



**Grinnell FINANCE COMMITTEE Meeting  
MONDAY, APRIL 6, 2020 AT 8:00 A.M.  
VIA ZOOM**

Join from PC, Mac, Linux, iOS or Android: <https://skccom.zoom.us/j/537858789>

Or iPhone one-tap :

US: +16468769923,,537858789# or +13126266799,,537858789#

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 646 876 9923 or +1 312 626 6799 or +1 669 900 6833 or +1 253 215 8782 or +1 301 715 8592 or +1 346 248 7799

Meeting ID: 537 858 789

International numbers available: <https://skccom.zoom.us/u/abwyWtdePA>

Or an H.323/SIP room system:

H.323:

162.255.37.11 (US West)

162.255.36.11 (US East)

Meeting ID: 537 858 789

SIP: [537858789@zoomcrc.com](mailto:537858789@zoomcrc.com)

OR Join from an internal SKC Video Conference Endpoint: 70537 858 789

Or Skype for Business (Lync):

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## ***TENTATIVE AGENDA***

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**ROLL CALL:** Wray (Chair), White, Bly.

### **PERFECTING AND APPROVAL OF AGENDA:**

### **COMMITTEE BUSINESS:**

1. Consider resolution proposing to lease real property and scheduling public hearing on said proposal (Grinnell Housing Authority – three-year lease) (See Resolution No. 2020-36).
2. Review recommendation from the Grinnell Historic Preservation Commission regarding 915 Main Street.
3. Consider resolution approving support of Community Catalyst Building Remediation Grant for 915 Main Street (See Resolution No. 2020-37).
4. Consider resolution authorizing payment in the amount of \$27,256.28 for improvements by Daralee, LLC to 629 West Street S in accordance with development agreement (Resolution No. 2020-38).
5. Consider resolution authorizing payment in the amount of \$3,719.35, for improvements by AJP Enterprises, LLC to 923 Main Street in accordance with development agreement (Resolution No. 2020-39).
6. Consider resolution authorizing payment in the amount of \$154,453.43 for improvements by Key Cooperative to 1128 Pinder Avenue in accordance with development agreement (Resolution No. 2020-40).
7. Consider resolution authorizing payment in the amount of \$136,200.92 for improvements by Grinnell Center LLC to 925 Park Street in accordance with development agreement (Resolution No. 2020-41).

8. Consider resolution authorizing payment in the amount of \$40,197.00 for improvements by Casey's Marketing Company to 635 Lang Creek Ave Street in accordance with development agreement (Resolution No. 2020-42).
9. Consider resolution authorizing the lump sum payment in the amount of \$30,000 for improvements made by SEAJAE Properties LLC a/k/a Hometown Heroes Sports Grill LLC in accordance with development agreement (Resolution No. 2020-43).
10. Consider resolution for monthly internal transfers of funds (See Resolution No. 2020-44).
11. Consider resolution for monthly transfers of funds for trust and agency (See Resolution No. 2020-45).
12. Consider resolution for transfers of funds per budget (See Resolution No. 2020-46).
13. Discuss dumpster charges for portions of a month.
14. Discuss city utility account payment policy during COVID-19 event.
15. Consider designating funds to assist small businesses with their city utility bills during COVID-19 event.
16. Discuss possible impacts of COVID-19 event on FY 19-20 and FY 20-21 budget.
17. Consider special Campbell Fund request from the Grinnell Food Coalition.

**INQUIRIES:**

**ADJOURN:**

## PUBLIC NOTICE

You are hereby notified that the City Council of Grinnell, Iowa, will meet on the 20th day of April, 2020, at 7:00 o'clock p.m. via Zoom in Grinnell, Iowa, for the purpose of considering whether the following described real property, to-wit (Grinnell Housing Authority):

Approximately 130 square feet of office space located on the lower level of the Grinnell City Hall.

should be leased. The City Council has adopted a resolution proposing that such property be leased in accordance with the following terms and conditions:

The sum of Two Hundred sixty-one dollars and 96/100 per month (\$261.96) per month beginning on July 1, 2020; the sum of Two hundred sixty-nine dollars and 82/100 per month (\$269.82) beginning July 1, 2021; the sum of Two hundred seventy-seven and 91/100 per month (\$277.91) beginning on July 1, 2022. The first payment being due on July 1, 2020, and the last day of each and every month thereafter.

A copy of the resolution and any documents pertaining to such lease may be inspected at the City Clerk's office.

You are further notified that you may appear at the time and place specified above to make any objections you may have to the proposed leasing of such property.

Please govern yourselves accordingly.

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ANNMARIE WINGERTER, CITY CLERK

## PROPERTY LEASE

THIS LEASE AGREEMENT executed in duplicate, made and entered into this 20th day of April, 2020, by and between the City of Grinnell, Iowa, a municipal corporation (hereinafter called the "Landlord") and Grinnell Housing Authority (hereinafter called the "Tenant"), WITNESSETH THAT:

1. **Premises and Term.** The Landlord, in consideration of the rents herein reserved and of the agreements and conditions herein contained, on the part of the Tenant to be kept and performed, leases unto the Tenant and Tenant hereby rents and leases from the Landlord, according to the terms and provisions herein, the 130 sq. ft. area, with the improvements thereon and all rights, easements and appurtenances thereto belonging, which, more particularly, includes the space and premises located on the lower level of the Grinnell City Hall, including the access to said premise by the common stairways and the right to use the elevator located in said premises for a term of three years, commencing on July 1, 2020 and ending at midnight on June 30, 2023. Landlord grants to Tenant an option to extend this lease for a period of one (1) year upon the same terms. Said option to be exercised by the Tenant giving to the Landlord notice by certified mail of its election of said option, said notice to be given at least ninety (90) days prior to the expiration of this lease agreement. Monthly rental rates are to be renegotiated on an annual basis with notice by either party ninety (90) days before expiration of the lease agreement. Tenant shall have the option to cancel this lease agreement upon notifying the Landlord in writing by certified mail, ninety (90) days prior to said termination; that after said termination this agreement shall become null and void.

