single track in the center of the right of way generally allows 41 feet of available space on both sides of the track clearance.
2. The area below the structure of the rail bed is usable and while technically in the shape of an inverted cone reaching to the center of the earth, for practical purposes the dimensions of the subsurface space extend straight down from the surface.
3. The usable above surface rights extend upward to the limit of practicable construction and are subject to the clearances required for the railroad to operate.
4. For purposes of this report, it is assumed the right of way includes a single set of tracks. Curves in the right of way may increase the clearances required but such reductions are specifically not considered. It is assumed the rights of ways are currently used for railroad operations. It is assumed if a length of right of way is being used for another purpose such as a recreational trail or for fiber optic cable, easement granting rights continue to exist for the residual of the affected right of way. It is further assumed as a result that multiple users can be granted easements as long as they do not interfere with each other nor to the operations of the railroad.
5. For purposes of this report, it is assumed the easement granting rights are perpetual and exclusive. That is, the easement granting rights do not expire and cannot be terminated by a third party. However, it is recognized the easement granting right may be lost due to adverse possession. It is assumed no incidents of adverse possession have occurred. It is assumed the existence of the easement granting right is discoverable through a title search of the associated real estate.

B. There are multiple possible uses of easements. Some are more practical than others, and some may already exist as uses of the easements in question. Generally, uses of railroad right of ways include the transmission of information, data or for communication, such as with fiber optic cable or telephone transmission lines. Other uses could include power transmission lines and pipelines. More unusual above the surface uses could include the construction of cell towers, wind generators, and solar panels. Other unusual subsurface uses could exist as hyperloops, vacuum tube trains, vactrains or maglev trains.[1] Short, as in cross town, conventional versions already exist, such as the Vegas Loop in Las Vegas, Nevada. Some of these uses are conceptual only and likely years or decades away from being feasible.[2] However, if and when the technology and financial resources are brought to bear, the right of ways connecting major metropolitan areas could become attractive as locations for them.

III. Potential users

Examples of potential users that could directly benefit include technology firms such as Google, Facebook, and Aureon. Industrial and commercial firms with large data needs could include John Deere, Principal Financial Group, Wells Fargo, The Boring Co., Mid-American Energy, and Stifel Nicolaus. Governments of all levels could benefit as well. The potential value generated from direct benefits is estimated in section V. below.

IV. Potential benefactors

There would be benefactors that would benefit indirectly as a result of others that use the right of ways. Those indirect beneficiaries would include the cities and towns in which users locate. The indirect benefits would be in the form of increased economic activity resulting in increased tax revenues. The potential value generated from indirect benefits is estimated in section VI. below.

V. Direct benefits

Direct benefits of right of way easements are those that accrue to the entities actually using the easements and for which the user should be willing to pay to acquire such usage. There are several different factors that could create value to the user. One factor of value for the user is being able to avoid the cost and time of having to assemble the usage rights. This derives from being able to negotiate with fewer, perhaps only a single property owner rather than perhaps dozens or hundreds, depending on the length and location of the usage rights being sought. For some users, there is value to the user being able to control the entire length of a corridor and the related infrastructure and equipment, resulting in being able to "do" more, faster and more securely. Having a dedicated easement used and controlled by a single entity is attractive as a result of there being some assurance third parties won’t be digging in the easement potentially damaging cable or pipeline. The assurance of greater security from third parties’ digging was mentioned by several sources. None were willing or able to attach a specific value to them, however, an estimate of this savings is provided below.

VI. Indirect benefits

There are potential indirect benefits that could accrue to governments, private entities, and individuals adjacent to or in the near vicinity of the right of ways. These benefits are similar to other projects involving economic development and there is precedence for incentives to be offered by affected communities to attract new jobs or enhanced services to a community. Most commonly, economic incentives are paid to the developer or eventual owner of the property. Here, it is assumed incentives are paid to the easement user and are passed through to the easement owner at a discounted rate. If maintenance facilities or ancillary uses, such as data centers, are built, they will stimulate increases in direct jobs, and also supplier jobs and induced jobs. The increases in employment and income will generate greater income tax and property tax revenues to state and local governments. Section VIII. below provides estimates of how these benefits might be valued. Enhanced services, such as faster internet may accrue to surrounding communities as infrastructure is built to serve the actual right of way user. Economies of scale from having more and larger users could result in lower costs to surrounding communities. Another type of indirect benefit could be the consequence of less adverse environmental impact from the construction of new infrastructure because the railroad right of way already exists and doesn’t require additional disruption of vegetation or wildlife. The value of these latter benefits is subjective in nature and will largely depend on the attitude of the local community for their value.

VII. Potential risks

Risks may exist now or in the future that might diminish the value of the easement granting rights. Ownership of those rights could be lost due to adverse possession or other similar act of law. Use of the right of way for locating cable could become obsolete from a shift to satellite transmission of data. In addition, some potential uses may not be feasible for many years to come. For example, boring technology already exists and has been used for short distances. However, constructing long range high speed railroads or highways with vacuum or magnetic technology may be decades away. As mentioned by several sources, some potential users simply do not have interest is using railroad right of ways. They will place cable or pipelines in locations that don’t involve crossing or running parallel to railroad right of ways, even if greater distances are required in doing so.

VIII. Economic impact and value

The estimates below provide guidance on how much direct users may be willing to pay to use the easements and how much indirect benefactors might be willing to contribute in the way of incentives toward the cost of acquiring usage rights or toward the construction of infrastructure. Since a large portion of the involved right of ways are located in the State of Iowa, the estimates are based on assumptions drawn from the State of Iowa.

Regardless of how the right of way is used, the user will incur costs to construct the infrastructure to be able to use the right of way. As a result, only the difference in infrastructure cost between using a lengthy right of way easement and an easement that crosses many owners' properties is relevant. That difference and the respective savings, if any, will be dependent on the nature of the use and the extent, i.e., distance, over which a right of way is used or sought. For example, the more data a user transmits along a length of corridor, the greater the value to the user and the more they should be willing to pay to use the corridor.

A. Direct value accruing to an easement user

1. The easement user will realize benefits from the existence of the railroad right of way and being able to use the right of way. For that usage, the user should be willing to pay the right of way owner. The Code of Iowa mandates a payment of $750 for a crossing easement. Based on the typical 100-foot width of a railroad right of way, equates to $7.50 per foot. One source indicated they pay between $5 and $10 for each linear foot of easement usage. On a per foot basis, that amount is consistent with the cost for perpendicular crossings mandated by Iowa law. The same source indicated paying from $1,000 to $10,000 for privately owned easement crossing rights. A different source indicated paying as much as $30,000 for a crossing right. Using an average of $7.50 per foot yields an estimated direct payment for 30 miles of usage to be $1,1880,000.

2. A factor in determining the value of an easement is the method by which the user is able to place cable or a pipeline in the easement. There is a difference in cost from being able to place cable or a pipeline in open trenches versus having to bore. One source indicated an approximate difference in the cost per linear foot of the two methods at about $5 per foot. The trenching method is less expensive. The savings could be greater, totaling $8 to $13 per foot if boring through rock is required. A longitudinal corridor that doesn't cross tracks would allow trenching parallel with or along the right of way and could result in considerable construction cost savings. It is deemed the $5 per foot is an estimate of value that would be reasonable for a user to pay for access to the right of way. For a 30-mile long corridor the value would be $792,000.

3. Another direct benefit to the user is that the right of way represents an already existing assemblage of rights that are usable as a corridor. As a result, access to the right of way generates a cost savings to the user by reducing the costs of having to negotiate and

purchase those rights from multiple owners, including less time required to assemble and purchase usage rights. Conceptually then, a minimum value for the user of the right of way is the incremental cost of assembling and acquiring usage rights when a pre-existing easement is not available.

As an example, assume a 30-mile length of easement usage is desired. Assume this 30-mile section runs through agricultural land and there are two different parcels on a given side of the right of way along each linear mile. If passing through an urbanized area, there likely would be considerably more owners with whom negotiations will be necessary. The estimate here using a rural area is more conservative, i.e., results in a smaller estimate of value than if through an urban area. If the parcels are generally square in shape implies each parcel is about 2,640 feet along the right of way and its area is 160 acres. Assume each owner owns two parcels so over the 30-mile length there are 30 different owners with whom the right of way user will need to negotiate and acquire usage rights. Assume each transaction accrues fees, primarily legal in the amount $2,500. That equates to total fees of $75,000 for the 30-mile length of usage. Negotiations would still take place between a user and a single owner, such as a railroad, incurring some expense, probably more than the amount for each smaller single parcel owner, but also much less than the sum for 30 different owners. Assume $7,500 in fees to negotiate with a single railroad, or 10% of the cost from above. The incremental savings then would be $67,500 by being able to negotiate with a single owner versus a multiple of owners. On a per foot basis, the value indicated is approximately $.43.

4. One source indicated an operator of a solar farm has contracted to pay a landowner $900 per acre per year for a 30-year term to construct a solar farm in Iowa. Assuming solar panels are constructed on one side of a track and use the approximately 41 feet of space, each mile of track will provide about five acres of usable area in which to install solar panels. The five acres would generate $4,500 per year in revenue which equates to $.85 per foot along the right of way.

5. Four different ways of estimating the value of the right of way from the user have been generated. The first is a direct payment from the user based on the rate mandated for crossing rights in the Code of Iowa. That amount is $7.50 per foot. The second represents a potential cost saving resulting from a lower cost method of constructing infrastructure, i.e., laying cable or pipe in a

trench versus having to bore. The value from the less expensive construction method is estimated to be from $5 per foot to as high as $13 per foot. The third type of value to the user is from cost savings from being able to negotiate with a single owner versus multiple owners along a lengthy corridor. That amount is estimated to be $.43 per foot. The fourth is the amount a solar panel operator might pay to install solar panels along the right of way and is estimated to be $.85 per foot.

B. Value to the easement owner from indirect payments

Taxing authorities sometimes provide incentive payments in the form of tax credits or abatements to developers or investors in new projects within their jurisdictions. The payments may be driven by increased income, sales, or property tax revenues. They are generally paid out over time. It may be possible for the stream of payments to be converted to a lump sum at a discount. As applicable here, an entity may wish to locate a new business operation along the right of way in order to capture incentive payments.

1. An impact of increased economic activity will be an increase in income tax revenue to those jurisdictions in which an easement user locates. The applicable taxing jurisdiction may be willing to incentivize an easement user to locate in the jurisdiction by making payments in the form of tax credits or abatements. Those incentives could in turn be passed on to the right of way owner.

   When analyzing economic impacts from the perspective of income or consumption, two similar formulas exist. The first is an income multiplier that takes into account business leakage to the outside the area of concern. The second, also a multiplier, is based more simply on an estimated marginal propensity to consume. Both yield estimates of how total income changes as a consequence of a given initial change in income.

   The estimate of the income multiplier with business leakage follows this formula:

   $$\text{Income Multiplier} = 1/(1-x*y*z) \qquad \text{Eqn. 1} \qquad [3]$$

   where,
   x = new income a consumer will spend rather than save, e.g., 90%
   y = how much of the new income spent stays in the state of residence; (1-y)=leakage, e.g., 90%
   z = how much of what businesses spend from the new income is used to obtain goods from in-state, e.g., 40%.

Assume Iowans spend about 90% of new income, x = .9. The total average tax burden in Iowa has been shown to be approximately 11%.[4] Assume 90% of new income remains in the state, y = .9.[5] Also assume businesses spend 40% of new income to obtain goods from in the state Iowa, z = .4. The resulting income multiplier is approximately 1.48. This means that for every $1 increase in income there is a consequential increase of an additional $.48.

The estimate of the income multiplier containing marginal propensity to consume has this formula:

Spending multiplier = 1/(1-MPC) Eqn. 2 [6]

where,

MPC is the Marginal Propensity to Consume, which is the percentage of new income spent times the percentage of income remaining after tax. So, MPC = .9*.89 = .801, and the spending multiplier = 1/(1-.801) = 5.02. The spending multiplier of 5.02 means for every $1 in new income there is an increase in total spending of $5.02. The $1 increase in income brings an additional increase in spending of $4.02.

Once an increase in income or spending is determined, the resulting increase in income tax revenue can be estimated. However, the spread between the estimates of the two multipliers is quite large if Equation 1 is considered the lower bound and Equation 2 an estimate of the upper bound of the total change in income.

A different approach is to start with a change in employment from a new business operation in an area. The employer generating the new jobs should be able to predict their hiring needs and the multiplier effect of new jobs has been studied and is more readily observable.[7]

The first step with the method based on employment is to estimate the new jobs that are expected from the subject's business operation. The next step is to consider the multiplier effect of the initial change in jobs on the number of additional jobs that occur as a consequence. This provides an estimate of the total change in employment. With an estimate of total new jobs and using an average income for those jobs the total amount of new income can be calculated. Then an average tax rate can be applied to estimate incremental tax revenue which is the basis for determining the amount of incentives that might be available.

The magnitude of employment multipliers has been estimated by the Bureau of Labor Statistics.[8] Based on conversations with people in the technology industry, the bulk of employment increase is from and during construction of a facility. Depending on the specific use, such as a data center, according to one source, the number of employees required on a permanent basis for maintenance may be as few as one full-time-equivalent employee. Certainly some uses require larger numbers of permanent employees, such as for a customer contact center, but according to the same source those types of facilities wouldn't necessarily need to be located along a fiber optic trunk line, that is, in proximity to the right of way. As an example, say there is a 100-person increase in construction jobs to build a facility in proximity to the right of way. These new jobs lead to 226 total new indirect jobs from new supplier jobs and new induced jobs. The increase in new indirect jobs is based solely on the increased construction jobs and not on any other employment increase. The mean annual wage of construction jobs in Iowa was $51,780 as measured in May 2021.[9] The mean annual wage for all occupations in Iowa for 2021 was $51,140. The 100 new construction jobs and 226 new indirect jobs generate annual income respectively of $5,178,000 and $12,881,774 for total new income of $18,059,774 per year. That new income would generate about $2,022,695 in new state and local income taxes per year. A tax credit or other incentive might be offered by some combination of state and local governments up to this amount to induce a user to locate in a particular site along a right of way. A five-year 100% credit for new income taxes has a present value at a discount rate of 8% of $8,076,035. Passing along the credits from the building developer to the right of way owner would typically involve a factor applied that reduces the amount realized as the end result. Typical factors are in the range of 70% to 90%. Using an 80% factor yields an estimated incentive payment of $6,460,828.

It should be noted, the latter method based on employment change and the resulting effect on income indicates an income multiplier of 3.49. The average of the earlier multipliers, Equations 1 and 2 indicates a multiplier of 3.25.

Laborshed studies show the average commuting distance in Iowa is 12 miles one-way. They also show about 60% of workers reside in the city or town of their employment.[10] County seats and larger cities tend to have higher percentages of their workers also as residents. As a consequence it is realistic to assume the vast majority of workers and their incomes occur with an area about 30 miles across.[11] The estimated incentive payment above, $6,460,828, based on new employment and on a per foot basis is $40.79. This per foot amount appears large relative to the other estimates above. However, jurisdictions outside the immediate vicinity of the right of way and the new business operation are unlikely to provide any incentive, so the value is concentrated along a shorter length of right of way.

2. Incentives based on property tax revenues generated by new or greatly improved real estate are quite common. Greatly improved typically means capital expenses exceed 50% of the property value. The incentives are usually paid over a number of years as a property tax credit or abatement. The length of the payment stream might be as short as five years or as long as 20 and in less common instances, even longer.

   It would be difficult to predict what size of facility might be developed as a consequence of the existence of the right of way. The size and value of facilities can vary substantially. Recent buildings constructed in the Des Moines metro have been in the hundreds of thousands of square feet to over one million square feet. A 20,000 square foot call center might have a value of approximately $400,000. Apple's proposed facility in Waukee will be located on a site of approximately 2,000 acres. The building permit for Apple's first data center was recently issued with a value of $6.7 million.[12] The size of the building is 315,773 square feet, yielding a value per square foot of $21.22. As a data center, the structure itself will have little high end finish and employ very few full time workers. However, the first phase will include a 63,349 square foot administration building, a 10,511 square foot maintenance building, four network distribution buildings and a guard building. When completed the Apple project is estimated to have a value of $1.3 billion and Apple expect the project to be completed in 2027.[13] At $20,000 per acre as development ground, the raw land alone would be worth $400 million. Amazon's facilities in Bondurant combine for a value in excess of $1 billion. Meta's operations in the area will exceed five million square feet when completed at a cost of about $2.5 billion. Meta's latest projects will result in about 600 additional construction workers on top of the 400 currently working on Meta buildings. All told there will be about 1000 workers involved in the construction that is expected to be completed in 2025 after more than 12 years of work.

   Assume a facility will be built that will employee 100 workers in an office setting plus some storage, warehouse, or industrial space. If an average of 243 square feet of space exists for each employee, means the 100 employees would require a building size of approximately 24,300 square feet.[14] Estimating construction costs for 20,000 square feet of office space at $197 per square foot and 10,000 square feet of warehouse space at $145 per square foot generates respective amounts of $3,940,000 and $1,450,000 that total $5,390,000.[15] Using an approximate property tax rate of 3.5%, which is consistent with many localities in Iowa, yields an annual tax revenue of about $188,650. Tax abatements are routinely available to real estate developers or to the company locating a new business operation in a given jurisdiction. The present value of a 100% ten-year tax abatement using a discount rate of 8% would be $1,265,857. Using the approximate area of a county as the relevant area over which taxes are generated, and a 30-mile length of right of way usage, yields a value per foot of $7.99. Similar to the preceding estimate based on income and sales tax revenue, incentive payments from outside the immediate jurisdiction are unlikely.

IX. Summary of value estimates

Estimates of the value of direct and indirect benefits generated by the usage of a railroad right of way have been calculated. One direct benefit value is estimated to be $7.50 per foot based on the rate mandated in the Code of Iowa for crossing rights. Another direct benefit is estimated as a cost savings derived from being able to place cable or pipe in a trench rather than having to bore. This estimate ranges from $5 per foot to $13 per foot. A third direct benefit is also driven by cost savings, in this instance, by being able to negotiate with a single owner versus multiple owners. It amounts to approximately $.43 per foot. The fourth estimate was for the installation of solar panels and is approximately $.85 per foot. A given user might be willing to pay the same per foot rate for any length of usage desired, perhaps due to the difficulty of assembling a lengthy corridor. On the other hand, a user may be only willing to pay a diminishing per foot rate as the length of the corridor desired increases.

Estimates of value were also generated based on indirect benefits arising from incentive type payments from taxing authorities that realize increases in tax revenues from new economic development along the right of way corridor. Estimates of possible incentives from income and sales taxes are $40.79 per foot and from property taxes $7.99 per foot.

The negotiation of payments and incentives, and the resulting value to the owner, would have to be undertaken on a case by case basis. The final amount would be dependent on the location and length of usage. Nevertheless, the estimates provide a range of possible values. From what has been labeled direct benefits, there is a lower bound of $.43 per foot from the negotiations cost savings, and perhaps a more practical lower limit of $5 per foot driven by the lower cost of trenching versus boring. There is a potential upper limit of about $13 per foot of right of way used from the direct benefits.

For the indirect benefits, due to the more localized nature of the value source, referenced as an area about the size of a county, it makes more sense to express the savings as a lump sum dollar amount. The indirect benefits are a result of potential incentive payments from the applicable taxing authority. A range of potential indirect benefits, from incentives is $1,265,857 from property tax revenues for a 30,000 square foot building to $6,460,828 from income and sales tax revenues from increased construction employment of 100 workers during the time period of construction of a new facility. The size of indirect benefits could be much larger if a facility the size of Apple's or Meta's developed.

X. Discussion

The value of owning easement granting rights may be driven by several different factors. Each factor generates a different estimate of value and those values may vary substantially in their magnitude. Further, the variability of the estimates is quite different. For example, the amount based on the Code of Iowa, though not directly applicable to parallel usage, has much less variability than does an estimate based on tax incentive payments.

Some factors may act to enhance value. Others may diminish the value ultimately realized by the owner. Some potential users when asked about using easements were quite explicit in stating they try to avoid having to use in parallel or crossing railroad right of ways. One even said they will avoid a railroad right of way even if it means locating their cable out of or away from the most direct route. That is, this user will place cable over a greater distance to not have to cross or use a railroad right of way. Some companies have or are building their own fiber optic networks that won't require using railroad right of ways because the firms, in particular electric utilities have their other existing easements to use that don't involve railroad right of ways. At the same time, according to one source, a large portion of railroad right of ways already provide easements to utilities and pipeline companies, so existing entities may not need additional easements, making new ventures more likely to be interested in acquiring usage rights. Other factors potentially diminishing value are the use of right of ways for oil or gas pipelines may lessen as the economy shifts away from fossil fuels, some potential uses may not be feasible for years or decades to come, and competing technologies may be developed that render cable transmission of information obsolete. The immobile aspect of the right of ways may diminish value because they are not located optimally for a particular use, that is, they don't connect locations or exist along routes suitable for movement of products, information, or people. For example, carbon sequestration pipelines need to be located such that they connect the source of the carbon, e.g., an ethanol plant, with areas where the soil structure is conducive to the carbon's sequestration. One of those areas is in the Dakotas, another in southern Illinois, neither of which are well served by the right of ways that are the subject of this report.

There is a need for access to the right of way to maintain equipment or technology. For example, access holes must exist for workers to maintain splices in cables. Fiber optic cable has a maximum length between splices of five miles meaning there needs to be an access hole every five miles. In addition, booster equipment is needed every 40 to 80 kilometers of fiber cable to maintain signal strength. Pipelines require porpoising at intervals for maintenance and to locate booster equipment. Pump stations require substantial area in addition to the actual area of the easement and are an additional expense which could diminish the amount a user is willing to pay for an easement. Pump stations may need to be as large as ten acres in size to accommodate equipment storage and vehicles. Further, to the extent the porpoising and maintenance needs interfere with railroad operations would cause right of way easements to be less attractive and could even prohibit usage of a railroad right of way. For actively used railroad tracks, maintenance of cables or pipelines must be accomplished without interrupting train service.

