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A regular meeting of the City Council of Iola was held on February 14, 2022, at 6:00 p.m., at the Park Community Building 510 Park Avenue Iola, Kansas.

CALL MEETING TO ORDER

Mayor French called the meeting to order at 6:00 p.m.

Mayor French, Council Members Peterson, Peters, D'Albini, Wicoff, Slaugh, Kinder, and Lohman were present. Also present were Administrator Rehder, Assistant City Administrator Schinstock, and City Clerk Hutton.

REVIEW & APPROVAL OF AGENDA

Motion made by Council Member Kinder and seconded by Council Member Peters to approve the agenda as presented. All in favor. Motion carried.

APPOINTMENT

A. City Council Ward 4 Vacancy - Mayor French introduced Joelle Shallah to the Council. Ms. Shallah showed interest in the empty council seat. She has served on the Allen County Endowment Board for several years.

Motion made by Council Member Peterson and seconded by Council Member Peters to appoint Joelle Shallah to the open Council Member Ward 4 Seat for the remainder of the term. All in favor. Motion carried.

City Clerk Hutton swore Ms. Shallah in, and she took her seat at the Council table.

PUBLIC COMMENTS

Persons who wish to address the City Council regarding items on the agenda may do so as that agenda item is called. Persons who wish to address the City Council regarding items not on the agenda and under the jurisdiction of the City Council may do so when called upon by the Mayor. Comments on personnel matters and matters pending in court or with other outside tribunals are not permitted. Speakers are limited to three minutes. Any presentation is for information purposes only. No action will be taken.

No public comments were made.

CONSENT AGENDA

- A. Minutes Approval**
 - **January 24, 2022, Council Meeting**
- B. Appropriations Approval**
- C. Police Department - Seizure Report**

Council Member D'Albini inquired about the appropriation frequency for inmate housing and medical care. City Clerk Hutton noted that invoices are paid when they come in, some may be older and some are more current.

Council Member D'Albini made a motion to approve the consent agenda as presented. Motion seconded by Council Member Kinder. All in favor. Motion carried.

EXECUTIVE SESSION

A. Attorney-Client Privilege- Motion made by Council Member Kinder and seconded by Council Member Peterson to recess into Executive Session for twenty minutes pursuant to Attorney-Client Privilege, K.S.A. 75-4319(b)(2). The purpose of the executive session is to discuss contractual agreements and shall include the Mayor, Council, City Administrator, Assistant City Administrator, Code Enforcement Officer, and City Attorney. The regular meeting shall reconvene in the city council chamber at 6:25 p.m. All in favor. Motion carried.

NEW BUSINESS

A. Howard Lift Station Project - Bid Award- Mitch Phillips, Gas, Water, and Wastewater Superintendent, noted three bids were received for the Howard Pump Station Replacement Project. The bids came in lower than expected since the following discussion with various contractors. Staff determined that the existing wet well would be adequate and would only be necessary for pumps and control improvements to the sanitary sewer pump station.

Council Member Slaugh asked if the pumps replacing the old ones are compatible with the existing pumps. Mr. Phillips noted that they are consistent with the existing pumps.

Motion made by Council Member D'Albini and seconded by Council Member Kinder to accept the low bid from Environmental & Process Systems Inc. in the amount of

\$133,175.00 and authorize staff to execute the necessary documents for the project. All in favor. Motion carried.

B. Safe Base Letter of Support - Angela Henry, Safe Base Director, was in attendance to ask the Council to approve and sign the letter of support for obtaining continued funding for the Safe Base Program. The grant that Safe base is applying for is Grades 1 and 2 and K-8 for the Summer Program.

Ms. Henry reported that the program's success for 22 years has been partly due to the partnership with The City of Iola.

Motion made by Council Member Lohman and seconded by Council Member D'Albini to approve and sign the letter of support for obtaining continued funding for the Safe Base program from the Kansas State Department of Education. All in favor. Motion carried.

C. 1336 N. Walnut - Rezoning Ordinance #3504 - Code Enforcement Officer Gregg Hutton reported to the Council that the Planning Commission met and held a public hearing on January 18, 2022, to review the application from Meo Development CO., LLP. The request is for a rezoning change from R-1 single-family to R-2 two-family of the property located at 1336 N Walnut.

The Planning Commission voted 5 to 2 against the request to rezone the property.

Mayor French noted that Council had received an analysis of the seven different items from the UDC that the Governing Body should consider regarding the proposed rezoning.

Mayor French opened the public comments portion of the meeting. A few of the comments made are as follows.

Council Member Slauch requested that Rocky Meo from Meo Development give a brief background on his company.

Mr. Meo stated that his company purchases distressed properties to renovate into rental properties. The company then hires an onsite manager to oversee the property.