2. **Rental.** Tenant agrees to pay Landlord monthly rental for said premises as follows: The sum of Two Hundred sixty-one dollars and 96/100 per month (\$261.96) per month beginning on July 1, 2020; the sum of Two hundred sixty-nine dollars and 82/100 per month (\$269.82) beginning July 1, 2021; the sum of Two hundred seventy-seven and 91/100 per month (\$277.91) beginning on July 1, 2022. The first payment being due on July 1, 2020, and the last day of each and every month thereafter.

Delinquent payments shall draw interest at 12% annum beginning ten (10) days after the due date, until paid.

3. **Possession.** Tenants shall be entitled to possession on the first day of the term of this lease, and shall yield possession to the Landlord at the time and date of the pro rata rental.

4. **Use of Premises.** Tenant covenants and agrees during the term of this lease to use and to occupy the leased premises only for the purposes of Grinnell Housing Authority, or its successors or assigns.

5. **Quiet Enjoyment.** Landlord covenants that its estate in said premises is fee simple; and that the Tenant on paying the rent herein reserved and performing all the agreements by the Tenant to be performed as provided in this lease shall and may peaceably have, hold and enjoy the demised premises for the term of this lease free from molestation, eviction or disturbance by the Landlord or any other persons or legal entity whatsoever.

6. **Care and Maintenance of Premises.** (a) Landlord will keep the said premises in a good state of repair and shall at its own expense care and maintain said premises in a reasonably safe and serviceable condition. Tenant will not permit or allow said premises to be damaged or depreciated in value by any act of negligence by the Tenant, its agents or employees, except the effects of ordinary wear and tear. The Landlord will make all repairs to the interior and exterior of said building and in addition make repairs to the sewer, plumbing water pipes, and electrical wiring and maintain the entire building free of any expense to the Tenant.

**7. Utilities and Services.** Landlord shall furnish all utilities for said premises, which utilities shall include water, sewer, gas, heat, electricity, power, air conditioning, garbage and trash disposal.

Landlord shall furnish all air conditioning equipment and maintain the expense thereof.

**8. Janitorial Service.** Landlord shall furnish the janitorial service for the premises leased by Tenant from Landlord and the control of said janitorial service shall be under the control and supervision of the Landlord.

**9. Parking Facilities.** In addition to the above premises, Tenant shall have the right to use the parking facilities and Landlord reserves the right to control the designation of parking spaces allowed to the Tenant on the premises owned by the Landlord.

**10. (a) Surrender of Premises at End of Term -- Removal of Fixtures.** Tenant agrees that upon the termination of this lease, it will surrender, yield up and deliver the leased premises in good and clean condition, except the effects of ordinary wear and tear and depreciation arising from lapse of time, or damage without fault or negligence of Tenants.

**(b)** Tenants may, at the expiration of the term of this lease, or renewal or renewals thereof or at a reasonable time thereafter, if Tenant is not in default hereunder, move any fixtures or equipment which said Tenant has installed in the leased premises, provided said Tenant repairs any and all damages caused by removal.

**(c) Holding Over.** Continued possession, beyond the expiratory date of the term of this lease, by the Tenant, coupled with the receipt of the specified rental by the Landlord (and absent a written agreement by both parties for an extension of this lease, or for a new lease) shall constitute a month to month extension of this lease.

**11. Assignment and Subletting.** Tenant shall not have the right nor shall the Tenant assign to sublet any part of this lease agreement without the express permission of the Landlord.

**12. Insurance. (a)** Landlord and Tenant will each keep its respective property interest in the premises and its liability in regard thereto, and the personal property on the premises, reasonably insured against hazards and casualties; that is, fire and those items usually covered by extended coverage; and Tenant will procure and deliver to the Landlord sufficient written evidence of self-insurance.

**(b)** Tenant will not do or omit the doing of any act which would vitiate any insurance, or increase the insurance rates on force upon the real estate improvements on the premises or upon any personal property of the Tenant upon which the Landlord by law or by the term of this lease, has or shall have a lien.

**(c)** Subrogation rights are not to be waived unless a special provision is attached to this lease.

**(d)** Tenant further agrees to comply with recommendations of Iowa Insurance Service Bureau and to be liable for and to promptly pay, as if current rental, any increase in insurance rates in said premises and on the building of which said premises are a part, due to increased risks or hazards resulting from Tenant's use of the premises otherwise than as herein contemplated and agreed.

**(e) Insurance Proceeds.** Landlord shall settle and adjust any claim against any insurance

company under its said policies of insurance for the premises, and said insurance monies shall be paid to and held by the Landlord to be used in payment for cost of repairs or restoration of damaged building, if the destruction is only partial.

**13. Indemnity and Liability Insurance.** Except as to any negligence of the Landlord, arising out of roof and structural parts of the building, Tenant will protect, indemnify and save harmless the Landlord from and against any and all loss, costs, damage and expenses occasioned by, or arising out of any accident or other occurrence causing or inflicting injury and/or damage to any person or property, happening or done, in, upon or about the leased premises, or due directly or indirectly to the tenancy, use or occupancy thereof, or any part thereof by the Tenant or any person claiming through or under the Tenant. The Tenant further covenants and agrees that it will at its own expense procure and maintain casualty and liability insurance in a responsible company or companies authorized to do business in the State of Iowa as approved by the Landlord, or in lieu thereof, provide the Landlord sufficient evidence of self-insurance or of statutory authority for self-insurance, protecting the Landlord against such claim, damages, costs or expenses on account of injury to any person or persons, or to any property belonging to any person or persons, by reason of such casualty, accident or other happening on or about the demised premises during the term thereof. Certificates or copies of said policies, naming the Landlord and providing for fifteen (15) days' notice to the Landlord before cancellation shall be delivered to the Landlord within twenty (20) days from the date of the beginning of the term of this lease. As to insurance of the Landlord for roof and structural faults, see paragraph 12(a) above.

**14. Fire and Casualty. Partial Destruction of Premises.** (a) In the event of a partial destruction or damage of the lease premises, which is a business interference, that is, which prevents the conducting of a normal business operation and which damage is reasonably repairable within sixty (60) days after its occurrence, this lease shall not terminate but the rent for the lease premises shall abate during the time of such business interference. In the event of partial destruction, Landlord shall repair such damages within 60 days of its occurrence unless prevented from so doing by acts of God, the elements, the public enemy, strikes, riots, insurrection, government regulations, city ordinance, labor, material or transportation shortage, or other causes beyond Landlord's reasonable control.