There are factors that could enhance the value of easement rights. It is possible there could be multiple simultaneous uses of a right of way. A commercially available product may have as many as nine separate ducts inside a single conduit, each duct having the ability to contain multiple fiber optic cables, or other communication or electrical lines. The mult-path duct should be the first conduit placed in the right of way and should be placed with drag lines so new cables or transmission lines can be pulled through the duct without having to dig another trench or bore alongside an existing cable, line or pipe. Subsequent trenching or boring was described as a very undesirable aspect of simultaneous uses of a right of way.

A number of different estimates of value for the right to use a railroad right of way were generated. The context of some of the estimates made sense to express them as a per foot amount, others as a lump sum. The distinction was due to the driver of the particular estimate. If the driver is incentive payments, the value is stated as a lump sum because the benefit is localized to a given tax jurisdiction. If the value is driven by the usage and user, the value can be stated as a per foot rate, which can then be converted to a lump sum depending on the length of right of way desired. Either way, the value estimates varied considerably. Essentially, the estimates ranged from zero, because some potential users would pay nothing to use a railroad right of way and even actually incur additional costs to avoid doing so, while others might be willing to pay millions for a lengthy corridor. The range of the estimates as calculated are listed below.

1. Based on the cost savings of reduced negotiations - $.43 per foot.
2. Based on the Code of Iowa - $7.50 per foot.
3. Based on the cost savings if able to trench - $5.00 per foot.
4. Based on usage as a solar farm - $.85 per foot.
5. Based on incentive payments from income and sales tax revenues - $6,460,828.
6. Based on incentive payments from property tax revenues - $1,265,857.

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Brian DePrez, Synder and Associates, Ankeny, Iowa, January 3, 2022

John Eisenman, Abstract and Title Guaranty Co., Clinton, Iowa, January 13, 14, and 15, 2022

Randy Luze, Peoples Co., Dysart, Iowa, January 20, 2022

Jon Probst, Summit Carbon Solutions, Ames, Iowa, January 21, 2022

Chris Naber, Renewable Energy Group, Ames, Iowa, February 8, 2022

Steven Claude, University of Northern Iowa, Cedar Falls, Iowa, February 17, 2022

Dr. Sondra Ashmore, Berkley Public Entity, Des Moines, Iowa, February 24, 2022

Dr. Eugene Wallingford, University of Northern Iowa, Cedar Falls, Iowa, March 8, 2022

Jeremy Sorensen, Mid-American Energy, Waterloo, Iowa, March 21, 2022

Mark Vaughn, Iowa Northern Railway Co., Waterloo, Iowa, March 22 and 23, 2022

Brian Waller, Technology Association of Iowa, Des Moines, Iowa, March 24, 2022

Dave Duncan, Iowa Communication Alliance, Des Moines, Iowa, March 24 and April 12, 2022

Ryan Mulhall, Iowa Communication Network, Des Moines, Iowa, March 24 and 29, April 6, 2022

Todd VanEpps, Aureon, Des Moines, Iowa, May 9, 2022

Market Study - Norwalk, Iowa
September 30, 2022

1. Client

   Hubbell Homes

2. Service Summary

   This is a market study of the 55+ residential real estate market in Norwalk, Iowa and the surrounding metro area including the counties of Polk, Warren and Dallas. The proposed subject development is located in Norwalk and is generally to the south of Echo Valley Country Club. It is planned to contain 106 residential units, composed of 52 detached homes and 54 twin-homes.

3. Executive Summary

   Extensive research was conducted on the Des Moines, Iowa metropolitan area. More specifically it included the counties of Dallas, Polk and Warren. Information was gathered using a variety of sources, including U.S. government agencies, state and local government agencies, corporate and media sources, professional real estate associations, and personal interviews.

   The research shows population in the Des Moines metro to be growing. The older population is increasing at a faster rate than the overall population. The number of independent 55+ housing communities in the metro area is limited. Conservative estimates of supply and demand indicate an unfilled gap in supply that will likely not be satisfied for several years. The subject development is well situated and should be attractive to 55 to 74 age buyers, considered to be its prime audience.

4. Focus of the study:

   A. Overview

   In general, the project will evaluate the extent of competition within the relevant market. It will include estimates of how much competing property is currently available and how much will be coming available in the foreseeable future. To provide some context for decision making, the demographics of the relevant market area will be evaluated to better understand the financial prospects for success of the development of new 55+ housing in Norwalk, Iowa.

   B. Physical characteristics

   The property type to be studied will include single family detached and townhome residences of up to four units per structure. Existing property as well as those within the development pipeline will be considered. It is assumed competing properties will be part of residential developments also targeted at 55+ buyers. The residence owners will be members of the respective homeowners associations that provide some level of service and amenities to the association members. The services to be considered are lawn care and snow removal, and amenities such as a swimming pool, a clubhouse and a pickleball court. Other characteristics of interest are ranch style structures, with basements and extra large two-car garages. Competing properties will be composed of some or all these characteristics. Differences between the subject development and competing properties will be described and discussed as part of the respective supply, demand and gap analyses.

C. Economic, Legal and Social characteristics

The target market for the subject development is 55+ buyers. As such, this study will include owner occupied residences and not include renter occupied residences. The single family not age restricted market is given little consideration. These homes may appeal to a 55+ buyer, but the purpose of the subject development and the analysis that follows focuses on buyers who may have a determined interest in a 55+ development. The proposed subject homes are intended for active adults who are able to live independently and need minimal if any assistance with activities of daily life. Residences and properties designed for assisted living and long term care are not included in this market study. Also not included are buyers under 55 years of age. The values of properties primarily of interest will be from the approximate median price for single family residences in Norwalk and the Des Moines area and above, as currently applicable. The applicable units in lifeplan senior living communities and continuing care retirement communities, of which there are several, were considered but had very little influence on the results of the study. The nature of the units in such communities are substantially different from those proposed in the subject development. Furthermore, it was discovered the number of such units in the relevant market area is so small as to be deemed immaterial.

D. Market area

The focus of this study is to evaluate the prospects of success for 55+ residential development in Norwalk, Iowa. However, likely buyers for the proposed subject development may currently reside in and consider relocating in a larger area than only Norwalk. The experience of senior housing generally shows the large majority of residents moved within a 20 mile or so radius of the respective senior development. Therefore, attention will be given to surrounding areas that might be described as the Des Moines metro. More specifically, the relevant market to be studied is defined as Polk, Dallas and Warren counties.

E. Commentary on Census Bureau Data

Much information regarding population and housing is available from the U.S. Census Bureau and is used extensively. One survey used is the American Community Survey and is referred to as ACS. Within the ACS are two ways of establishing estimates. They are referred to as 1-year estimates and 5-estimates. Both can and are reported on a yearly basis but differ in that the 1-year uses the current year's data only while the 5-year uses a rolling five years of information to generate what is referred to as the vintage for that particular year. Identical types of information nor vintages of information are available for all geographic areas relevant to this study. For example, the latest 5-year estimates are for the year 2020 and are available for Dallas, Polk and Warren Counties, and the city of Norwalk. The latest 1-year estimates are for the year 2021 but only are available for Polk and Warren Counties. When it can be avoided, comparisons are not made between the 5-year estimates and the 1-year estimates.

5. Supply Analysis -

A. Existing supply

Existing supply is defined as those homes currently occupied or available for occupancy. A number of characteristics were evaluated. Those characteristics, as information is available, included, the total number of housing units; the style of those units, i.e., single family, townhome, 4-plex, condominiums, and cooperatives; whether they are part of a 55+ development, continuing care facility or not; the approximate vacancy rate of the existing housing stock; the average age; typical condition; average size, measured by square footage and/or number of rooms; and typical amenities.

Existing Housing Stock

Estimates for 2021 and 2017 from the American Community Survey are available for Dallas and Polk counties and show increases in both counties. Further, Dallas County is growing at over twice the rate of Polk County. Despite the increase in total housing available, the occupancy rates for both owner-occupied and renter-occupied housing have decreased, especially for owner-occupied. This bodes well for the subject development.

A search of the Des Moines Area Association of Realtors Multiple Listing Service showed about 62 properties on the market that were listed as single-story townhomes. Most were detached or twin-homes, with a few being in larger structures. Most were priced from the mid-$200k's to the mid-$300k's. There were two homes listed over $400k and one at $640,000. The MLS showed only about one dozen condominiums on the market not including those in multi-story buildings. Prices were in the $300k to $350k range for those anticipated to be most similar to the subject development, i.e., single-story new or newer construction. There were three units in the low $400k's. There are several recent or new townhome developments in the metro area. They are not being marketed for the 55+ buyer however. Most are two or three story homes in structures encompassing more than four units each.

Epcon Communities

A large provider of 55+ housing is Epcon Communities. They have several developments completed or underway in the Des Moines metro.

The Courtyards at Kings Landing in West Des Moines. This community is sold out and fully developed. The community has 79 detached homes. The amenities include a clubhouse, swimming pool, fitness center and pickleball court. The community offered six different floor plans, all with two bedrooms and two full bathrooms on the main floor, with the option of an additional bedroom and bathroom on the second floor. The second floor is unfinished in basic pricing. Square footages ranged from about 1,519 to 2,114 square feet. Base prices started at $410,000 and went up to $460,000.

Domani Courtyards, in Ames. The Epcon website has information regarding a development in Ames, called Domani Courtyards. Ames is not directly within the relevant market area, but this development was discovered while searching for other Epcon projects. Epcon projects tend to be very similar in design and price, so the Ames project was deemed worthy of inclusion. There appears to be 22 units available or in the pipeline for construction in phase two of the community. Prices in Ames for base units range from about $415,000 to $486,000. Square footages frand from 1,418 to 2,114 square feet. The amenities appear to be similar to those of the community in West Des Moines. All homes are single story with an unfinished second story in the base pricing. All have 2 bedrooms and 2 bathrooms on the main floor.

Courtyards at Harvest Ridge, NE 62nd, Ankeny is an Epcon Community currently in development. It is located on the east side of Ankeny Boulevard at NE 62nd St. The website indicates there will be 48 homes in the first phase of the neighborhood. The designs and features of the homes intended for 55+ owners and the community amenity are similar to those of other Epcon communities. There are currently four homes for sale in a price range of $504,900 to $614,900. The website indicates 28 lots are available for sale on which to build. Realtor.com listed several homes that appeared to be this neighborhood, and may be resales. The price per foot for base units appears to be about $265. There are a number of lots for sale in the neighborhood with prices from $80,000 to $129,000.

Courtyards at Park Ridge, off Douglas Avenue, in Waukee is a new community located north of the Waukee Northwest High School. There are two phases of this new development of 96 lots. Only two lots are sold. Based on other Epcon communities, it is expected the units will be priced in the mid-$400's and up, and the floor plans will be similar to those in other Epson projects.

Courtyards at Rock Creek is an Epcon Community on NW 36th St in Ankeny. It was developed by Epcon and is fully developed. The development has about 72 homes. They are available on a resale basis in an approximate price range of the mid-$300k’s to mid-$500k’s.

Courtyards at Shadow Creek, north of Douglas Parkway at NW 174th in Clive is an Epcon Community of about 90 units. It is fully developed and available on a resale basis in an approximate price range of the mid-$300k’s to mid-$400k’s.

Bella Vista, Huxley. Bella Vista is a 24 unit community developed by Bella Homes with eight units detached and the remainder as twin-homes. The community is fully sold out. An approximate value range is high-$200k’s to migh-$300k’s.

Vineyard, Prairie Trail, Ankeny. The Vineyard is a 55+ plus community in the Prairie Trail District of Ankeny. The development by Bella Homes has 42 lots of which eight are available. Square footages range from 1,636 to 1,869 or more. The base units have 2 bedrooms and 2 bathrooms on the main floor. Pricing for base units is from $340,000 to $490,000. The community itself has no amenities. The representative said there are no homeowners association fees, but the association does cover the cost of snow removal and lawn care.

Vintage Cooperative, SW Magazine, Ankeny. The Vintage is a three-level building built in 2017. There are a total of 45 units on the property, of which 2 are or will be currently available. Prices in general range from $220,000 to $260,000. Units range in size form 1,106 to 1,423 square feet. All units have 2 bedrooms and 2 bathrooms. Some larger units have a den that could serve as a third bedroom. An underground garage exists for residents to use.

Aventura, Bishop Drive, West Des Moines. Aventura is a three-level building with 62 total units of which 21 are currently available. Prices range from $309,900 to $433,000. Sizes are from 1,264 to 1,834 square feet. Units have two or three bedrooms and two bathrooms. Amenities include entertainment and conference spaces, fitness center, hobby areas, golf simulator, and heated underground garage.

Villas at Stonewater, Ankeny. There are about 68 total units in this community of which about 10 are configured as twin-homes. It appears to have been developed in the early 2010's and is fully developed. Prices for resale appear to be in the high $330k’s to mid $400k’s.

Holiday Illahee Hills, Colby Parkway, Urbandale. Illahee Hills is an independent community of smaller mostly apartment style units. Sizes range from studios of 310 square feet and rent for $1,709 per month to cottages with one bedroom and one bathroom for $2,969 per month or a two bedroom two bathroom cottage style for which the rent amount is $3,379 per month. These residences are not likely competitors for the subject development due to their size, and level of services that come with each unit. For example, three meals per day are provided for all residents. All except the largest two bedroom cottages have kitchenettes and not full kitchens.

West Park, a Brenton Community, Bishop Drive, West Des Moines. West Park is a 55+ community composed of manufactured housing. There are new and resale homes available. Prices range from $170,000 to $225,000. They are not deemed to be competing with the subject development because of the nature of the style and construction and much lower price range.

Continuing care communities. There are several continuing care retirement communities in the Des Moines area. Among them, Edgewater, a WesleyLife community and Deerfield, an Immanuel Community have a small number of villa style units. Edgewater has ten such twin-home units. Deerfield only 14 twin-home style units. Wesley Acres, another WesleyLife community which is on Grand Avenue in Des Moines doesn't have any low density units. Because their numbers are so small and that they are a part of continuing care communities they are not considered material to the subject development.

The total of the competing units able to be identified sums to 648. Adding the current listings in the Des Moines area from Realtor.com brings the total to 722. There are probably other isolated townhome style properties in the area that are not captured in this number, but they are not likely to compete with the homes of recent construction that are part of an age restricted community.

DMAAR listings townhomes	62
DMAAR listings condos	12

Kings Landing		79
Domani		22
Harvest ridge		48
Park ridge		96
Rock Creek		72
Shadow creek		90
Bella Vista		24
Vineyard		42
Vintage		45
Aventura		62
Stonewater		68
	Total	722

Other Considerations

The communities identified provided snow removal and lawn care. Parking was provided in underground garages in those with multi-level buildings. The communities with detached or townhomes had garages attached to each home. Most of the communities had clubhouse type facilities with community rooms, fitness centers and either a swimming pool or pickleball court. The new communities were the ones with pickleball. The staff of the communities were unwilling to share information regarding monthly fees, although some said they did not charge HOA fees. All the communities appeared to have been developed in the last 12 to 15 years, several of much more recent vintage, some still in the process of being built out. Most notably the newest communities were Epcon communities built by Clarity Construction. The homes in all the Epcon developments have very similar floor plans and amenities. Pricing is similar also except the more recent homes have had cost increases. The Epcon communities provide no services on a community wide basis. They are truly independent living, although designed for the 55+ plus market with zero or minimal steps throughout the entire home. The base home are slab on grade and one story. Some plans have second floor space which can be finished with an extra charge. Typically the second floors when finished contain a third bedroom and third bathroom. The condition of the Epcon communities is very good. Granted those communities are quite new and their long term character may not be realized for a number of years. Consistent with the entire housing market in the Des Moines area, the vacancy rate of the competing communities is very low. New construction, up until the present time at least, has been absorbed quickly. The pace of home sales over the next few months is somewhat uncertain. However, the buyers of 55+ housing are less sensitive to mortgage interest rates because they are likely going to be paying cash or at least will have very low loan to value ratio loans. The uncertainty of the economy overall, inflation, and the health of the retirement savings of the 55+ buyer is likely of greater concern. Nevertheless, with the growing number of persons and households approaching and entering retirement for the next couple of decades it is expected high quality inventory will be absorbed.

Housing Occupancy

The occupancy rates for the Des Moines metro area are evidence of a strong market. Bearing in mind the different bases for making the 5-year versus the 1-year estimates in the ACS, it appears vacancy rates may have decreased recently. This is consistent with the perceived and perhaps very real shortage of supply in the housing market the last couple of years. High occupancy rates are indicative of tight supply which is positive for the subject development.

ACS 1-yr estimates

	Dallas			Polk		
HOUSING OCCUPANCY	2021	2017	% Change	2021	2017	% Change
Total housing units	42,844	36,847	16.3%	214,972	200,638	7.1%
Occupied housing units	97.3%	92.8%		94.6%	93.1%	
Vacant housing units	2.7%	7.2%		5.4%	6.9%	
Owned vacancy rate	0.0%	2.3%		7.0%	1.6%	
Rented vacancy rate	3.1%	10.0%		6.2%	6.4%	

Homeownership

The homeownership rate is a relevant and important consideration for the subject development. Buyers of senior housing tend to be homeowners who use their current home’s equity as a means of purchasing their 55+ home. The Des Moines area has some disparity in regard to rates of homeownership, ranging from 67% in Polk County to slightly over 80% in Warren County with Dallas County in the middle at 72.2%. They do compare favorably, though, to the state of Iowa and the U.S. which have homeownership rates of 71.2% and 64.4% respectively from the ACS 5-year estimates for 2020.

ACS 5-yr estimates

	Dallas		Polk		Warren		Norwalk	
2020	Estimate	Percent	Estimate	Percent	Estimate	Percent	Estimate	Percent

Owner-occupied	25,550	72.2%	128,152	67.1%	15,526	80.4%	3,671	80.4%

ACS 1-yr estimates

2021	Dallas Estimate	Percent	Polk Estimate	Percent
Owner-occupied	28,102	67.4%	136,993	67.4%

Homes with Mortgages

Related to how current homeownership is an important consideration with regard to persons' ability to purchase a different home, the existence of a mortgage on the current residence also affects ability to purchase. The more homes there are without a mortgage the better the prospects for the new development. The percentage of homeowners with mortgages is higher than for the state of Iowa and the U.S. Anecdotally, it appears the areas with the highest population growth, and newest homes, have the highest rate of homes with mortgages. Those are Dallas County at 75.5% and the city of Norwalk at 84.3%. The rates of owner-occupied homes with mortgages are 60.4% and 62.1% for the state of Iowa and the U.S. respectively. These are based on ACS 5-year estimates for 2020.

ACS 5-yr estimates

2020	Dallas		Polk		Warren		Norwalk	
	Estimate	Percent	Estimate	Percent	Estimate	Percent	Estimate	Percent
Owner-occupied units	21,134		119,646		13,873		2,578	
Housing units with a mortgage		75.5%		72.7%		69.9%		84.3%

Housing Characteristics

The nature of the housing available in the relevant market provides insight as to what features and amenities exist and may be desired in the market and how extensive may be the competition of existing housing for the subject development.

ACS 5-yr estimates

2020	Dallas		Polk		Warren		Norwalk	
Label	Estimate	Percent	Estimate	Percent	Estimate	Percent	Estimate	Percent

HOUSING OCCUPANCY								
Total housing units	37,769		204,110		20,340		4,715	
Occupied housing units	35,383	93.7%	191,125	93.6%	19,320	95.0%	4,564	96.8%
Vacant housing units	2,386	6.3%	12,985	6.4%	1,020	5.0%	151	3.2%

ACS 1-yr estimates	Dallas		Polk	
2021	Estimate	Percent	Estimate	Percent
Occupied housing units	41,681	97.3%	203,390	94.6%
Vacant housing units	1,163	2.7%	11,582	5.4%

Median Age of Housing

The table following shows the median year of construction of the housing in the respective areas. With its high rate of growth it is no surprise the age of homes in Dallas County is much less than elsewhere. Norwalk housing is of more recent construction compared to Warren County, in particular for renter occupied homes. 2020 is the latest year for which information is available.

Amer Community Survey 5yr estimate

2020	Dallas	Polk	Warren	Norwalk
Median year structure built --				
Owner occupied	2001	1977	1980	1991
Renter occupied	1999	1976	1978	1997

Units in Structure

The following tables show the distribution of housing according to the number of units in their respective structures. The information shows and is consistent with the common attitude that lower density housing is preferred to higher density housing. The total number of two to four unit structures in the three county area is 8,894, out of 262,219, or only 3.4%. The 1-year estimates from 2017 and 2021 show increases in the proportion of multi-family structures in all categories, but the increases are small. The increases in the twin-home category were less than 1% which indicates there may be very little competition in the Des Moines metro area in the twin-home category.

ACS 5-yr estimates

2020	Dallas County		Polk County		Warren County		Norwalk city	
UNITS IN STRUCTURE	Estimate	Percent	Estimate	Percent	Estimate	Percent	Estimate	Percent
Total housing units	37,769		204,110		20,340		4,715	
1-unit	28,339	75.1%	146,184	71.6%	16,620	81.7%	3,917	83.0%
2 units	322	0.9%	3,185	1.6%	266	1.3%	16	0.3%
3 or 4 units	899	2.4%	3,799	1.9%	423	2.1%	110	2.3%
5 or more units	7,118	18.8%	46,432	22.8%	2,267	11.2%	652	13.9%
Mobile home, other	1,091	2.9%	4,500	2.2%	764	3.8%	20	0.4%

ACS 1-yr estimates

	Dallas			Polk		
UNITS IN STRUCTURE	2021	2017	% Change	2021	2017	% Change
Total housing units	42,844	36,847	16.3%	214,972	200,638	7.1%
1-unit	72.6%	75.0%		70.4%	73.3%	
2 units	0.7%	0.0%		2.5%	1.8%	
3 or 4 units	3.2%	2.4%		2.3%	1.8%	
5 or more	22.0%	19.8%		23.2%	21.0%	
Mobile home, other	1.5%	2.7%		1.7%	2.2%	

Number of Bedrooms

The change in the number of bedrooms varies across the metro area. From 2016 to 2020, the 5-year ACS estimates show Dallas County experiencing a shift out of the midrange, i.e., three or four bedroom homes to either less or more, with increases in the proportion of homes having two or fewer bedrooms or 5 or more bedrooms. In Polk County there were not large shifts among the categories of numbers of bedrooms, but slight shifts from fewer to more bedrooms across the size categories. Warren County had a shift from two and three bedroom homes to four bedroom homes with that shift being quite evident within Norwalk. Norwalk also had an increase in the percentage of homes with five or more bedrooms. The 1-year ACS estimates from 2016 and 2021 for Dallas and Polk Counties indicated substantially similar magnitude and direction of changes in the proportion of bedrooms.

