

To: City Council  
From: Matt Muckler, City Administrator  
Date: July 1, 2015 Weekly Council Update

**N. Oliphant Project:** Backfilling and grading, a final sidewalk repair, and the installation of an approach on the east side of N. Oliphant were all completed earlier this week. N. Oliphant St. has been reopened to traffic. Our remaining task on the project is to replace the storm sewer intake on the west side of the street near the entrance to Hoover Elementary School. This repair is scheduled for the beginning of next week.

**Parkside Drive Road Improvements:** Lynch's Excavating has begun work on the replacement of a culvert underneath the BP Driveway. Earlier today, the existing pavement was removed. The project is expected to be completed by Friday July 17th. Drivers are encouraged to use caution when travelling through this area while the project is underway.

**4<sup>th</sup> of July Breakfast:** American Legion Chauncey Butler Post 514 is inviting the public to an all you can eat breakfast on Saturday, July 4<sup>th</sup> from 7:00-11:00 a.m. at the Town Hall, located at 201 East Main Street. Cost for the breakfast is \$7.00 for adults and \$3.00 for children aged 5-12. Eggs, pancakes, sausage, and a drink will be served. For more information regarding the breakfast, please contact Legion Adjutant Wayne Frauenholtz at 319-930-1196.

**Independence Day Holiday:** City Offices, the West Branch Public Library, and the Parks & Recreation Department will be closed on Friday July 3rd in observance of the Independence Day Holiday. Please also note that the 1<sup>st</sup> Council Meeting in July has been cancelled and the next City Council Meeting is scheduled for Monday July 20<sup>th</sup>.

**Swim Lessons to Start on Monday July 6<sup>th</sup>:** Swim lessons start on Monday July 6<sup>th</sup>. Currently, there are around 40 children registered for swim lessons. Registration for both of the day camp weeks is still underway, but the spots are almost filled. Residents are encouraged to register right away to reserve a spot.

**2015 New Laws of Interest to Cities:** The Iowa League of Cities has released its latest edition of the *New Laws of Interest to Cities Special Report*, with the summaries of legislation that passed in the 2015 Iowa Legislative Session that impact municipalities. The report is attached for your review.

**The information provided is one-way communication and should not be discussed among you as this would be a violation of the open meeting law.**



# Iowa League of Cities

## New Laws of Interest to Cities

June 2015

**Reminder:**  
Unless otherwise noted,  
the effective date of the  
legislation is July 1, 2015.  
The text of each bill is  
accessible from the General  
Assembly’s Web site:  
[www.legis.iowa.gov/Legislation/Find/findLegislation.aspx](http://www.legis.iowa.gov/Legislation/Find/findLegislation.aspx)

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The 2015 Legislative Session of the 86th Iowa General Assembly adjourned Sine Die on Friday, June 5. The first major milestone of the session occurred in February with the passage of the gas tax. Education funding, differing budgeting principals, Medicaid managed care, mental health facility closures and school start dates were just a few of the issues that created disagreement and pushed the legislative session into June, one month and four days after the 110-day per diem expired. The session concluded with the League achieving many of its legislative goals, including legislation addressing the assessment of multi-use properties and abandoned nuisance properties. This report covers the legislative highlights and bills the legislature passed that affect cities.