(b) Total Destruction of Business Use. In the event of a destruction or damage of the leased premises including parking area so that Tenant is not able to conduct its business on the premises or the then current legal use for which the premises are being used and which damages cannot be repaired within one hundred twenty (120) days this lease may be terminated at the option of either the Landlord or Tenant. Such termination in such event shall be effected by written notice of one party to the other, within thirty (30) days after such destruction. Tenant shall surrender possession within thirty (30) days after such notice issues, and each party shall be released from all future obligations hereunder, Tenant paying rental pro rata only to the date of such destruction. In the event of such termination of this lease, Landlord at its option, may rebuild or not, according to its own wishes and needs.

**15. Condemnation.** (a) Disposition of Awards. Should the whole or any part of the demised premises be condemned or taken by a competent authority for any public or quasi-public use or purpose, each party shall be entitled to retain, as its own property, any award payable to it. Or in the event that a single entire award is made on account of the condemnation, each party will then be entitled to take such proportion of said award as may be fair and reasonable.

(b) Date of Lease Termination. If the whole of the demised premises shall be so condemned or taken, the Landlord shall not be liable to the Tenant except and as its rights are preserved as in paragraph 14(a) above.

**16. Termination of Lease and Defaults of Tenant.** (a) Termination Upon Expiration or Upon Notice of Default. This Lease shall terminate upon expiration of the demised term; or of this lease expressly and in writing provided for any option or options, and if any such option is exercised by the Tenant, then this lease will terminate at the expiration of the option term or terms. Upon default in payment of rental herein or upon by Tenant in accordance with the terms and provision of this lease, this lease may at the option of the Landlord be cancelled and forfeited, **PROVIDED, HOWEVER,** before any such cancellation and forfeited except as provided herein, Landlord shall give Tenant a written notice specifying the default, or defaults, and stating that this lease will be cancelled and forfeited thirty (30) days after the giving of such notice, unless such default, or defaults, are remedied within such grace period. As an additional optional procedure or as an alternative to the foregoing (and neither exclusive of the other) Landlord may proceed as in paragraph 19, below, provided.

(b) In (a) above, waiver as to any default shall not constitute a waiver of any subsequent default or defaults.

**17. Right of Either Party to Make Good any Default of the Other.** If default shall be made by either party in the performance of, or compliance with, any of the terms, covenants or conditions of this lease, and such defaults shall have continued for thirty (30) days after written notice thereof from one party to the other, the person aggrieved, in addition to all other remedies now or hereafter provided by law, may, but need not, perform such term, covenant or condition, or make good such default any amount advanced shall be repaid forthwith on demand, together with interest at the rate of 12% per annum, from date of advance.

**18. Sign.** Landlord shall approve any signs to be placed on said premises.

**19. Rights Cumulative.** The various rights, power, options, elections and remedies of either party, provided in this lease, shall be construed as cumulative and no one of them as exclusive of the others, or exclusive of any rights, remedies, priorities, allowed either party by law, and shall in no way affect or impair the right of either party to pursue any other equitable or legal remedy to which either party may be entitled as long as any default remains in any way remedied, unsatisfied or undischarged.

**20. Changed to be in Writing.** None of the covenants, provisions, terms or conditions of this lease to be kept or performed by Landlord or Tenant shall be in any manner modified, waived or abandoned, except by a written instrument duly signed by the parties and delivered to the Landlord and Tenant. This lease contains the whole agreement of the parties.

**21. Construction.** Words and phrases herein including acknowledgement hereof shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender according to the context.

**IN WITNESS WHEREOF,** the parties hereto have duly executed this lease in duplicate the day and year first above written.

CITY OF GRINNELL, IOWA - Landlord

\_\_\_\_\_  
Date

\_\_\_\_\_  
Dan F. Agnew, Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Annmarie Wingerter, City Clerk

GRINNELL HOUSING AUTHORITY - Tenant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Susan Hiner

## RESOLUTION

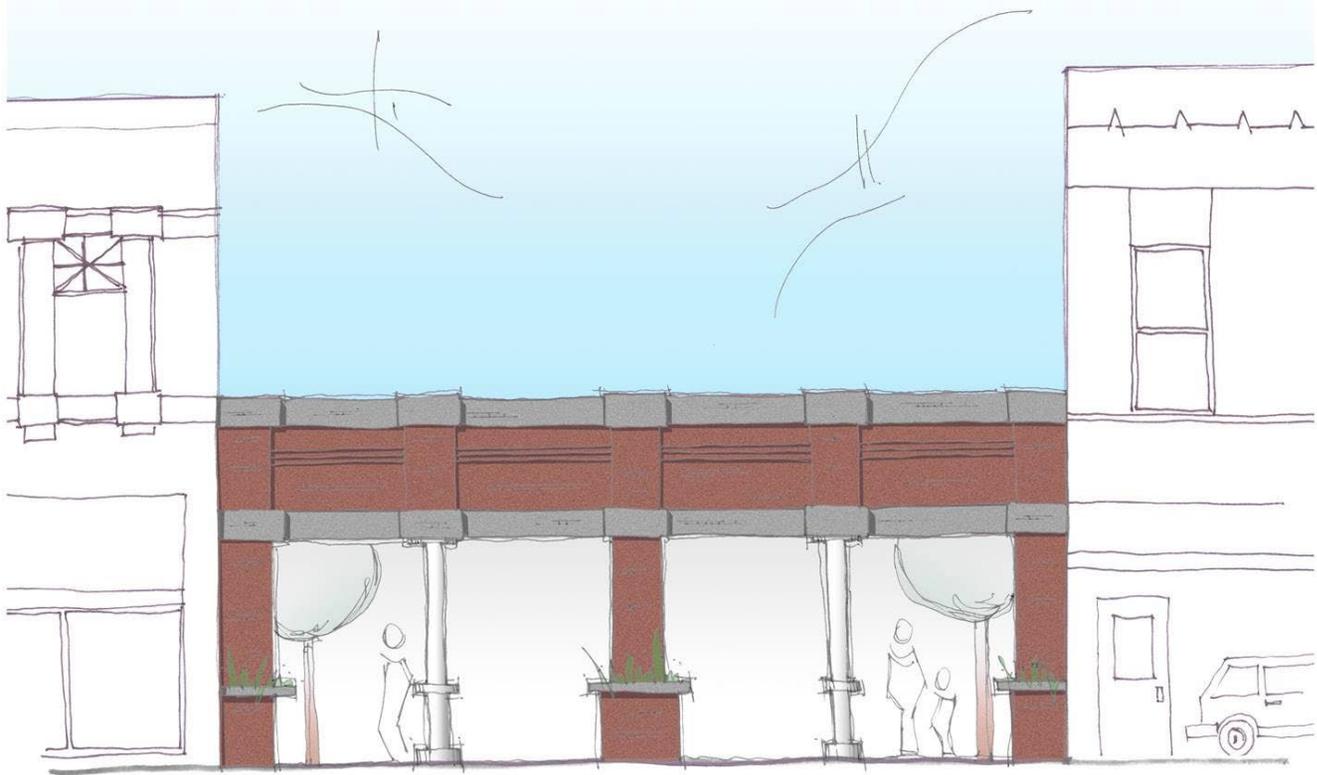
During that special called meeting of the Grinnell Historic Preservation Commission on April 2, 2020, it was duly resolved by unanimous vote of all members that:

1. The Grinnell Historic Preservation Commission approved the proposed design concept for 915 Main Street, presented by Karjalahti Enterprises.

Dated this 8th day of March, 2020 by;

A handwritten signature in blue ink, appearing to read "Cheryl Neubert", written over a horizontal line.

Cheryl Neubert, Chairperson for the  
Grinnell Historic Preservation Commission



915 Main Street  
Grinnell, Iowa  
Courtyard Infill

The Ingenuity Company  
Design Sketch • Not to Scale  
22 March 2020



**RESOLUTION NO. 2020-37**

**A RESOLUTION TO APPROVE A COOPERATIVE AGREEMENT BETWEEN KARJALAHTI ENTERPRISES/571 POLSON DEVELOPMENTS, LLC AND THE CITY OF GRINNELL.**

**WHEREAS**, the Karjalahti Enterprises and their consultant, 571 Polson Developments, LLC, wish to enter into this agreement for the purpose of the city of Grinnell to sponsor a Community Catalyst Building Remediation Grant application for 915 Main Street; and

**WHEREAS**, this agreement is designed to authorize Karjalahti Enterprises and their consultant, 571 Polson Developments, LLC, to prepare application materials for the project to be submitted with the city of Grinnell's permission at the appropriate time; and

**WHEREAS**, the Karjalahti Enterprises and their consultant, 571 Polson Developments, LLC, and the city of Grinnell agree to said cooperative agreement; and

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the city of Grinnell, Iowa that authorization be given to Mayor Agnew to sign the Cooperative Agreement with Karjalahti Enterprises and their consultant, 571 Polson Developments, LLC.

**PASSED AND APPROVED** THIS 6th day of April 2020.

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Dan F. Agnew, Mayor

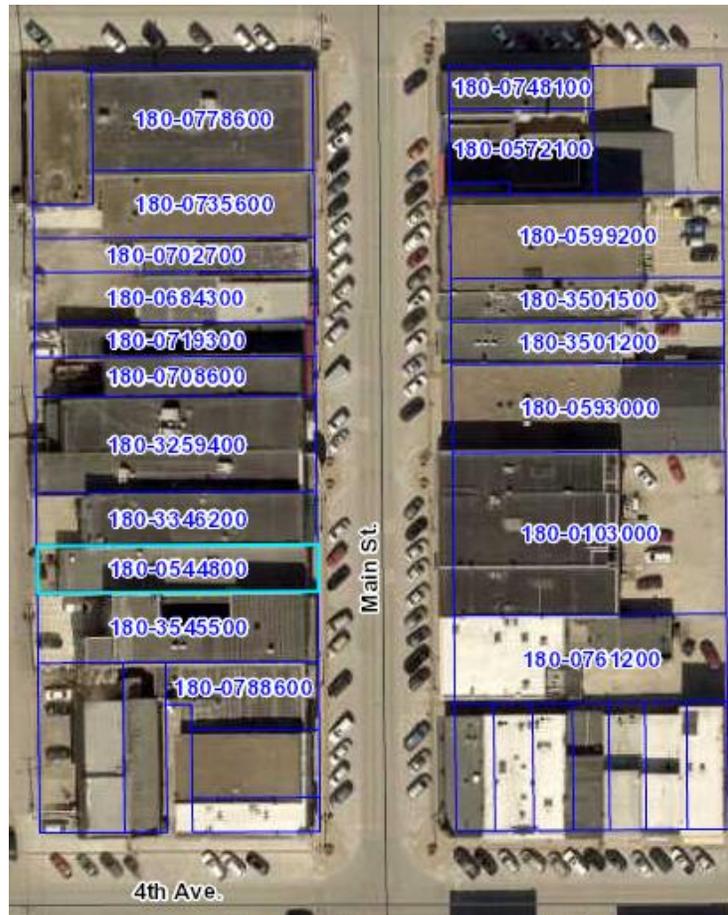
ATTEST:

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Annmarie Wingerter, City Clerk/Finance Director

## ***915 Main Street – Proposed Restaurant and Urban Plaza***

### ***Request for Iowa Community Catalyst Endorsement***



### **1. The Property**

915 Main Street (outlined in light blue) is located in Grinnell's Downtown Historic District, mid-block between 4<sup>th</sup> and 5<sup>th</sup> Avenues. The site has a 28' street frontage, is 165' deep, and comprises 4,620 SF of space. It has access both to Main Street (to the East) and the Alley (to the West). Two-storey commercial buildings are located along its North and South flankages.

## 2. The Building



Until recently, the site was occupied by a one-storey, commercial building, built in 1934. A year ago, the building which housed *La Cabana Restaurant* was destroyed by fire. What remains is a 1950's Addition to the back of the original building. The Addition, approximately 1,600 SF in size, accommodated a commercial kitchen, storage areas, and the building's HVAC systems. The Addition survived the fire virtually intact. The original building has now been cleared, creating a vacant space at Street Front, which is 28' wide and 60' deep, or approximately 1,680 SF in size.

## 3. Ownership and Tenancy

The property is under a contract to purchase by Karjalahti Enterprises, who intend to bring a new restaurant to the property.

