

July 13, 2017

Proceedings of the Zoning Commission of University Heights, Iowa, held at the City Office, 1302 Melrose Avenue, subject to approval by the Commission at a subsequent meeting. ALL VOTES ARE UNANIMOUS UNLESS OTHERWISE STATED.

Chairperson Bauer called the July 13, 2017 meeting of the University Heights Zoning Commission to order at 7:00 p.m.

Present: Zoning Commission Members: Pat Bauer, Alice Haugen, Stepheny Gahn Stuart Rosebrook and Larry Wilson. Staff present: City Attorney Ballard, City Engineer Bilskemper and Clerk Anderson. Also attending: Kathie Belgum, Mary Bennett, Bill Boyd, Steve Boyd, Carol Anne Christiansen, Lisa Cramer, Erin Crocker, Julie Damiano, Karen Drake, Kate Durda, Linda Fincham, Louise From, Jim Glasgow, Mark Greiner, Judy Hamilton, Clayton Hargrave, Lisa Haverkamp, Laura Hawks, Nick Herbold, Anna Hughes, Noah Hughes, Al Leff, Jan Leff, Dotti Maher, Scott McNaughton, Liesa Moore, Paul Moore, Mary Panther, Mike Ritchie, Melissa Roberts, Karl Robertson, Wanda Robertson, Shawn Sato, Josh Schamberger, Rich Schmidt, Erin Shriver, Greg Stiltner, Carolyn Wells, Mary Mathew Wilson, Scott Wilson, Ken Yeggy, Pat Yeggy and Jerry Zimmermann.

The June 29, 2017 minutes were approved by unanimous consent.

Process for Assessment/Collection/Distribution of Hotel/Motel Taxes & Requirements for Expenditures of Resulting Receipts:

Joshua Schamberger, President of the Iowa City & Coralville Convention and Visitors Bureau, addressed the commission on the hotel/motel taxes for the ULP proposed project.

Hotel /motel tax law in Iowa gives municipalities jurisdiction to establish the tax if there is a hotel, motel, B&B, or Airbnb in the city. The tax applies to rooms where guests stay under 31 consecutive nights; if over 31 consecutive nights, it does not. Iowa allows for a maximum 7% hotel/motel tax.

In order to enact, the city council would need to pass a resolution to hold an election and the issue passes with a simple majority vote. Taxes would be imposed beginning either January 1st or July 1st of any year, as long as the election takes place 45 days prior to either start date. The tax is remitted with the hotel/motels' quarterly sales tax returns and is then distributed to the appropriate jurisdictions on a quarterly basis. The amount distributed is not an estimate; it is the actual amount remitted.

Fifty percent of all hotel/motel distributions must be spent on tourism-related activities. The remaining fifty percent can be used as the city council deems appropriate; public safety, streets, etc. For last year, Iowa City collected \$1.1 million in hotel/motel tax collections and 50% of their distributions supported public safety and police. The remaining 50% was split between the Convention & Visitors Bureau (CVB) and the Parks & Recreation Department. Coralville received \$2.8 million in distributions and 27% was used by CVB and 40% went to their Parks & Recreation Department. North Liberty distributed 25% to CVB and 50% to their Parks & Recreation Department.

Bauer inquired if any municipality allowed the voters to specify the purposed the tax could be used for besides what state law dictates. Schamberger believes that has occurred in Marshalltown and will research an answer for the commission.

General Overview of Proposed Development: Bauer reiterated there are additional materials on the website for more information on the proposed development. Jim Glasgow, ULP developer, stated they own property to the south and west of the Flaum property. Glasgow stated he feels the proposed hotel "is one of the best uses for the property".

The proposal is to build a 140 room Marriott Courtyard, a 'high-end hotel'. The developers are building a Marriott SpringHill Suites near the south edge of the Coralridge Mall, which will be very similar in scale to the proposed development. There are several proposals for the exterior of the building and there will be down-cast lighting and subdued signage.

Glasgow stated the developers will incorporate a 22-foot strip of land on the west-side of the property for a lighted bike trail which would connect with the Iowa City bike and pedestrian trail. This path would be a buffer for properties located to the west of the development.

Glasgow stated the developers have purchased 905 Melrose Avenue and are planning to buy 909 Melrose Avenue. There would be an expanded entrance utilizing the space at 909 Melrose Avenue that would allow for a turning lane into the property. Glasgow stated there are no plans to acquire additional houses on Olive Court or to have traffic directed onto Olive Court.

City Engineer Bilskemper responded to a question about installing a traffic light at the entrance to the development. Bilskemper stated the MPOJC study predicted low traffic during off-peak hours and it would not warrant installing a traffic light.

Glasgow stated the developers would work with the Visioning Project for expanded sidewalks and streetscapes.

Bill Boyd stated the hotel will have a full-service restaurant, along with a Starbucks coffee shop and they would be open to the public.

Opening Public Input (*audio recording timestamped 1:09-1:56*): The following addressed the commission with their concerns and comments on the proposed development:

Mike Ritchie – Owner of 20 & 24 Olive Court – for the proposal
Jerry Zimmermann – 1434 Grand Avenue
Erin Crocker – 1490 Grand Avenue – against the proposal
Kathie Belgum – 104 Sunset Street – against the proposal
Karen Drake – 332 Koser Avenue – for the proposal
Mary Bennet – 1107 Muscatine Avenue – against the proposal

Per the request of council member Zimmermann, Commissioner Wilson spoke about developing a potential commercial and family housing visioning plan to consider potential locations for commercial and family housing that would fit into the city character and be beneficial to the city. Wilson suggested that council should develop a memo of expectations, outcomes and timeline through a council work session or by council committee outlining what would be expected from the visioning plan as direction for the Zoning Commission. He stated this “visioning” would be different from the Iowa’s Living Roadways Visioning project recently completed, as that was for community enhancement and not land use.