ACS 5-yr estimates	Dallas	Polk	Warren	Norwalk
2020				

Total housing units	37,769	204,110	20,340	4,715
No bedroom	1.2%	2.6%	0.7%	1.0%
1 bedroom	7.8%	10.2%	6.0%	7.3%
2 bedrooms	27.5%	29.6%	21.6%	13.9%
3 bedrooms	31.8%	35.6%	41.0%	39.0%
4 bedrooms	22.4%	17.7%	23.8%	29.7%
5 or more bedrooms	9.3%	4.3%	6.8%	9.1%
2016				
Total housing units	31,678	190,705	19,103	3,813
No bedroom	1.1%	2.1%	0.6%	0.0%
1 bedroom	7.0%	10.5%	6.0%	8.9%
2 bedrooms	25.1%	30.1%	25.3%	22.1%
3 bedrooms	35.2%	36.3%	43.7%	42.6%
4 bedrooms	24.8%	16.9%	18.4%	18.7%
5 or more bedrooms	6.9%	4.1%	6.0%	7.7%

ACS 1-yr estimates	Dallas		Polk	
2021	Estimate	Percent	Estimate	Percent
Total housing units	42,844		214,972	
No bedroom	1,592	3.7%	5,454	2.5%
1 bedroom	3,367	7.9%	22,043	10.3%
2 bedrooms	9,907	23.1%	62,897	29.3%
3 bedrooms	13,952	32.6%	77,162	35.9%
4 bedrooms	10,269	24.0%	35,658	16.6%
5 or more bedrooms	3,757	8.8%	11,758	5.5%
2016				
Total housing units	34,532		196,679	
No bedroom	448	1.3%	4,220	2.1%
1 bedroom	2,479	7.2%	20,164	10.3%
2 bedrooms	8,351	24.2%	58,941	30.0%
3 bedrooms	10,860	31.4%	72,703	37.0%
4 bedrooms	9,176	26.6%	33,098	16.8%
5 or more bedrooms	3,218	9.3%	7,553	3.8%

B. Proposed/In-Development supply

Proposed or in-development housing is defined as those housing units under construction or for which public information is available regarding development of housing that is still being proposed and for which there is a reasonable expectation of completion in the foreseeable future, i.e. approximately four to six years. Characteristics similar to those for existing housing will be evaluated as information is available. Of particular interest here will be the number of units in process, their expected price range, and location relative to the city of Norwalk.

The Des Moines Business Record recently reported on the number of residential building permits issued in 2022 across the Des Moines metro. [Average residential building permit value reaches record $384,781 in August, Staff, Des Moines Business Record, September 26, 2022] For the calendar year 2022, there have been 186 building permits issued for new residences in the city of Norwalk. The average valuation of those permits is $237,667. The calendar average for the metro area is $296,107, which they reported was 12% higher than for the same period of 2021. The average residential building permit value in the Des Moines metro was a record $384,781 in August 2022. There were a total of 256 building permits issued during August in the metro which was down from 377 permit issued during August 2021, a 32.1% decrease. The largest decreases occurred in Bondurant, Urbandale, Waukee and West Des Moines. Together those four communities accounted for 182 permits in August 2021. In August 2022 they had 60. Nationally home building has also slowed slightly. The number of building permits issued nationally decreased by less than 1%.

6. Demand Analysis and Market Area Demographics

The demand for existing and proposed housing was estimated by considering several factors. Those factors included, as information was available, current population estimates and recent changes in population. Related to total population as a measure of market strength are the number of households, household size, and age of household members. Employment was considered as it is a factor affecting population changes and housing affordability. Household income and household wealth are other factors affecting affordability of the subject development. Demand is further affected by the perceived quality of life and the desirability of living in a particular locale. A factor regarding desirability for households of childbearing age is the perceived quality of local schools. However, for purposes here, schools are not deemed to be of particular importance due to the anticipated type of buyer for the subject project, that being those 55+ in age and most likely are empty nesters. The perceived quality of public safety in the community, including police, fire protection and medical services, however are considered relevant.

Population

Generally, the Des Moines urban area, inclusive of Polk, Dallas and Warren counties is growing in population, from 585,403 in 2016 to 626,703 in 2020. This represents a 7.1% increase. There are, however, disparities depending on the specific area. Polk and Warren counties grew 5.7% and 5.6%, respectively from 2016 to 2020. Norwalk, located in Warren county, grew 15.3% over the same period from 9,944 to 11,467. Dallas county grew from 78,074 to 90,418, which is a change of almost 15.8% from 2016 to 2020.

ACS 5-yr estimates

2020	Dallas	Polk	Warren	County Total	Norwalk
Total population	90,418	485,418	50,867	626,703	11,467
45 to 49 years	5,962	30,512	3,251	39,725	603
50 to 54 years	5,365	29,737	3,266	38,368	685
55 to 59 years	4,613	31,495	3,349	39,457	808
60 to 64 years	4,407	25,677	3,170	33,254	708
65 to 69 years	3,688	21,993	2,689	28,370	324
70 to 74 years	2,516	16,096	2,035	20,647	412
75 to 79 years	1,809	10,814	1,216	13,839	202
80 to 84 years	1,186	6,847	982	9,015	234
85 years and over	1,576	7,686	1,126	10,388	275
Median age	35.4	35.7	38.5		36.2

2016	Dallas	Polk	Warren	County Total	Norwalk
Total population	78074	459,159	48,170	585,403	9,944
45 to 49 years	5465	30304	3276	39,045	746
50 to 54 years	4841	30764	3516	39,121	726
55 to 59 years	3982	28009	3324	35,314	567
60 to 64 years	3982	25254	2842	32,078	577
65 to 69 years	3201	18826	2360	24,387	288
70 to 74 years	1874	12397	1686	15,957	229
75 to 79 years	1405	9183	1060	11,648	109
80 to 84 years	1015	6428	1156	8,599	219
85 years and over	1327	6887	915	9,130	179
Median age	35.0	35.0	38.2		36.3

The following table shows the 5-year estimates of the percentage of population within age groups. It shows increases in the proportions for the 65 and over age groups.

ACS 5-yr estimates	Dallas	Warren	Polk	Norwalk	3 County
2020					
Total population	90,418	50,867	485,418	11,467	
45 to 49 years	6.6%	6.4%	6.3%	5.3%	6.3%

50 to 54 years	5.9%	6.4%	6.1%	6.0%	6.1%
55 to 59 years	5.1%	6.6%	6.5%	7.0%	6.3%
60 to 64 years	4.9%	6.2%	5.3%	6.2%	5.3%
65 to 69 years	4.1%	5.3%	4.5%	2.8%	4.5%
70 to 74 years	2.8%	4.0%	3.3%	3.6%	3.3%
75 to 79 years	2.0%	2.4%	2.2%	1.8%	2.2%
80 to 84 years	1.3%	1.9%	1.4%	2.0%	1.4%
85 years and over	1.7%	2.2%	1.6%	2.4%	1.7%
Median age (years)	35.4	38.5	35.7	36.2	
2016					
Total population	78,074	48,170	459,159	9,944	
45 to 49 years	7.0%	6.8%	6.6%	7.5%	6.7%
50 to 54 years	6.2%	7.3%	6.7%	7.3%	6.7%
55 to 59 years	5.1%	6.9%	6.1%	5.7%	6.0%
60 to 64 years	5.1%	5.9%	5.5%	5.8%	5.5%
65 to 69 years	4.1%	4.9%	4.1%	2.9%	4.2%
70 to 74 years	2.4%	3.5%	2.7%	2.3%	2.7%
75 to 79 years	1.8%	2.2%	2.0%	1.1%	2.0%
80 to 84 years	1.3%	2.4%	1.4%	2.2%	1.5%
85 years and over	1.7%	1.9%	1.5%	1.8%	1.6%
Median age (years)	35.0	38.2	35.0	36.3	

Looking at the 1-year ACS 2021 estimates, the total population estimate for Dallas County is 103,796. It is unlikely the county grew by over 13,000 persons in one year, which would be the case if compared to the 5-year estimate from 2020 which is 90,418. As mentioned earlier, this comparison between the different types of estimates would be spurious. There is a 1 year estimate for 2017 which allows a comparison using 1 year estimates over that time period. The estimate for Dallas County is 87,235, and indicates a 19.0% increase over the four years. The growth rate for Polk County for 2017 to 2021 is 3.1%. The proportion of persons in age groups for the 2017 to 2021 period shows similar changes as do the 5-year estimates for 2016 to 2020. There are large increases in the 60 to 64 and 70 to 74 age groups for both Dallas and Polk Counties.

ACS 1-yr estimates	Dallas		Polk	
2021	Total	Percent	Total	Percent
Total population	103,796		496,844	
55 to 59 years	6,045	5.8%	26,553	5.3%

60 to 64 years	4,837	4.7%	31,520	6.3%
65 to 69 years	3,307	3.2%	23,737	4.8%
70 to 74 years	4,358	4.2%	19,299	3.9%
75 to 79 years	1,985	1.9%	9,707	2.0%
80 to 84 years	1,231	1.2%	8,014	1.6%
85 years and over	1,705	1.6%	7,212	1.5%
2017				
Total population	87,235		481,830	
55 to 59 years	4,712	5.4%	32,746	6.8%
60 to 64 years	3,563	4.1%	24,448	5.1%
65 to 69 years	2,990	3.4%	20,863	4.3%
70 to 74 years	2,785	3.2%	15,520	3.2%
75 to 79 years	1,312	1.5%	10,849	2.3%
80 to 84 years	1,427	1.6%	6,594	1.4%
85 years and over	1,542	1.8%	7,205	1.5%

Looking specifically at the age 55 and over population, in the three counties combined, it grew from 137,113 in 2016 to 154,970 in 2020, using the 5 year ACS estimates. This is a 13.0% increase. The number of people over age 55 in Norwalk alone increased from 2,168 to 2,963, an increase of 36.7%.

ACS 5-yr estimates

2020	Dallas	Polk	Warren	County Total	Norwalk
Total population	90,418	485,418	50,867	626,703	11,467
Total over 55	19,795	120,608	14,567	154,970	2,963
Median age	35.4	35.7	38.5		36.2
2016					
Total population	78,074	459,159	48,170	585,403	9,944
Total over 55	16,786	106,984	13,343	137,113	2,168
Median age	35.0	35.0	38.2		36.3

Using the 1 year ACS estimates for 2017 and 2021, the combined Dallas and Polk County 55 and over population grew from 136,849 to 149,656, or 9.4% over the four year period. This compares to a change in the total population of the two counties of 5.5%. The table below shows the proportion of the population over age 55 in the two counties separately and for the two combined. The over 55 population in Polk County and Dallas County increased from 2017 to 2021. The two counties combined had an increase in the proportion over 55 from

24.0% to 24.9%. A counterintuitive estimate shows the median age of the overall population in Dallas County decreased from 35.8 years in 2017 to 35.6 years in 2021. This can be attributed to increases in population for younger age groups. Nevertheless, the number of persons 55 and over did increase. The estimates overall are consistent with the general the aging of the population.

ACS 1-yr estimates	Dallas		Polk		Combined	
2021	Total	Percent	Total	Percent	Total	Percent
Total population						
	103,796		496,844		600,640	
Total over 55		22.6%		25.4%		24.9%
	23,468		126,042		149,510	
2017						
Total population						
	87,235		481,830		569,065	
Total over 55		21.0%		24.5%		24.0%
	18,331		118,225		136,556	

ACS 1-yr estimates

	Dallas			Polk		
	2021	2017	% Change	2021	2017	% Change
Total population	103,796	87,235	19.0%	496,844	481,830	3.1%
45 to 54 years	11.7%	13.6%		11.8%	12.7%	
55 to 59 years	5.8%	5.4%		5.3%	6.8%	
60 to 64 years	4.7%	4.1%		6.3%	5.1%	
65 to 74 years	7.4%	6.6%		8.7%	7.6%	
75 to 84 years	3.1%	3.1%		3.6%	3.6%	
85 years and over	1.6%	1.8%		1.5%	1.5%	
Median age (years)	35.6	35.8		36.3	35.5	

The optimal age range for buyers for the subject development are likely those in the 55 to 64 and 65 to 74 age groups. Closer examination of those age groups is warranted. The three counties' combined 55 to 64 age group increased by 5,558 persons, or 8.2%, and the 65 to 74 age group increased by 8,850 persons, or 22.0% from 2016 to 2020. The 2016 to 2020 5-year estimates for Norwalk show increases for the 55 to 64 group of 372 persons or 32.5% and for the 65 to 74 group an increase of 219 persons or 42.4%.

ACS 5-yr estimates

2020	Dallas	Polk	Warren	County Total	Percent	Norwalk	Percent
Total population	90,418	485,418	50,867	626,703	of Total	11,467	of Norwalk
55 to 64 years	9,020	57,172	6,519	72,711	11.6%	1,516	13.2%
65 to 74 years	6,204	38,089	4,724	49,017	7.8%	736	6.4%
Median age	35.4	35.7	38.5			36.2	

2016	Dallas	Polk	Warren	County Total		Norwalk	
Total population	78074	459,159	48,170	585,403		9,944	
55 to 64 years	7,964	53,262	6,166	67,392	11.5%	1,144	11.5%
65 to 74 years	5,075	31,223	4,046	40,344	6.9%	517	5.2%
Median age	35.0	35.0	38.2			36.3	

Using the 2017 and 2021 1-year estimate ACS data for Dallas and Polk Counties, the changes for the 55 to 64 group respectively, are 2607 and 879. For the 65 to 74 age group the respective changes are 1,890 and 6,653. The respective percentage changes from 2017 to 2021 for the 55 to 64 group are 31.5% and 1.5% for Dallas and Polk Counties. The percentage changes for the 65 to 74 group are, respectively, 32.7% and 18.3% for Dallas and Polk Counties. This indicates relative strength of the metro area specifically outside the boundaries of Polk County, and especially for the 65 to 74 age group.

ACS 1-yr estimates	Dallas		Polk		County	
2017	Total	Percent	Total	Percent	Total	Percent
Total population	87,235		481,830		569,065	
55 to 64 years	8,275	9.5%	57,194	11.9%	65,469	11.5%
65 to 74 years	5,775	6.6%	36,383	7.6%	42,158	7.4%
2021						
Total population	103,796		496,844		600,640	
55 to 64 years	10,882	10.5%	58,073	11.7%	68,955	11.5%
65 to 74 years	7,665	7.4%	43,036	8.7%	50,701	8.4%

The median age for all three counties increased about one-half year from 2016 to 2020. The Des Moines-West Des Moines MSA median age in 2021 is 36.7 years, compared to 35.6 and 36.3 for Dallas and Polk Counties respectively. The MSA median age is higher due in large part to the median age in Warren County which was 38.5 years in 2020, the latest available estimate.

Households

Examining the number households in the Des Moines area provides additional insight into the relevant market. The total number of households in the three county area increased by 18,961 to 245,828, or 8.4% from 2016 to 2020. Those households with one or more persons 60 and over increased by 9,121 to 79,010, which is a rate of 13.1%. The total of households with zero persons 60 and over also increased but at a slower rate of 6.3%, or by 9,930 households to 166,818 in 2020. The higher rate of increase for households with someone over age 60 is consistent the changes in population estimates and reinforces the strength of the 55+ demographic.

Total Households

ACS 5yr estimates	Dallas	Polk	Warren	3 County	Norwalk
2020	35,383	191,125	19,320	245,828	4,564
2016	30,026	178,520	18,231	226,777	3,708

Hhs with one or more persons 60 years and over

ACS 5yr estimates	Dallas	Polk	Warren	3 County	Norwalk
2020	10,447	61,046	7,517	79,010	1,434
2016	8,602	54,591	6,696	69,889	1,037

Married Couple Families 60 and Over

ACS 5yr estimates	Dallas	Polk	Warren	3 County	Norwalk
2020	5,555	28,208	3,932	37,695	793
2016	4,686	25,997	3,540	34,223	546

Change in # of Hhs 2016-2020

ACS 5yr estimates	Dallas	Polk	Warren	3 County	Norwalk

All Hhs	5,357	12,605	1,089	19,051	856
Age 60 -	3,512	6,150	268	9,930	459
Age 60 +	1,845	6,455	821	9,121	397
Married 60+	869	2,211	392	3,472	247

% Change in Hhs 2016-2020

ACS 5yr estimates	Dallas	Polk	Warren	3 County	Norwalk
All Hhs	17.8%	7.1%	6.0%	8.4%	23.1%
Hhs 60 -	16.4%	5.0%	2.3%	6.3%	17.2%
Hhs 60 +	21.4%	11.8%	12.3%	13.1%	38.3%
Married 60+	18.5%	8.5%	11.1%	10.1%	45.2%

Taken separately, each of the three counties also experienced increases in their number of age 60 and over households from 2016 to 2020, as did Norwalk by itself. Consistent with higher population growth rates in Dallas County and the city of Norwalk, the total number of households in Dallas county and the city of Norwalk grew by the largest percentages at 17.8% and 23.1% respectively. For the age 60 and over households, Dallas county and the city of Norwalk again increased the most at 21.4% and 38.3% respectively.

Married Couple Households

Additional data is available regarding the nature of households in each age group. The number of married couple households having at least one person age 60 and over also increased from 2016 to 2020 for all three counties as well as Norwalk alone. However, the percentage increases for the married couple households over age 60 were slightly less than the percentage increases for all households with at least one person age 60 and over. This slower rate of growth for married couple households may indicate there is an increasing proportion of households having only one person over 60 relative to those having married couples. The percentage of age 60 and over households comprised of married couples in 2016 was 50.0% for the three counties combined. In 2020 that percentage was 47.7%. Similar decreases in the percentage of married couple age over 60 households was evident for the individual counties as well. Dallas County decreased from 54.5% in 2016 to 53.2% in 2020. Polk County decreased from 47.6% to 46.2% and Warren County dropped from 52.9% to 52.3%. This factor could be relevant when determining the features and square footage of the homes in the subject development. Although the proportion of over 60 married couple households in the metro area has declined overall, Norwalk as a city is an exception. The percentage of age over 60 married couple households in Norwalk increased to 55.3% in 2020 from 52.7% in 2016. The increase in married couple households over age 60 in the city of Norwalk would argue the demand for larger homes may be higher in Norwalk compared to the larger metro area. Any such conclusion in that regard should be kept within the context that Norwalk itself accounts for less than 2% of the total number of age 60 and over households in the larger metro, with 1,434 in Norwalk relative to 79,010 in the three county metro area.

Some household information for the year 2021 is available for Dallas and Polk Counties and the Des Moines-West Des Moines MSA, but not for Warren County nor the city of Norwalk.

Total Households

ACS 1yr estimates	Dallas	Polk	DSM-WDM MSA
2021	41,681	203,390	291,147
2016	33,180	182,537	245,643

Hhs with one or more persons 60 years and over

ACS 1yr estimates	Dallas	Polk	DSM-WDM MSA
2021	12,067	71,535	104,135
2016	9,769	58,142	80,099

Married Couple Families 60 and Over

	Dallas	Polk	DSM-WDM MSA
2021	6,295	34,718	52,503
2016	4,736	28,988	39,900

Change in # of Hhs 2016-2021

	Dallas	Polk	DSM-WDM MSA
All Hhs	8,501	20,853	45,504
Age 60 -	6,203	7,460	21,468
Age 60 +	2,298	13,393	24,036
Married 60+	1,559	5,730	12,603

% Change in Hhs 2016-2021

	Dallas	Polk	DSM-WDM MSA
All Hhs	25.6%	11.4%	18.5%
Hhs 60 -	26.5%	6.0%	13.0%
Hhs 60 +	23.5%	23.0%	30.0%
Married 60+	32.9%	19.8%	31.6%

It is evident Polk County is lagging in terms of growth relative to the rest of the metro. Dallas County and the MSA taken as a whole are experiencing strong growth in all categories. It is interesting to note the large growth rates in the married over 60 category for Dallas County. Its strength shows up in the MSA rate, whereas the affect of Polk County is diminishing the growth rate in the married over 60 category.

Household Income

The median household income for the counties of Dallas, Polk and Warren, and for the city of Norwalk and State of Iowa are shown below.

Median Hh Income $	Dallas	Polk	Warren	Norwalk	Iowa
ACS 5yr. Estimate 2020	$ 88,368	$ 69,747	$80,309	$ 83,241	$ 61,836
ACS 1yr. Estimate 2021	$ 90,750	$ 73,292			$ 65,600

The income is substantially higher income in the Des Moines metro compared to the State of Iowa, especially for Dallas and Warren counties, including Norwalk. All other things the same, the higher incomes are an advantage.

Home Value

Home values for market area of interest are below. They are American Community Survey estimates for 2020 and 2021. 2021 estimates are not available for Warren County nor the city of Norwalk.

Median home value $	Dallas	Polk	Warren	Norwalk	DSM-WDM MSA

ACS 1yr estimate 2021	283,100	226,800	n.a.	n.a.	229,900
ACS 1yr estimate 2019	284,000	198,400	n.a.	n.a.	201,000
ACS 5yr estimate 2020	258,300	190,400	196,100	205,000	193,100
ACS 5yr estimate 2019	248,100	179,900	187,200	202,900	182,400

The 1-year estimates show an approximately 14.4% increase in home values from 2019 to 2021 for the DSM-WDM MSA. This rate appears reasonable. The ACS 1-year estimates for Dallas County alone, though, indicate a decrease of .3%. This decrease doesn't seem to make sense, however those are the figures reported by the ACS.