## 4. Proposed Renovation and Reuse of 915 Main Street

Karjalahti Enterprises intend to renovate the 1950's Addition, restoring the commercial kitchen and creating an indoor dining area that can accommodate approximately 30 customers.

An outdoor plaza will be developed in the now vacant space fronting Main Street. The Plaza could accommodate another 30 - 40 customers in table seating – and many more for special events.

The Plaza would be landscaped in a mixture of pavers and natural elements. An intimate performance stage would be provided along the north side of the plaza.

The Plaza itself will be framed by:

- The renovated 1950's Addition in back,
- The two existing two-storey commercial buildings on either side; and
- An architectural façade-like feature along the street.

The architectural feature, or Frame, will allow for both:

- The continuation of the traditional *building-scape* along the Street; as well as
- A strong sense of definition and entry to the plaza.

The Plaza will contain:

- Festive Lights for evening use;
- A small stage to accommodate live events; and
- Audio-visual equipment to show films.

## 5. Urban Precedents

Developments of this type are becoming more common in America's Downtown areas. The proposed project at 915 Main Street incorporates three ideas, namely:

- The creation of a small, intimate but active urban plaza that will be well served by its associated restaurant and events programming;
- The celebration of Downtown Grinnell's historic character and charm, by restoring the broken façade pattern along the street; and
- The ideas of *turning adversity into opportunity* and of *telling the story of the fire* through an imaginative reuse of a present-day eyesore.



Examples of urban precedents considered in the formulation of the proposed concept include:



*Bacchanal in New Orleans*

Bacchanal is a specialty wine store located in New Orleans' Ninth Ward, which offers backyard barbecues presented by celebrity chefs. Bacchanal was featured on the television series, *Treme*.



*Silky O'Sullivans in Memphis*

Silky O'Sullivans offers barbecues and the blues in a historic old blues bar on Beale Street in Memphis.



*Revel Motor Show Plaza in Chicago*

The Revel Motor Show is a historic rehabilitation of a former 1920's automobile dealership. It is now being used as a conference, banquet hall, and event center. The outdoor plaza is off the street, surrounded on three sides by historic buildings, and is used for weddings, social events, and small concerts. The compactness of the space provides much of its charm.



*Bakalion in Detroit*

Bakalion is the Dionisopoulos Family's newest concept on Monroe Street in Greektown. It combines their longstanding restaurant, *The Golden Fleece*, with a Greek bakery and grocery. The sidewalk café, only 20' wide, is its most prominent feature, dramatically activating the street when open for business.



*Publico in Atlanta*

Publico on Crescent Avenue in Midtown Atlanta is a fusion taqueria which designed their grassy patio with both people and their dogs in mind. Dogs can relax with plenty of water in the soft grass and casually indulge in treats freshly made for them!

### **Iowa Economic Development Examples**

Iowa Economic Development, who administer the Community Catalyst program, have promoted these ideas in their Grant Workshops as a way of dealing with adversity in Iowa's smaller downtowns. The following photos are examples that they have shown on how cities can imaginatively respond to a break in their Downtown street pattern.



*Small Urban Plaza on a Summer Evening*



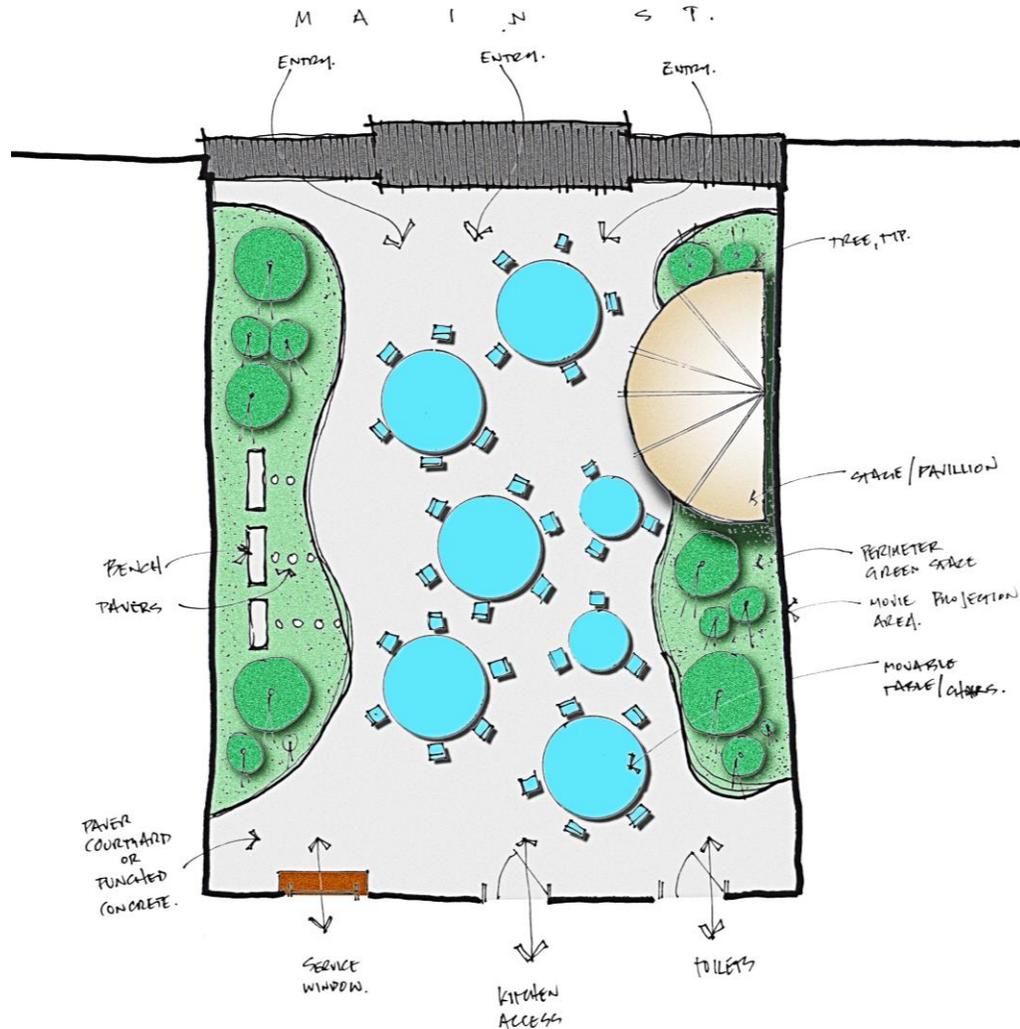
*The same plaza in Winter*



*IEDA Example of Architectural Framing for a Public Walkway*

## 6. Sketches of the Proposed Concept for 915 Main Street

The following sketches of the proposed project have been prepared by Joseph Benesh, Architect and Principal for the Ingenuity Company, a Des Moines-based consulting company.