The visioning effort would look at potential land use locations, how potential developments might appear and how they might fit into the city. Wilson anticipates that the living roadways visioning committee would be engaged in the process and MPOJC would be requested to assist in developing a report. Resident input would be a very important part of the process and contributions from citizens should be gathered in a public forum.

Review of Submitted Information Concerning Matters Outlined in City Attorney’s June 30th E-mail: City Attorney Ballard e-mailed 11 items the developers needed to comment on: 1) UH Comprehensive Plan, 2) Existing Zoning Ordinance, 3) Community Visioning Project, 4) Involved Properties, 5) Compliance with Pending Ordinances, 6) Community Protection, 7) Utility Capacity, 8) Project Details, 9) Pedestrian/Bicycle Interactions, 10) Economic Impact and 11) Traffic Considerations. These items will enable Ballard to draft an ordinance that would (if approved) change the zoning for 901 Melrose Avenue. Bauer thanked the developers for responding so quickly for the requested information and to Ballard for e-mailing the list so quickly.

Ballard stated he would need to meet with the developers to review some specific items: 1) submitting information to Iowa City regarding utilities for the site, 2) submitting information to the Iowa City Fire Department, 3) clarification on ownership of the properties that are a part of the hotel development and approval of property owners that development occur, and 4) access to the site – ownership or easement.

In addition, City Engineer asked for clarification: 1) is there railroad property involved in the rezoning request, 2) lighting on the walking /bike trail, and 3) an update on Mid-American Energy discussion.

Commissioner Haugen asked for clarification on the projected hotel/motel taxes estimated by the developers. Scott Wilson, with the UI Community Credit Union, worked with several expert market appraisers to help determine information for the pro forma. Wilson stated the figures “are on a stabilized” value. Wilson stated a “rev-par” room rate was used in the calculations, which takes into account the hotel’s occupancy number. Wilson stated \$117 was used as the rev-par amount. Bill Boyd stated that rev-par takes into consideration sold and unsold rooms in its determination, which is different than daily rate for a hotel room.

Wilson asked if the developers have acquired the railroad right-of-way. Glasgow replied they are in discussions to purchase the property and are unsure if the railroad will sell to them. Wilson stated he has a concern about the development impacting the houses along Olive Court.

Wilson asked which buildings will be removed from the properties at 909 Melrose and 905 Melrose. Glasgow stated that the project as proposed envisions removing the house and the garage at 909 Melrose, but not the house at 905 Melrose.

Wilson said he appreciates the developers are wanting to save trees along the buffer but he does not feel that will be enough for a five-story hotel. Wilson also has concerns about the remaining trees surviving the building process.

Wilson asked if the developers have considered lowering the height of the hotel, which would reduce the number of parking spaces and provide more room for buffering and green space. Wilson commented the developers might consider utilizing the current house in the development. Glasgow said they would be willing to donate the house to the city and it could be moved to another property.

Wilson commented on the sensitive areas and wetlands on the property and does not anticipate any issues with the Corp of Engineers, as he does not think these areas are “linked” on the property.

Bauer said Kent Ralston, with MPOJC, is still trying to understand the building mass/scale and the façade, given the various design options Marriott allows for their hotels. Glasgow said the plan is a red brick building with limestone trimming, subdued lighting and tinted windows. Glasgow said the Marriott they are building at Coralridge Mall will be very similar in mass and scale to the proposed hotel in UHs. Bauer requested a picture and map of the proposed building.

Wilson stated he felt the proposed building is too tall in relation to the neighboring houses. Glasgow stated they were trying to have the “smallest footprint” with parking and green space and still make it a viable project. Bauer asked if the footprint was independent or dependent upon the height of the building. Glasgow replied it is tied to the number of rooms.

Commissioner Rosebrook commented on how University Heights fits in with the Iowa City community, especially along Melrose Avenue. Rosebrook feels what is being overlooked are the traffic patterns from Interstate 380, past West High School, and through the city. Rosebrook recommends conversations with Iowa City about these traffic patterns and the possible for additional traffic signals. The biggest safety concern Rosebrook sees are cars entering and exiting the property.

Bauer asked about the erosive soil and if the developers anticipated any issues on the property. Glasgow said there is some erosion down to the railroad tracks and this erosion would be redirected into a storm sewer system. Wilson said the soil survey did not indicate any highly erosive soil.

Concluding Public Input(*audio recording timestamped 2:45-3:09*) : The following addressed the commission with their concerns and comments on the proposed development:

Paul Moore – Owner of 1000-1006 Melrose Avenue – for the proposal
Anna Hughes – 1465 Grand Avenue – against the proposal
Mark Greiner – 77 Olive Court – against the proposal
Sean Soto – 46 Olive Court – against the proposal
Clayton Hargrave – 11 Glencrest Drive – for the proposal
Scott Kaeding – 909 Melrose Avenue – for the proposal
Erin Crocker – 1490 Grand Avenue – against the proposal

The next Zoning Commission meeting will be August 1, 2017, at 7:00 pm, at the Community Center.

The meeting was adjourned **by unanimous consent at 10:22 p.m.**

Attest: Christine M. Anderson, City Clerk

Approved: Pat Bauer, Chairperson