Freddie Mac publishes home price indices for MSAs across the country, the Des Moines-West Des Moines MSA included. The index values for July of the last four years, the latest month available, are below.

Freddie Mac Home Price Index for the DSM-WDM MSA

2019	2020	2021	2022
156.274	163.083	186.038	208.259

The Freddie Mac index is based on data for mortgage loans purchased by Freddie Mac and Fannie Mae. As such the index is arguably more current and more reliable regarding how home values are actually changing over time. It indicates an 11.9% increase from July 2021 to July 2022.

The Des Moines Area Association of Realtors reported median sales prices as of August for the respective years as follows. It should be noted, these are prices for homes that actually sold and do not necessarily represent values of all homes, i.e., it doesn't include home values for those that didn't actually sell. Nevertheless they are an indication of what it would cost somebody to purchase a home in the Des Moines area. Using the median sale price as an indication of overall house values shows a 6.2% increase from August 2021 to August 2022.

DMAAR Median Sale Price

2019	2020	2021	2022
$ 219,000	$ 240,000	$ 255,000	$ 268,250

The median price of existing home sales as reported by the National Association of Realtors increased by 7.7% from August 2021 through August 2022. The annual rate of increase has been decreasing the last four months, from 15.0% in May. Further, from June 2022 to August 2022, the median value has decreased by 5.9%.
https://cdn.nar.realtor/sites/default/files/documents/ehs-08-2022-summary-2022-

09-21.pdf
While NAR report doesn’t represent the Des Moines area market specifically, it is an indication of a cooling off of the housing market in general. The S&P CoreLogic Case-Shiller home prices indices through July 2022 were released September 27,2022. They showed a month-to-month decrease in prices. The DSM-WDM MSA is not specifically tracked, but 12 of the 20 metro areas that are tracked had decreases in July compared to June 2022. Every metro had lower price increases in the year ending July versus June 2022. The circumstances were described as a continuing deceleration of prices. [https://www.spglobal.com/spdji/en/index-announcements/article/sp-corelogic-case-shiller-index-continued-its-deceleration-in-July/].
The importance of home values for the subject development is it is likely the purchasers of 55+ housing will use the equity in their current residence to purchase their 55+ home.

Closer examination of home values shows the possible depth of market demand. By definition 50% of owner-occupied home have values above the median. More importantly for the subject development are the number of homes with values further above the median. 30.1% of homes in Dallas County, as estimated in 2020, have values between $300,000 and $499,999, and 10.5% have values over $500,000. The percentages in Norwalk are not quite as high as in Dallas County but are above those in Polk County and Warren County, 22.3% of homes are valued between $300,000 and $499,999, and 5.8% are valued above $500,000 as of 2020. As shown below the percentages are even higher for both Dallas and Polk Counties according to the ACS 1-year estimates for 2021. Using the 2020 estimates for the three counties says there are a total of 37,609 homes with values between $300,000 and $1,000,000. The owners of homes in that price range are perhaps the most likely purchasers for the subject development.

ACS 5-yr estimates

2020	Dallas		Polk		Warren		Norwalk	
VALUE	Estimate	Percent	Estimate	Percent	Estimate	Percent	Estimate	Percent
Owner-occupied units	25,550		128,152		15,526		3,671	
$300,000 to $499,999	7,698	30.1%	19,030	14.8%	2,961	19.1%	819	22.3%
$500,000 to $999,999	2,406	9.4%	4,587	3.6%	927	6.0%	194	5.3%
$1,000,000 up	276	1.1%	407	0.3%	152	1.0%	17	0.5%
Median (dollars)	258,300	(X)	190,400	(X)	196,100	(X)	205,000	(X)

ACS 1-yr estimates

2021	Dallas		Polk	

Owner-occupied units	28,102		136,993	
$300,000 to $499,999	9,148	32.6%	32,022	23.4%
$500,000 to $999,999	3,114	11.1%	7,176	5.2%
$1,000,000 or more	231	0.8%	800	0.6%
Median (dollars)	283,100	(X)	226,800	(X)

Disability Status

The target audience for the subject development is persons 55 and over who are able to live independently. Persons with certain disabilities are likely not among those within this target audience. The Census Bureau collects information regarding certain types of disabilities. Among the disabilities examined are vision, hearing, ambulation, cognition, self-care difficulties, and independent living difficulties. Information is available by age group for Dallas, Polk and Warren Counties from the ACS 5-year estimates for 2020. There is no information specifically for the city of Norwalk. Ages 35 to 64 are in one group. The groups 65 to 74, and 75 and over are addressed here. Clearly the persons that have no disabilities are able to live independently and as such are candidates for the subject development. It is also possible some of those with certain disabilities could be prospective purchasers. Those with limited ambulation or self-care difficulties could live independently with sufficient or adequate in-home care, which is becoming more and more available. It is those persons with cognitive or independent living difficulties who are most likely to need more care than can be obtained in an independent living situation. The data does not account for persons with multiple disabilities. That is a person could have more than one disability and be counted in multiple categories. Nevertheless, to be conservative, the number of persons with cognitive and independent living the difficulties will be subtracted from the total population available as possible purchasers for the subject development. Those persons are more likely to need to reside in memory care communities, or assisted or skilled nursing communities. That means 4,301 of the 65 to 74 age group and 8,733 of the over 75 age group will be subtracted from the total market size available for the subject development.

Amer Community Survey 5yr est 2020

	Dallas		Polk		Warren		
	With a disability	Percent	With a disability	Percent	With a disability	Percent	3 county total

Total civilian noninstitutionalized population	6,709	7.5%	53,393	11.1%	5,353	10.6%	65,455
65 to 74 years	1,350	22.0%	8,633	22.8%	925	20.0%	10,908
75 years and over	1,943	45.5%	10,334	43.2%	1,314	44.3%	13,591
DISABILITY TYPE BY DETAILED AGE							
With a cognitive difficulty							
Population 65 to 74 years	96	1.6%	1,654	4.4%	206	4.5%	1,956
Population 75 years and over	461	10.8%	2,240	9.4%	175	5.9%	2,876
With an ambulatory difficulty							
Population 65 to 74 years	445	7.2%	4,735	12.5%	480	10.4%	5,660
Population 75 years and over	1,273	29.8%	6,442	26.9%	824	27.8%	8,539
With a self-care difficulty							
Population 65 to 74 years	71	1.2%	1,104	2.9%	205	4.4%	1,380
Population 75 years and over	170	4.0%	2,372	9.9%	291	9.8%	2,833
With an independent living difficulty							
Population 65 to 74 years	106	1.7%	1,920	5.1%	319	6.9%	2,345
Population 75 years and over	880	20.6%	4,406	18.4%	571	19.3%	5,857

Education Attained

The ACS 5-year estimates of the proportion of the population shows generally higher levels of education attained for 2020 compared to 2015. More specifically the higher attained education percentages are for those with a bachelor's degree and higher and lower percentages for those with less than a bachelor's degree for the 2015 to 2020 time period. The increases are most noticeable for Polk and Warren Counties and the city of Norwalk. The relevance of educational attainment is generally the higher level of education the greater is income. For purposes here, the higher education could indicate greater ability to purchase new homes. The people in the subject's market area tend to be quite well educated which is positive for the subject development.

Amer Community Survey 5yr estimates

	Dallas		Polk		Warren		Norwalk	
	2016-20	2011-15	2016-20	2011-15	2016-20	2011-15	2016-20	2011-15
EDUCATIONAL ATTAINMENT								
Less than 9th grade	2.1%	2.4%	3.7%	3.1%	1.0%	1.2%	0.4%	1.5%
9th to 12th grade, no diploma	2.4%	2.6%	4.2%	5.1%	3.1%	3.2%	1.6%	1.6%
High school graduate (includes equivalency)	18.4%	21.1%	24.8%	25.3%	31.5%	32.6%	24.3%	22.4%
Some college, no degree	16.3%	19.1%	19.8%	20.5%	21.1%	24.3%	19.8%	29.4%
Associate's degree	10.4%	10.6%	10.0%	10.2%	12.0%	10.4%	14.0%	9.7%
Bachelor's degree	34.4%	32.5%	26.0%	25.1%	21.9%	20.4%	26.0%	26.5%
Graduate or professional degree	16.1%	11.8%	11.6%	10.7%	9.4%	7.7%	13.9%	8.9%
High school graduate or higher	95.5%	94.9%	92.1%	91.8%	95.9%	95.5%	98.1%	96.9%
Bachelor's degree or higher	50.5%	44.2%	37.6%	35.8%	31.3%	28.2%	39.9%	35.4%

Employment Ratio

In a manner similar to the level of attained education, the employment ratio may also indicate ability to purchase a new home. The employment/population ratio used here is a measure of those actually employed and does not include those who are unemployed but seeking employment. For purposes here, the employment/population ratio is more applicable because the concern is with those more likely to be able to purchase as compared to those who may desire to purchase but not be able to purchase. The high ratios for Dallas and Polk Counties indicate relative strength in terms of ability to purchase.

ACS 5-yr estimates	Dallas	Polk	Warren	Norwalk
2020	Employment/Pop. Ratio	Employment/Pop. Ratio	Employment/Pop. Ratio	Employment/Pop. Ratio
AGE				
55 to 59 years	80.0%	77.9%	76.1%	80.4%
60 to 64 years	65.5%	59.7%	70.1%	63.8%
65 to 74 years	31.3%	29.4%	23.3%	17.8%
75 years and over	8.9%	6.4%	6.7%	6.5%

Crimes and Public Safety

The perceived crime rate for a locality will affect to some degree peoples' choice where to live. This is arguably especially so for those who are more economically able to make a voluntary choice, middle to upper income households, and those who may perceive themselves to be more vulnerable with respect to be victims of crime. The more vulnerable are probably those in upper age groups, i.e., over age 65. In any case, the target audience for the subject development are those with economic means and who are older, i.e., 55 and over. Norwalk is safer than 71% of cities in the U.S. Norwalk's crime rate per 1,000 residents is .47 for violent crimes and 6.72 for property crimes.
https://www.neighborhoodscout.com/ia/norwalk/crime
This compares to a violent crime rate of 3.01 per 1,000 residents and a property crime rate 16.84 per 1,000 residents for the state of Iowa. The crime rates reported by https://www.neighborhoodscout.com/ia/des-moines/crime for Des Moines are 7.08 per 1,000 residents for violent crime an 39.23 per 1,000 residents for property crimes. The crime statistics would put Norwalk in a very favorable light.

Location quotients for the DSM-WDM MSA from the May 2021 Occupational Employment and Wage Estimates of the Bureau of Labor Statistics are for police and sheriff patrol officers .60 and for firefighters .88.
https://www.bls.gov/oes/current/oes_19780.htm#33-0000
A location quotient is a relative measure of the proportion of employment in an occupation within an area compared to an average for a larger area, such as the state or nation. A location quotient of 1.0 means the locality has the same proportion of people working in an occupation compared to the larger area. A quotient less than 1.0 means there is less employment in the locality compared to the larger area. The .60 and .88 for DSM-WDM MSA means there are 60% and 88% employed as police or sheriff patrol officers, and firefighters compared to the average in the U.S. The lower ratios could indicate lack of public safety, but is more likely that there is less need for it due to lower crime rates.

Healthcare

The quantity and quality of healthcare is another factor that may affect a person's decision of where to buy a home. The location quotient for the healthcare practitioners and technical occupation for the DSM-WDM MSA is .85. For healthcare support occupations it is .75. The data is for May 2021 from the Bureau of Labor Statistics.
https://www.bls.gov/oes/current/oes_19780.htm#29-0000
Similar to the public safety quotients, there are fewer persons occupied in healthcare in the DSM-WDM MSA compared to nationally. Larger metro areas tend to be medical centers and have higher healthcare quotients, for example Omaha-Council Bluffs has a healthcare practitioner quotient of 1.04. A not surprising but notable exception is Iowa City, that has a healthcare practitioner quotient of 1.69. Generally, the Des Moines metro has a good reputation for

healthcare and the quotients being less than 1.0 are not considered a negative factor the subject development.

Demand Analysis Summary

Taken as a whole, the factors affecting demand are for the most part positive with respect to the subject development. The following analysis begins with the total potential demand and considers in sequence factors that may affect actual demand. As factors are added into the analysis, the universe of potential buyers is reduced. What remains is an estimate of likely demand for the subject development. Due to the differences in availability, the latest figures available will be used for the three counties. Generally, this means the 2021 ACS 1-year estimates for Dallas and Polk counties, and the 2020 ACS 5-year estimates for Warren county. Despite the differences, this is the more reliable approach because of the volatility of markets and the economy and is using the most current estimates attainable.

Total Potential Demand

Individual population

For purposes here, total potential demand is taken to be all population in the three county area of Dallas, Polk and Warren counties, over the age of 55. This yields a universe of 164,077 potential buyers. There are several next steps that can be taken to narrow the universe to those more likely to purchase. Only households with at least one person age 55 and over are eligible to purchase in the subject development.

Household size

The average household size in the three counties are 2.48 persons in Dallas, 2.39 in Polk and 2.54 in Warren county. Using 2.4 persons per household as a reasonable average, yields 68,365 households possible with at least one person over the age of 55. As stated earlier, the prime ages for likely purchasers are from 55 to 74. The disability rate increases significantly at older ages and those with disabilities are more likely to need higher levels of care than can be obtained in an independent community. Applying the average household size of 2.4 to the number of persons aged 55 to 74 years yields 54,541 as the potential purchasing households.

Married couple households

Analyzing the number of households according to whether they include a married couple or not shows a much larger proportion of households are not comprised of married couples. It is reasonable to assume that target buyers will not have children living in the home. Approximately 50% of households over the age of 60 are of married couples, the other 50% are not married couples. The older the age of the household the less likely it will be of a married couple. Further, evidence was found that the proportion of older households that were not of married couples is increasing. Taken together, it is reasonable to apply a household size of 2 to 50% of the households and a household size of 1 person to 50%. That yields a potential number of households over age 55 to be 109,385, and of those aged 55 to 74 years to be 87,266. At this point in the analysis, it can be stated with some degree of confidence the potential universe of likely buyers ranges from about 54,541 to 87,266.

Employment, Income and Home Value

Employment, household income and current home value will affect a person's ability to purchase a home in the subject development. None of these factors as they exist in the subject market are seen as disadvantage to the subject, or negatively affecting demand. Household income is substantially higher in the Des Moines metro than in the state of Iowa. This is even more so for Dallas county. Further, a large portion of the over age 55 population is employed. 31.3% of those 65 to 74 are employed in Dallas County, and 29.4% of those in Polk county are employed. Along with the high levels of income and employment are high home values. The median home values as reported have increased rapidly the last several years and despite very recent softening of prices, remain high. Many prospective buyers will use the equity in their current homes to fund the purchase of a new home. 44.5% of the owner occupied homes in Dallas County have values over $300,000. 29.2% of the owner occupied homes in Polk County are valued over $300,000, and over 26% of those in Warren County. It is also the case the percentage of home that are owner-occupied is higher in the Des Moines metro compared to the state and nation and is especially so in Dallas and Warren counties at about 70% and 80% respectively. Applying the 70% homeownership rate to the number of married couple households age 55 to 74 yields an estimate of prospective buyers of 61,086. Further refining the possible buyers to those with home values high enough to substantially cover the cost of a new home to the upper 30% of homeowners reduces the potential buyer count to 18,326.

Disability Status

As mentioned above, persons with certain disabilities are not likely potential buyers for the subject's independent living. The number of persons with cognitive and independent living difficulties number 13,034. Conservatively assuming all these persons are not married and so subtracting them as potential buyers yields the number remaining to be 5,292.

Other Factors and Summary

As mentioned earlier, factors including public safety, and health care may affect demand for housing in any given area. The subject area, especially Norwalk, are quite attractive from the aspect of these other factors. There is no downward adjustment to the size of the potential demand from these factors as a result.

Freddie Mac recently conducted a study of consumer preferences for aging in place. That is, people have a preference to age in their own home rather than in a community setting with dense apartment style homes. The results of study showed 66% of persons age 55 and over plan to age in place [https://www.freddiemac.com/research/consumer-research/20220523-majority-aging-adults-likely-age-place]. This finding can be interpreted conservatively to mean there are 34% of people who will move into some type of senior living community that provides multiple levels of care, sometimes referred to as continuing care retirement community or lifeplan community. This may further reduce the potential universe of individual or household buyers to 3,493.

There is other evidence of a slowing in the housing market, in addition to the building permit information mentioned above in the supply analysis. An article from the Wall Street Journal on September 22, 2022 said the national housing market slowed for the seventh month in a row in August [Friedman, Nicole, Home Sales Extend String of Declines, Wall Street Journal, Eastern Edition, New York, NY, 22 September 2022, p. A1]. The continuing decline was attributed to higher mortgage interest rates making homes less affordable. Sales of existing home dropped by 19.9% during August compared to August 2021. Although prices are still above those from a year ago, they have exhibited a “forceful deceleration” with the July to August decrease the largest decline ever in the history of the National Composite Index. Further, the deceleration was evident in all of the 20 cities individually tracked. [https://www.spglobal.com/spdji/en/documents/indexnews/announcements/20220927-1456210/1456210_cshomeprice-release-0927.pdf] On September 7, 2022, Fannie Mae reported the level of consumer sentiment toward the housing market is at its lowest point since 2011, after six months of declines[https://www.fanniemae.com/newsroom/fannie-mae-news/high-home-prices-mortgage-rates-weighing-housing-sentiment]. Homebuilder confidence has declined to it lowest level since May 2014, with one exception being the spring of 2020, after nine straight months of decline, according to the National Association of Home Builders/Wells Fargo Housing Market Index, released September 19, 2022 [https://www.nahb.org/news-and-economics/press-releases/2022/09/builder-confidence-falls-for-ninth-straight-month-as-housing-slowdown-continues].

7. Gap Analysis

For purposes here, gap analysis is defined as the estimated difference between supply and demand, as contrasted to other definitions where gap has to do with financial feasibility or capital acquisition. An unfilled gap as used here would be attractive for the proposed development. That is, an unfilled gap would indicate supply is insufficient to satisfy expected demand now or in the future.

The over 55 population in the Des Moines metro area increased by 17,857 persons and a rate of 13% from 2016 to 2020, to a total of 154,970 persons. The prime age for potential purchasers is from 55 to 74. That age range also grew at a rate of 13%, adding 13,992 persons from 2016 to 2020. The number of households with someone over the age of 60 increased by 9,121, which is a rate of 13.1%. The number of households composed of other than married couples increased by 5,649, or 15.8%. The number of married couple households over age 60 increased by 3,472, a somewhat slower rate of 10.1%, which means a larger proportion of senior households are not of married couples, and indicates those households are likely composed of one person. This renders the average household size of 1.5 persons to be a reasonable estimate for households with persons age 55 to 74. The target development will likely attract more married couple households than single person households. Using the lower of the four year growth rates of 10.1% on the number of households over age 55 gives a conservative measure of the growth rate of the target market for the subject development. Recall the current universe of buyers was estimated above to be 3,493 units. The current estimated supply of 55+ housing, not including continuing care or lifeplan communities is 648. This indicates a current unfilled gap of 2,845 units. If the market is conservatively growing at 2.5% per year means there needs to be additional 87 units per year, and this amount doesn't fill the already existing unfilled gap. It just keeps the supply from falling further behind. The proportion and number of households considered potential buyers through these estimates is reasonable.

8. Conclusion

The number of potential buyers was determined with several factors, which were applied sequentially. The number of potential buyers can be converted to a percentage by applying it to the number of 55 to 74 age households, here dividing 3,493 by 121,728. This percentage is the rate of 55 to 74 household that can be anticipated to be buyers of 55+ housing, which is 2.9%. This percentage is of the 55 to 74 households, not the total overall number of households. The estimated demand as a percentage of total households is only 1.4%. The implication is the estimate of the number of potential buyers is reasonable, and perhaps even quite conservative. It was estimated there will be an increase in the number of potential buyers at a rate of 2.5% per year, or 82 units per year.

The subject development is planned to bring 106 homes into the market over the next about three years. In that time the market is estimated to require an additional 261 units. That means the subject development could capture 40% of the new market demand even by completely selling out. At the anticipated growth in demand for 55+ housing, unless there is a substantial increase in the number of new units developed, there will be unfilled demand for several, perhaps quite a few years. The developer has a strong track record in residential development and their projects have been received favorably by the market. There appears to be no evidence which would cause the attractiveness of the developer's projects to diminish.

The information gathered regarding the 55+ housing market in the Des Moines metropolitan area places the condition of that market segment in a attractive light. The universe of potential buyers is large and growing at a rate above that of the overall population. The supply of homes targeting the 55+ age buyer, although increasing, is short of satisfying all the potential demand. Furthermore, with the rapid growth of the 55+ market that wish to age in place, it is likely the demand for additional housing similar to that envisioned in the subject development will be strong for years to come.

SHATTERED GLASS DEVELOPMENT

Market Analysis – Greenhill Commons, Cedar Falls, Iowa

Executive Summary:
An extensive study and analysis of the Cedar Falls multi-family residential market was conducted. The study gathered information from federal, state, and local sources regarding value drivers relevant to the multi-family market. In broad categories, those drivers are physical/locational, governmental, social, and financial/economic factors. A list of that information would include population, employment and demographic data using the latest available. Some of the data was regarding individuals and other was regarding households. With respect to multi-family real estate, information was gathered regarding current and proposed inventory, rents, amenities, and vacancies, for competing, comparable, and to a lesser extent other categories of multi-family product. The information was used to complete an analysis of demand, supply, and their interaction.

Part of the necessary assignment was to analyze the local market for retail and office uses. This analysis was not as in depth as that for the multi-family market but was nevertheless integral to establishing a basis for changing the zoning from commercial to residential and not including any retail or office as part of the project.