915 Main Street  
Grinnell, Iowa  
Courtyard Infill

The Ingenuity Company  
Design Sketch • Not to Scale  
07 February 2020



The site plan contains natural landscaping set against the adjacent buildings, a paved central area that will ordinarily contain tables and chairs, and a small gazebo-like stage on one side of the plaza. The planted area contains grass turf, shrubs, and small ornamental trees. Benches are provided on the grassed area.

The architectural feature (along the street) is shown at the top of the diagram. The commercial building with new entrances is shown at the bottom of the diagram.



## **7. Iowa Community Catalyst Building Remediation Grant**

A new round of applications for the Community Catalyst grant program is now underway. In November, City Council approved the sponsorship of a Catalyst Grant at 901 Main Street, which was prepared by the author of this report. IEDA rejected that preliminary application because cities may only make one application per year and IEDA had approved an emergency grant for 915 Main Street in Grinnell in response to a prior request submitted earlier in this fiscal year.

With the grant allocation of 915 Main Street already in place, the City of Grinnell need only sponsor a proposal for redevelopment of the property and submit it to IEDA for approval. The period of funding eligibility expires at the end of this fiscal year, i.e. June 30, 2020; so, time is of the essence in terms of seeking IEDA approval.

The \$100,000 grant is to be given to the private developer for the project as a flow-through from the State to the City of Grinnell. Some form of municipal financial sponsorship is also required by IEDA.

## **8. Proposed Budget**

Karjalahti Enterprises, as a non-cash contribution, propose to act as a general contractor – a cash equivalent value for this work is included in the budget on the following page:

## Estimated Costs

<b>Land &amp; Building Acquisition</b>	<b>\$ 60,000</b>
<b>Plaza Costs</b>	
Demolition/Excavation/Fill, Strand Excavation	\$ 22,400
Storm Water, German/Strand	\$ 5,000
Utility Connections, German/Strand	\$ 5,000
Hard Landscaping @ \$12/SF, Vantomme Landscaping	\$ 12,000
Natural Landscaping, Vantomme Landscaping	\$ 3,500
Half Gazebo/Stage w/ Electric	\$ 7,500
<b>Total Plaza Costs</b>	<b>\$ 55,400</b>
<b>Building Renovation Costs</b>	
Roofing Repairs, J&M Roofing	\$ 5,000
HVAC, German Plumbing and Heating	\$ 8,500
Electrical, S&S Electric	\$ 2,000
Plumbing, German Plumbing and Heating	\$ 2,500
Exterior Renovations, Grinnell Remodeling	\$ 6,000
Interior Buildout, Grinnell Remodeling	\$ 18,000
Kitchen Renovations, Grinnell Remodeling	\$ 3,200
Design Fees & Permits	\$ 2,000
	<b>\$ 47,200</b>
<b>Urban Frame</b>	<b>\$ 20,000</b>
Subtotal - Hard Costs	<b>\$ 122,600</b>
Hard Cost Contingency @ 8%	\$ 9,808
General Contractor Costs @12%	\$ 15,889
<b>Total Hard Costs</b>	<b>\$ 148,297</b>
<b>Total Costs</b>	<b>\$ 208,297</b>

## 9. Proposed Funding Sources

Proposed funding sources are shown below:

Iowa Catalyst Grant	\$	100,000
City TIF Contribution	\$	20,000
Karjalahti Cash	\$	72,408
<b>Total Cash Sources</b>	<b>\$</b>	<b>192,408</b>
Karjalahti Non-Cash	\$	15,889
<b>Total Sources</b>	<b>\$</b>	<b>208,297</b>

## 10. IEDA Review & Request for Municipal Endorsement

The Community Catalyst Building Remediation Grant program is ordinarily competitive. In this case, the Grant is pre-approved but subject to IEDA review and acceptance. If this were a competitive application, the proposed project would score well because it:

- Is situated in a prominent Downtown location;
- Removes a visual eyesore from the street;
- Creates new employment and adds to the property assessment base;
- Replaces a 'lost' restaurant with a new one;
- Adds a uniquely new, urban space to Downtown which is capable of supporting smaller, more intimate, outdoor events; and
- Respects Historic Downtown Grinnell by providing an Architectural Frame along the street front.

As previously stated, some credible form of municipal contribution is required in the application. We are proposing that the same contribution that was approved in principle for 901 Main Street be approved for this development.

This would include the normal commercial property tax abatement offered in Downtown Grinnell and a second contribution, through the Tax Increment Financing Process, of \$20,000, which is roughly equivalent to the estimated costs of providing the Architectural Frame along Main Street.

It is, therefore, requested that the City of Grinnell:

1. Sponsor the proposed development at 915 Main Street as described in this report for application to the Iowa Community Catalyst Building Remediation grant program;
2. Authorize Karjalahti Enterprises and their consultant, 571 Polson Developments LLC, to prepare application materials for the project to be submitted with the City's permission as soon as possible;
3. Authorize Mayor Agnew to sign the Cooperative Agreement with Karjalahti Enterprises; and
4. Approve in principal the use of commercial property tax abatement and tax increment financing as described in this report in support of the project.

Respectfully Submitted



**Glenn Lyons, MCIP**  
**571 Polson Developments LLC**

**RESOLUTION NO. 2020-38**

**RESOLUTION AUTHORIZING PAYMENT IN THE AMOUNT OF \$27,256.28 FOR THE IMPROVEMENTS MADE BY DARALEE, LLC IN ACCORDANCE WITH DEVELOPMENT AGREEMENT**

WHEREAS, the City of Grinnell is committed to the promotion of economic development opportunities; and

WHEREAS, Daralee, LLC has made enhancements to the property located at 635 Lang Creek Ave per the development agreement; and

WHEREAS, City Council did approve the development agreement with Blue Stone Properties, LLC on the 29th day of November 2012 by resolution which was transferred to Daralee, LLC; and

WHEREAS, the City of Grinnell desires to attempt to help businesses during the tough conditions created by the COVID-19 event and the hardships they are experiencing as a result of actions taken by the United States and State of Iowa governments; and

WHEREAS, the City of Grinnell will monitor the impacts of the COVID-19 event and establish a course of action for future payments. Daralee, LLC should not expect payment early in 2021; and

NOW, THEREFORE, BE IT RESOLVED by the Grinnell City Council meeting in regular session this 6th day of April 2020, that the City Clerk is hereby authorized and directed to make the payment in the amount of \$27,256.28 for improvements made to Daralee, LLC.

Passed and adopted this 6<sup>th</sup> day of April 2020.

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Dan F. Agnew, Mayor

Attest:

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Annamarie Wingerter, City Clerk/Finance Director

**RESOLUTION NO. 2020-39**

**RESOLUTION AUTHORIZING PAYMENT IN THE AMOUNT OF \$3,719.35  
FOR THE IMPROVEMENTS MADE BY AJP ENTERPRISES, LLC IN  
ACCORDANCE WITH DEVELOPMENT AGREEMENT**

WHEREAS, the City of Grinnell is committed to the promotion of economic development opportunities; and

WHEREAS, AJP Enterprises, LLC has made enhancements to the property at 923 Main Street per the development agreement; and

WHEREAS, City Council did approve the development agreement with AJP Enterprises, LLC on the 30th day of January, 2018 by resolution; and

WHEREAS, the City of Grinnell desires to attempt to help businesses during the tough conditions created by the COVID-19 event and the hardships they are experiencing as a result of actions taken by the United States and State of Iowa governments; and

WHEREAS, the City of Grinnell will monitor the impacts of the COVID-19 event and establish a course of action for future payments. AJP Enterprises, LLC should not expect payment early in 2021; and

NOW, THEREFORE, BE IT RESOLVED by the Grinnell City Council meeting in regular session this 6th day of April 2020, that the City Clerk is hereby authorized and directed to make the payment in the amount of \$3,719.35 for improvements made to AJP Enterprises, LLC.

Passed and adopted this 6<sup>th</sup> day of April 2020.

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Dan F. Agnew, Mayor

Attest:

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Annmarie Wingerter, City Clerk/Finance Director

**RESOLUTION NO. 2020-40**

**RESOLUTION AUTHORIZING PAYMENT IN THE AMOUNT OF \$154,453.43  
FOR THE IMPROVEMENTS MADE BY KEY COOPERATIVE IN  
ACCORDANCE WITH DEVELOPMENT AGREEMENT**

WHEREAS, the City of Grinnell is committed to the promotion of economic development opportunities; and

WHEREAS, Key Cooperative has made enhancements to the property located at 1128 Pinder Ave per the development agreement; and

WHEREAS, City Council did approve the development agreement with Key Cooperative on the 24th day of August 2014 by resolution; and

WHEREAS, the City of Grinnell desires to attempt to help businesses during the tough conditions created by the COVID-19 event and the hardships they are experiencing as a result of actions taken by the United States and State of Iowa governments; and

WHEREAS, the City of Grinnell will monitor the impacts of the COVID-19 event and establish a course of action for future payments. Key Cooperative should not expect payment early in 2021; and

NOW, THEREFORE, BE IT RESOLVED by the Grinnell City Council meeting in regular session this 6th day of April 2020, that the City Clerk is hereby authorized and directed to make the payment in the amount of \$154,453.43 for improvements made to Key Cooperative.

Passed and adopted this 6<sup>th</sup> day of April 2020.

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Dan F. Agnew, Mayor

Attest:

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Annmarie Wingerter, City Clerk/Finance Director

## RESOLUTION NO. 2020-41

### **RESOLUTION AUTHORIZING PAYMENT IN THE AMOUNT OF \$136,200.92 FOR THE IMPROVEMENTS MADE BY GRINNELL CENTER, LLC IN ACCORDANCE WITH DEVELOPMENT AGREEMENT**

WHEREAS, the City of Grinnell is committed to the promotion of economic development opportunities; and

WHEREAS, Grinnell Center, LLC has made enhancements to the property known as Hotel Grinnell located at 925 Park Street per the development agreement; and

WHEREAS, City Council did approve the development agreement with Grinnell Center, LLC on the 6th day of September, 2016 by resolution; and

WHEREAS, the City of Grinnell desires to attempt to help businesses during the tough conditions created by the COVID-19 event and the hardships they are experiencing as a result of actions taken by the United States and State of Iowa governments; and

WHEREAS, the City of Grinnell understands that Grinnell Center, LLC may currently be in non-compliance with the provisions of the Development Agreement (Section 6.6 Employment, Section 6.8 Terms of Operation, Section 6.12 Minimum Revenue Generated by Meals, etc.); and

WHEREAS, the City of Grinnell will monitor the impacts of the COVID-19 event and establish a course of action for future payments. Grinnell Center, LLC should not expect payment early in 2021, nor should they expect leniency for any future events of default due to the City of Grinnell's actions now; and

NOW, THEREFORE, BE IT RESOLVED by the Grinnell City Council meeting in regular session this 6th day of April, 2020, that the City Clerk is hereby authorized and directed to make the payment in the amount of \$136,200.92 for improvements made to Grinnell Center, LLC.

Passed and adopted this 6<sup>th</sup> day of April, 2020.

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Dan F. Agnew, Mayor

Attest:

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Annmarie Wingerter, City Clerk/Finance Director

**RESOLUTION NO. 2020-42**

**RESOLUTION AUTHORIZING PAYMENT IN THE AMOUNT OF \$40,197.00  
FOR THE IMPROVEMENTS MADE BY CASEY'S MARKETING COMPANY IN  
ACCORDANCE WITH DEVELOPMENT AGREEMENT**

WHEREAS, the City of Grinnell is committed to the promotion of economic development opportunities; and

WHEREAS, Casey's Marketing Company has made enhancements to the property located at 635 Lang Creek Ave per the development agreement; and

WHEREAS, City Council did approve the development agreement with Casey's Marketing on the 6th day of March 2017 by resolution; and

WHEREAS, the City of Grinnell desires to attempt to help businesses during the tough conditions created by the COVID-19 event and the hardships they are experiencing as a result of actions taken by the United States and State of Iowa governments; and

WHEREAS, the City of Grinnell will monitor the impacts of the COVID-19 event and establish a course of action for future payments. Casey's Marketing Company should not expect payment early in 2021; and

NOW, THEREFORE, BE IT RESOLVED by the Grinnell City Council meeting in regular session this 6th day of April 2020, that the City Clerk is hereby authorized and directed to make the payment in the amount of \$40,197.00 for improvements made to Casey's Marketing Company.

