

Questions concerning the proposed tax levy for the Grinnell Veterans Memorial Building – Prepared by Grinnell City Manager Russell L. Behrens and Reviewed by Grinnell Veterans Commission Chair Leo Lease
October 25, 2017

1. If this levy is defeated, what will happen with the Veterans Memorial building?

No decision has been made in regard to what would happen if the levy is defeated. If it were defeated, the levy could be voted on again in November of 2019. The only other option that has been considered is removal of the building and placement of a veteran memorial in its place.

2. To whom does the building belong? Is this debatable or is it an established fact?

The building belongs to the city of Grinnell. The care and maintenance is the responsibility of the Veterans Memorial Commission. Please see the attached memo from City Attorney Bill J. Sueppel dated May 23, 2014 which provides more information on this topic.

3. What exactly is the money that this levy would raise to be used for?

Below you will find the language that will be on the ballot which will guide the future expenditures:

Shall the City of Grinnell, Iowa levy a sum of forty-one cents per thousand of assessed value for the purpose of the restoration, operation and maintenance of the Grinnell Veterans Memorial Building for a period of twenty (20) years from First Levy.

4. How exactly does the building serve as a memorial to veterans?

Historically it has served as a memorial primarily in name via signage on the front of the building.

5. If the tax levy fails, do we have assurance that the city will tear down the building?

No. This would be a discussion between the city of Grinnell and the Veterans Memorial Commission with substantial public input. The Mayor and City Council would support building a quality veteran memorial on the site should the levy be defeated.

6. Is the issue to tear down or not to tear down the building dead?

This will depend a great deal on the outcome of the levy vote. If the levy passes the building will remain for the foreseeable future and if it fails there will likely be a robust discussion about whether to continue to try to save the building or build a veteran memorial at the site.

7. What will the levy be used for? If the levy does not pass, what are the implications of that for the Veterans' Building?

The levy will be used for the restoration, operation, and maintenance of the Grinnell Veterans Memorial Building for a period of twenty (20) years. This may include staff expenses for the care and maintenance of the building, custodial care, utility expenses, building maintenance, insurance, grounds maintenance, and related care.

No decision has been made in regard to what would happen if the levy is defeated. If it were defeated, the levy could be voted on again in November of 2019. The only other option that has been considered is removal of the building and placement of a veteran memorial in its place.

8. At one point there was fundraising being conducted for the Veterans' Building. What is/was the goal? How much has been raised so far? How much in pledges?

There have been two different fundraising goals. The first was \$750,000 (MINUTES OF THE VETERANS MEMORIAL COMMISSION - Monday, November 10, 2014 5:00 p.m.). The second was \$2.2 million for the artist residency. The amount raised to date is \$27,000 or 3.6% in three years towards the \$750,000 goal and no funds have been raised toward the \$2.2 million goal for the artist residency option. There are no known written or otherwise documented pledges.

9. During fundraising we were shown drawings and plans for upgrade/improvement to the building. Are these plans still being pursued? How is the levy related to these plans?

There have been a number of concept drawings done over the years. The most recent drawings were completed by Bushong Construction. The levy will generate approximately \$112,596 annually for the care and maintenance of the building. The primary purpose of the levy would be to provide for the ongoing care, maintenance and operational costs of the building. If there are funds remaining, they could be used for building renovations.

10. If the levy does pass, does it pay for the remodeling AND routine maintenance? If so, what funding stream would pay for maintenance after this levy expires? Would the city have the complete responsibility for all funding?

The revenue from the levy would pay for the care and maintenance of the building for a 20 year period. If there are funds remaining after the care and maintenance items are covered, funds could be used for renovations to the building. In addition to the funds generated by the levy, the project will need to raise an additional \$2.2 million in private funds and grants.

11. How much money has the city of Grinnell spent on the Veterans Memorial Building since the discovery of the asbestos (include cost of fines)?

Since the discovery of the asbestos in the building in June 2010, the city of Grinnell has spent \$514,148 on costs associated with the Veterans Memorial Building. It is certainly debatable how much of that \$514, 148 is directly associated with the Veterans Memorial Building and how much of it has a joint association with Central Park. Some of the larger expenses include asbestos abatement \$67,390; engineering and architectural fees \$43,048; entrance plaza \$50,959; walk out patio, storm water management system, parking lot and ADA improvements \$280,707; and salaries and utilities \$28,190.