The community of Cedar Falls has been a bit of an enigma. The market in a number of aspects has performed contrary, or at least been more stable than the remainder of the Waterloo-Cedar Falls MSA, much of the state of Iowa and the U.S. Household growth in Cedar Falls has been trending up recently, as has enrollment in Cedar Falls Community Schools. Population has been a bit harder on which to draw conclusions, but the long term trend appears to upward at a modest rate, somewhere around or slightly below 1% per year. Furthermore, the demographics of the new population appears to well educated, skilled, professional or supervisory. It may be the case, Cedar Falls is drawing population from surrounding areas, in particular Waterloo. The UAW labor strike may dampen demand in the larger MSA but is expected to have a limited effect on Cedar Falls. One might expect the large decline in college student enrollment at UNI and Hawkeye Community College to have had an effect on the subject’s market segment. There does appear to be more vacancy in student housing

than in years past, but subject project is not targeted at the large college student population in Cedar Falls. In the type of housing comparable to the subject, primarily in downtown Waterloo, the vacancy rate is below 5%. The vacancy rate for competing properties is virtually zero, with only a couple units vacant at this time. It is estimated the in-development units will be absorbed in less than two years.
The analysis of office and retail demonstrated no need for additional product in those uses. The immediate neighborhood is almost exclusively residential. What retail/office exists continues to have some vacancy. The major retail hubs in Cedar Falls, by design are along Viking Road, University Avenue and downtown. There is available space in all those areas.

The following analysis supports a phased development of high quality market rate apartments of either low or medium density. The subject parcel should be developed with as many units as the city will allow and their construction should be phased to match the predicted absorption rate as much as possible.

1. **Client**: High Development

2. **Subject Identification**:

   A. **Property Characteristics** (property productivity analysis) – Initial concept is for approximately 128 units of apartments to be constructed south of Greenhill Road in Cedar Falls, Iowa.

   1. **Physical:**
   The project as currently proposed consists of two four-story buildings containing 28 apartments each, four buildings containing five units each, five buildings containing eight units each, and three buildings containing ten units each. In addition, there are proposed 279 parking stalls composed of 79 surface stalls, 20 stalls in detached garages, and 180 stalls in attached garages. The apartments as proposed will be mid to upper market rate units appealing to a wide range of demographics. They are specifically not designed solely to serve the local university student population but may appeal to them as well. The lot is mostly rectangular in shape, mostly level or slightly sloping, and measures approximately 938 feet east to west along Fountains Way and 350 feet north to south. The total area is approximately 327,571 square feet.

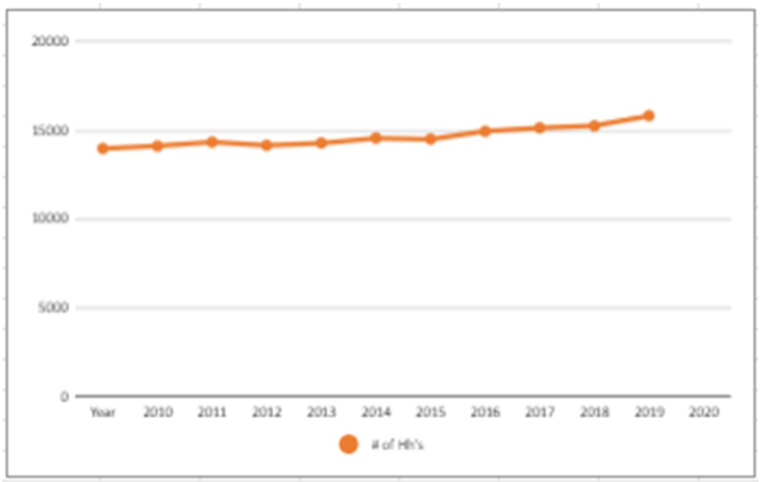
   2. **Legal:**
   The subject property is currently zoned MU. There is a storm water management restriction on the south side of the parcel. There are otherwise no other known restrictions, either private or public. The subject consists of three adjacent parcels, in the Greenhill Village Commercial 5th Addition and comprises lots 4, 5 and Tract B. The titleholder is Greenhill Commercial LLC. Initial conversations with city officials indicated the

master plan for the property will need to be changed to accommodate residential uses. This is not an ordinance or zoning change, but it is nevertheless anticipated that approval from Planning and Zoning will be required. City staff mentioned potential changes to ordinances that may encourage an affordable component to future residential developments. In addition, city staff made comments indicating the initial site plan will require some changes. Those changes in general achieve more of a neighborhood feel, which means inside, or rear facing garages, more greenspace, and fewer driveway/access points. Some phrases used were ‘less car oriented’, and ‘sustainable to last 100 years’.

3. **Locational:**
The subject fronts Fountain Way on the north, between Alonquin Drive on the west and Ashworth Drive on the east. Fountains Way runs east and west and is approximately 270 feet south of Greenhill Road, between Hudson Road, highway 57, and highway 58. Hudson Road is a four-lane major artery through Cedar Falls from U.S. Highway 20 to the south to West 1st Street to the north. Greenhill Road is a four-lane major artery through Cedar Falls from the eastern boundary with Waterloo across University Avenue to the west, to West 27th Street to the northwest. Immediately surrounding the subject to the east are low rise apartments. To the south are townhome style residences. To the north is vacant land between Fountains Way and Greenhill Road. At the western end of this rectangular block is a Casey’s convenience store. To the west is a neighborhood retail strip center. The subject is slightly less than two miles south of the University of Northern Iowa campus. It is about three miles south of the historic downtown Cedar Falls. It is less than two miles northwest of the Viking Road retail district and the Cedar Falls Industrial Park. It is less than three miles north of a full interchange with U.S. Highway 20. The Waterloo Regional Airport is about to the northeast of the subject. The subject is located within the growing southern section of the city of Cedar Falls.

4. **Economic:**
The subject property is currently vacant land. All utilities are available, and the property is served on three sides by already paved streets. The property is suitable for residential, likely as medium density rentals. There is some single-family owner-occupied housing in surrounding, but not adjacent neighborhoods. The property could appeal to university students, but the most likely users are a variety of non-student residents, both single occupants and families. A fairly wide range of rent levels are possible. That range could include affordable, and workforce housing, but very high-end luxury apartments are uncertain. HUD Fair market rents for 2022 for the 50613 ZIP Code for Cedar Falls are: Efficiency $670, One-Bedroom $770, Two-Bedroom $970, Three-Bedroom $1,280, and Four-Bedroom $1,640. The FY2021 HUD Section 8 income limits for Black

Hawk County for a family of four, the base amount, are as follows. The Low Income limit is $37,050 and the Very Low Income limit is $26,500. To determine the income limit for different family sizes, reduce the base amount by 10% for each fewer person in the household, and increase it by 8% for each additional person in the household. The property is in Census Tract 26.01 and is not a LIHTC Qualified Census Tract nor a designated Difficult Development Area. Median household income for the 50613 ZIP code is $62,853 in 2019 inflation adjusted dollars from the American Community Survey. The 50613 ZIP Code contains 16,330 households as of 2019. 1,763 have household income of
$25,000 to $34,999, 2,204 have household income of $35,000 to $49,999, 2,776 have $50,000 to $74,999 and 2,057 have household income of $75,000 to $99,999. 4,686 households have annual income of $100,000 or more. According to HUD, there are 170 LIHTC units in Cedar Falls. 42 of those units are age-restricted to 55+. 128 units appear to be evenly divided between one-bedroom and two-bedrooms units.



3. **Market Area Summary:**

Delineation of the market. Generally, the relevant market area for the subject is considered to be the city limits of Cedar Falls. Some of the available market information is based on the ZIP code 50613, which is essentially the city of Cedar Falls, but also includes some areas of rural Cedar Falls. One might wonder if parts of western and southern Waterloo are part of the relevant market area. Although this is a reasonable supposition, there are enough differences between Cedar Falls and Waterloo that for the subject property, Waterloo will not be included. The basis for this is the expectation the most likely primary use of the property is residential. The residential markets of Waterloo and Cedar Falls, both owner-occupied and renter-occupied are quite different. Anecdotal evidence indicates a 20% to 25%, or more, difference in values and rents, Cedar Falls being the higher of the two. Several of the major employers in the Waterloo-Cedar Falls MSA are in Waterloo, but the metro area is small enough that residents of Cedar Falls commonly work in Waterloo. The typical commute is about 15 minutes according to the American Community Survey for 2019. That travel time allows a worker to reach all but the furthest locations in the metro (see directions on maps.google.com). As a result, the demand for the subject property is driven by employers and employment throughout the Waterloo-Cedar Falls MSA. Properties competing with the subject would include the apartments along and close to Greenhill Road to the east as far as about Cedar Heights Drive, and the several recent apartment buildings downtown Cedar Falls, including those on State Street, West 1st Street, and to a lesser extent the apartments west of Hudson Road in the vicinity of Thunder Ridge Mall. Comparable properties would include buildings in south and west Waterloo, and newer apartments in Waverly. There are sufficient considered competing that those considered comparable are not part of this analysis. Complementary properties, other than potential employers are limited due to the residential nature of the subject's neighborhood. There is a Casey's Store and a small neighborhood in-line retail property within walking distance of the subject. Realistically, any other properties will be accessed by driving, except for recreation or entertainment purposes, which could be by bicycle.

A. **Physical/Environmental:**

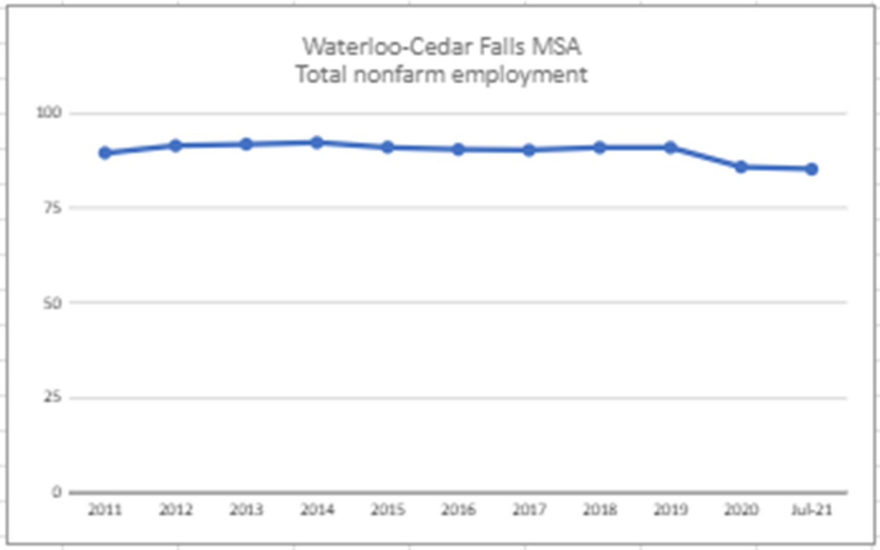
The characteristics of the market area acting as forces influencing value. The immediate neighborhood of the subject is predominantly residential with a limited amount of neighborhood retail, and places of worship. The residential is single family, and multi-family, almost all constructed in the last ten years. Adjacent to the south are townhomes of mostly four units each. To the east are several low-rise multi-family buildings. The surrounding single family is middle to upper-middle market. Except for that to the east of Hudson Road on Eric Road, which is about 20 to 25 years old, the single family residential is mostly less than 10 years old. The residential is of good to very good quality. This area of Cedar Falls is highly desired at least partially due to its convenient location. The Cedar Falls Industrial Park is an easy five minute drive, although access to the industrial park does not pass through the subject's immediate neighborhood, so the commercial truck traffic exists only to serve the residential properties. There is an about two year old elementary school about 1.5 miles to the west. MercyOne Cedar Falls Medical Center, formerly known as Sartori Hospital is planned for construction on 50 acres of vacant land immediately to the north across Greenhill Road. Construction is expected to begin in 2022, although there is some uncertainty regarding this timing. About 1.5 miles to the south off highway 57 is a growing retail district with Blain's Farm and Fleet, Target, Scheels, Walmart and Menards, among others. The subject is about .5 miles from the extensive recreational trail system. The trails are mostly paved and provide access to the entire metro area and beyond. The topography of the subject is mostly level with rolling hills elsewhere in the market area. Soil conditions are deemed to be adequate for construction and not contaminated although testing has not been completed. To the east, west and south are major arterial streets and highways. They are not barriers to development but actually contribute to it. The presence of the Cedar River running through Cedar Falls into Waterloo is an enhancement. It provides recreational opportunities and is a pleasant feature adding natural ambiance to the city. It does not act as a barrier to development with respect to the subject. The city is served by the Waterloo Regional Airport with two inbound and outbound flights daily. The airport is about a 12 minute drive from the subject. The Eastern Iowa Airport in Cedar Rapids is about a 1.25 hour drive and the Des Moines International Airport is 2.5 hours away. Rail transportation is not a factor. The Metropolitan Transit Authority provides bus transportation throughout the metro. There is a route along Hudson Road that is about .5 miles from the subject. The climate of Cedar Falls is temperate with four distinct seasons. Temperatures can be extreme, infrequently but possibly reaching minus 20 degrees Fahrenheit in the winter, and over 100 degrees in the summer.

B. **Governmental :**

The subject property is in the corporate city limits of Cedar Falls, Iowa. The City of Cedar Falls is zoned. The property is in a MU zone with a master plan that currently is designated for commercial. The applicable property tax rate is 33.00838 per thousand of value, with a 10% rollback currently applicable. This rate applies to all commercial and industrial property. Utilities are provided by municipally owned Cedar Falls Utilities. Provided are natural gas, electricity, water, sewer and internet. The internet/communications component has been rated as one of the fastest available in the U.S. And has been known to cause companies to locate facilities in Cedar Falls. Police and fire protection are provided by the city of Cedar Falls. The property is in the Cedar Falls Community School system. The city is generally considered to have a positive attitude toward growth, while at the same time being recognized as sometimes demanding on developers. City officials during an initial meeting expressed a strong desire for future developments to be of a quality that is sustainable for 100 years, and to have a neighborhood feel and to be less car oriented than has been the case in the past. Further, city officials expressed a desire for future residential developments to offer a diverse variety of housing options. There are not any local incentives for residential development. The officials stated they would be willing to assist the developer in obtaining state or federal incentives. It is possible for properties to be rezoned by going through an extensive approval process, ultimately requiring three readings by the city council. Changing a master plan that otherwise allows a mix of uses is easier and less time consuming to accomplish because it does not require an ordinance change. This requires approval by the planning and zoning commission and only one reading by the city council. This appears to be the case with the subject property. In any regard, only changes, and hence development projects consistent with the vision of the city will be successful.

C. **Social:**

The relevant characteristics of the aggregate population. Total population from the 2020 census in the city of Cedar Falls is 40,713. The 2019 estimate according to the American Community Survey was 40,536. Population peaked at 41,413 in 2016 according to the American Community Survey and had declined every year from 2016 to 2019. The 2020 Census reported 16,997 total housing units in Cedar Falls, of which 15,827 were occupied and 1,170 were vacant. 67.8% of housing units have one unit, 29.0% have more than one unit, and 3.3% are mobile homes or other. 63% of all housing is owner-occupied, 37% is renter-occupied. 28.79% of the total workforce of the Waterloo-Cedar Falls MSA resides in Cedar Falls, compared to 40.4% that reside in Waterloo, according to Iowa Workforce Development as of May 2019. From 2015 through 2019 Black Hawk county had in-migration of 9,046 persons, and out-migration of 8,688. Household size averages 2.43 persons. There is a substantial college student population in Cedar Falls. However, this doesn't result is a markedly different percentage of college graduates relative to the general population. Information available from Grow Cedar Valley indicates 24.1% of the population has attained a Bachelor's degree or higher, compared to 29.3% for the state of Iowa and 33.1% for the U.S. 90.3% of the Cedar Valley population has at least a high school diploma compared to 92.6% for Iowa and 88.6% for the U.S. Deere and Co. is the area's largest employer with about 5,000 employees. At this writing, the U.A.W. representing the production workers has rejected the firm's latest contract and a strike is a possibility. Tyson Fresh Meats is the second largest employer with 3,200 employees. At third and fourth are two local hospitals with 5,398 combined workforce. The next two are the University of Northern Iowa and Waterloo Community Schools with 1,736 and 1,664 respectively. Four Hy-Vee food stores total 1,450 employees. Target Distribution has 1,350 and Western Home Communities has 1,061 employees. All together manufacturing and production has a location quotient of 1.5 with a mean hourly wage of $20.56, compared to a mean wage for all occupations of $22.86. About 80% of workers drive to work alone, and about 10% carpool. The average one-way commute for residents of Cedar Falls is 14.7 minutes. Median household income for Cedar Falls is $61,420. Total nonfarm employment in the Waterloo-Cedar Falls MSA peaked at 92,200 workers in 2014. Total area employment has decreased for several years and as of July 2021 is estimated to be 85,200.



D. Financial/Economic:

1. **Proposed/In Development**:

There are open building permits for 6 townhome style residences of 1,540 square feet each with a total construction value of $1,263,688. Another open permit is for a three unit townhome located south of Greenhill Road, east of Main Street. The units are 1,554 square feet each with 880 square foot basements and 2 car garages. The value combined is $719,800. They are located west of Union Road on Autumn Lane and are expected to be age restricted. There are permits open for twin-homes in several locations. One permit is in the southeast quadrant of West 12th Street and Union Road. It is part of the Terraces at West Glen development of New Aldaya Lifescapes. This development is a multi-phase on 42 acres, all age restricted independent living residences. Western Home is building twin-homes on their south campus on Caraway Lane. Skogman Homes is building a twin-home on Fernwood Drive with a value of $356,200. Sorensen Real Estate Partners is building a twin-home with a construction value of $455,388 on Spruce Hills Drive, off Greenhill Road east of Main Street. Dahlstrom Real Estate has a $1,500,000 permit open for 79 one-bed and two-bed residential units on Bluegrass Circle, south of Greenhill Road. The Residence will have 36 parking spots in a heated open garage below the apartments. There is no dedicated storage space for The Residence. There is a senior living facility under construction just southwest of the subject on Alonquin Drive. It will have 34 memory care and 98 assisted living units. Building permits were not identified but there appear to be two 12-plex buildings similar in design under construction on Bluegrass Circle.

2. **Current Inventory:**

In the immediate area surrounding the subject are 168 units in 12-plexes along Ashworth Drive south of Greenhill Road, owned by High Development. Phase 1 units, built in 2012, rent for $985 per month. Phase 2 units, built in 2017, rent for $1,050. Detached garages are available for both phases for an additional $55 per month. All the apartments in both phases are 949 or 944 square feet. Upper floor units in phase 2 have fully screened in decks. Otherwise all units have decks or patios. High Development also owns and manages the Prairie Rapids apartments in Waterloo. They are similar in design and construction to the second phase units in Cedar Falls, known as Greenhill Fountains II. The Prairie Rapids apartments rent for $985 per month which includes a garage. Adjacent to the south on Loren Drive are three and four unit townhomes. On Alonquin Drive and Amelia Drive are 19 townhome buildings, with 4 units each. All are ranch style and have garages facing the street. Those closest to the subject on Loren Drive and on Alonquin Drive appear to be of good quality, those on Amelia Drive appear to be more average in quality. All are recent construction. Upon driving through the neighborhood, it appeared virtually all units were occupied. No for-rent signs were noticed. The townhomes mentioned are likely competition for the lower density portions of the subject development. Other competition, though not in as close a proximity are properties to the east of Main Street and contained in the Pinnacle Prairie area to the south of Greenhill Road. In this neighborhood is the one large project under development. The project under construction is on Bluegrass Circle, is called The Residence, and is impressive as viewed from the street during a drive-by. As of this writing it is closed in but not ready for occupancy. Completion was scheduled for October 2021. The Rent Cedar Valley website does indicate the process of leasing units in The Residence has started. The Residence will have 36 open, i.e., unsecured, heated parking spaces below the building. Other competing properties in this neighborhood are 168 units owned by Brent Dahlstrom in 12-plexes on Bluegrass Circle. They are all 2 bedroom 2 bath units. A one stall detached garage may be rented for $45 per month. The cost of those garages is expected to increase. Further east on Greenhill Road, just across the border in Waterloo is a property called Kinsale Condominiums. There are eight 12-plex buildings similar to the Greenhill Fountain and Prairie Rapids properties. They currently rent for $880 per month and include a one car garage. Pets are not allowed. The Kinsale property is considered comparable and may compete for a subset of potential renters. The Kinsale rate being about 10% lower than Prairie Rapids and Fountains I and 20% less than Fountains II may indicate they appeal to a different type of renter. They may not be as location sensitive as those preferring Cedar Falls, or they may be more price sensitive and not able or willing to pay the higher rents in Cedar Falls. Downtown Cedar Falls there are about 165 competing apartment units. Other than properties in the immediate neighborhood of the subject, these are the most closely competitive with the subject. Similar buildings in downtown Waterloo are noted but are not considered as directly competing. The two buildings comprising Arabella on West 1st Street in Cedar Falls are owned by Brent Dahlstrom. The four buildings on East 2nd and along State Street are owned by Mark Kittrell. There is very little vacancy, in any of these properties. At this writing, only one unit of the Kittrell properties, a 775 square foot studio on East 2nd, renting for $1,175 per month is available December 1, 2021. There are no units available in the Arabella property on West 1st. The property manager said vacancy is below recent levels, despite the decrease in enrollment at UNI. The Arabella property experiences about 60% to 70% turnover annually, which means the average tenant stays from 1 to 1.5 years. The Arabella offers flexible lease terms, with a 10% surcharge per month for leases less than 12 months in length. The flexibility in lease terms is attractive to temporary employees such as traveling nurses and medical doctors. 46 of the 50 total units are 475 square foot studios. The remaining four units have two bedrooms and about 1,000 square feet. Arabella has 19 open and unheated parking stalls below the building that rent for $100 per month. Rents for the downtown Cedar Falls apartments are in the range of $1.40 to $1.50 per square foot per month. The studios in Arabella rent at a higher amount, $2.47 per square foot per month. The new units in The Residence are being offered at from $1.51 to $1.91 per square foot depending on the size of the unit. The smaller the unit, the higher the rate.