Passed and adopted this 6<sup>th</sup> day of April 2020.

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Dan F. Agnew, Mayor

Attest:

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Annmarie Wingerter, City Clerk/Finance Director

**RESOLUTION NO. 2020-43**

**RESOLUTION AUTHORIZING PAYMENT IN THE AMOUNT OF \$30,000.00  
FOR THE IMPROVEMENTS MADE BY SEAJAE PROPERTIES, LLC IN  
ACCORDANCE WITH FORGIVABLE LOAN AGREEMENT**

WHEREAS, the City of Grinnell is committed to the promotion of economic forgivable loan opportunities; and

WHEREAS, SEAJAE Properties LLC has made enhancements to the property known as Hometown Heroes Sports Grill LLC located at 908 Main Street per the forgivable loan agreement; and

WHEREAS, City Council did approve the forgivable loan agreement with SEAJAE Properties LLC on the 14th day of November, 2019 by resolution; and

WHEREAS, the City of Grinnell desires to attempt to help businesses during the tough conditions created by the COVID-19 event and the hardships they are experiencing as a result of actions taken by the United States and State of Iowa governments; and

NOW, THEREFORE, BE IT RESOLVED by the Grinnell City Council meeting in regular session this 6th day of April, 2020, that the City Clerk is hereby authorized and directed to make the payment in the amount of \$30,000.00 for improvements made to SEAJAE Properties LLC.

Passed and adopted this 6<sup>th</sup> day of April, 2020.

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Dan F. Agnew, Mayor

Attest:

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Annmarie Wingerter, City Clerk/Finance Director

RESOLUTION NO. 2020-44

**RESOLUTION FOR MONTHLY INTERNAL TRANSFER FUNDS**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRINNELL, IOWA:

The following transfer is hereby authorized:

**FROM FUND**

001.4-950.4.6790 GENERAL - \$ 51,039.12

**TO FUND:**

003-3.410.3.4790 GENERAL LIBRARY - \$ 51,039.12

**PURPOSE OF TRANSFERS**

To generate funds for March 2020 expenses incurred by Library per budget as approved by council with city claims for April.

PASSED AND APPROVED this 6th day of April 2020.

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Dan F. Agnew, Mayor

Attest:

\_\_\_\_\_  
Annmarie Wingerter, City Clerk/Finance Director

RESOLUTION NO. 2020-45

**RESOLUTION TO TRANSFER FUNDS MONTHLY**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRINNELL, IOWA:

The following monthly transfer is hereby authorized:

**FROM:**

112 TRUST & AGENCY	Monthly Transfer	\$ 10,613.60
610 WATER	Monthly Transfer	1,277.80
620 SEWER	Monthly Transfer	1,236.01
630 STORM WATER	Monthly Transfer	178.23
670 SOLID WASTE	Monthly Transfer	1,057.74
		\$ 14,363.38

**TO:**

138 MEDICAL INSURANCE RESERVE	\$14,229.42
140 HEALTH INSURANCE ESCROW	133.96
	\$14,363.38

**PURPOSE OF TRANSFERS**

For medical insurance reserve and police/fire work comp monthly transfers as budgeted for FY20.

PASSED AND APPROVED this 6th day of April 2020.

\_\_\_\_\_  
Dan F. Agnew, Mayor

Attest:

\_\_\_\_\_  
Annmarie Wingerter, City Clerk/Finance Director

RESOLUTION NO. 2020-46

**RESOLUTION TO TRANSFER FUNDS PER BUDGET**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRINNELL, IOWA:

The following monthly transfer is hereby authorized:

**FROM:**

010 BUILDING & PLANNING	Transfer Per Budget	\$ 63,000.00
011 UTILITY FRANCHISE	Transfer Per Budget	256,712.00
110 ROAD USE TAX	Transfer Per Budget	269,625.00
121 LOCAL OPTION SALES TAX	Transfer Per Budget	1,007,096.00
125 TIF	Transfer Per Budget	2,279,290.00
136 INSURANCE DEDUCTIBLE	Transfer Per Budget	2,000.00
145 HOTEL/MOTEL TAX	Transfer Per Budget	162,500.00
200 DEBT SERVICE	Transfer Per Budget	190,000.00
610 WATER	Transfer Per Budget	134,825.00
620 SEWER	Transfer Per Budget	66,000.00
630 STORM WATER	Transfer Per Budget	60,000.00
670 SOLID WASTE	Transfer Per Budget	159,000.00
		<b>\$4,650,048.00</b>

**TO:**

001 GENERAL	\$ 225,842.00
004 CITY HALL	39,000.00
009 SPORTS AUTHORITY	25,000.00
104 WELLNESS	2,000.00
121 LOCAL OPTION SALES TAX	75,140.00
200 DEBT SERVICE	2,535,336.00
302 EAST STREET PROJECT	430,000.00
307 10TH AVENUE PROJECT	38,217.00
309 GMRC RISE PROJECT	5,013.00
315 CAPITAL LOAN NOTES FY19-20	190,000.00
316 INDOOR ACTIVITY CENTER PROJECT	50,000.00
350 AIRPORT PROJECTS	522,500.00
372 BIKE TRAIL PROJECTS	50,000.00
376 CENTRAL BUSINESS DISTRICT PROJECTS	158,000.00
377 16TH AVE CULVERT PROJECT	55,000.00
491 STREET EQUIPMENT	90,000.00
494 SANITATION EQUIPMENT	159,000.00
	<b>\$4,650,048.00</b>

**PURPOSE OF TRANSFERS**

To transfer funds where needed, as budgeted for FY20.

PASSED AND APPROVED this 6th day of April 2020.

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Dan F. Agnew, Mayor

Attest:

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Annamarie Wingerter, City Clerk/Finance Director