Council Member D'Albini asked Mr. Meo how many projects has Meo Development renovated. Mr. Meo stated that his company hires Diversified Development to do the actual renovation on the properties. Mr. Meo's son owns diversified Development.

Donna Houser informed everyone present that there were very few homes in the area when her family moved to Garfield Road over 47 years ago. The nursing home was there at that time.

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Mrs. Houser noted that while individuals did begin building homes in the area north of the nursing home, most of the original homeowners have since died or moved from the site.

Mrs. Houser noted that the City of Iola needs housing. She stated why not in our backyard. It sounds like a great idea to her.

Tami Comstock, HR Representative from Gates Manufacturing, stated that Iola needs housing to attract employees to their plant. The company is currently working on an incentive package for those employees who live miles or more from the Gates of Iola Plant. She is putting together wanted ads to attract new employees; new housing opportunities would help make the jobs look more appealing. She noted that the starting rate for new employees is approximately \$30,000.

Council Member D'Albini asked Mr. Meo what he believes the rental rate for these apartments will be.

Mr. Meo stated that he is planning on having 51 units. Each two-bedroom apartment will be approximately 700-750 square feet and will rent for roughly \$650; each one-bedroom apartment will be 450-500 square feet and will rent from \$400-\$450. These are the current market rates; they may increase before the apartments are finished.

Council Member Kinder asked Mr. Meo about additional parking spaces needed. Mr. Meo stated that a different 20 spaces would be required per code. He noted that there is enough property to add these other spaces.

Gary McIntosh of 1006 E Garfield stated that adding these apartments would also open an opportunity to older residents that have lost a spouse and need a home where they don't have to worry about maintenance. He feels that this will be helpful for the young seeking jobs at our factories and those widowed looking for less maintenance.

Kristen Weatherby of 224 S Chestnut stated that she is originally from Topeka, and when she lived there in 2009, there was a shooting just on the street behind them.

Kristen mentioned that her friends asked her where do you live in Iola? It is hard to find a rental to live in. She looks on Grow Iola frequently and just can't find any options for rentals. She hopes that the community will thrive and have younger people move back to the area. However, they need a place to live.

Mary Kay Heard of 901 N Sycamore stated that she attended the Planning Commission meeting in January and said her pros and cons of rezoning the property. Today she is going to give a history lesson.

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Years ago, the City Commission built a road to nowhere, residents complained, residents thought it was a waste of funds. Russell Stovers moved to Iola, and the road to nowhere became Marshmallow Lane. The City Commissioners knew what was best for the community's future as a whole. Now the Council needs to do what is best for the community.

Ms. Heard thanked the Council Members for their service.

Mike Ford of 1612 N Walnut stated that Gates employed over 650 people years ago. There were approximately 125 homes lost in the flood. Indeed all 125 flood homes were not owned by employees at Gates.

Mr. Ford stated that if Gates paid a wage like B&W, more people would stay if Gates treated people like B&W treats their employees, more people might work there.

Is Thrive involved in this deal? Thrive will use the old Funeral Home to house substance abuse people. They have to transition out of the property is Thrive offering a grant that will allow them to move into these apartments.

With what the Iola Register reported, Mr. Meo will invest \$5-6 million in the property and rent at the market rate. It isn't a perfect business decision for him. It will take a long time to get his money back at that rate.

He commented that several of the neighbors have visited with the council members. They did not know that Council Member Shallah would be seated tonight; therefore, they have not had the chance to discuss this matter with her. He feels that she should abstain from the vote.

Mr. Meo stated that he did not know where the \$5-6 million cost of the project discussed in the paper came from, but he plans to invest \$1.5 million.

Beverly Franklin of 814 Pryor stated that she was a Council Member for four years she knows the challenges of being a council member. She has been a building contractor for many years. It is costly to build right now. She appreciates that Mr. Meo wants to spend the money investing in Iola. She thinks these apartments will be good for Iola.

John Masterson of 423 South Sycamore, representing Iola Industries and the Iola Economic Development Committee, stated he also has friends in the neighborhood where the property in question is located. If he felt it would detriment the area, he wouldn't be here.

Mr. Masterson noted that the extra traffic issue wouldn't be a problem. The college has 100 students in a residence hall, duplexes, and Parkford Apartments. There are also 38 additional residents living in the apartment complex. There doesn't seem to be any problem

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with traffic leading onto Cottonwood Street. He feels like staff will be looking at the traffic flow as the project progresses. An onsite manager of the apartments will assure better tenants at the property.

Zach Louk of 15 W Scott works for Green Cover Seed. In April 2020, his manager tried to find a place to live. They settled into a home in Humboldt.

Many jobs are open in Iola can not be filled because people who live out of town can not find housing. College students can't move back to the area because they can't find a home, and the houses on the market are selling for \$150,000 or more. When you are a college graduate, you can't afford 20% down on the house in that price range.

Right now, this property is at the rezoning stage. Mr. Louk stated that he is going through the same thing tomorrow evening with the Planning Commission. His home is currently zoned commercial, and he wants to rezone it to residential. We are not trying to decide what will happen to the property. Mr. Meo will be guided by staff on what he does to the property.

Mr. Louk, noted as a small business owner in Iola applauds Mr. Meo for wanting to build affordable housing that will entice young people to move back home and work in Iola.

Jonathan Goering, Economic Development Director of Thrive Allen County. I want to state that Mr. Meo is not receiving any grant money from Thrive. From an economic viewpoint, this is good for the City. We may look on this day years from now, and we will say that the city council made a decision that was good for the City. He encouraged the Council to vote yes on the rezoning.

Becky Nilges of 1616 N Walnut noted that she had visited the council members before this meeting. She does not want to address all of the questions she asked in a letter sent to each one. She anticipates that the Council will get answers to those questions tonight.

She wants to make sure that the Council does not decide to right the past choices.

Your legal advice you have received is just that advice. Maybe a different attorney might have given you other advice.

Suggested that Iola Industries purchase and give the property to a developer. The developer then builds an apartment complex on Miller and Cottonwood or other open properties in Iola.

John McRae of 823 N Kentucky, when he was a commissioner with Lee Gumfory, discussed an ordinance that had to do with trucks parking on city streets. Mr. Gumfory

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stated that this is not Johnson County. We are talking about people that make a median income. Iola Industries and Thrive have no stake in this game. Individuals want to invest in Iola. How much he invests has nothing to do with it. We need housing. This decision should be made for the good of Iola.

Robert Drosselor of 1519 N Walnut Road East stated that people had invested their entire lives here, just getting where they are, paying off their property, and getting ready to retire. They don't want to see their property values decrease because of the property.

If investing in Iola is a \$300 apartment, we don't think much of Iola. We don't want to attract the kind of people that would live in this range of rent.

There are empty apartments available with the Housing Authority. WE shouldn't add to this kind of housing.

Leon Brack 1512 Northwestern stated that 60-80 people don't want the apartments in our neighborhood.

Scott Fehr of 1609 Northwestern noted that the City had not done a traffic study to assume that the extra traffic would not be a problem. What will it cost to replace the concrete road? What are the studies for the stormwater runoff with added concrete that will increase more water problems? If Northwestern Street is extended, he would like to see it widened to accommodate parking.

Judy Kramer noted that she had interviewed some of the people living in the area. Iola Housing has rules and regulations. Individuals don't want to live by the rules as well as some of them don't financially qualify to live there.

As a manager of Haldex, she knows that the overtime that Gates is utilizing is a drain on current employees and their families. They need to bring in more employees to relieve the drain on them.

Mike Larios of 717 S Sycamore stated when he moved here to work for KDOT; he couldn't find a house; he had to live in his car until he found a rental. He was able to move his family to the area. Mr. Larios and his wife own two businesses in Iola. He wants the Council to make the right choice for Iola. Rezoning the property and renovating the building into apartments could eventually lead to bigger things and possibly keep the future from leaving town.

Renee Droessler of 1519 N Walnut Road East stated that the added traffic would affect the neighborhood. Her grandchildren and her ride bikes on Walnut Street to Garfield Street to get on the trail. She wouldn't feel safe allowing her grandchildren to ride in the area of these apartments because it would attract the type of people that would live there. As an

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employee of Children and Family Services for 14 years, she has only had two raises. She wouldn't be able to afford \$300-\$600 an apartment. The people not working are young people who do not want to work, live on welfare, or sell drugs.

Council Member Lohman asked Ms. Droessler what kind of people she was referring to. Mrs. Droessler stated individuals Involved in drugs, domestic violence violators, criminals, poor character individuals.

Matt Myers of 410 N Ohio stated that he is a transplant. He had a great job offer; however, there was nowhere to live. They would have loved to move into one of these apartments. If he hadn't been able to get an apartment through a friend, he would not have taken the job.

Mayor French closed public comments.

Council Member Slauch asked Mr. Meo if he increased the size of the apartments would this make it a more profitable business with an increase in the rental amount. Mr. Meo noted that he is here to make a profit. He wants suitable, clean, respectable housing for Iola.

Mr. Meo noted that when the property was a nursing home, some of the residents had vehicles, there was staff coming and going twenty-four hours a day, and emergency vehicles. He stated that they could not control traffic; they could only follow what code enforcement requires for parking.

Mr. Meo noted that the neighborhood has a right to express its opinion. He said that he had discussed with two local realtors, and they stated that if the property were done right, it would increase the property there. Mr. Meo noted that the renderings show the outside of the building will have a more modern look.

Council Member D'Albini wondered if Mr. Meo could have held a meeting with the neighborhood before applying for the rezoning change. Mr. Meo stated that he didn't feel it was appropriate to go to the neighborhood until he completed the rezoning phase of the project.

Council Member Kinder asked Mr. Meo why he chose the property in question. Mr. Meo stated that it was a business decision. The value of the property and the potential to convert the property made it desirable.

Council Member Kinder asked if Mr. Meo would be interested in green space with possible play equipment. Mr. Meo stated that would depend on his liability of playground equipment and what the code currently says etc.

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Motion made by Council Member Slaugh and seconded by Council Member Wicoff to recess for five minutes for a break. All in favor. Motion carried.

Council Member Kinder asked about the traffic issues and if they would be addressed. Mayor French stated that staff and Mr. Meo would address parking and traffic as the permit process moves along.

Council Member Lohman stated that he had done a lot of research on the property, valuation of property with the addition of the apartments, etc. He appreciates all of the individuals that have reached out to him to discuss the pros and cons of the rezoning.

Council Member Peters stated that he appreciates the input from all of those individuals in attendance and those who have reached out to him.

Council Member Slaugh thanked the Planning Commission Members and their willingness to serve. He noted that if the Council does not vote to rezone the property, eventually the property will be condemned by the City and will have to be torn down at a cost to the city.

It seems that allowing the rezoning would improve the property and make it better. Staff will ensure that the developer will follow building codes.

Council Member Wicoff noted that he appreciates the comments. He stated that the building code rules would protect the neighborhood. The contractor has laws and codes he will have to follow.

Council Member Peterson stated that the Council has to do what is best for the city.

Council Member Shallah stated that she appreciates the opinion and the diversity of those represented here. There is a lot of passion in the room tonight, which is good for the city.

Motion made by Mayor French to approve Ordinance 3504 for the re-zoning of the property at 1336 N Walnut from R-1 to R-2. Motion seconded by Council Member Lohman. Voting in favor of the motion were Mayor French, Council Members Slaugh, Kinder, Lohman, Wicoff, D'Albini, Peters, Peterson, and Shallah. Motion carried.

COUNCIL & ADMINISTRATOR REPORTS

A. Council Member Peters -

- Council Member Peters noted that if each department head comes to a meeting to give a briefing on the department and projects needed, he would like to see all departments, including police, code enforcement, fire, and clerks office, not just the enterprise funds.

B. Council Member Lohman–

- Council Member Lohman told the group that he appreciated the crew putting the gravel in the alley behind his house. His neighbor thanked him for getting it done, which of course, he had not asked for the gravel, but crews saw it and knew it was needed.

C. Council Member D’Albini–

- Council Member D’Albini stated that he appreciated all of the opinions tonight. Hard decisions had to be made by the Council, but they were necessary for the betterment of the City.
- Council Member D’Albini informed everyone that the college would be serving Brazilian Food on March 8th from 5:30 - 6:30 p.m.

D. Council Member Peterson–

- Council Member Peterson stated that she was proud of the Council; they made a hard decision, and the Council did what was best for the city as a whole.

E. Council Member Wicoff-

- None

F. Council Member Slaugh–

- Council Member Slaugh reminded the Economic Development Committee members that a meeting is scheduled for February 22nd.
- Council Member Slaugh stated that he would like to hold a work session and schedule for March 22nd. Instead, most council members would have the work session during a regular council meeting.
- Administrator Rehder stated that on March 14th, he would have the sewer fund discussion with department heads. They will discuss the sewer lining project with the ARPA funds and future CIP projects.

G. Council Member Shallah –

- None

H. Council Member Kinder -

- None

I. Mayor French

- Mayor French reminded everyone to return their evaluation forms to Human Resources Manager Carla Garrison for Administrator Rehder's evaluation.

J. Administrator Rehder

- Assistant Administrator Schinstock reminded the group that pictures of the council would be taken at the next meeting.

DATE / TIME OF NEXT MEETING

City Council Meeting 6:00 p.m. on Monday, February 28, 2022

City Council Meeting 6:00 p.m. on Monday, March 14, 2022

8:31 p.m. Motion made by Council Member Peterson and seconded by Council Member D'Albini to adjourn the meeting. All in favor. Motion carried

It was approved by the City Council of Iola, Kansas, on the 28th day of February 2022.





Mayor Steven French



City Clerk, Roxanne Hutton