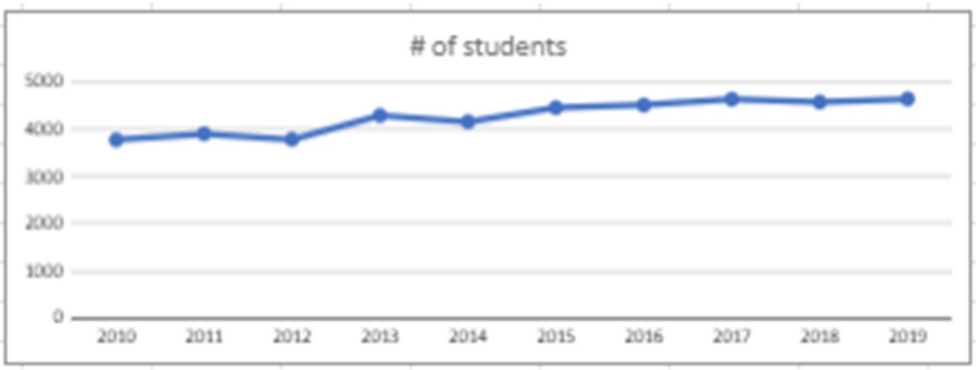
3. **Economic Conditions:**
The Waterloo-Cedar Falls MSA has a well diversified economic base. This is particularly the case for Cedar Falls due to the success of its industrial park. The MSA has a large production/manufacturing component with a location quotient of 1.5. The largest employer is Deere and Company and many smaller firms exist in the MSA to serve and support Deere operations. At the present time UAW workers at Deere are on strike. The first in 35 years. Other large employers are in food production, Tyson Fresh Meat and Con Agra Foods. There are two large cabinet manufacturers, Omega Cabinets and Bertch Cabinets. In general, since the onset of the covid pandemic employment growth and business expansion has been highly uncertain. The Waterloo-Cedar Falls MSA is not immune to this but has weathered it reasonably well. Although employment has fluctuated, as noted above, the sense of the local economy is it is fairly strong, due to the more stable nature of several of the largest employers. Historically, the Midwest has not been as volatile as the rest of the country, on the upside and downside. The same has been the case during the pandemic. The Deere strike adds a new layer of uncertainty, though. Average weekly wages for all workers in all occupations in Black Hawk County have risen every year since 2016. Despite the pandemic, average wage increased to $998 per week for 2020 from $933 in 2019 according to BLS.gov. Median household income in Cedar Falls is $63,131 per year. 75.3% of households have incomes greater than $35,000 per year. 61.1% of households have incomes greater than $50,000 per year. Housing costs locally are below the state and national averages. According to the Iowa Association of REALTORS the median sale price of single-family homes in Iowa in August 2021 was $202,500, and in Black Hawk County was $165,000. Some estimates of the median price of single-

family homes in Cedar Falls is over $200,000 and may be approaching $250,000.

4. **Demand Analysis:**

Population and employment have followed somewhat consistent patterns of change since 2010 for Cedar Falls and the Waterloo-Cedar Falls MSA. They increased through about the middle of the decade then decreased. University student population decreased dramatically during this period which may account for some of the drop. The subject property as conceived, however, is not targeted at students, so other than a reduction in faculty and staff at the university due to lower enrollment, the drop in enrollment is not expected to be a factor of demand. Further, university employment has not decreased in proportion to the decrease in enrollment, and has been quite stable throughout. The 2020 Census numbers do indicate an increase for Cedar Falls and anecdotally, it appears Cedar Falls population has been growing rather consistently. The number of households has increased more steadily than for population and employment, although there were two years of slight decreases in the last ten years. Since 2010 the number of households in Cedar Falls has risen at an annual compounded rate of 1.25%, according to the American Community Survey. Other than a slight dip in mid-decade, the number of households in Cedar Falls has risen steadily for the last five years. This is supported anecdotally by the number of single-family and multi-family residences being developed and the very low vacancy rates evident through market observation. Further evidence is provided by enrollment in public schools. The average annual compounded rate of growth of public school enrollment is 2.3% through 2019. As of 2020, there are 15,827 households in Cedar Falls. According to the American Community Survey 37% of households in Cedar Falls are renters. That means there are about 5,856 renting households in Cedar Falls. Using the household growth rate of 1.25% per year, means Cedar Falls will require about 73 new rental units each year. A prolonged labor strike of Deere workers would have a deleterious effect on demand and in a more limited way, further enrollment decreases at the University of Northern Iowa. Negotiations continue between the UAW and Deere. On the positive side, the Cedar Falls Community School system continues to invest in its buildings. Virtually all the school buildings have been extensively updated recently. In addition, a totally brand-new elementary school open about 2 years ago, and a new high school is being constructed on a new campus on West 27th Street. This demonstrates a solid commitment by the community to its future. Cedar Falls schools are known for their quality, and are perceived as a competitive advantage of Cedar Falls relative to Waterloo. This is demonstrated by the increase in public school enrollments of 2.3% per year and the significant difference in housing costs between the two cities. 50,554 households, 75.3%, in the Waterloo-Cedar Falls MSA have incomes over $35,000. Using High Property Management's 2.75x income for qualifying purposes, means three-quarters of

the households will qualify for monthly rent of $1,060. This is equivalent to new demand for 55 apartments with rent of $1,060. 61% of all households have incomes over $50,000 per year, so they will qualify for monthly rent of $1,515. This equates to new demand for about 45 apartments renting for up to $1,515.
SEE ADDENDUM TO DEMOGRAPHIC ANALYSIS BELOW IN ARTICLE 10



5. **Supply Analysis:**

There are several communities considered to be direct competitors with the subject. The nearest in proximity are the apartments immediately to the south and east of the subject. They are a mix of three and four unit townhomes totaling about 136 units. To the east are low rise buildings recently developed by High. East of Main Street and south of Greenhill Road, along Bluegrass Circle there are about 168 units across fourteen 12-plex style buildings. The other competing properties are projects recently developed downtown Cedar Falls that total about 160 units. They are along State Street between 2nd and 6th, on East 2nd between Main Street and State Street, and along West 1st Street between Washington and Clay Streets. All these properties were constructed in the last eight years. There are other potential competing rentals scattered around Cedar Falls, however, none have, nor are expected to have, the types of amenities planned for the subject that would make them competitive. 76 units are under construction on Bluegrass Circle. Called The Residences, these appear to be luxury market rate apartments and will compete with the subject when completed. The condominiums along Legacy Lane, south of Orchard Drive and west of Cedar Heights Drive are primarily owner occupied. There is a small number of townhome style buildings being constructed on Cedar Heights Drive north of Greenhill Road. They may be competitive with the subject but are expected to be primarily owner occupied rather than rented. There are no other project proposed of which are public knowledge. One developer has built similar product in downtown Waterloo. They are comparable to the subject but are not considered directly competing due to the differences between Waterloo and Cedar Falls and the limited subset of renters that would deem the cities to be equivalent. The current vacancy rate among the directly competing properties just described is virtually zero. Less than a handful of units were found to be available in any of the downtown units. This is unusually low as a typical vacancy rate has been suggested by market participants to be closer to 10%.

6. **Gap Analysis:**

Currently, despite the very low vacancy rates among the mid to upper level inventory, the market appears to be about in equilibrium. However, with continuing growth in Cedar Falls, the lack of available housing may become acute until new developments come online. It is expected some of the unsatisfied demand will be forced to seek homes outside of the city of Cedar Falls, including Waterloo, Hudson and Waverly, or will have to accept a lower quality unit with less amenities. There is a higher level of vacancy in product appealing to a more mid-range renter, i.e., those more price conscious relative to amenity conscious. Given household growth in Cedar Falls, as discussed above, under construction project(s) in Cedar Falls will satisfy new demand for about one year.

1. **Capture Analysis:**

It is expected the subject project will be able to compete effectively in the Cedar Falls rental market. The units will be brand new and competing against some 10 year old inventory by the time they become available. Further, the subject is in one of the most desirable and growing areas in the entire metro. Schools are close, employment is close, shopping is close. The above analysis would indicate the subject as anticipated would achieve stabilized occupancy consistent with any other units in the marketplace soon after approval for occupancy.

7. **Highest and Best Use Analysis:**

A. **As-If Vacant**

The lot size, shape and topography are well suited for a number of uses and could include single or multi-family residential, office and retail. The site is part of a master plan with a Mixed Use designation. The subject parcel is identified on the master plan for commercial use which is further specified as light commercial. As a result an amendment to the master plan will be required in order to move forward with the anticipated development. The city officials, previously mentioned, have indicated a willingness to support such a change, that will only require one reading by the city council rather than the three readings for an actual ordinance change. As such, there is a high probability of a change occurring that would render the proposed development legally permissible. The anticipated multi-family project should be financially feasible, although at this time a formal analysis has not been completed. With the availability of retail and office space in the market, these two uses are likely not feasible. It is likely the maximally productive use is multi-family residential.

B. **As-If Improved:**

The property is currently vacant and ready for development. The subject is completely surrounded by improved properties. It is only a matter of time before the subject is improved.

C. **What is the HBU:**

Based on the market study detailed above, and recognizing a formal analysis of financial feasibility has not been completed, the highest and best use of the subject is for multi-family residential with a low to medium density. The probable users could include recent college graduates, young families and empty nesters. These users will typically demand one and two-bedroom units similar to those proposed. This market expects high quality design and construction with appropriate amenities in place. The rents would be market rate and might not include an affordable component. Given the current extremely low vacancy rates, limited number of rental units in development, and expected growth in households the development process should commence right away with construction occurring in phases over a span of two to three years, depending on the number of units involved. The subject has no interim use. It should remain vacant until construction of the end product begins.

8. **Financial forecasts: FORECASTS ARE IN PREPARATION**

Not completed as part of this analysis. Ex. development cost estimates; pro forma operating statements; estimated returns; scenario analysis; and such.

9. **Discussion and Conclusion:**

One might consider the Cedar Falls residential market a bit of an enigma. The MSA population peaked most recently in 2015 but has lost a small number every year since then. Total nonfarm employment in the MSA recently peaked in 2014 and has been flat or declined ever since. The effect of the pandemic does render employment numbers somewhat suspect. The University of Northern Iowa has long been one of the major employers in the area and certainly one of the most important to Cedar Falls. In the last decade, enrollment has declined 30%, yet through it all university employment has remained surprisingly stable, if not strong. There are other factors for Cedar Falls which counter the muted outlook for Waterloo and the MS. One is the relative strength of K-12 enrollment in the public schools. Admittedly with a couple down years, public school enrollment has increased about 23% from 2010 to 2019. Another is the stream of increases in the number of households in Cedar Falls. As stated earlier an annual average increase of 1.25% every year since 2010. What needs to be recognized is the long held perception of differences between Cedar Falls and other parts of the

MSA, in particular Waterloo. Individuals and families clearly make a distinction between the two principal cities in the MSA. There seems to be a commonly held belief in the long-term viability of Cedar Falls. It continues to attract families and employers both for its quality of life, that while not totally unique, is infrequent in today's world. If Cedar Falls is able to maintain its character as it continues to grow and if still able to provide a safe community with good schools it should continue to be an attractive market for investment.

10. **Addendum to Demographic Analysis**

Further analysis of the population of Cedar Falls was pursued. Population was examined by age group. Driving this was the possible effect of the growth of senior housing within Cedar Falls, in particular Western Home Communities. The concern was whether the growth in residents and households overall was concentrated in seniors age categories, which are not a primary target for the subject project. If such is the case could indicate smaller need for additional market rate non-age restricted housing in Cedar Falls compared to what the overall population and household trends indicate.

The analysis does show a higher rate of growth for 55 and over, and 65 and over population groups than for the 25 to 54, 25 to 64 age groups, and the overall population. The annual compound growth rates for the 55-plus and 65-plus age groups are 1.93% and 2.80%, respectively. The rates for 25-54, 25-64, and overall are .35%, .44% and .79%, respectively. It should also be noted there is greater volatility in the rates of change in the senior age groups. This could be dependent on the number of senior housing units being developed during any period of time. Nevertheless, the growth in the 25-54 age group, deemed the primary target for the subject, and assuming a 2 person average household size would support absorption of 22 total new housing units.
The smaller household size was assumed because the target demographic group is younger and haven't established their family units to the extent of an older demographic group.
The growth in the 25-64 age group, similarly supports absorption of about 36 new housing units per year. The growth in overall population, using an average household size of 2.43 supports absorption of 133 total units per year. Given 37% of Cedar Falls households are renting means the overall growth using this analysis could support 49 new rental units per year. This analysis is based on the American Community Survey 5-year Estimates for population by age for the City of Cedar Falls.

Request for Proposals
Community and Housing Needs Assessment
Storm Lake, Iowa

The City of Storm Lake is seeking proposals for the development of a Community and Housing Needs Assessment for Storm Lake, Iowa.

The purpose of the study is to review the current housing supply and demand in Storm Lake and to project future housing needs, based upon an examination of various social, demographic, and economic trends and factors.

Proposals may be submitted to the City of Storm Lake no later than WEDNESDAY, JUNE 26, 2024, at 12:00 p.m.

<u>Proposals received after this time will be considered late and not accepted.</u>

Proposals may be submitted electronically to:

Mayra Martinez
City Clerk
City of Storm Lake, Iowa
martinez@stormlake.org

Alternately, proposals may be submitted by mail at:

City of Storm Lake
PO Box 1086
Storm Lake, Iowa 50588
Attention: Mayra Martinez

Questions regarding the RFP may be sent to Lee Dutfield, Development Services Specialist by email, dutfield@stormlake.org, or by phone at 712-732-8000.

Scope of Services

The City of Storm Lake will rely upon the selected Consultant's professional experience in analyzing all pertinent factors. The City is open to the Consultant's suggestions regarding the best strategies and approaches to utilize in meeting the goal of identifying housing needs and developing appropriate housing solutions.

The Consultant shall write a report that specifically addresses the City of Storm Lake's current and future housing needs. The last comprehensive housing needs assessment was undertaken by City of Storm Lake in 2017, which is available for review on the City of Storm Lake website at https://www.stormlake.org/DocumentCenter/View/1812/Storm-Lake-Housing-Study

<u>The 2017 Housing Needs Assessment provided a County-wide analysis; the City of Storm Lake in this RFP is requesting a City-specific analysis.</u>

The Consultant's Report will include and address the following information:

a) Demographic Analysis;
b) Current Housing Market & Trends;
c) Employment Trends;
d) Rental Housing Market Analysis;
e) For Sale Housing Market Analysis;
f) Seniors Housing Market Analysis;
g) Housing Affordability Analysis;
h) Future Housing Demand; and
i) Housing Development Opportunities and Challenges.

The Demographic Analysis should review Storm Lake's current population and household makeup, as well as recent trends, which are relevant to the housing needs analysis.

The Current Housing Market & Trends section should review Storm Lake's current housing supply, including housing type, condition, occupancy, tenancy, costs, etc., as well as relevant recent development trends.

The Employment Trends should review Storm Lake's current employment make up, proposed industrial expansions, and projected employment and income growth.

The Rental Housing Market Analysis should summarize current submarket conditions, recent trends, and barriers to increasing rental housing supply.

The For Sale Housing Market Analysis should summarize current submarket conditions, recent trends, and barriers to increasing for sale housing supply.

The Seniors Housing Market Analysis should summarize current submarket conditions, recent trends, and barriers to increasing seniors housing supply.

The Housing Affordability Analysis should review the dynamics of current and expected housing affordability in the for-sale, rental, and seniors' markets.

The Future Housing Demand Section should project demand for housing in Storm Lake, with a focus on the for-sale, rental, and seniors' submarkets. Projected overall demand, as well as demand within these submarkets should be provided through 2035.

The Opportunities and Challenges Section should recommend key strategies for the City of Storm Lake to employ to increase the provision of housing supply in areas of greatest demand, particularly in underperforming submarkets.

The Consultants are expected to provide a draft report, in electronic form, to the Development Services Specialist for review and comment within an agreed-to time frame.

The Consultants are expected to provide a final report, in electronic form, to the Development Services Specialist, within an agreed-to time frame. The Consultants are also expected to subsequently provide a brief presentation to City Council at an appropriate time.

RFP Submission Requirements

The prospective consultants should submit a proposal describing how they intend to achieve the items described in the Scope of Work, the resources and expertise that they bring to this assignment, the proposed time frame to complete the work, and the proposed cost for the work.

At a minimum, the proposal should include the following:

- Consultant name, address, primary contacts,
- Project Manager and his/her relevant experience,
- A statement of the Consultant's understanding of the project which demonstrates their knowledge of the project requirements,
- Proposed approach to undertaking the project, including an outline of the sequence of tasks, major benchmarks and milestones; and
- A brief description of any additional project team members (including subcontractors) and their relevant experience.

Additionally, the proposal should:

- Describe the distinguishing value-added skills and services that will be provided by the Consultant if selected;
- Describe the three most similar projects undertaken, identifying a contact name with each client for possible reference;
- Samples of comparable projects that would serve as example of the expertise necessary for the work;
- Earliest start date and expected completion date; and
- Estimated project costs.

Submittal Process

All proposals must be submitted in the manner described above. Neither exceptions nor extensions to established deadlines will be granted.

The City of Storm Lake will not meet with prospective consultants individually regarding this matter prior to the submission deadline.

The City will be accepting questions by email or phone prior to the deadline as described above. Answers to questions will be published on the City's Economic Development website under the heading “Housing Needs Analysis RFP FAQ.”

Proposals will be reviewed by City staff after the submission deadline. The City may choose to short list and interview a selected group of applicants in July, 2024. The Consultant’s hiring will require approval by City Council, most likely in early August, 2024.

The above dates are subject to change at the discretion of the City of Storm Lake. The City reserves the right at its discretion to refrain from hiring any consultant for the project.

Evaluation Criteria

The evaluation criteria used to assist City staff in recommending a preferred Consultant to City Council are as follows:

1) Related Consultant experience and examples of comparable projects;
2) Consultant’s understanding of the project;
3) Consultant’s technical approach to the project;
4) Staff availability to initiate and capability to complete the project;
5) Staff’s ability to complete the project in a timely manner;
6) Staff’s ability to work with the City in a collegial manner;
7) Financial resources required to complete the project.

Contract and Administration

Upon approval by City Council, the Consultant and City will enter into a Consulting Contract as based upon the Consultant’s RFP submission and any subsequent discussions. In addition to the normal contract considerations (e.g., deliverables, schedules, amount and method of payment, etc.), the Consultant will be required to take out and maintain during the project period sufficient public liability and property damage insurance as to protect the Consultant, its subcontractors, and the City from claims for damages which might arise in the course of work on the project.

While the contract cannot be signed before Council’s approval, the contract would be prepared in consultation with the Consultant prior to the Council meeting.

Staff Summary

07/15/2024
Agenda Item # F.4.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Keri Navratil City Manager

SUBJECT: **Resolution No. 07-R-2024-2025 Setting Date Of A Public Hearing For An Ordinance Amending Title VIII Of The 1994 Recodification Of The Municipal Code Of The City Of Storm Lake, Iowa, By Repealing And Replacing Chapter 8-9 Pertaining To Animal Control**

BACKGROUND: City Council made significant changes to Chapter, 8-9 Dangerous and Vicious Animals. If the ordinance meet the Council's desired language then a public hearing should be set for August 5, 2024 at 5:00 p.m. in City Council Chambers.

Public Hearing- August 5
1st Reading- August 5
2nd Reading- August 19
3rd Reading- Tuesday, September 3

FISCAL IMPACT: N/A

RECOMMENDATION: Motion to Approve Resolution No. 07-R-2024-2025 Set Public Hearing for August 5, 2024 at 5:00 p.m. in City Council Chambers For An Ordinance Amending Title E VIII Of The 1994 Recodification Of The Municipal Code Of The City Of Storm Lake, Iowa, By Repealing And Replacing Chapter 8-9 Pertaining To Animal Control

ATTACHMENTS:

- **0120242025 - Vicious Animal 8-9 - Ordinance Amending Title VIII, Animal Control (6.12 Rev. Draft) (02364608x7F7E1).docx**
- **Resolution No. 07-R-2024-2025 - Vicious 8-9_Setting_Public_Hearing_on_Animal_Control_Ordinance__02375443x7F7E1_ (4).docx**

ORDINANCE NO. 01-O-2024-2025

AN ORDINANCE AMENDING TITLE VIII OF THE 1994 RECODIFICATION OF THE MUNICIPAL CODE OF THE CITY OF STORM LAKE, IOWA, BY REPEALING AND REPLACING CHAPTERS 8-9 PERTAINING TO ANIMAL CONTROL

WHEREAS, Title VIII, Police, of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa ("City Code") contains Chapter 8-9 pertaining to the control and regulation of animals and animal ownership within the corporate limits of Storm Lake; and

WHEREAS, the City Council of the City of Storm Lake ("Council" or "City," respectively) seeks to repeal and replace Chapter 8-9 pertaining to animal control and regulation for the purposes of updating the provisions; and

WHEREAS, the City finds it proper and necessary to adopt revised ordinances to protect the health and welfare of citizens; and

WHEREAS, the Council hereby determines the revisions and changes to the various animal control sections of City Code Title VIII are in the public's best interests.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA, THAT:

SECTION ONE. Title VIII of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, is hereby amended by repealing Chapter 8-9, Dangerous and Vicious Animals, in its entirety and replacing it with the following in lieu thereof:

Chapter 8-9

DANGEROUS AND VICIOUS ANIMALS

Sections:

8-9-1 Definitions
8-9-2 Keeping of Dangerous Animals Prohibited
8-9-3 Dangerous Animal Exceptions
8-9-4 Seizure, Impoundment and Disposition of Dangerous Animals
8-9-5 Keeping of Vicious Animals Prohibited
8-9-6 Vicious Animal Exception
8-9-7 Seizure, Impoundment and Disposition of Vicious Animals
8-9-8 Restrictions of Keeping of Potentially Vicious Animals
8-9-9 Complaint, Procedures and Restrictions of Potentially Vicious Animals

Section 8-9-1 Definitions

Unless otherwise expressly stated or the context clearly indicates a different intention, the following terms shall, for the purpose of this Chapter, have the meanings in this Section:

(A) "DANGEROUS ANIMAL":

1. Any animal which is not naturally tame or gentle, and which is of a wild nature or disposition, and which is capable of killing, inflicting serious injury upon, or causing disease among, human beings or domestic animals and having known tendencies as a species to do so;
2. Any animals declared to be dangerous by the Board of Health of the County or the City Manager, or their designee;
3. The following animals which shall be deemed to be dangerous animals per se:

    a. All cats, except domestic cats (Carnivora of the family Felidae including, but not limited to, lions, cougars, tigers, jaguars, leopards, lynx, and bobcats);
    b. Wolves, coyotes and foxes;
    c. Badgers, wolverines, weasels, skunks and mink;
    d. Raccoons;
    e. Bears;
    f. All apes and monkeys, including chimpanzees;
    g. Bats;
    h. Alligators and crocodiles;
    i. Scorpions;
    j. Snakes that are venomous or constrictors; and
    k. Gila monsters.