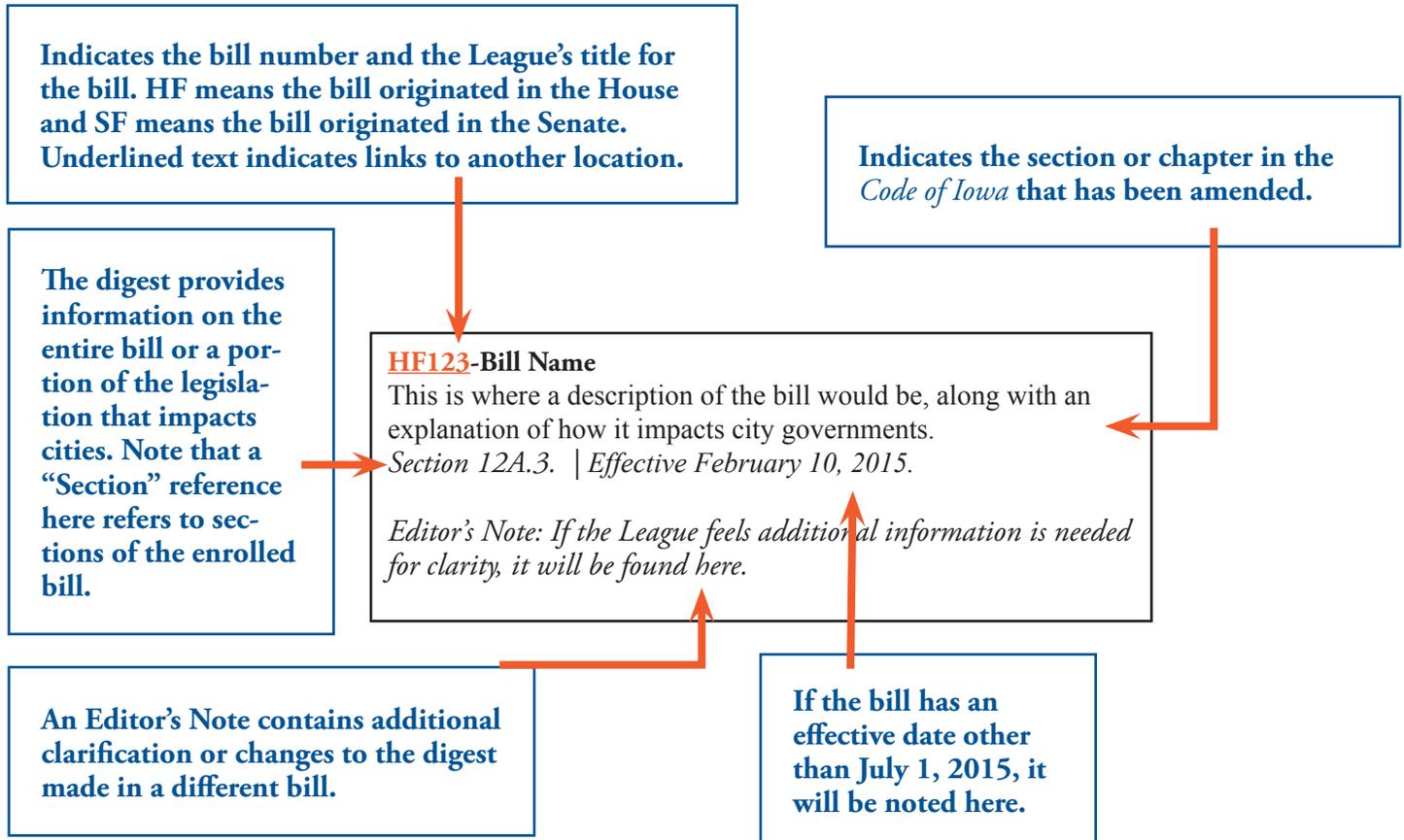
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## Reader's Guide to New Laws Summaries

This Special Report outlines legislation passed during the 2015 session that affects cities and is categorized in subject areas for easier reading. The sample entry below explains what type of information this report contains.

*Editor's Note: The report is intended as a reference guide to new laws that may interest your community. This report should not act as a substitute for the actual final enrolled legislation, nor should it substitute for advice from an attorney.*



## Outcome of Legislative Priorities

The League's Legislative Policy Committee worked over the interim to develop two major legislative priorities with several sub-categories for cities in Iowa to advocate during the 2015 Legislative Session: Local Budget Issues and Decision Making, and Economic Development and Community Vitality.

### Local Budget Issues and Decision-Making

Our citizens need and expect cities to provide safe communities and quality infrastructure, in addition to other valued services. City budgets are put under pressure to maintain or increase services and to comply with increasing regulations and mandates with fewer resources. These pressures placed on city budgets may cause difficult decisions that result in lessening the amount of services provided or increasing costs to residents. Cities cannot have an impact on those cost-drivers outside of their control and need additional resources and the ability to make decisions at the local level.

- **City Finances and Property Tax Backfill**

Diversified funding options were not addressed during the session, but the League successfully advocated for an important fix to the property tax reform law, SF295, related to multi-use properties that have multi-residential property. This issue was raised by our members during the implementation of the new reforms to the property tax laws.

There was no action taken on the property tax backfill standing appropriation this session. The backfill for commercial property tax reform continues each year unless the legislature takes action to remove the standing appropriation. The Legislature adopted a budget with lower than anticipated revenue projections and agreed upon obligations and is likely to face a similar budget next year.

- **Transportation Funding**

The League strongly and successfully supported the raising of infrastructure funding by increasing revenues to the Road Use Tax Fund (RUTF) through user fees such as a gas tax increase of 10 cents per gallon to maintain and address critical infrastructure funding needs for Iowa's roads and bridges.

- **Pensions**

Although no bills passed related to either pension system that impacts cities, the city contribution to the Municipal Fire and Police Retirement System of Iowa (MFPRSI) dropped from 30.41 percent to 27.77 percent. An increased return on investments and deferred mortality table updates contributed to this drop.

- **Environmental Regulation**

The League worked hard to raise awareness of the costly burdens of water and wastewater infrastructure development, which are needed to meet the demands of increased environmental regulation. No bills passed related specifically to environmental regulation as the League continues to work on regulatory issues outside of the Legislature, but the Legislature appropriated money that can be utilized to impact water infrastructure. Allocations from the Department of Agriculture and the Department of Natural Resources budgets and the Rebuild Iowa Infrastructure Fund appropriations bills combined to give the Iowa Department of Agriculture and Land Stewardship \$9.6 million for projects. These projects have focused on agricultural producers but also have a component related to urban water projects.

- **Public Safety**

The Legislature scooped \$4 million from the E911 fund for the development of a statewide system. The League worked to limit the amount of money used from this fund and to ensure that local enforcement agencies had access to the statewide system.

### **Economic Development and Community Vitality**

Cities are drivers and partners for economic development projects and provide services that make attractive communities. They need a supportive environment to continue to attract economic development and to provide the types of opportunities that make appealing places to live.

- **Local Economic Development Programs and Policies**

No major economic development programs or policies were impacted by legislation, but some fixes were made to the Workforce Housing Tax Credit Program that was passed during the 2014 session.

- **Community Growth**

With support from the Iowa Economic Development Authority (IEDA), the League worked to make changes to the *Code of Iowa* to address abandoned nuisance properties. This includes a loan/grant program to be developed by IEDA and expanding the Section 657A.10A process to commercial properties.

## ***Bills of Interest, by Category*** **Administration**

### *Property Tax*

#### **HF616 – Primary Use Related to Multi-Use Properties**

Strikes the “primary use” language from *Code of Iowa* Section 441.21 that was put in place by the property tax reform law, SF295, in the 2013 legislative session. Creates dual classification for properties that have three or more units of habitation, instead of determining the primary use before the tax assessment for the building.

*Amends Sections 426C, 441.21 and 441.26. | Effective June 18, 2015*

#### **HF626 – Property Assessment Appeal Board**

Extends the future repeal of the Property Assessment Appeal Board to 2021, and provides for the future repeal of the State Board of Tax Review no later than July 1, 2016.

*Amends Section 441.28. | Effective May 22, 2015*

### *Municipal Liability*

#### **HF570 – Municipal Tort Liability for Recreational Activities**

Provides an exemption from municipal tort liability for claims arising from recreational activities on municipality-controlled property. Strikes the individual activities listed in the current law and replaces them with the term “recreational activity.” This is similar to language that has been utilized in other states to provide exceptions for liability without creating a list of specific activities.

*Amends Sections 670.4.*

### *Open Meetings Open Records*

#### **SF457 – Access to Closed Sessions by the State Ombudsman**

Allows the State Ombudsman to access the minutes and audio records of a city council closed session without obtaining a court order when such examination is relevant to an investigation under *Code of Iowa* Chapter 2C and the information sought is not available through other reasonable means.

*Amends Section 21.5.*

#### **HF550 – Contact Information for Elected Officials**

Requires the publication on the Internet of contact information for elected public officials. Specifically, requires the governmental entity that the public official serves to designate contact information for the public official that will be posted on the governmental entity’s Web site if the entity has one. A city that does not already have a Web site does not need to create one to post the contact information. Information may be either a phone number or e-mail address.

*Amends Section 70A.40.*

**SF435 – Public Access to Data Processing Software**

Allows a government body to control data processing software developed by nongovernmental bodies, requires a government body to allow access to electronic records and allows the government body to charge appropriate fees. Provides protection to county auditors for certain data mining activities that have occurred over several years.

*Amends Sections 22.2, 22.3A and 22.7.*

**Public Hearings**

**HF660 – Public Hearing for Franchise Fee**

Requires that a city hold a public hearing before adopting or amending an ordinance imposing a franchise fee or increase to the rate of the fee. Also, requires that notice of the hearing be published at least once, not less than four nor more than 20 days before the date of the hearing, and that the publication must be in a newspaper published at least once weekly and having general circulation in the city. Does not impact the ability for a city to have a franchise fee or to increase the fee.

*Amends Section 364.2.*

**Zoning and Land Use**

**HF655 – Cell Tower Siting/Broadband**

Regulates the application process for the siting of cellular tower infrastructure and creates a 10-year property tax exemption for new broadband infrastructure in underserved areas. The 10-year property tax exemption is available to broadband providers until July 2020. The goal of the cell tower siting language in the bill is to provide a standard set of regulations in relation to wireless broadband deployment. The language specifically targets the deployment of new towers and other activities that were not included in the Federal Communications Commission’s Report and Order from October 2014 that addressed substantial modification and collocation.

*Editors Note: HF655 is reviewed in detail in Appendix A. | Effective June 22, 2015*

**Public Works**

**Transportation**

**SF257 – Gas Tax Increase**

Increases the state gas tax by 10 cents per gallon. This is estimated to provide \$215 million additional revenue to the Road Use Tax Fund (RUTF), from which cities receive per capita distributions to pay for the construction, repair and maintenance of road infrastructure.

*Amends Section 452A.3. | Effective February 25, 2015*

**Solid Waste**

**HF266 – Yard Waste in Landfill**

Allows sanitary landfills to accept yard waste if the landfill operates a methane collection system that produces energy.

*Amends Section 455D.9.*

**HF544 – Waste Conversion Technologies**

Defines “waste conversion technologies” and allows the permitting of waste conversion technologies such as anaerobic digestion, plasma gasification and pyrolysis.

*Amends Sections 455B.301 and 455D.15A.*

*Utilities*

**HF507 – Delinquent Sewer Accounts**

Allows wastewater providers, who do not also provide water services, to contract with water providers to allow the water provider to discontinue service to a customer who has a delinquent sewer account. Allows cutoff only for new customers, not existing customers that have already entered into a contract.

*Amends Section 384.84.*

**HF585 – Address Confidentiality Program**

Establishes an address confidentiality program in the Office of the Secretary of State for a victim of domestic abuse, assault, sexual abuse, stalking, and human trafficking.

*Amends Section 9.8 and creates new Chapter 9E.*

**HF607 – Public Utility Crossings**

Expands the definition of a public utility for purposes of provisions governing public utility crossings of railroad rights-of-way. Expanding the definition of “public utility” to include “electric transmission owner” and places electric transmission owners under Iowa Utility Board’s rules that govern the relationship and responsibilities of utilities and railroads when a utility’s facilities are within a railroad right-of-way.

*Amends Sections 476.27. | Effective June 18, 2015*

*Public Safety*

**HF651 – E911**

Deals with expenditure of moneys in the E911 Emergency Communications Fund and increases the percentage allocated from the total amount of surcharge generated per calendar quarter from 46 percent to 58 percent. Further requires that the remaining surplus be used to fund future network and public safety answering point improvements that are for the receipt and disposition of 911 calls. In addition, takes \$4 million from the E911 fund and includes a provision that a statewide system not be built over a local system where available. Silent on local access, but the Department of Public Safety has confirmed local departments will have access to the system.

*Creates Section 29C.23 and Amends Section 34A.7A. | Effective upon enactment, not yet signed by Governor*

**HF227 – Strip Searches in a Municipal Holding Facility**

Specifies when a person who is in a county jail or municipal holding facility may be subject to a visual strip search or a strip search.

*Creates Section 702.24 and Amends Section 804.30.*

### *Economic Development*

#### **SF499 – Iowa Economic Development Authority Omnibus Bill - Abandoned Nuisance Properties**

Includes language that helps cities address abandoned nuisance properties: properties that the owner no longer wants and are expensive to clean up. Division VI of the bill creates a loan program under IEDA for cities to access low-interest capital to address these properties, provides additional due process and enhanced notification to the property owner, and also extends the current process under *Code* Section 657A.10A to purely commercial properties - such as abandoned gas stations and warehouses.

*Amends Section 657A.10A.*

#### **HF615 – Rural Improvement Zones**

Relates to the establishment, operation and dissolution of rural improvement zones under *Code* Chapter 357H by giving the Board of Supervisors of a county the power to approve or deny applications for Rural Improvement Zones (RIZs), requiring the RIZ petitions include engineer reports with specific information to justify the need for a RIZ, and establishing public hearing guidelines, division of revenue from taxes guidelines, and a process for the dissolution or renewal of a RIZ.

*Amends Chapter 357H.*

#### **HF650 – Rebuild Iowa Infrastructure Fund**

*Section 5(a)* appropriates \$5 million to the Community Attraction and Tourism (CAT) Grants fund. The CAT fund is one of three funds that comprise the Vision Iowa Program. The CAT fund was created to assist projects that will provide recreational, cultural, entertainment and educational attractions.

*Section 4(a)* appropriates \$1 million to the Iowa Great Places Fund. The Iowa Great Places Fund seeks to have a transformative impact on community vitality and quality of life for Iowans.

### *Standing Appropriations*

#### **SF510 – Standings Bill**

*Division 1, Section 2(1)* Appropriates \$416,702 for FY 2015-2016 for operational support grants and community cultural grants under Section 99F.11.

*Division 1, Section 3(1)* Appropriates \$208,351 for FY 2016-2017 for operational support grants and community cultural grants under Section 99F.11.

*Division XVI – Residential Swimming Pools* – Requires the Department of Public Health to regulate residential swimming pools used for private swimming lessons. A residential swimming pool is deemed to be used for commercial purposes if the residential swimming pool is used for private swimming lessons for up to 270 hours per month, or the number of hours prescribed by local ordinance, whichever is greater.

*Division XXI* – Workforce Housing Tax Incentives Program – Amends certain provisions of the program that was created along with the High Quality Jobs Program, and creates a 10 percent buffer if there is an overage on costs per unit. This will assist developers as they work to revitalize core neighborhoods. Provides the IEDA with discretion to approve, modify or revoke a tax credit under the program based upon whether a project incurred costs exceeding the amount submitted in the project’s initial application to the IEDA. Applies retroactively to May 30, 2014, and allows a redevelopment tax credit project to receive an extension upon recommendation of the IEDA council and board.

*Division XXIV* – Public Improvement Location and Unused Portion of Condemned Property – Amends Section 6B.2C to require governing bodies to approve a preliminary or final route for a public improvement prior to utilizing eminent domain authority. Also, requires governing body to offer for sale the unused portion of land that is acquired under eminent domain with procedures for that sale set forth in the new law.

## **Appendix**

### **HF655 – Cell Tower Siting**

Division I of HF655 regulates the application process for the siting of cellular tower infrastructure. The goal of the cell tower siting language is to provide a standard set of regulations in relation to wireless broadband deployment. The Federal Communications Commission (FCC) put forth an Order in October 2014 that impacted placements that were collocated and set standards for applications that would be under the created definition of substantial modification. HF655 further adds to these protections for the wireless industry and impacts cities’ ability to regulate new towers and placements that go beyond the FCC definition of substantial modification.

#### ***Section 2 – Definitions***

- Provides many definitions including for existing towers, utility poles, transmission equipment, wireless support structure and collocation.
- Definitions for collocation and substantial change are essentially the same as the federal definition provided by the FCC Report and Order from October 2014.

#### ***Section 3 – Uniform Rules and Limitations – Applications***

- Sets forth in *Code of Iowa* protections that are already in place from federal statutes and regulations.
- Cities are not allowed to require wireless communications applicants to submit information about, or evaluate an applicant’s business decisions with respect to, the applicant’s designed service, customer demand for service, or quality of the applicant’s service to or from a particular area or site, but may require propagation maps solely for the purpose of identifying the location of the coverage or capacity gap or need for applications for new towers in an area zoned residential.
- Cities may not evaluate applications based upon other potential locations or require the wireless applicants to establish other options for collocation instead of construction of a new tower. However, cities may require the applicant to provide an

explanation for the proposed location and shall include a sworn statement from the individual responsible for the application.

- Cities may not dictate the type of transmission equipment or technology to be used by the applicant or discriminate between different types of infrastructure or technology. However, Section 8 provides for protection of places like historically significant areas and airport zones.
- The application and consulting fees for review are restricted to actual and reasonable administrative costs and are capped at \$500 for an eligible facilities request and \$3,000 for a new tower.

#### ***Section 4 – Uniform Rules – New Tower Applications***

- Cities must make a decision on an application within 150 calendar days of receiving an application but can notify an applicant of deficiencies in the application within 30 days to toll the 150 day timeframe.
- Lack of action on the application within the proper timeframes deems the application approved.
- Either aggrieved party may bring an action in any court of competent jurisdiction.

#### ***Section 5 – Uniform Rules for Certain Changes***

- Section relates to applications that do not fit within the federal protection for collocation or substantial change, or as a new tower.
- Cities must make a decision on an application within 90 calendar days of receiving an application but can notify an applicant of deficiencies in the application within 30 days to toll the 90 day timeframe.
- Lack of action on the application within the proper timeframes deems the application approved.
- Either aggrieved party may bring an action in any court of competent jurisdiction.

#### ***Section 6 – Use of Public Lands for Towers and Transmission Equipment***

- Sets parameters on proprietary leases on public lands but does not define public lands.
- Requires offering market rate for a lease of at least 20 years.
- Provides a process using third-party appraisers to set a market rate if the city and wireless communications provider cannot come to an agreement on the market value of the lease rate.

#### ***Section 7 – Utility Poles***

- Cities shall not regulate the use of transmission equipment on a utility pole.
- Does not impact proprietary leasing outside of requirements set forth in Section 6.

#### ***Section 8 – Application and Construction***

- Provides protections for applications near airports and in historically significant areas/landmarks.

#### ***Section 9 – Repeal***

- Sunset for these provisions for July 1, 2020.

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