12. Can you provide some background on the discovery of the asbestos and subsequent removal?

On May 18, 2010, maintenance workers investigated and attempted to clean up damage from the building's leaking roof. Dust was stirred up and inhaled by the workers; the dust was found to contain asbestos fibers. Employees of Mid Iowa Community Action (MICA), which had been housed in the Veteran's Memorial Building, were concerned about asbestos exposure and informed the Occupational Safety and Health Administration (OSHA). Representatives of OSHA came to Grinnell to perform interviews and gather data shortly after they were made aware of the potential problem. Tests on the building were performed at OSHA's insistence by Ames Environmental at the city of Grinnell's direction. MICA offices were relocated to the former Community Center and events scheduled in the Veterans Memorial Building were re-booked in other venues. Employees of MICA sought medical testing to determine personal exposure levels and risk of illness.

The city of Grinnell arranged for the removal and clean-up of all asbestos in the building in cooperation with the Grinnell Veterans Memorial Commission, which began on July 19, 2010 and was completed by Mid-Iowa Environmental Corp. at a cost of \$67,390.ⁱ All City buildings were surveyed for asbestos and City employees were trained to recognize asbestos and to respond appropriately to its presence.ⁱⁱ The City paid fines to the Occupational Safety and Health Administration in the amount of \$1,750, which was reduced from \$3,500 because of the City's willingness to come into compliance with health and safety standards.

13. How much money will the tax levy raise?

The levy rate will be \$.41/\$1,000 if approved. The current taxable value for the city of Grinnell is \$275,503,321. This tax levy will generate approximately \$112,596.

For property with a taxable value of \$100,000, it will add \$41 to the annual tax payment.
For property with a taxable value of \$200,000, it will add \$82 to the annual tax payment.
For property with a taxable value of \$500,000, it will add \$205 to the annual tax payment.
For property with a taxable value of \$1 million it will add \$410 to the annual tax payment.

14. Who has been taking care of and paying for the building until now?

The building was maintained by income from a tax levy until 1967 when the 20 year period approved in 1944 and started in 1947 ended. The city of Grinnell assumed the cost of maintenance and operation of the building into the general fund after the levy retired. In

many cities, the maintenance for a memorial is provided for by frequent fundraising efforts or a “levy for maintenance,” under Iowa Code Chapter 37.8 which was considered but ultimately not created.

15. How much will it cost to maintain the building?

At this point, the city of Grinnell is not able to predict what the cost to maintain the building will be. This will be impacted significantly by the future uses of the building, intensity of those uses, building design, efficiency of the HVAC system, and quality of initial construction.

16. Who will be responsible for the building, future use and maintenance?

The Grinnell Veterans Memorial Commission will be responsible for all aspects of the building if the levy passes and/or the building remains.

18. If the building is torn down who decides what will go in its place?

If the building is torn down and the tax levy is not being utilized, the Grinnell Veterans Memorial Commission would likely cease to exist. At that point, all decisions would be made by the Grinnell City Council with substantial public input.

ⁱ Payment on 09/07/2010: \$57,020, Payment on 10/04/2010: \$10,370.00

ⁱⁱ For more information about asbestos exposure and safety, visit: <https://www.asbestos.com/exposure/>

MEARDON, SUEPPEL & DOWNER P.L.C.
122 South Linn Street
Iowa City, IA 52240
Telephone: (319) 338-9222

MEMORANDUM

TO: Russ Behrens
FROM: William J. Sueppel
DATE: May 23, 2014
RE: Veterans Memorial Commission

You had requested that I look into the issue of the rights and responsibilities of the City of Grinnell and the Veterans Memorial Commission as it relates to ownership and responsibility to the Veterans Memorial Building.

Under Chapter 37 of the Iowa Code, memorial buildings and monuments may be erected at public expense by a city or county to commemorate the service of soldiers, sailors and marines. Prior to erecting the Memorial Building, an election was required to allow the citizens to approve the project. Once the project has been approved by a majority vote following the election, the City Council is required to appoint a Veterans Commission consisting of not less than five and not more than eleven members. The Commission shall have charge and supervision of the erection and management and control of the building following construction.

Chapter 37 provides that gifts and bequests made to the City or the Commission to be used for the Memorial Building must be used in accordance with the Code and the express wishes of the donor. The expenditure of those funds would be controlled by the Veterans Commission. Additionally, if a tax levy or other City fund are budgeted specifically for the Memorial Building, the Veterans Commission would control the expenditure of those funds for use maintaining and equipping the Memorial Building.

There is no ongoing legal obligation that the City continue to implement a tax levy or budget municipal funds for the upkeep of the Memorial Building once the initial obligation has been fulfilled. In other words, the City may use taxpayer money to maintain the building once it is erected or it may choose not to fund the ongoing

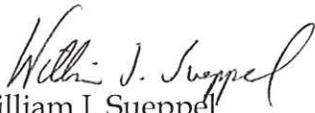
maintenance of the building. In that event, it would be the Commission's obligation to raise money to be used toward the maintenance of the building. However, the Commission is not obligated to raise money if it chooses not to.

Chapter 37 of the Iowa Code does not provide for any methodology by which the Veterans Commission, once established, may be abandoned. I am assuming that this potential eventuality was not considered when the law was originally adopted.

The property and building would appear to continue to belong to the City of Grinnell. The Veterans Commission does not, in my opinion, have the right to sell or encumber the building or the property. The City of Grinnell has that right, but only upon the approval of the Veterans Commission, as long as the building is still standing and used as a veterans memorial. It would appear to me that if a change is desired to the building or to create a new veterans memorial, both the Veterans Commission and the City of Grinnell would need to approve that change and to cooperate in the design and erection of the new building or memorial.

I have discussed this matter with Attorney Don Schild, who represents the Veterans Commission, and, based on our telephone conversation, I believe that he is in agreement with this opinion as well.

Please call me if you wish to discuss this matter further or have other questions that have not been addressed in this memo.


William J. Sueppel

Veterans Memorial Commission Special Meeting
June 8, 2010
5:00 p.m. in the Small Conference Room

PRESENT: Doug Elliott, Gary Downey, Ed Adkins, Peggy Elliott, Byron Worley, Duane Neff, Russ Behrens and Kay Cmelik.

Downey made the motion, second by Adkins to approve the agenda. AYES: All. Motion carried.

The purpose of the meeting was discuss the Veteran's Memorial Building asbestos exposure.

Duane presented the information regarding the asbestos exposure and the subsequent OSHA visit.

The main concern at this time is to eliminate the occupancy to avoid any more repercussions with asbestos exposure. The city has no choice but to remove the asbestos. They are getting bids on the cost of the removal at this time. Once they receive the results of the asbestos content and removal, we can evaluate our alternatives and make a final determination on the building's future.

The city recreation department will call the proposed renters and assist them in finding another venue for their celebration or event.

The Veterans Memorial Commission's meetings are held on the 1st Monday of the month. The meetings are quarterly. The American Legion holds their meetings on the 3rd Tuesdays. The city will assist both groups in finding a suitable meeting place for their meetings.

Elliott made the motion, second by Adkins to order the evacuation as soon as possible of the Veteran's Memorial Commission building due to the OSHA asbestos exposure until further assessment of the costs, damages and the long term objective for the building can be determined for the safety of the employees and the public. AYES: 3-0. Motion carried.

The meeting was adjourned by motion and vote at 5:35 p.m.

DOUG ELLIOTT, CHAIR

ATTEST:

P. KAY CMELIK, CITY CLERK

MINUTES OF THE VETERANS MEMORIAL COMMISSION

Monday, November 10, 2014 5:00 p.m.

Present Chair Ed Adkins, Vice-Chair Gary Downey (via telephone), Dan Bunnell, Cody Hotchkin and Grinnell City Manager Russ Behrens as Recording Secretary. The meeting was called to order at 5:00 p.m.

Behrens reported that Chad Rose had submitted his resignation from this Commission to Mayor Canfield.

Bunnell made the motion and Downey seconded to accept the minutes of the October 13, 2014 meeting as presented. All ayes, motion carried. This motion was made near the end of the meeting.

The bulk of the meeting was devoted to hearing a presentation from John Bushong of Bushong construction. Bushong has volunteered a significant amount of time and effort to assessing the current state of the building and examining options for improvement. Some of the key points raised by Bushong include:

- Current heating and cooling system must be replaced.
- Mold in the lower level must be abated.
- Asbestos abatement had been completed and certified.
- Recommends complete removal of all interiors on the lower level.
- ADA restrooms will be required, possibly as a single family style restroom.
- Recommends additional insulation under the roof deck and spray foam for the walls.
- Recommend forced air AC.
- Several locations on the exterior walls need to be repaired.
- Requires new ceilings and some new electrical throughout.
- Floor finishes will need to be replaced, especially vinyl tiles. Terrazzo could be polished.

Bushong broke the project into three possible phases:

- Phase 1 – Make first level operational = \$346,000
- Phase 2 – Improvements to first floor such as serving kitchen, more windows, balcony, etc. = \$135,000
- Phase 3 – Improve the lower level = \$202,000
- Total = \$683,000 x 15% design fees = \$102,450 = Grand Total \$785,450

Behrens explained that Grinnell Building and Planning Director Duane Neff had estimated similar work to be around \$1 million for minimal improvement and Bushong agreed that was probably an accurate estimate.

Motion by Bunnell, second by Adkins to work with the Greater Poweshiek Community Foundation to try to raise \$750,000 for this project. All ayes, motion carried.

The next meeting will be Monday, December 8, 2014 at 5:00 p.m. in the Grinnell City Council Chamber.

Motion by Bunnell, second by Adkins to adjourn the meeting at 5:30 p.m. All ayes.

Chair, Ed Adkins

Recording Secretary Russ Behrens