(B) "POTENTIALLY VICIOUS ANIMAL": Any animal, except for a dangerous animal per se, as listed above, which:

1. Chases or approaches a person, domestic animal, fowl, or livestock in an apparent attitude of attack, or
2. Attacks a person, domestic animal, fowl, or livestock; or
3. Bites, harms, or attempts to bite or harm a person, domestic fowl, or livestock; or
4. Has been trained to fight other domestic animals; or
5. Has been trained as a guard dog for people or property.

This definition shall not apply to law enforcement canines.

An animal provoked to an attitude of self-defense or assumes a defensive attitude in protection of its owner's property shall not be a per se potentially vicious animal. The City Manager or their designee may take various factors into consideration when determining whether an animal meets this definition. These factors include, but are not limited to, whether the animal was provoked, or whether the animal was acting to protect itself, its owner, or its owner's property.

(C) "VICIOUS ANIMAL": Any animal, except for a dangerous animal per se as listed above which:

1. Has inflicted serious injury on a human being unless the animal was on its owner's premises and either:

    a. The animal was being provoked, teased or tormented; or
    b. The victim was trespassing and was more than seven (7) years of age; or

2. Has attacked, and killed or caused disabling injury to other domestic animal without provocation while off the owner's premises; or
3. Is owned or harbored primarily or in part for the purpose of fighting in contests or any animal trained for such fighting.

As used herein, serious injury includes any one bite which breaks the skin of the victim.

Section 8-9-2 Keeping of Dangerous Animals Prohibited

No person shall keep, shelter, or harbor any dangerous animal as a pet, nor act as a temporary custodian for such animal, nor keep, shelter, or harbor such animal for any other purpose or in any other capacity within the corporate limits of the City of Storm Lake, except as provided in Section 8-9-3 of this Code.

Section 8-9-3 Dangerous Animal Exceptions

The prohibition contained in Section 8-9-2 of this Code shall not apply to the keeping of dangerous animals in the following circumstances:

(A) The keeping of a service animal, as defined and required by state and federal law.

(B) The keeping of dangerous animals in a public zoo, bona fide educational or medical institution, humane society, or museum where they are kept as live specimens for the public to view, or for the purpose of instruction, research, or study.

(C) The keeping of dangerous animals for exhibition to the public by a bona fide traveling circus, carnival, exhibit, or show.

(D) The keeping of dangerous animals in a bona fide, licensed veterinary hospital for treatment.

(E) The keeping of dangerous animals by a wildlife rescue organization with appropriate permit from the Iowa Conservation Commission.

(F) Any dangerous animals under the jurisdiction of and in the possession of the Iowa Conservation Commission, pursuant to Chapters 481A or 481B of the Iowa Code.

Section 8-9-4 Seizure, Impoundment and Disposition of Dangerous Animals

(A) In the event that a dangerous animal is found at large and unattended upon public property, park property, public right-of-way, or the property of someone other than its owner, thereby creating a hazard to person or property, such animal, may, in the discretion of the City Manager or his/her designee, or the Chief of Police, be destroyed if it cannot be confined or captured. The City of Storm Lake shall be under no duty to attempt the confinement or capture of a dangerous animal found at large, nor shall it have a duty to notify the owner of such animal prior to its destruction.

(B) Upon the complaint of any individual that a person is keeping, sheltering, or harboring a dangerous animal on premises in the City of Storm Lake, the City Manager shall cause the matter to be investigated, and if after investigation, the facts indicate that the person named in the complaint is keeping, sheltering or harboring a dangerous animal in the City, the City Manager shall declare the animal to be dangerous and order the person named in the complaint to safely remove such animal from the City of Storm Lake, permanently place the animal with an organization or group allowed under Section 8-9-3 of this Code to possess dangerous animals, or humanely destroy the animal, within three (3) days of the receipt of such order. Such order shall be contained in a notice to remove dangerous animal, which notice shall be given in writing to the person keeping, sheltering or harboring the dangerous animal, and shall be served personally or by certified mail. Such order and notice to remove dangerous animal shall not be required where such dangerous animal has previously caused serious physical harm or death to any person in which case the City Manager shall cause the animal to be immediately seized and impounded or destroyed if seizure or impoundment are not possible without risk of serious physical harm or death to any person.

(C) The order to remove a dangerous animal issued by the City Manager shall be appealable to the City Council. In order to appeal such order, written notice of appeal must be filed with the City Clerk within three (3) days after receipt of the order contained in the notice to remove dangerous animal. Failure to file such written notice of appeal shall constitute a waiver of right to appeal the order of the City Manager.

(D) The notice of appeal shall state the grounds for such appeal and shall be delivered personally or by certified mail to the City Clerk. The hearing of such appeal shall be scheduled within seven (7) days of the receipt of notice of appeal. The hearing may be continued for good cause. The City Manager may direct quarantine or impound of the dangerous animal until after an appeal hearing. After such hearing, the City Council may affirm or reverse the order of the City Manager. Such determination shall be contained in a written decision and shall be filed with the City Clerk within three (3) days after the hearing, or any continued session thereof.

(E) If the City Council affirms the action of the City Manager, the City Council shall order in its written decision that the individual or entity owning, sheltering, harboring, or keeping such dangerous animal, remove such animal from the corporate limits of the City of Storm Lake, permanently place such animal with an organization or group allowed under Section 8-9-3 of this Chapter to possess dangerous animals, or humanely destroy it. The decision and order shall immediately be served upon the person or entity against whom rendered in the same manner as the notice of removal. If the original order of the City Manager is not appealed and is not complied with within three (3) days of its issuance, the City Manager or his/her designee is authorized to seize and impound such dangerous animal. An animal so seized shall be impounded for a period of five (5) days. If at the end of the impoundment period, the individual or entity against whom the decision and order of the City Manager or City Council was issued has not petitioned the Buena Vista County District Court for a review of said order, the City Manager shall cause the animal to be disposed of by sale, permanently place such animal with an organization or group allowed under Section 8-9-3 of this Chapter to possess dangerous animals, or humanely destroy such animal. Failure to comply with an order of the City Manager issued pursuant thereto and not appealed, or of the City Council after appeal, shall constitute a municipal infraction.

Section 8-9-5 Keeping of Vicious Animals Prohibited

No person shall keep, shelter or harbor for any reason within the City a vicious animal so defined herein, except as provided in Section 8-9-6 of this Code.

Section 8-9-6 Vicious Animal Exception

The prohibition contained in Section 8-9-5 of this Code shall not apply to the keeping of vicious animals in the following circumstances:

(A) Animals under the control of a law enforcement or military agency.

(B) The keeping of guard dogs. However, guard dogs must be kept within a structure of fixed enclosure at all times, and any guard dog found at large may be processed as a vicious animal pursuant to the provisions of Section 8-9-5 and 8-9-7 of this Code. Any premises guarded by a guard dog shall be prominently posted with a sign containing the wording "guard dog", "vicious dog", "beware of dog", or words of similar importance, and the owner of such premises shall inform the Chief of Police that a guard dog is on duty at such premises.

Section 8-9-7 Seizure, Impoundment and Disposition of Vicious Animals

(A) Upon the complaint of any individual that a person is keeping, sheltering, or harboring a vicious animal on premises in the City of Storm Lake, the City Manager shall cause the matter to be investigated, and if after investigation, the facts indicate that the person named in the complaint is keeping, sheltering or harboring a vicious animal in the City, the City Manager shall declare the animal to be vicious and order the person named in the complaint to safely remove such animal from the City of Storm Lake, or humanely destroy the animal, within three (3) days of the receipt of such order. Such order shall set forth the description of the animal declared to be vicious and an explanation for the determination of viciousness. Such order shall be contained in a notice to remove vicious animal, which notice shall be given in writing to the person keeping, sheltering or harboring the vicious animal, and shall be served personally or by certified mail. Such order and notice to remove vicious animal shall not be required where such vicious animal has previously caused serious physical harm or death to any person in which case the City Manager shall cause the animal to be immediately seized and impounded or humanely destroyed if seizure or impoundment are not possible without risk of serious physical harm or death to any person. If the order is not complied with within three (3) days of its issuance, the City Manager or his/her designee is authorized to seize and impound the animal. An animal so seized shall be impounded for a period of five (5) days. If at the end of the impoundment period, the individual or entity against whom the order of the City Manager or his/her designee was issued has not appealed such order to the City Council, the City Manager or his/her designee shall cause the animal to be destroyed.

(B) The order to remove or destroy vicious animal issued by the City Manager or his/her designee shall be appealable to the City Council. In order to appeal such order, written notice of appeal must be filed with the City Clerk within three (3) days after receipt of the order to remove or destroy the vicious animal. Failure to file such written notice of appeal shall constitute a waiver of right to appeal the order of the City Manager or his/her designee. The animal shall continue to be quarantined or impounded as directed by the City Manager at the owner's cost until conclusion of the appeal.

(C) The notice of appeal shall state the grounds for such appeal and shall be delivered personally or by certified mail to the City Clerk. The hearing of such appeal shall be scheduled within seven (7) days of the receipt of notice of appeal. The hearing may be continued for good cause. After such hearing, the City Council may affirm or reverse the order of the City Manager or his/her designee. Such determination shall be contained in a written decision and shall be filed with the City Clerk within three (3) days after the hearing, or any continued session thereof.

(D) If the City Council affirms the action of the City Manager or his/her designee, the City Council shall order in its written decision that the individual or entity owning, sheltering, harboring, or keeping such vicious animal, shall remove such animal from the City or cause it to be destroyed in a humane manner. The decision and order shall immediately be served upon the person or entity against whom rendered in the same manner as the order to remove or destroy. If the original order of the City Manager or his/her designee is not appealed and is not complied with within three (3) days or the order of the City Council after appeal is not complied with within three (3) days of its issuance, the City Manager or his/her designee is authorized to seize and impound such vicious animal. An animal so seized shall be impounded for a period of five (5) days. If at the end of the impoundment period, the individual or entity against whom the decision and order of the City Manager or his/her designee and/or the City Council was issued has not petitioned the Buena Vista County District Court for a review of said order, the City Manager or his designee shall cause the animal to be destroyed in a humane manner.

(E) Failure to comply with an order of the City Manager or his/her designee issued pursuant hereto and not appealed, or of the City Council after appeal, shall constitute a municipal infraction.

(F) Any animal found at large which displays vicious tendencies may be processed as a vicious animal pursuant to the foregoing, unless the animal is so vicious that it cannot safely be apprehended, in which case the City Manager, Police Chief, or their designee may immediately destroy it.

(G) Any animal which is impounded or quarantined pending investigation or appeal of a vicious animal report, shall not be released to the owner, but shall continue to be held at the expense of the owner pending final disposition by administrative order or Council appeal. All costs of such impoundment or quarantine shall be paid by the owner if the animal is determined to be vicious. If the animal is not determined to be vicious, all costs of such impoundment or quarantine shall be paid by the City.

Section 8-9-8 Restrictions of Keeping of Potentially Vicious Animals

No person shall keep, shelter or harbor for any reason within the City a potentially vicious animal as defined herein after such animal has been determined to be potentially vicious as provided in Section 8-9-9, unless the terms and conditions imposed by the hearing officer, or the City Council, as appropriate, for keeping such animal within the City have been strictly complied with.

Section 8-9-9 Complaint, Procedures and Restrictions of Potentially Vicious Animals

(A) The City Manager, or his/her designee, in his/her discretion or upon receipt of a complaint alleging that a particular animal is a potentially vicious animal as defined herein, shall cause the matter to be investigated, and if, after investigation, the facts indicate that the particular animal meets the definition of potentially vicious as provided herein, the City Manager or his/her designee shall declare the animal to be potentially vicious and may order the owner to comply with some or all the following restrictions with regard to the animal, as appropriate, as a condition of the animal owner's continued right to maintain the animal within the City limits.

1. The animal may be required to be muzzled at all times when upon public property.
2. The animal may be required to be restrained by a chain leash at all times when the animal is outside the owner's home, and which chain leash should be not more than six feet (6') in length if the animal is on public property.
3. The owner may be required to fence the owner's premises or a portion thereof with chain link or other type fence reasonably calculated to restrain the animal and keep it in good state of repair whenever the animal is outside on the owner's premises.
4. The owner shall provide the City with a copy of a certificate of insurance issued by an insurance company licensed to do business in the state providing personal liability insurance as in a homeowner's policy, with a minimum liability amount of $100,000.00 for the injury or death of any person, for damage to property of others and for acts of negligence by the owner or his or her agents. The certificate shall require notice to the city if the underlying policy of insurance is cancelled for any reason. In lieu of such a certificate, a copy of a current homeowner's policy designating these requirements shall be sufficient proof of insurance for purposes of this subsection. If a certificate of insurance or policy is not immediately available, the City may provide up to 30 days subsequent to the determination that an animal is potentially vicious to obtain the certificate; however, if after 30 days a certificate of insurance or a policy has not been

submitted or the insurance coverage is cancelled, the animal shall be deemed unregistered or unlicensed and subject to immediate impoundment or removal from the corporate limits of the city.

(B) An order determining an animal to be potentially vicious and imposing restrictions upon the continued existence of that animal within the City limits shall be appealable to the same extent and subject to the same procedural requirements and safeguards as are contained in Section 8-9-7 relating to vicious animals.

(C) Failure to comply with an order of the City Manager's or his/her designee issued pursuant hereto and not appealed, or the City Council after appeal, shall constitute a municipal infraction. Further, failure to comply with regard to a particular animal shall qualify that animal as a vicious animal, notwithstanding the basic definition of vicious animal as contained in Section 8-9-1, and subject the owner and the animal involved to all of the provisions of this Chapter relating to vicious animals.

SECTION TWO. Severability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance be held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portion hereof.

SECTION THREE. Repealer. All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

SECTION FOUR. Effective. This Ordinance shall be in full force and effect, from and after its passage, adoption, and approval and publication as required by law, unless a subsequent effective date is set out hereinabove.

SECTION FIVE. When this ordinance is in effect, it shall automatically supplement, amend, and become a part of the said Recodification of the Municipal Code of the City of Storm Lake, Iowa.

PASSED on its first consideration the ________ day of ________________, 2024.

PASSED on its second consideration the ________ day of __________________, 2024.

Requirement of consideration and vote at two (2) prior Council meetings suspended the _________ day of __________________, 2024.

PASSED AND APPROVED on its third consideration this _______ day of ___________, 2024.

CITY OF STORM LAKE, IOWA
By:___________________________
Micheal Porsch, Mayor

_____No action taken by Mayor.

_____Vetoed this ________ day of __________________, 2024.

____
Michael Porsch, Mayor

ATTEST:

____
Mayra A, Martinez, City Clerk

_____Repassed and adopted over the veto this ________ day of ___________________, 2024.

_____Veto affirmed this _____ day of __________________, 2024 by failure of vote taken to repass.

_____Veto affirmed no timely vote taken to repass over veto.

ATTEST:

____
Mayra A. Martinez, City Clerk

RESOLUTION NO. 07-R-2024-2025

RESOLUTION SETTING DATE OF A PUBLIC HEARING ON AN ORDINANCE AMENDING TITLE VIII OF THE 1994 RECODIFICATION OF THE MUNICIPAL CODE OF THE CITY OF STORM LAKE, IOWA, BY REPEALING AND REPLACING CHAPTERS 8-9 PERTAINING TO ANIMAL CONTROL

WHEREAS, the City Council of the City of Storm Lake, Iowa will consider a proposed ordinance amending Title VIII of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, by repealing and replacing Chapter 8-9 pertaining to animal control; and

WHEREAS, the proposed ordinance would revise existing animal control provisions of Municipal Code to improve regulation and enforcement mechanisms for animal ownership and presence within the corporate limits of the City of Storm Lake, Iowa; and

WHEREAS, the City Council will hold a public hearing on the animal control ordinances to seek public input prior to any passage, adoption, or enactment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Storm Lake, Iowa, that:

Section 1. A public hearing shall be held on the proposed ordinance before the City Council at its meeting which commences at 5:00 P.M. on August 5, 2024, in the Council Chambers, Storm Lake City Hall, 620 Erie Street, Storm Lake, Iowa, at which public comments shall be received.

Section 2. The City Clerk is authorized and directed to cause a notice of such public hearing to be published in The Storm Lake Times, at least once on a date not less than four (4) nor more than twenty (20) days before the date of the public hearing in accordance with Iowa Code section 362.3, such notice to be in substantially the following form:

(One publication required)

NOTICE OF PUBLIC HEARING ON AN ORDINANCE AMENDING TITLE VIII OF THE 1994 RECODIFICATION OF THE MUNICIPAL CODE OF THE CITY OF STORM LAKE, IOWA, BY REPEALING AND REPLACING CHAPTER 8-9 PERTAINING TO ANIMAL CONTROL

The City Council of the City of Storm Lake, State of Iowa, will hold a public hearing before itself at its meeting which commences at 5:00 P.M. on August 5, 2024, in the Council Chambers, Storm Lake City Hall, 620 Erie Street, Storm Lake, Iowa, to receive public comments on a proposed ordinance amending Title VIII of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, by repealing and replacing Chapter 8-9 pertaining to animal control.

A copy of the proposed ordinance amending Title VIII of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, by repealing and replacing Chapter 8-9 pertaining to animal control is on file for public inspection in the office of the City Clerk, Storm Lake City Hall, 620 Erie Street, Storm Lake, Iowa.

Any person or organization desiring to be heard shall be afforded such an opportunity at this public hearing.

This notice is given by order of the City Council of the City of Storm Lake, State of Iowa.

Dated this ___________ day of ________________, 2024.

____
City Clerk, City of Storm Lake, State of Iowa

(End of Notice)

PASSED AND APPROVED this 15th day of July, 2024.

____
Michael Porsch, Mayor

ATTEST:

____
Mayra A. Martinez, City Clerk

(SEAL)

Staff Summary

07/15/2024
Agenda Item # F.5.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO:	Honorable Mayor & Council
FROM:	Keri Navratil City Manager
SUBJECT:	**Resolution No. 08-R-2024-2025 Setting Date Of A Public Hearing For An Ordinance Amending Title VIII Of The 1994 Recodification Of The Municipal Code Of The City Of Storm Lake, Iowa, By Repealing And Replacing Chapters 8-3 Pertaining To Animal Control**
BACKGROUND:	City Council made significant changes to Chapters 8-3 Dogs ordinances. If the ordinance meet the Council's desired language then a public hearing should be set for August 5, 2024 at 5:00 p.m. in City Council Chambers. Public Hearing- August 5 1st Reading- August 5 2nd Reading- August 19 3rd Reading- Tuesday, September 3
FISCAL IMPACT:	N/A
RECOMMENDATION:	Motion to Approve Resolution No. 08-R-2024-2025 Set Public Hearing for August 5, 2024 at 5:00 p.m. in City Council Chambers For An Ordinance Amending Title VIII Of The 1994 Recodification Of The Municipal Code Of The City Of Storm Lake, Iowa, By Repealing And Replacing Chapter 8-3 Pertaining To Animal Control

ATTACHMENTS:

- **0220242025 - DOG 8-3 - Ordinance Amending Title VIII, Animal Control (6.12 Rev. Draft) (02364608x7F7E1).docx**
- **Resolution No. 08-R-2024-2025 - Dog 8-3_Setting_Public_Hearing_on_Animal_Control_Ordinance__02375443x7F7E1_(4).docx**

ORDINANCE NO. 02-O-2024-2025

AN ORDINANCE AMENDING TITLE VIII OF THE 1994 RECODIFICATION OF THE MUNICIPAL CODE OF THE CITY OF STORM LAKE, IOWA, BY REPEALING AND REPLACING CHAPTERS 8-3 PERTAINING TO ANIMAL CONTROL

WHEREAS, Title VIII, Police, of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa ("City Code") contains Chapter 8-3 pertaining to the control and regulation of animals and animal ownership within the corporate limits of Storm Lake; and

WHEREAS, the City Council of the City of Storm Lake ("Council" or "City," respectively) seeks to repeal and replace Chapter 8-3 pertaining to animal control and regulation for the purposes of updating the provisions; and

WHEREAS, the City finds it proper and necessary to adopt revised ordinances to protect the health and welfare of citizens; and

WHEREAS, the Council hereby determines the revisions and changes to the various animal control sections of City Code Title VIII are in the public's best interests.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA, THAT:

SECTION ONE. Title VIII of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, is hereby amended by repealing Chapter 8-3, Dogs, in its entirety and replacing it with the following in lieu thereof:

Chapter 8-3

DOGS

Sections:

Section 8-3-1 Definitions

For use within this Chapter the following are defined:

(A) "DOGS" includes both male and female members of the canine species, whether altered or not;

(B) "AT LARGE" refers to any dog running otherwise than upon the premises of its owner when the dog is not attached to a leash 6 feet or less in length, or other similar physical restraint, under the control of a person physically competent to restrain or control the dog, properly restrained within a motor vehicle, or housed in an animal hospital or kennel;

(C) "OWNER" includes any person, firm or corporation owning, harboring, sheltering or keeping a dog, including any person who feeds or otherwise cares for a dog.

Section 8-3-2 License

(A) License Required. Every owner of a dog six (6) months of age or older shall annually procure a dog license from the City. The license fee shall be in the amount set by Council Resolution and shall be paid no later than January 1 of each year. It shall be unlawful for an owner to have a dog within the city without procuring a license as required by this Ordinance.

(B) Application for License and Issuance Requirements. License applications shall be on a form provided and prescribed by the City Manager. Applications shall be made within six months of possession of the dog. Applications shall include evidence of rabies vaccination. The rabies vaccination required shall be that which is approved by the state of Iowa in accordance with the approved state agency's standards and requirements, and the frequency of revaccination necessary for approved vaccinations shall be established by that state department. The vaccine shall be administered by a licensed veterinarian and shall be given as approved by the state of Iowa.

A copy of a certificate from a licensed veterinarian must accompany all applications claiming an animal has been spayed or neutered. The city clerk or designee shall issue dog licenses when the application requirements are met and the license fee is paid.

(C) Duration of License. A license granted pursuant to this provision shall be valid for a period of one year.

(D) License Tag. Upon payment of the license fee, the City shall issue to the owner a license which shall contain the name of the owner, his/her place of residence, and a description of the dog. The City shall keep a duplicate of each license issued as a public record. Upon issuance of the license, the City shall deliver to the owner a metal tag stamped with the number of the license and the year for which it is issued. The license tag shall be securely fastened to a collar or harness which shall be worn by the dog for which the license is issued. Any dog found running at large without the license tag attached to its collar or harness shall be deemed unlicensed. Licenses and license tags are not transferable.

(E) Exceptions. The requirements for licensing dogs shall not apply in the following circumstances:

1. The dog is in transit through the city only.

2. The first thirty (30) calendar days of residency in the city by the owner, or the first thirty (30) calendar days the owner has owned the dog and the dog is at least six months old.

Section 8-3-3 Immunization

Every dog owner shall comply with state law requirements to obtain proper immunization against rabies. Ownership or possession of a dog over six months of age within the corporate limits of Storm Lake without proper immunization against rabies shall be unlawful. Proof of immunization issued by a licensed veterinarian in the form of a metal tag shall be worn by any dog owner's dog, and the dog owner shall additionally maintain documented proof of such immunization.

Section 8-3-4 Kennel Dogs

Kennel dogs which are kept or raised solely for the bona fide purpose of sale and which are kept under constant restraint are not subject to the provisions of this Chapter.

Section 8-3-5 Dogs Disturbing the Peace – Leashing Required

(A) It shall be unlawful for an owner of a dog to allow or permit such dog to pass upon the premises of another.

(B) It shall be unlawful for an owner of a dog to allow or permit such dog to run at large. Dogs may not run at large in any city park, public sidewalk, or trail. Dogs that are not properly attached to a leash 6 feet or less in length, or other similar physical restraint, shall be deemed at large.

(C) It shall be unlawful for an owner of a dog to allow or permit such dog to cause serious annoyance or disturbance to any person by frequent and habitual howling, yelping, barking or otherwise; or by running after or chasing persons, bicycles, automobiles or other vehicles.

(D) It shall be unlawful for any person who owns, possesses, or controls an animal to permit the animal's excrement to be left upon any public property, or any private property neither owned nor occupied by such person. Animal excrement shall be immediately removed and properly disposed of in a trash receptacle.

(E) The provisions of Subsections (A) and (B) shall not apply to dogs being run by an employee of the City or by a person, including the person's employee, under contract with the City of Storm Lake for the purpose of controlling and minimizing the presence of geese in the City parks or other property owned by the City.

Section 8-3-6 Impounding

(A) Any unlicensed dog found at large, or any licensed dog found at large in violation of the provisions of this Chapter, shall be seized and impounded.

(B) The owners of such licensed dogs shall be notified in writing within two (2) days of impounding that upon payment of impounding costs such dogs will be returned. If the impounded licensed dogs are not recovered by their owners within five (5) days after notice, the dogs shall be humanely disposed of by the Chief of Police.

(C) Impounded unlicensed dogs may be recovered by the owner, upon proper identification, by payment of license fee and impounding costs. If such dogs are not claimed within five (5) days after impounding, they shall be humanely disposed of by the Chief of Police.

Section 8-3-7 Municipal Infraction

A violation of any of the provisions of this Chapter shall constitute a municipal infraction subject to the penalties and alternative relief authorized by Title 1, Chapter 20 of this Code and by Section 364.22 of the Code of Iowa.

SECTION TWO. Severability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance be held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portion hereof.

SECTION THREE. Repealer. All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

SECTION FOUR. Effective. This Ordinance shall be in full force and effect, from and after its passage, adoption, and approval and publication as required by law, unless a subsequent effective date is set out hereinabove.

SECTION FIVE. When this ordinance is in effect, it shall automatically supplement, amend, and become a part of the said Recodification of the Municipal Code of the City of Storm Lake, Iowa.

PASSED on its first consideration the ________ day of ________________, 2024.

PASSED on its second consideration the ________ day of __________________, 2024.

Requirement of consideration and vote at two (2) prior Council meetings suspended the _________ day of __________________, 2024.

PASSED AND APPROVED on its third consideration this _______ day of ___________, 2024.

CITY OF STORM LAKE, IOWA
By:___________________________

Micheal Porsch, Mayor

_____No action taken by Mayor.

_____Vetoed this ________ day of __________________, 2024.

____
Michael Porsch, Mayor

ATTEST:

____
Mayra A, Martinez, City Clerk

_____Repassed and adopted over the veto this ________ day of ___________________, 2024.

_____Veto affirmed this _____ day of __________________, 2024 by failure of vote taken to repass.

_____Veto affirmed no timely vote taken to repass over veto.

ATTEST:

____
Mayra A. Martinez, City Clerk

RESOLUTION NO. 08-R-2024-2025

RESOLUTION SETTING DATE OF A PUBLIC HEARING ON AN ORDINANCE AMENDING TITLE VIII OF THE 1994 RECODIFICATION OF THE MUNICIPAL CODE OF THE CITY OF STORM LAKE, IOWA, BY REPEALING AND REPLACING CHAPTERS 8-3 PERTAINING TO ANIMAL CONTROL

WHEREAS, the City Council of the City of Storm Lake, Iowa will consider a proposed ordinance amending Title VIII of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, by repealing and replacing Chapter 8-3 pertaining to animal control; and

WHEREAS, the proposed ordinance would revise existing animal control provisions of Municipal Code to improve regulation and enforcement mechanisms for animal ownership and presence within the corporate limits of the City of Storm Lake, Iowa; and

WHEREAS, the City Council will hold a public hearing on the animal control ordinances to seek public input prior to any passage, adoption, or enactment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Storm Lake, Iowa, that:

Section 1. A public hearing shall be held on the proposed ordinance before the City Council at its meeting which commences at 5:00 P.M. on August 5, 2024, in the Council Chambers, Storm Lake City Hall, 620 Erie Street, Storm Lake, Iowa, at which public comments shall be received.

Section 2. The City Clerk is authorized and directed to cause a notice of such public hearing to be published in The Storm Lake Times, at least once on a date not less than four (4) nor more than twenty (20) days before the date of the public hearing in accordance with Iowa Code section 362.3, such notice to be in substantially the following form:

(One publication required)

NOTICE OF PUBLIC HEARING ON AN ORDINANCE AMENDING TITLE VIII OF THE 1994 RECODIFICATION OF THE MUNICIPAL CODE OF THE CITY OF STORM LAKE, IOWA, BY REPEALING AND REPLACING CHAPTER 8-3 PERTAINING TO ANIMAL CONTROL

The City Council of the City of Storm Lake, State of Iowa, will hold a public hearing before itself at its meeting which commences at 5:00 P.M. on August 5, 2024, in the Council Chambers, Storm Lake City Hall, 620 Erie Street, Storm Lake, Iowa, to receive public comments on a proposed ordinance amending Title VIII of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, by repealing and replacing Chapter 8-3 pertaining to animal control.

A copy of the proposed ordinance amending Title VIII of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, by repealing and replacing Chapter 8-3 pertaining to animal control is on file for public inspection in the office of the City Clerk, Storm Lake City Hall, 620 Erie Street, Storm Lake, Iowa.

Any person or organization desiring to be heard shall be afforded such an opportunity at this public hearing.

This notice is given by order of the City Council of the City of Storm Lake, State of Iowa.

Dated this __________ day of _______________, 2024.

____
City Clerk, City of Storm Lake, State of Iowa

(End of Notice)

PASSED AND APPROVED this 15th day of July, 2024.

____
Michael Porsch, Mayor

ATTEST:

____
Mayra A. Martinez, City Clerk

(SEAL)

Staff Summary

07/15/2024
Agenda Item # F.6.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Keri Navratil City Manager

SUBJECT: **Resolution No. 09-R-2024-2025 Setting Date Of A Public Hearing For An Ordinance Amending Title VIII Of The 1994 Recodification Of The Municipal Code Of The City Of Storm Lake, Iowa, By Repealing And Replacing Chapters 8-4 Pertaining To Animal Control**

BACKGROUND: City Council made significant changes to Chapter, 8-4 Cats. If the ordinance meet the Council's desired language then a public hearing should be set for August 5, 2024 at 5:00 p.m. in City Council Chambers.

Public Hearing- August 5
1st Reading- August 5
2nd Reading- August 19
3rd Reading- Tuesday, September 3

FISCAL IMPACT: N/A

RECOMMENDATION: Motion to Approve Resolution No. 09-R-2024-2025 Setting Public Hearing for August 5, 2024 at 5:00 p.m. in City Council Chambers For An Ordinance Amending Title VIII Of The 1994 Recodification Of The Municipal Code Of The City Of Storm Lake, Iowa, By Repealing And Replacing Chapter 8-4 Pertaining To Animal Control

ATTACHMENTS:

- 0320242025 - CATS 8-4 - Ordinance Amending Title VIII, Animal Control (6.12 Rev. Draft) (02364608x7F7E1).docx
- Resolution No. 09-R-2024-2025 - Cat 8-4_Setting_Public_Hearing_on_Animal_Control_Ordinance__02375443x7F7E1_(4).docx

ORDINANCE NO. 03-O-2024-2025

AN ORDINANCE AMENDING TITLE VIII OF THE 1994 RECODIFICATION OF THE MUNICIPAL CODE OF THE CITY OF STORM LAKE, IOWA, BY REPEALING AND REPLACING CHAPTERS 8-4 PERTAINING TO ANIMAL CONTROL

WHEREAS, Title VIII, Police, of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa ("City Code") contains Chapter 8-4 pertaining to the control and regulation of animals and animal ownership within the corporate limits of Storm Lake; and

WHEREAS, the City Council of the City of Storm Lake ("Council" or "City," respectively) seeks to repeal and replace Chapter 8-4 pertaining to animal control and regulation for the purposes of updating the provisions; and

WHEREAS, the City finds it proper and necessary to adopt revised ordinances to protect the health and welfare of citizens; and

WHEREAS, the Council hereby determines the revisions and changes to the various animal control sections of City Code Title VIII are in the public's best interests.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA, THAT:

SECTION ONE. Title VIII of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, is hereby amended by repealing Chapter 8-4, Cats, in its entirety and replacing it with the following in lieu thereof:

Chapter 8-4

CATS

Sections:

Section 8-4-1 Definitions

For use within this Chapter the following are defined:

(A) "AT LARGE": Refers to any cat running otherwise than upon the premises of its owner when the cat is not attached to a leash held by a competent person, restrained within a motor vehicle, or in any animal hospital or kennel.

(B) "CATS": Includes both male and female members of the felis catus domestica species, whether altered or not.

(C) "OWNER": Any person, firm or corporation owning, harboring, sheltering or keeping a cat, including any person who feeds or otherwise cares for a cat.

(D) "POPULATION CONTROL PROGRAM" shall mean a program allowed by the City Council exempting persons from liability under this Chapter for returning a cat to its original location as part of a comprehensive population management strategy known as Trap-Neuter-Return.

Section 8-4-2 License

(A) License Required. Every owner of a cat shall annually procure a cat license from the City. The license fee shall be in the amount set by Council Resolution and shall be paid no later than January 1 of each year. It shall be unlawful for an owner to have a cat within the city without procuring a license as required by this Ordinance.

(B) Application for License and Issuance Requirements. License applications shall be on a form provided and proscribed by the City Manager. Applications shall be made within six months of possession of the cat. Applications shall include evidence of rabies vaccination. The rabies vaccination required shall be that which is approved by the state of Iowa in accordance with the approved state agency's standards and requirements, and the frequency of revaccination necessary for approved vaccinations shall be established by that state department. The vaccine shall be administered by a licensed veterinarian and shall be given as approved by the state of Iowa.

A copy of a certificate from a licensed veterinarian must accompany all applications claiming an animal has been spayed or neutered. The city clerk or designee shall issue cat licenses when the application requirements are met and license fee is paid.

(C) Duration of License. A license granted pursuant to this provision shall be valid for a period of one year.

(D) License Tag. Upon payment of the license fee, the City shall issue to the owner a license which shall contain the name of the owner, his/her place of residence, and a description of the cat. The City shall keep a duplicate of each license issued as a public record. Upon issuance of the license, the City shall deliver to the owner a metal tag stamped with the number of the license and the year for which it is issued. The license tag shall be securely fastened to a collar or harness which shall be worn by the cat for which the license is issued.

Any cat found running at large without the license tag attached to its collar or harness shall be deemed unlicensed. Licenses and license tags are not transferable.

(E) Exceptions. The requirements for licensing cats shall not apply in the following circumstances:

1. The cat is in transit through the city only.
2. The first thirty (30) calendar days of residency in the city by the owner, or the first thirty (30) calendar days the owner has owned the cat and the cat is at least six months old.

Section 8-4-3 Immunization

Every cat owner shall obtain proper immunization against rabies. Ownership or possession of a cat within the corporate limits of Storm Lake without proper immunization against rabies shall be unlawful. Proof of immunization issued by a licensed veterinarian in the form of a metal tag shall be worn by any cat owner's cat, and the cat owner shall additionally maintain documented proof of such immunization.

Section 8-4-4 Kennel Cats

Kennel cats which are kept or raised solely for the bona fide purpose of sale and which are kept under constant restraint are not subject to the provisions of this Chapter.

Section 8-4-5 Cats Disturbing the Peace

(A) It shall be unlawful for an owner of a cat to allow or permit such cat to pass upon the premises of another.

(B) It shall be unlawful for an owner of a cat to allow or permit such cat to run at large. This provision shall not be construed to prohibit population control programs undertaken by a nonprofit formally authorized by the City Council under Section 8-4-7 to trap, neuter, and return feral, stray, or otherwise unclaimed cats.

(C) It shall be unlawful for an owner of a cat to allow or permit such cat to cause serious annoyance or disturbance to any person by frequent and habitual howling, whining, meowing, or otherwise.

(D) It shall be unlawful for any person who owns, possesses or controls an animal to permit the animal's excrement to be left upon any public property, or any private property neither owned nor occupied by such person. Animal excrement shall be immediately removed and properly disposed of in a trash receptacle.

Section 8-4-6 Impounding

(A) Any unlicensed cat found at large, or any licensed cat found at large in violation of the provisions of this Chapter, shall be seized and impounded at the owner's cost.

(B) The owners of such licensed cats shall be notified in writing within two (2) days of impounding that upon payment of impounding costs such cats will be returned. If the impounded licensed cats are not recovered by their owners within five (5) days after notice, the cats shall be humanely disposed of by the Chief of Police.

(C) Impounded unlicensed cats may be recovered by the owner, upon proper identification by payment of the license fee and impounding costs. If such cats are not claimed within five (5) days after impounding, they shall be humanely disposed of by the Chief of Police.

Section 8-4-7 Population Control Programs

The City Council may authorize a nonprofit engaged in the practice of implementing a comprehensive population control program known as "Trap-Neuter-Return" to operate such program within the City for unlicensed feral, stray, or otherwise unclaimed cats at large without incurring liability as an owner. A city-approved population control nonprofit shall not have liability hereunder for releasing cats as part of a "Trap-Neuter-Return" program. The City shall have no liability for the activities of any such nonprofit, nor shall the nonprofit's program interfere with the City's continued enforcement of all ordinances applicable to cats and other animals.

Section 8-4-8 Municipal Infraction

A violation of any of the provisions of this Chapter shall constitute a municipal infraction subject to the penalties and alternative relief authorized by Title 1, Chapter 20 of this Code and by Section 364.22 of the Code of Iowa.

SECTION TWO. Severability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance be held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portion hereof.

SECTION THREE. Repealer. All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

SECTION FOUR. Effective. This Ordinance shall be in full force and effect, from and after its passage, adoption, and approval and publication as required by law, unless a subsequent effective date is set out hereinabove.

SECTION FIVE. When this ordinance is in effect, it shall automatically supplement, amend, and become a part of the said Recodification of the Municipal Code of the City of Storm Lake, Iowa.

PASSED on its first consideration the ________ day of ________________, 2024.

PASSED on its second consideration the ________ day of __________________, 2024.

Requirement of consideration and vote at two (2) prior Council meetings suspended the _________ day of __________________, 2024.

PASSED AND APPROVED on its third consideration this _______ day of ___________, 2024.

CITY OF STORM LAKE, IOWA
By:___________________________
Micheal Porsch, Mayor

_____No action taken by Mayor.

_____Vetoed this ________ day of __________________, 2024.

____
Michael Porsch, Mayor

ATTEST:

____
Mayra A, Martinez, City Clerk

_____Repassed and adopted over the veto this ________ day of ___________________, 2024.

_____Veto affirmed this _____ day of __________________, 2024 by failure of vote taken to repass.

_____Veto affirmed no timely vote taken to repass over veto.

ATTEST:

____
Mayra A. Martinez, City Clerk

RESOLUTION NO. 09-R-2024-2025

RESOLUTION SETTING DATE OF A PUBLIC HEARING ON AN ORDINANCE AMENDING TITLE VIII OF THE 1994 RECODIFICATION OF THE MUNICIPAL CODE OF THE CITY OF STORM LAKE, IOWA, BY REPEALING AND REPLACING CHAPTERS 8-4 PERTAINING TO ANIMAL CONTROL

WHEREAS, the City Council of the City of Storm Lake, Iowa will consider a proposed ordinance amending Title VIII of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, by repealing and replacing Chapter 8-4 pertaining to animal control; and

WHEREAS, the proposed ordinance would revise existing animal control provisions of Municipal Code to improve regulation and enforcement mechanisms for animal ownership and presence within the corporate limits of the City of Storm Lake, Iowa; and

WHEREAS, the City Council will hold a public hearing on the animal control ordinances to seek public input prior to any passage, adoption, or enactment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Storm Lake, Iowa, that:

Section 1. A public hearing shall be held on the proposed ordinance before the City Council at its meeting which commences at 5:00 P.M. on August 5, 2024, in the Council Chambers, Storm Lake City Hall, 620 Erie Street, Storm Lake, Iowa, at which public comments shall be received.

Section 2. The City Clerk is authorized and directed to cause a notice of such public hearing to be published in The Storm Lake Times, at least once on a date not less than four (4) nor more than twenty (20) days before the date of the public hearing in accordance with Iowa Code section 362.3, such notice to be in substantially the following form:

(One publication required)

NOTICE OF PUBLIC HEARING ON AN ORDINANCE AMENDING TITLE VIII OF THE 1994 RECODIFICATION OF THE MUNICIPAL CODE OF THE CITY OF STORM LAKE, IOWA, BY REPEALING AND REPLACING CHAPTER 8-4 PERTAINING TO ANIMAL CONTROL

The City Council of the City of Storm Lake, State of Iowa, will hold a public hearing before itself at its meeting which commences at 5:00 P.M. on August 5, 2024, in the Council Chambers, Storm Lake City Hall, 620 Erie Street, Storm Lake, Iowa, to receive public comments on a proposed ordinance amending Title VIII of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, by repealing and replacing Chapter 8-4 pertaining to animal control.

A copy of the proposed ordinance amending Title VIII of the 1994 Recodification of the Municipal Code of the City of Storm Lake, Iowa, by repealing and replacing Chapter 8-4 pertaining to animal control is on file for public inspection in the office of the City Clerk, Storm Lake City Hall, 620 Erie Street, Storm Lake, Iowa.

Any person or organization desiring to be heard shall be afforded such an opportunity at this public hearing.

This notice is given by order of the City Council of the City of Storm Lake, State of Iowa.

Dated this ___________ day of ________________, 2024.

____
City Clerk, City of Storm Lake, State of Iowa

(End of Notice)

PASSED AND APPROVED this 15th day of July, 2024.

____
Michael Porsch, Mayor

ATTEST:

____
Mayra A. Martinez, City Clerk

(SEAL)

Staff Summary

07/15/2024
Agenda Item # F.7.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Keri Navratil City Manager

SUBJECT: **Work Session - Discussion of Pigeon Ordinance**

BACKGROUND: The purpose of this work session is to review and discuss the creation of City Code regulations regarding the keeping of Pigeons.

There have been some requests to create an Ordinance which will help prevent conflicts between owners of Pigeons and adjoining property owners. City Staff has begun to review other existing City Ordinances and will provide the Council with a draft version for review at an upcoming meeting. Homing Pigeons do have have protections under Iowa State Law that will have to be taken into consideration in the development of any Ordinance. It is intended that the new Ordinance section be located along with other animal control regulations.

FISCAL IMPACT: Legal fees to be determined when Ordinance is submitted for review.

RECOMMENDATION: Discuss potential Pigeon Ordinance, give Staff input regarding regulations for the keeping of Pigeons as a part of a City Code update.

ATTACHMENTS:

Staff Summary

07/15/2024
Agenda Item # F.8.

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Mayra Martinez City Clerk

SUBJECT: **City Council Requested Items / City Council Updates**

BACKGROUND: Date to be determined - Sign Ordinance Review

FISCAL IMPACT:

RECOMMENDATION:

ATTACHMENTS: